

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WHITEWING TRAILS HOMEOWNER’S ASSOCIATION, INC.**

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

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WHITEWING TRAILS HOMEOWNER’S ASSOCIATION, INC., (as may be amended from time to time, the “Declaration”) is made by, MM Princeton 854, LLC, a Texas limited liability company (“Declarant”).

WITNESSETH:

Declarant, as the owner of the real property described in Exhibit A, intends by recording this Declaration in the Official Public Records of Collin County, Texas, to create a general plan of development for a single-family home planned community known or to be known as the “Whitewing Trails” (the “Subdivision”), which Subdivision specifically excludes the tract of land described on Exhibit A-1 attached hereto (the “Fire Station Site”) and the tract of land described on Exhibit A-3 attached hereto (“Outparcel Site”), which Fire Station Site and Outparcel Site are owned by the City of Princeton, Texas. Declarant is also owner of the real property described on Exhibit A-2, herein defined as included in the “Restricted Outparcels.” This Declaration provides for the overall development, administration, maintenance, and preservation of the real property now and hereafter comprising the Property (as hereinafter defined) and to establish architectural review and controls with respect to the Restricted Outparcels in accordance with the terms of Section 3.8 hereof. An integral part of the development plan is the creation of Whitewing Trails Homeowner’s Association, Inc., a Texas non-profit corporation, or other named non-profit corporation formed to perform the duties of the “Association” hereunder, whose members shall be all owners of real property subject to this Declaration, to own, operate, and/or maintain various common areas and community improvements (herein referred to as the “Common Properties”, and as more particularly defined below) and to administer and enforce the covenants, conditions, restrictions, and easements set forth in this Declaration.

NOW, THEREFORE, Declarant hereby declares that the property described in Exhibit A, and any additional property which is subjected to this Declaration in the future in accordance with Article XIV of this Declaration, shall be owned, conveyed, used, occupied and otherwise encumbered subject to this Declaration, which shall run with the title to such property. This Declaration shall be binding upon all Persons having any right, title, or interest in any portion of the Property, their heirs, successors, successors-in-title, and assigns.

ARTICLE I DEFINITIONS

The terms used in this Declaration are intended to have their normal, commonly understood definitions, unless otherwise specified. In order to minimize repetition, avoid confusion, and explain key concepts, some terms are capitalized to indicate they have special definitions. Whenever used in capitalized form, those terms have the following meanings:

(a) “Architectural Control Committee” and/or “ACC” shall mean and refer to the architectural review body for the Property, as described in Article III. During the Declarant Control Period (as defined below), the Declarant shall have the sole right to appoint and remove members of the ACC or may reserve the rights of the ACC and perform for the ACC (directly or through its designee) as the “Reviewer” (as such term is defined in Section 3.1(d) hereof). Other certain Declarant rights may exist and Members appointed by Declarant need not be Owners or Members.

(b) “Association” shall mean and refer to Whitewing Trails Homeowner’s Association, Inc., a Texas non-profit corporation, or other non-profit corporation formed by the Declarant to perform the duties of the “Association” hereunder, and which shall have the right to enforce this Declaration.

(c) “Board of Directors” or “Board” shall mean and refer to the body selected as provided in the Bylaws, being responsible for the general governance and administration of the Association and this Declaration. The initial Board shall be those individuals set forth in the Certificate of Formation for the Association and, during the time of Declarant control, the Declarant has the right to appoint and remove all Directors to the Board, provided that prior to the date which is the earlier of (i) one hundred-twenty (120) days after seventy-five (75%) of the Lots have been sold to non-Declarant Owners, or (ii) ten (10) years from the date on which the Declaration is recorded, at least 1/3 of the directors serving on the Board shall be person(s) elected by a majority vote of Class A Members at a meeting of the members at which quorum is present. Each Director, other than Directors appointed by Declarant, shall be a Member and resident, or in the case of corporate or partnership ownership of a Lot, a duly authorized agent or representative of the corporate or partnership Owner. The corporate, or partnership Owner shall be designated as the Director in all correspondence or other documentation setting forth the names of the Directors.

(d) “Builder” shall mean and refer to any person or entity who has acquired a Lot or Lots for the purpose of constructing a residence thereon for later sale to consumers.

(e) “Bylaws” shall mean and refer to the Bylaws of the Association, approved by the Board of Directors, as may be amended from time to time.

(f) “Common Properties” shall mean all real property (including improvements thereon) now or hereafter owned, leased or controlled by the Association, or to which the Association holds possessory or use rights, for the common use and enjoyment of the Owners (hereinafter defined) including, but not limited to such property which may be: (i) conveyed to the Association in fee simple title, (ii) leased to the Association, (iii) landscape or maintenance easements granted or dedicated to the Association by plat or other written instrument, (iv) retention

ponds within the Property, and (vi) any other real property or improvement the Association, at the sole discretion of the Board, decides to maintain.

(g) “Community-Wide Standard” shall mean the standard of conduct, maintenance and appearance, including landscaping, generally prevailing throughout the Property or the minimum standards established pursuant to the Design Guidelines, Rules and Board resolutions, whichever is the highest standard. Declarant initially shall establish such standard and the Association, through its Board, shall ensure that the Community-Wide Standard established by the Declaration for the Property shall continue after the termination or expiration of the Class B membership. The Community-Wide Standard may contain objective elements, such as specific lawn or house maintenance requirements, and subjective elements, such as matters subject to the Board’s discretion.

The Community-Wide Standard may or may not be in writing and are subject to the enforcement rules and regulations of this Declaration or any policy adopted by the Association to include fines for non-compliance or self-help remedies. The Community-Wide Standard may evolve as development progresses and as the Property changes. The Community-Wide Standard shall not fall below the level established for the Property as of the date the Class B membership terminates or expires. The Community-Wide Standard shall have the right to objectively govern certain aesthetics as well as the use and placement of certain items within the community such as but, not limited to, portable basketball goals, playsets, sports equipment, yard lights or decorations, and yard furniture or any temporary or permanent structure. **Failure of an Owner to uphold the Community Wide Standard or failure to abate any violation given as a breach of a Community Wide Standard will be treated the same as any other violation of the Declaration, Bylaws and any rules, regulations, and policies of the Association.**

(h) “County” shall mean and refer to Collin County, Texas, in which the Property is located, as the context may require.

(i) “Declarant” shall mean and refer to not only MM Princeton 854, LLC, a Texas limited liability company, but also any successor, alternate or additional Declarant as appointed by MM Princeton 854, LLC, as successor, alternate or additional Declarant by written instrument, filed of record in the office of the County Clerk, specifically setting forth that such successor, alternate or additional Declarant is to have, in whole or in part, together with MM Princeton 854, LLC, the Declarant rights, duties, obligations and responsibilities for all or a specific portion or Phase of the Property. The term “Declarant” shall not include any person or entity that purchases a Lot from Declarant unless such purchaser is specifically assigned, by a separate recorded instrument, some or all of the Declarant rights under this Declaration as to the conveyed property.

(j) “Declarant Control Period” means that period of time during which Declarant controls the operation and management of the Association, pursuant to **Exhibit B** of this Declaration.

(k) “Design Guidelines” shall mean and refer to the design standards and guidelines adopted by the Declarant, as may be amended in accordance with Article III, representing the minimum specifications for the construction of all residences, additions to such residences, and other improvements associated with each residence including, without limitation, other structures

or improvements located on a residential Lot, and the minimum requirements for landscaping to be installed and maintained on each Lot. The Design Guidelines are an integral part of this Declaration and the development plan of the Property and/or Subdivision. The initial Design Guidelines are attached hereto as **Exhibit C**. All Builders and prospective Owners or those desirous of constructing a residence on a Lot are strongly encouraged to obtain a current copy of the Design Guidelines prior to preparing plans and specifications for submission to the Architectural Control Committee for approval.

(l) “**Development Period**” means a period commencing on the date of recordation of this Declaration in the County real property records, and ending on the date that is the earlier of (i) fifty (50) years after the date this Declaration is recorded, or (ii) the date on which Declarant records a written notice of termination of the Development Period in the County real property records, and during which Declarant has certain rights pursuant to **Exhibit B** hereto. The Development Period is for a term of years and does not require that Declarant own land described in **Exhibit A**. Declarant may terminate the Development Period at any time by recording a notice of termination in the County real property records.

(m) “**Final Plat**” shall mean, initially, the map or plat of the Property or any portion thereof, and recorded in the Plat Records of Collin County, Texas, and any future recorded subdivision maps or plats covering any portion of the Property or additional real property made subject to this Declaration, as such Final Plats may be amended from time to time.

(n) “**Fire Station Site**” shall mean and refer to that certain 3.006± acre tract of land described and/or depicted on **Exhibit A-1** attached hereto.

The Property affected by this Declaration is in the vicinity of a fire station. The location of the fire station in the vicinity of the Property will create noise and traffic disruptions, among other adverse conditions. While the Association retains certain architectural review and controls related to the exterior design and/or construction of improvements within the Fire Station Site, neither the Association, nor the Declarant, nor the ACC, or any of its officers, directors, managers, members, or constituent parties (the “Association Related Parties”) have any control over the use of the Fire Station Site by the owner thereof or creation of any adverse conditions thereon. Each Owner by acceptance of title to a Lot acknowledges it has been advised of the location of the fire station in the vicinity of the Property and waives any claims against the Association Related Parties with respect to the Fire Station Site.

(o) “**Governing Documents**” means, singly or collectively as the case may be, this Declaration, the Final Plat, the Bylaws, the Association's certificate of formation, and rules, regulations, and policies of the Association, as any of these may be adopted and/or amended from time to time. An appendix, exhibit, schedule, or certification accompanying a Governing Document is a part of that Governing Document. All Governing Documents are to be recorded in every county in which all or a portion of the Property is located. The Governing Documents are Dedicatory Instruments as defined in Texas Property Code Section 202.

(p) "Lot" shall mean and refer to any one (1) of the enumerated plots or tracts of land shown upon a Final Plat, and "Lots" shall mean and refer to more than one (1) of same; provided, however, Common Properties shall in no event be treated as "Lot" for purposes of this Declaration, and are hereby specifically excluded from the term "Lot" as used hereunder.

(q) "Member" shall mean and refer to a member of the Association, as described in Article VIII.

(r) "Multi-Family Site" shall mean and refer to that certain 20.106± acre tract of land described and/or depicted on Exhibit A-2 attached hereto.

The Property affected by this Declaration is in the vicinity of a multi-family or apartment development. The location of a multi-family or apartment development in the vicinity of the Property will create noise and traffic disruptions, among other adverse conditions. While the Association retains certain architectural review and controls related to the exterior design and/or construction of improvements within the Multi-Family Site, Association Related Parties have no control over the use of the Multi-Family Site by the owner thereof or creation of any adverse conditions thereon. Each Owner by acceptance of title to a Lot acknowledges it has been advised of the location of a multi-family or apartment development in the vicinity of the Property and waives any claims against the Association Related Parties with respect to the Multi-Family Site.

(s) "Outparcel Site" shall mean and refer to that certain 6.314± acre tract of land described and/or depicted on Exhibit A-3 attached hereto.

The Property affected by this Declaration is in the vicinity of a retail or commercial development. The location of a retail or commercial development in the vicinity of the Property will create noise and traffic disruptions, among other adverse conditions. While the Association retains certain architectural review and controls related to the exterior design and/or construction of improvements within the Outparcel Site, Association Related Parties have no control over the use of the Outparcel Site by the owner thereof or creation of any adverse conditions thereon. Each Owner by acceptance of title to a Lot acknowledges it has been advised of the location of a retail or commercial development in the vicinity of the Property and waives any claims against the Association Related Parties with respect to the Outparcel Site.

(t) "Owner" shall mean and refer to each and every person or business entity (whether one or more), including Declarant (so long as applicable), that is a record owner of a fee or undivided fee interest in any Lot; provided, however, that (i) the term "Owner" or "Owners" shall not include any person or entity who holds a bona fide lien or interest in a Lot as security merely for the performance of an obligation (specifically including, but not limited to, any mortgagee or trustee under a mortgage or deed of trust) unless and until such mortgagee, beneficiary or trustee has acquired title to such Lot pursuant to foreclosure or any proceeding in lieu thereof; and (ii) with respect to any matter requiring the vote, consent, approval or other action of an Owner, each Lot shall be entitled to only one (1) vote except as provided for in Section 8.2 and Section 15.6 herein.

(u) “Phase” shall mean and refer to each separately developed residential area or addition as set forth and more fully described on a Final Plat depicting real property that has been subjected to the Declaration.

(v) “Property” shall mean and refer to the real property described on **Exhibit A**, any improvements now or hereafter situated thereon, and any and all additional real property (and the improvements thereon) which Declarant hereafter subjects to this Declaration, in accordance with Article XIV hereof. The Property shall not include the Fire Station Site, the Multi-Family Site or the Outparcel Site; however, the Multi-Family Site and any other tract of land designated within the Property by Declarant pursuant to any Supplemental Declaration hereafter filed in the Official Public Records of Collin County, Texas, for commercial, retail, restaurant, or multi-family use and part of the “Restricted Outparcels” shall each be subject to the architectural review and control requirements of Article III hereof, as more specifically set forth in Section 3.8 hereof.

(w) “Supplemental Declaration” shall mean a recorded instrument which accomplishes one or more of the following purposes: (i) subjects additional real property to this Declaration, or (ii) imposes, expressly or by reference, additional restrictions, covenants, easements and/or rights and obligations on the land described.

ARTICLE II CONSTRUCTION OF IMPROVEMENTS AND USE OF LOTS

Section 2.1 Residential Use.

The Property shall be used for single-family residential purposes and home office only and accessory uses. No building or other structure shall be erected, altered, placed or permitted to remain on any Lot other than one (1) detached single-family residence per Lot, which residence may not exceed the height set forth in any city of Princeton ordinance or this Declaration, and a private garage as provided below. Any building or structure to be placed or constructed on a Lot is subject to approval in writing by the Architectural Control Committee under Article III. Other detached structures such as garages, shops, storage, mother-in-law, guest or maid quarters, shall require the prior written consent of the Architectural Control Committee. As noted in Section 2.2.1 below, no short-term rentals or leases of any kind are allowed.

Section 2.2 Single-Family Use.

Except as otherwise provided in this Section 2.2, (i) each single family residence may be occupied only by persons living and cooking together as a single housekeeping unit, together with any household employees, and (ii) except for families consisting of persons related by blood, adoption, or marriage (a “Family Unit”), no more than two persons per bedroom may occupy the same residence on a regular and consistent basis.

Section 2.2.1 Leasing. No more than ten percent (10%) of the residences within the Subdivision may be leased to a non-Owner occupant at any given time without the express written consent and approval of the Board, which may be withheld in the Board’s sole and absolute discretion. The Board may grant a variance of this use restriction on a case by case basis at the

sole and absolute discretion of the Board. An Owner must complete an application and deliver a the application and a copy of any proposed lease for approval by the Board as a condition to the effectiveness of such lease, and any proposed lease must include a requirement that the tenant and any occupants of a residence by such lease fully comply with the terms of this Declaration.

Owners who rent or lease their residence are required to execute a written lease agreement, signed by the tenant and a copy provided to the Association prior to the tenant's possession of the residence. Notwithstanding the foregoing, during the Declarant Control Period, this Section may not be enforced without the express written consent of Declarant. Any lease allowed by Declarant during the Declarant Control Period shall not be counted as part of the ten percent (10%) maximum hereunder as long as Owner can provide a valid signed lease with a start date prior to the end of the Declarant Control Period. The lease shall contain, at minimum, the following (the "Required Lease Terms"):

- a. *Term of Lease.* Initial term of the lease shall not be less than one (1) year.
- b. *Entire Residence.* The property leased includes the entire residence. **No short-term leasing, bed and breakfast, vacation or house swapping rentals or leasing is allowed.**
- c. *Single Family.* Lease is restricted to single family per Section 2.2 above. Owner shall provide to the Association or its managing agent the names and contact information for the tenants.
- d. *Abide by Rules.* The Owner must make available to the tenant copies of the Governing Documents as described in Article 1, Section (i) and all amendments thereto. Tenant must agree to abide by all Association rules, regulations, and policies, and must acknowledge that failure to do so may constitute a default under the lease terms and agreement. Owner must obtain a signed acknowledgment from the tenant that this section of the CCR's has been explained in detail.
- e. *Assignment.* No assignment or sub leasing is allowed.
- f. *Renter's Insurance Required.* Tenant must carry renter's insurance.
- g. *Owner Responsibility.* Owner shall be responsible at all times for his tenant, all occupants and guests. The maintenance and upkeep of the residence and Lot shall be borne by the Owner. Should the tenant violate a rule, regulation, or policy, and a violation notice or Notice of Fine is sent, the Owner shall be responsible for ensuring the tenant's compliance and ensuring the violation is immediately abated. Should a fine for non-compliance result, the Owner shall be responsible for payment to the Association for all fines or any monetary expense the Association may incur for the enforcement and abatement of a violation. Fine(s) will be levied against the Owner's account for payment to the Association and shall be subject to collections as may be set forth in this Declaration or any existing collection policy of the Association which may be adopted at any time and from time to time.

Whether or not it is so stated in a lease, every lease is subject to this Declaration and any rules, regulations, design guidelines or other dedicatory instruments promulgated hereunder. An Owner is responsible for providing its tenant with copies of this Declaration, and any and all rules, regulations, design guidelines or other dedicatory instruments promulgated hereunder, and notifying its tenant of changes thereto. Failure by the tenant or his invitees to comply with this Declaration and any rules, regulations, design guidelines or other dedicatory instruments

promulgated hereunder is deemed to be a default under the lease. When the Association notifies an Owner of its tenant's violation, the Owner will promptly obtain his tenant's compliance or exercise its rights as a landlord for tenant's breach of lease. If the tenant's violation continues or is repeated, and if the Owner is unable, unwilling, or unavailable to obtain his tenant's compliance, then the Association has the power and right (but is not obligated) to pursue the remedies of a landlord under the lease or state law for the default, including eviction of the tenant. THE OWNER OF A LEASED LOT IS LIABLE TO THE ASSOCIATION FOR ANY EXPENSES INCURRED BY THE ASSOCIATION IN CONNECTION WITH ENFORCEMENT OF THIS DECLARATION, AND ANY AND ALL RULES, REGULATIONS, DESIGN GUIDELINES OR OTHER DEDICATORY INSTRUMENTS PROMULGATED HEREUNDER AGAINST HIS TENANT. The Board may reject any proposed lease that would result in more than twenty percent (20%) of the residences in the Subdivision being leased to non-Owner occupants or which fail to include the Required Lease Terms. Notwithstanding the foregoing or anything to the contrary contained herein, during the Declarant Control Period, neither Declarant nor any Builder shall be subject to the leasing restriction contained in this Section 2.5(p) with respect to any Lot owned by Builder, and Lots owned by Builder or Declarant during the Declarant Control Period that are leased by Declarant or such Builder shall not be accounted for in determining the twenty percent (20%) cap on leased residences in the Subdivision. The Association is not liable to the Owner for any damages, including lost rents, suffered by the Owner in relation to the Association's enforcement of this Declaration, and any and all rules, regulations, design guidelines or other dedicatory instruments promulgated hereunder against the Owner's tenant.

Section 2.3 Garage Required.

Each residence shall have an enclosed garage and shall conform to the requirements set forth in the Design Guidelines. The garage shall conform in design and materials with the main structure and may not be used as a living quarter at any time or for the purpose of conducting business of any kind. The following garage doors shall be allowed upon written consent of the Reviewer (i) Metal garage doors, (ii) metal with a wood overlay, and (iii) wood garage doors. Color and garage door style should complement the main residence. The prior written consent of the Reviewer shall be required prior to installation, modification, or change of any garage door.

Section 2.4 Driveways.

All driveways shall be surfaced with concrete. No widening of driveway is allowed without the proper written consent of the Reviewer. No stain or color variations or patterned concrete of driveways or sidewalks shall be allowed without the express written consent of the Reviewer.

Section 2.5 Uses Specifically Prohibited.

(a) No temporary or permanent structure including, but not limited to, children's play structures, play houses, and play sets, dog houses, greenhouses, sports equipment, residences, shop, storage building, gazebos, pergolas, cabanas, covered patios, trailer or mobile home, pools, spas, and other water features, buildings for storage of lawn maintenance equipment, or any kind of improvement of a temporary or permanent character shall be permitted on any Lot without the express written consent of the Reviewer, except that dog houses and small, low-lying green houses

that are not visible over the fence are allowed and do not require the consent of the Reviewer to install. As a Community Wide Standard, all structures, regardless of type, shall be subject to, but not limited to, placement, height, styles, types, and use restrictions and setbacks which may vary or be greater than the requirement of any City restrictions or rules. Owners are hereby advised the Association's restrictions may have higher and stricter standards for any temporary or permanent structures, regardless of type or use. At all times the higher standard shall prevail and be upheld unless a written variance by Declarant or the Architectural Review Committee is granted. Homeowners Association. Variances may be temporary or permanent and the written variance, when issued, shall clearly identify the type of variance granted. As a general rule, no structure whether temporary or permanent shall be allowed if such structure would be visible from the front of the residence or the street. As a standard throughout the community, structures that exceed the height of the existing fence may be restricted to placement behind the residence so the structure is not visible from the front of the residence or street. Residences on corner Lots may be subject to greater restrictions than other Lots. All structures with regard to placement are subject to the discretion of the Reviewer.

(b) Portable or permanent basketball goals may only be allowed upon prior written consent of the Reviewer. The allowance of and placement of any temporary or permanent basketball goal is at the sole discretion of the Architectural Review Committee. The Architectural Review Committee may require the storage of portable basketball goals when not in use and for permanent goals, may require basketball goals with crank poles allowing for the goal to be cranked down when not in use. No portable basketball goals may be played or kept in the street or in a manner that blocks a sidewalk and may not be placed in the grass area located between the front building line and street. Goals placed or left in any unauthorized area is subject to removal by the Association at the sole expense and liability of the Owner of the goal. Costs associated with the removal of any goal shall be billed back to the Owners account for full reimbursement to the Association. Goals must be kept in good repair at all times and may not use unsightly weights such as tires, sand bags, or rocks unless the Owner can provide written proof from the manufacturer that such weights are the recommended means to weight down the goal. The Property address must be displayed on the front side of the pole for easy identification.

(c) All requests, regardless of type, are reviewed on a case by case basis and the approval or variance granted to one Owner does not obligate the Architectural Review Committee to provide the same variance or approval to another Owner. No improvements, installation, construction, modification, addition, planting, or other change of any kind or type to the exterior of a residence or Lot may be done without the express written consent of the Architectural Review Committee. Failure to obtain prior written consent shall constitute a violation subject to immediate fines after the Association submits one (1) written notice to an Owner in violation that outlines the amount of the fine and describes the violation (herein referred to as a "Notice of Fine Warning"). Such fines shall not be less than \$100.00 and shall not exceed \$1,000.00 per violation occurrence.

(d) Builders or contractors may have temporary improvements (such as a sales office and/or construction trailer) on a given Lot during construction of the residence on that Lot or on a different Lot as agreed to between the Builder or contractor and Declarant and/or as otherwise set out in the Design Guidelines. Excluding Builders and Contractors, no building material of any kind or character shall be placed or stored upon the Property until the Owner thereof is ready to commence construction of improvements, and then such material shall be placed on the driveway

or if landscaping has not yet been installed, within the property lines of the Lot upon which the improvements are to be erected.

(e) Except as otherwise provided in this Section, no vehicle may be parked or left upon any portion of a Lot except in a garage or on a driveway. Due to the often-controversial nature of on-street parking, the Board of Directors or the Reviewer shall have the sole discretion to review and determine potential non-compliance on a case by case basis. Parking in front of mail boxes, blocking driveways, intersections, or other publicly accessed areas is prohibited. Notwithstanding the above, short-term and visitor parking of a vehicle may be parked outside of an enclosed garage temporarily and irregularly to accommodate such use. The Board, in its discretion, may enact additional rules governing such temporary, irregular use or, in the absence of specific rules, shall have discretion in determining what constitutes permissible parking under such circumstances. This Section shall not apply to parking, for purposes of emergency vehicle repairs, construction, service, and delivery vehicles for periods necessary to perform the services or make a delivery and shall exclude first responders and Owners driving vehicles used for law enforcement, fire officials, medical or ambulance workers, or such other related vehicles which shall be reviewed and considered at the sole discretion of the Board.

As used in this Section, the term “vehicles” includes, without limitation, automobiles, trucks, boats, trailers, motorcycles, campers, vans, and recreational vehicles. Absolutely no semi-trucks with or without trailers may park within the community. Violation of this rule will result in an immediate Notice of Fine Warning after which a fine for non-compliance with an Association rule may be levied. Fine amounts may vary depending upon the severity of the violation. Except as provided below, the following vehicles may not be parked on any street within the Property, and may be parked only in an enclosed garage or temporarily for the purpose of cleaning, loading, or unloading and only for a period not to exceed twenty-four hours. If driveways may be accessed by an alley (provided there is at least one (1) additional space outside of the garage for parking in the rear of the Lot and provided such vehicles are twenty feet (20') or less in length or may be safely maneuvered into and out of the driveway): recreational vehicles, mobile homes, trailers, and campers must be parked in the back of the residence during that twenty-four-hour period for loading or unloading only. Stored vehicles, unless kept within an enclosed garage, trucks with tonnage in excess of one (1) ton, commercial vehicles, regardless of type, size, weight, or purpose, (including all vehicles with commercial lettering or logos) are prohibited without the express written permission of the Reviewer or Board of Directors. **Unlicensed or inoperable vehicles must be kept in enclosed garages and may not be visible at any time.** “Sports utility vehicles” and “mini-vans” (as such vehicles are commonly referred to, as determined in the Board’s discretion) and pick-up trucks without commercial writing or logos shall be treated as automobiles and may be parked outside of enclosed garages.

(f) Boats may be kept for a period of not more than twenty-four hours for the purpose of cleaning or loading and unloading only. No boat, trailer, cargo trailer, water sport vehicles, or any other vehicle or utility or sport vehicle or item, regardless of type, may be parked or stored on the street, in the driveway, or in any side or rear yard.

(g) Declarant and Builders are excluded from vehicle and parking rules; Notwithstanding, ordinary care shall be taken to ensure vehicles do not damage streets, curbs, sidewalks, Common Properties, or adjoining Lots or residences, and areas of heavy traffic for construction related

equipment and vehicles is kept clean and do not block the flow of traffic for neighboring residences and streets, driveways, mailboxes, or any area in which Owners require and have right-of-way rights and privileges. No Owner shall ever interfere with a Builder or Declarant, and may not interfere with the actions of the Declarant or any development related activities. Violations of this type shall carry the highest possible fine and may result in further actions by the Declarant and/or the Association. Violation of any rule, regulation, or policy will result in a violation notice and may result in a fine for non-compliance with an Association rule, regulation, or policy. Violations may be issued based on curable or non-curable non-compliance with a rule, regulation, or policy. Notice structure and fine amounts and increments may vary for non-curable violations.

The Association will utilize towing subject to all applicable laws and ordinances available to it for the towing of any unauthorized vehicle. If a vehicle is towed, it will be at the sole expense of the Owner of the vehicle and Owner assumes all risk and responsibility for the vehicle as well as any personal items within the vehicle at the time the vehicle is towed.

(h) No vehicle of any size which transports flammable or explosive cargo may be kept or parked on the Property at any time, except for use by or on behalf of Declarant in connection with the development of the Property or by a Builder or contractor in connection with the construction of improvements on a Lot.

(i) No animals or livestock of any kind shall be raised, bred or kept on the Property for commercial purposes or for. Dogs, cats or other small and usual household pets may be kept for the purpose of providing companionship for the private family; however, those pets which are permitted to roam free, or, in the sole discretion of the Board and to the extent permitted under applicable law, constitute a nuisance to the occupants of other Lots or show aggressive or vicious tendencies or attacks a person or another animal, are subject to immediate removal upon written order from the Board; provided, in no event shall the Board or Association be required to remove any pet from the Subdivision. Owners are hereby placed on notice that fines as well as other possible enforcement actions including, but not limited to, prompt removal of the animal, shall be enforced against any Owner housing such an animal. If an Owner has failed to remove its pet from the Subdivision pursuant to any order of removal issued by the Board within three (3) days after such order is delivered to an Owner, such Owner shall be subject to fines hereunder or as may be established by the Board, and the Board may proceed with efforts to immediately remove the pet that is the subject to the order from the Subdivision. Notwithstanding anything contained herein to the contrary, the Board in its sole discretion and without incurring any further duty or obligation to Owners or occupants within the Property, may decide to take no action and refer complaining parties to the appropriate municipal or governmental authorities for handling and final disposition. Owners are hereby put on notice that enforcing complaints of barking or howling dogs or noise from animals are difficult violations to enforce. The Association will send notices and follow through up to and including the fine process so long as the Board of Directors deems it appropriate and approves of such action; Notwithstanding, Owners should not place unreasonable expectations on the Board or its managing agent in attempting to enforce this rule. Owners should be mindful of their neighbors and be prepared to keep their pets under control at all times when outside the confines of the residence or when walking your pet within the Subdivision.

IF ANY ANIMAL OR PET IS A NUISANCE IN THE SUBDIVISION, OWNERS ARE ENCOURAGED TO CONTACT THEIR LOCAL ANIMAL CONTROL AUTHORITY FOR ASSISTANCE. The Association shall have no liability or obligation to ensure removal of a pet from the Subdivision that is a nuisance and cannot be held liable or responsible if any enforcement actions taken by the Association under this Section 2.5(d) are unsuccessful. **EACH OWNER BY ACCEPTANCE OF TITLE TO ITS LOT OR OCCUPANCY OF A RESIDENCE THEREON HEREBY RELEASES AND WAIVES THE ASSOCIATION, DECLARANT, THE BOARD AND/OR ITS MANAGING AGENT AND THEIR RESPECTIVE MEMBERS, EMPLOYEES, DESIGNEES, ADMINISTRATORS, INSPECTORS, CONTRACTORS, AND AGENTS, AND AGREES TO INDEMNIFY AND DEFEND SAME AND HOLD THEM HARMLESS FROM AND AGAINST ANY CLAIMS, LIABILITIES, LOSS, DAMAGE, COSTS AND EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES, IN CONNECTION WITH OR ARISING OUT OF ANY ACTIONS OR ATTACK BY OWNER'S PET OR BY ANY PET RESIDING ON AN OWNER'S LOT WITHIN THE SUBDIVISION. ALL BREEDS OF PETS THAT ARE DETERMINED TO BE AGGRESSIVE OR VICIOUS BREEDS BY THE BOARD OR ANY APPLICABLE GOVERNMENTAL AUTHORITY (INCLUDING SPECIFICALLY, WITHOUT LIMITATION, PIT BULLS OR ROTTWEILERS) ARE STRICTLY PROHIBITED WITHIN THE SUBDIVISION AND ARE DEEMED TO BE A NUISANCE AND SUBJECT TO REMOVAL PROVISIONS SET FORTH HEREIN.** Any Owner of a pet that attacks another person or animal within the Subdivision is subject to a \$1,000 fine per occurrence (each day of violation being deemed to be an occurrence), whether or not such Owner's pet inflicted harm on a person. Pets shall be kept on a leash or otherwise confined inside a fenced area whenever outside the residence. Pets shall be registered, licensed and inoculated as required by law and must be properly tagged for identification. It is the Owner's responsibility to keep the front of their Lot clean and free of pet debris and to pick up and properly dispose of their pet's waste wherever deposited. Notwithstanding anything seemingly herein to the contrary, no more than three (3) household pets will be permitted on each Lot. No potbellied pigs, pigs, rodents, snakes, skunks, chickens, or other poultry of any kind, no undomesticated animal, no wild or reptilian animals of any kind are allowed to be kept, bred, or housed in an Owner's residence or on an Owner's Lot. The Declarant and the Board reserve the right to determine what animal outside of domesticated dogs and cats may be allowed.

(j) No Lot or other area on the Property shall be used as a dumping ground for rubbish or a site for the accumulation of unsightly materials of any kind, including, without limitation broken or rusty equipment, disassembled or inoperative cars, other vehicles or discarded appliances and furniture. The Association, when applicable or when possible or feasible, shall correct or remove any item or items violating this section and the cost thereof shall be billed back to the Owner and shall be added to the Owner's account and payable to the Association immediately upon presentation of a statement of amount due by e-mail and/or U.S. mail. Trash, garbage or other waste shall be kept in sanitary containers at all times and shall be kept out of public view or screened from view of the street and any adjacent Lot or Common Properties. The construction or installation of concrete pads for trash or recycle cans requires prior written consent of the Reviewer. All such pads shall be screened with wood fencing or live screening subject to the approval of the Architectural Review Committee. Oversized objects that cannot fit into available trash containers should be kept out of sight until day of trash pickup. Items such as furniture and green waste may not be placed outside for pickup more than twenty-four hours before the scheduled pickup service. Items not picked up on time need to be removed by the Owner and

placed out of sight or hauled off. All incinerators or other equipment for the storage or other disposal of such material shall be kept in clean and sanitary condition. Materials incident to construction of improvements may be stored on Lots during construction so long as construction progresses without undue delay and waste storage bins are utilized.

The Declarant or Board of Directors may, after notice is served either by mail, email, or by posting on the door of the residence, initiate self-help actions to abate violations if Owners or Builders fail to abate the violation in a sufficient and/or timely manner. The costs of such self-help actions shall be billed back to the Owner's account and shall be due and payable to the Association upon receipt of notice and invoice from the Association or its managing agent.

(k) No air-conditioning apparatus shall be installed on the ground in front of a residence. No air-conditioning apparatus shall be attached to any wall or window of a residence that is visible to the public or neighboring unit. All air-conditioning equipment must be installed in the rear yard, side yard or screened in a manner so as not to be seen.

(l) 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 broadcast signals or other means of communication upon a Lot or upon any improvement thereon is prohibited, except that 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 under the Telecommunications Act of 1996, as amended from time to time. The Board 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.

To the extent that reception of an acceptable signal would not be impaired or the cost of installation would not be unreasonably increased, an antenna permissible pursuant to the Declaration or the rules of the Association may only be installed in a side or rear yard location, not visible from the street or neighboring property, and integrated with the residence and surrounding landscape. Antennae shall be installed in compliance with all state and local laws and regulations, including zoning, land-use and building regulations.

(m) No Lot or improvement thereon shall be used for commercial or manufacturing purposes of any kind other than a small home office. Nothing in this subparagraph shall prohibit a Builder's use of a residence as a sales office until such Builder's last residence on the Property is sold and closed. Nothing in this subparagraph shall prohibit an Owner's use of a residence for quiet, inoffensive activities such as a small home office, tutoring or giving lessons such as art or music, so long as such activities are consistent with the residential character of the Property, do not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of others within the Property, as determined in the Board's discretion, and do not materially increase the number of cars parked on the street.

(n) No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between three feet (3') and six feet (6') above the roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street right-of-way lines and a line connecting them at points a minimum of ten feet (10') from the intersection of the street right-of-way lines, or, in the case of a rounded property corner, from the intersection of the street right-of-way lines as extended. The same sight-line limitations shall apply on any Lot within ten (10) feet from the intersection of a street right-of-way line with the edge of a private driveway or alley pavement. No tree shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at least eight feet (8') or a sufficient height to prevent obstruction of such sight lines.

(o) No building previously constructed elsewhere shall be moved onto any Lot without the express written consent of the Reviewer, it being the intention that only new construction be placed and erected thereon.

(p) No sign of any kind shall be displayed to the public view on any Lot, except: (i) political signs which may be placed on the Lot no earlier than six (6) weeks prior to an election and which must be removed within two (2) weeks after the election for which such sign is displayed; (ii) one (1) professional security service sign of not more than one square foot; (iii) one (1) sign of not more than five square feet advertising the property for rent or sale during any period that the Lot actually is for rent or sale; or (iv) signs used by a Builder to advertise the Property during the construction and sales period, each of which shall, in any event, comply with all statutes, laws or ordinances governing same. The Board of Directors or its agents shall have the right to remove any sign, banner, billboard or other advertising structure that does not comply with the above, and in so doing shall not be subject to any liability for trespass or otherwise in connection with such removal.

(q) The drying of clothes in public view is prohibited. Clothes lines are prohibited. Items hung on the outside of fences and visible to the public are prohibited.

(r) Wood used for fireplace, barbeque, or other use must be stacked neatly and screened from public view. The Owner is responsible for ensuring that such wood stack is kept free of rodents.

(s) No Owner shall perform, fail to perform, or permit anything to be done or not done on such Owner's Lot which would violate any laws, statutes, ordinances or regulations of any kind or character.

Section 2.6 Minimum Floor Area, Lot Dimensions, Lot Area, Maximum Height Regulations, Set Back and Yard Restrictions.

The total air-conditioned living area of the main residential structure constructed on each Lot, as measured to the outside of exterior walls but exclusive of open porches, garages, patios and detached accessory buildings, shall be in accordance with the City of Princeton Planned Development Ordinance 2009-07-28, as modified and amended by the City of Princeton Ordinance No. 2019-06-24-01, but in no event shall be less than as follows:

- (a) for 50' Lots a maximum of 25% of all residences shall be a minimum of 1,300 to 1,399 square feet. All others shall be a minimum of 1,400 square feet or greater. ***Builders may NOT assume use of the lower square footage for their plans without the express written consent of the Declarant or Reviewer.***
- (b) for 60' Lots a minimum of 1,500 square feet or greater is required.
- (c) for 75' Lots a minimum of 1,800 square feet or greater is required.
- (d) for 80' Lots, a minimum of 2,000 square feet or greater is required.
- (e) for Zero Lot Line Lots of approximately 35' in Lot width a minimum of 1,000 square feet are required.

Development of the Lots, including minimum area of the Lot, minimum Lot width, minimum Lot depth, minimum Front Yard, minimum side yard setback, minimum rear yard setback, maximum building height, and maximum Lot coverage shall be in accordance with the City of Princeton Planned Development Ordinance 2009-07-28 (as modified and amended by the City of Princeton Ordinance No. 2019-06-24-01), but in no event shall be less than as follows:

	50' Lots	60' Lots	75' Lots	100' Lots	Zero Lot Line Lots
Minimum Lot Area in Square Feet	5,500 SF	6,600 SF	9,000 SF	20,000 SF	3,200 SF
Minimum Lot Width for Lots Not Fronting on a Cul-de-Sac or Inside Curve	50 Feet	60 Feet	75 Feet	80 Feet	35 Feet
Minimum Lot Width for Lots Fronting on Cul-de-Sac or Inside Curve	45 Feet	55 Feet	70 Feet	75 feet	30 Feet
Minimum Lot Depth	90 Feet	100 Feet	100 Feet	150 Feet	75 Feet
Minimum Front Yard	20 Feet	20 Feet	25 Feet	25 Feet	15 Feet
Minimum Side Yard Setback (Interior Side Yards)	5 feet on one side; 5 feet on the other side; except 5 feet on the interior	5 feet on one side; 5 feet on the other side; except 5 feet on the interior	10% of lot width	10% of lot width	10 foot ¹

¹ 10-foot minimum separation, but a ten-foot side yard setback is not required on each interior side yard.

	side yard on a corner Lot	side yard on a corner lot			
Minimum Side Yard Setback (Corner Side Yards)	15 feet	15 Feet	15 Feet	15 Feet	15 Feet
Minimum Rear Yard Setback	10 Feet	10 Feet	15 Feet	20 Feet	10 Feet
Maximum Building Height	35 feet and 2 stories	35 feet and 2 stories	35 feet and 2 stories	35 feet and 2 stories	35 feet and 2 stories
Maximum Lot Coverage	60%	55%	50%	30%	65%

All corner side yard setbacks may include separately platted Common Properties, shall be deemed to be on the same lot as the residential use for purposes of meeting the corner side yard setback requirement. Minimum lot width shall be measured at the front yard setback line. All setbacks are measured from the property line. On corner lots, the front yard setback shall apply only along the street that the primary entrance to the residence faces. Every part of a required side yard shall be open and unobstructed (except for accessory buildings, air conditioning units, and ordinary projections of window sills, belt courses, cornices, and other architectural features as approved in writing by the Architectural Review Committee), not more than eighteen inches (18") into the required side yard, and roof eaves projecting not more than thirty-six inches (36") into the required side yard. The required rear yard shall be open and unobstructed from a point thirty inches (30") above the average elevation of the graded rear yard. Eaves, covered porches, and roof extensions without structural support in the rear yard may extend into the rear yard a distance not to exceed four feet (4'). The minimum front yard setback and minimum rear yard setback for residential lots served by alleys may be decreased by five feet (5'), but no single family detached residential home or zero lot line residence shall have less than a twenty foot (20') front setback.

Section 2.7 Fences and Walls.

Permits from City of Princeton are required prior to any installation, alteration, addition or change to a fence. Any repair or maintenance must be done with similar materials unless replacing the entire fence notwithstanding permit from the City of Princeton and prior written approval of the Reviewer shall be required for any installation, alteration, addition, or change including, but not limited to, staining or re-staining of fence. Approval for minor repairs such as replacing broken pickets, etc., or up righting a leaning or fallen panel is not required. Fences and walls are prohibited in drainage easements. Refer to Section 1.2 of Exhibit C, Design Guidelines for rules on material types, style, height, and other restrictions for fencing. No chain link, vinyl fences, or barbed wire fences are permitted except on the Common Properties or any school property. No fence or wall shall be permitted to extend nearer to any street than the front of any residence; Notwithstanding, the Architectural Review Committee may require the fence to be set back from the front of the residence up to fifteen feet (15') when in the sole discretion of the Reviewer such a setback is warranted. Generally, all side yard fencing on corner Lots shall run parallel to the curb and may be placed no nearer than five feet (5') to the side Lot line and shall not extend beyond a point of five feet (5') from the front of the residence on any side in order to avoid

impeding any line of sight or other annoyances or nuisances to adjoining neighbors. Fences or walls erected by Declarant shall become the property of the Owner of the Lot on which the same are erected and as such shall be maintained and repaired by such Owner except as is provided in Article IV and Article IX. Wall easements shall be kept clear and may not contain any planting, structure, or other items. Occasionally, an Owner may be allowed to place items within an easement; Notwithstanding, certain additional permissions and requirements shall apply for any such request.

No portion of any fence shall extend more than six feet (6') in height without the express written consent of the Reviewer except that step ups and step downs to adjust for grade shall be allowed. No fencing of the front yard is allowed. The Reviewer may, at their sole discretion, allow a maximum of eight-foot (8') foot fencing if fence heights of eight feet for City of Princeton are allowed. Decisions of the Reviewer may be based solely on aesthetic appearances and considered on a case by case basis. The Reviewer, at its sole discretion, may require an Owner to obtain and present a permit from the City prior to initiating any review or considering any approval.

All fences shall be maintained in good condition and meet the minimum standards set forth in this Declaration and the City of Princeton code of ordinances. All fences shall comply with the following:

(i) Fences or any part thereof, shall not be more than twenty percent (20%) out of vertical alignment.

(ii) Damaged, removed, or missing portions of a fence shall be replaced or repaired with comparable materials to the remaining portion.

(iii) The Owner of any fence, existing or new, shall be responsible for the removal of any and all graffiti.

(iv) Any and all plants, flowers, vegetation of any kind and/or weeds, shall be kept clear of fences and shall not be allowed to grow into, under, or over a fence. The Association will remove any such plant materials regardless of type and the cost of removal shall be billed back to the Owner as a Special Individual Assessment.

(v) Wood fences shall be regularly stained to maintain in good, aesthetic condition.

(vi) It shall be a violation of the City of Princeton and of this Declaration to fail to maintain a fence in good condition by failing to meet any of the requirements of the City of Princeton and this Declaration. Any damage, deterioration, or unaligned condition, graffiti or vegetation or any other disrepair shall be violated by the Association and the Association shall report all such disrepair to the City of Princeton.

THE ARCHITECTURAL REVIEW COMMITTEE MAY REQUIRE A BUILDER OR OWNER TO PROVIDE A COPY OF A CITY PERMIT, NEIGHBOR CONSENT, AUTHORIZATION FROM AN EASEMENT OWNER OR ANY OTHER DOCUMENTATION THAT WILL PROVIDE SUFFICIENT PROOF THE LOT OWNER HAS OBTAINED NECESSARY CLEARANCE PRIOR TO COMMENCING CONSTRUCTION. FAILURE TO PROVIDE THE REQUESTED DOCUMENT OR INFORMATION MAY RESULT IN A DENIAL OF ALL OR ANY PORTION OF THE REQUEST SUBMITTED. THE ACC IS NOT REQUIRED TO APPROVE WORK IN AN EASEMENT REGARDLESS OF WHETHER A CONSENT IS OBTAINED OR NOT. THE ACC HAS THE RIGHT TO REQUIRE A GREATER SETBACK FROM ANY FENCE FOR THE INSTALLATION OF ANY STRUCTURE, TEMPORARY OR PERMANENT.

Section 2.8 Building Materials.

The building materials to be used for each residence and other structure must conform to the requirements set out in Section 2.4 of the Design Guidelines. Allowed roofing materials shall be set forth in Section 2.1 and 2.2 of the Design Guidelines. The color of roofing shall be as set forth in Section 2.1 of the Design Guidelines. Minimum roof pitch without the prior written consent of the Reviewer is 6-in-12 slope notwithstanding a higher roof pitch of at least 8-in-12 may be used to meet certain City of Princeton design elements required under the City Ordinance.

Section 2.9 Mailboxes and Address Blocks.

Mailboxes shall be cluster mailboxes standardized throughout Whitewing Trails and shall be constructed in accordance with the Design Guidelines or as determined by the Declarant and the U.S. Postal Service. An address block shall be installed on the front facade of each residence and shall be kept clear of any obstructions at all times. In the event that any cluster mailbox installed in the Subdivision requires maintenance, replacement or repairs, such maintenance, replacement and/or repairs shall be performed by the Association and the costs and expenses incurred by the Association in connection therewith shall be charged on a pro rata basis (based on the total number of mailbox units within such cluster mailbox) as a special individual assessment to the Owners with mailbox units within the cluster mailbox that has been maintained, repaired and/or replaced. The Association does not provide or maintain keys for the cluster mailboxes. Owners shall be responsible for obtaining keys at time of purchase of residence.

Section 2.10 Landscaping.

Each Builder of a residence upon each Lot shall, upon or before the first occupancy of a house, sod grass in the front and side yards, plant the minimum size and number of trees and minimum size and number of shrubs in the front yard against the foundation of the house as required by either the Design Guidelines. Landscape and irrigation requirements for all residential uses shall conform to City of Princeton Development Standards and Use Regulations and as set

forth in Section 1.1 of the Design Guidelines and as may be amended from time to time. Thereafter, each Owner of a Lot shall have the responsibility to properly maintain such trees and landscaping and, if necessary, shall replace such trees or landscaping in accordance with the Design Guidelines. The Declarant and/or the Association shall have the right but not the obligation, to be exercised at its sole option, to remove and replace dead trees and landscaping and charge the costs thereof to the Owner's account as a special individual assessment under Section 10.7 below. All landscaping installed by the Declarant within or that are part of the Common Properties shall become the responsibility of the Association to maintain immediately after installation. Any maintenance or replacement by the Declarant after initial installation shall be at the sole discretion of the Declarant.

Section 2.11 Design Guidelines.

In addition to any requirements set forth in this Declaration or the City of Princeton Planned Development Ordinance 2009-07-28 (as modified and amended by the City of Princeton Ordinance No. 2019-06-24-01), all Owners are required to comply with the Design Guidelines in the construction of improvements within the Property and the installation, maintenance and replacement of trees and landscaping within the Property as outlined in Exhibit C.

Section 2.12 CITY ORDINANCE NO. 2009-07-28, *as amended*

The Property and Lots are subject to City of Princeton, Texas, Planned Development Ordinance 2009-07-28, as modified and amended by the City of Princeton Ordinance No. 2019-06-24-01, and it now exists or may be further modified or amended from time to time. All Builders and Owners are required to review and know the City's Ordinance and may not rely solely on this Declaration or the Design Guidelines for all City ordinances and restrictions which may apply. In the event of a discrepancy between this Declaration and the City's ordinances, the higher standard shall always prevail unless written consent from the Reviewer is received.

Section 2.13 Guns, Firearms and Weapons; Fireworks. Hunting and shooting are not permitted anywhere on or from the Property. No toys, weapons or firearms, including, without limitation, air rifles, BB guns, sling-shots or other item that is designed to cause harm to any person, animal or property may be used in a manner to cause such harm (whether intentionally or negligently or otherwise) to any person, animal or property. Violation of this restriction is subject to an immediate fine of up to \$1,000 per occurrence after the first notification (which may be given in writing or verbally, to the extent permitted under applicable law). Fireworks are strictly prohibited. Use of fireworks in the Subdivision is subject to a monetary fine of \$1,000.00 for each violation. A sworn affidavit signed by a witness with legal capacity made under penalty of perjury attesting to the violation and specifying the date of approximate time of such violation which is received by the Association shall be sufficient evidence of such violation.

Section 2.14 Use of Association and Subdivision Name. The use of the name of the Association or the Subdivision, or any variation thereof, in any capacity without the express written consent of the Declarant during the Declarant Control Period, and thereafter the Board, is strictly prohibited. Additionally, the use of any logo adopted by the Association or the Subdivision, or use of any photographs of the entryway signage or other Subdivision signs or monuments or

Common Properties without the express written consent of Declarant during the Declarant Control Period, and thereafter the Board, is strictly prohibited.

Section 2.15 Noise and Odor. An Owner or occupant of a residence must exercise reasonable care to avoid making or permitting to be made loud, disturbing, or objectionable noises or noxious odors that are likely to disturb or annoy occupants of neighboring residences. The rules and regulations promulgated by the Association may limit, discourage, or prohibit noise-producing activities and items in the residences and on the Common Properties within the Subdivision. The Association shall provide an Owner with notice of its violation of this use restriction, and if an Owner receives more than one notice in any 12-month period, upon receipt of the second notice from the Association, the Owner shall be subject to fines hereunder. Notwithstanding anything contained herein to the contrary, the Board in its sole discretion and without incurring any further duty or obligation to Owners and occupants of residences within the Property, may decide to take no action and refer complaining parties to the appropriate municipal or governmental authorities for handling and final disposition. **IF ANY NOISE OR ODOR BECOMES A NUISANCE IN THE SUBDIVISION, OWNERS AND OCCUPANTS OF RESIDENCES ARE ENCOURAGED TO CONTACT THEIR LOCAL LAW ENFORCEMENT OFFICIALS FOR ASSISTANCE.** The Association shall have no liability or obligation to ensure the Subdivision or any Owner or occupant of a residence therein is free from nuisance and cannot be held liable or responsible if any enforcement actions taken by the Association under this Section 2.15 are unsuccessful.

EACH OWNER AND OCCUPANT OF A RESIDENCE BY ACCEPTANCE OF TITLE TO ITS LOT HEREBY RELEASES AND WAIVES THE ASSOCIATION, DECLARANT, THE BOARD AND/OR ITS MANAGING AGENT AND THEIR RESPECTIVE MEMBERS, EMPLOYEES, DESIGNEES, ADMINISTRATORS, INSPECTORS, CONTRACTORS, AND AGENTS, AND AGREES TO INDEMNIFY AND DEFEND SAME AND HOLD THEM HARMLESS FROM AND AGAINST ANY CLAIMS, LIABILITIES, LOSS, DAMAGE, COSTS AND EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES, IN CONNECTION WITH OR ARISING OUT OF ANY ACTIONS OR INACTIONS OF AN OWNER OR THE OCCUPANTS OF SUCH OWNERS LOT THAT RESULTS IN NOISE OR ODORS THAT MAY BE A NUISANCE TO OTHERS WITHIN THE SUBDIVISION. Any Owner in violation of this Section 2.15 is subject to a \$1,000 fine per occurrence (each day of violation being deemed to be an occurrence).

Section 2.16 Drones and Unmanned Aircraft. Any Owner operating or using a drone or unmanned aircraft within the Property and related airspace must register such drone or unmanned aircraft with the Federal Aviation Administration (“FAA”), to the extent required under applicable FAA rules and regulations, and mark such drone or unmanned aircraft prominently with the serial number or registration number on the drone or unmanned aircraft for identification purposes. **BY ACCEPTANCE OF TITLE TO ANY PORTION OF THE PROPERTY, EACH OWNER ACKNOWLEDGES THAT USE OF A DRONE OR UNMANNED AIRCRAFT TO TAKE IMAGES OF PRIVATE PROPERTY OR PERSONS WITHOUT CONSENT MAY BE A VIOLATION OF TEXAS LAW AND CLASS C MISDEMEANOR SUBJECT TO LEGAL ACTION AND FINES UP TO \$10,000. IT IS YOUR RESPONSIBILITY TO KNOW AND COMPLY WITH ALL LAWS APPLICABLE TO YOUR DRONE AND/OR UNMANNED AIRCRAFT USE.**

**ARTICLE III
ARCHITECTURAL CONTROL**

Section 3.1 Review Authority.

(a) General. Declarant and the Association will, in all likelihood engage the services of third-party professionals including architects, engineers, or other persons to perform and administer the submission, review and inspection process which may be required or necessary under this Article. Declarant reserves the right to implement and enforce additional application, permitting, review, testing and inspection requirements and procedures not contained herein relating to national or uniform codes pertaining to building, electrical, plumbing and any other aspect of construction or development as deemed necessary by Declarant.

(b) Declarant. Declarant shall have exclusive authority to administer, review and act upon all applications for architectural and other improvements within the Property until all planned Lots have been conveyed to persons other than Declarant or a Builder and have been improved with a residence for which a certificate of occupancy has been issued, unless Declarant earlier terminates its rights in a recorded instrument. Declarant may designate or engage one or more persons or entities to act on its behalf with respect to some or all matters coming within the purview of this Article III which persons need not be Owners or Members. In reviewing and acting upon any request for approval, Declarant or its designee act solely in Declarant's interest and owe no duty to any other person. Declarant is not required to hold meetings or keep minutes relating to its review under this Article.

Declarant may from time to time delegate or assign all or any portion of its rights under this Article to any other person, entity or committee, including the Architectural Control Committee. Any such delegation shall be in writing, shall specify the delegated responsibilities, and shall be subject to (i) Declarant's right to revoke such delegation at any time and reassume its prior jurisdiction, and (ii) Declarant's right to veto any decision which it determines, in its discretion, to be inappropriate or inadvisable for any reason. So long as Declarant has any rights under this Article, the jurisdiction of other entities shall be limited to such matters as Declarant specifically delegates.

(c) Architectural Control Committee. Upon Declarant's delegation or upon expiration or termination of Declarant's rights under this Article, the Association, acting through the ACC, shall assume jurisdiction over architectural matters. The ACC shall consist of at least three persons. From and after Declarant's rights to administer, review and act upon application for architectural and other improvements within the Property has expired or terminated, the ACC shall be Class A Members of the Association or representatives of Members, and may, but need not, include architects, engineers, or similar professionals, who may be compensated in such manner and amount, if any, as the Board may establish. The ACC members shall be appointed and serve at the sole discretion of the Board and shall be designated, shall serve, and may be removed and replaced in the Board's discretion. An ACC member may be removed and replaced at any time and from time upon written notice to the ACC and the member being removed.

For so long as Declarant owns any portion of the Property (and unless the Declarant notifies the ACC in writing to the contrary), the ACC shall notify Declarant in writing, no less than thirteen

(13) business days prior to communicating any action (*i.e.*, approval, partial approval, or disapproval) it intends to take under this Article. A copy of the application and any additional information that Declarant may require shall accompany the notice. During such time, Declarant shall have the right, in its sole and absolute discretion, to veto any ACC action; provided, Declarant's right to veto must be exercised within ten (10) business days after it receives notice of the ACC's proposed action. The party submitting the plans for approval shall not be notified of the ACC's proposed action until after Declarant's right to veto has expired.

The Board may create and appoint subcommittees of the ACC. Subcommittees may be established to preside over particular areas of review (*e.g.*, landscape plans) and shall be governed by procedures the Board or the ACC may establish. Any subcommittee's actions are subject to review and approval by Declarant, for as long as Declarant may review the ACC's decisions, and the ACC. Notwithstanding the above, neither the ACC nor Declarant shall be obligated to review all actions of any subcommittee, and the failure to take action in any instance shall not be a waiver of the right to act in the future.

Unless and until such time as Declarant delegates any of its reserved rights to the ACC or Declarant's rights under this Article expire or terminate, the Association shall have no jurisdiction over architectural matters.

(d) Reviewer. The entity having jurisdiction in a particular case, whether Declarant or its designee or the ACC, shall be referred to as the "Reviewer".

(e) Fees; Assistance. The Reviewer may establish and charge reasonable fees as well as rush fees for its review of each application and shall require that such fees be paid in advance. If such fees or charges, including those set forth under Section 3.3 below, are not paid in advance, the Reviewer shall have no obligation whatsoever to review any such related application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers, or other professionals and the Board may include the compensation of such persons in the Association's annual operating budget.

Section 3.2 Review Requirements.

No building, including detached structure such as but, not limited to garages, guest or servant's quarters, walls, pool or other structures shall be commenced, erected, installed, placed, or substantially altered on any Lot, nor shall any exterior painting (other than repainting a structure the same or similar color) of, exterior addition to, or substantial alteration of, such items be made until all plans and specifications and a plot plan have been submitted to and approved in writing by the Reviewer. The Reviewer is authorized and empowered to consider and review any and all aspects of construction and landscaping which may, in the reasonable opinion of the Reviewer, adversely affect the living enjoyment of one (1) or more Owners or the general value of the Property. In reviewing each submission, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of the proposed exterior design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that aesthetic determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements. The Reviewer shall have the

sole discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment and such determinations are not subject to judicial review so long as they are made in good faith and in accordance with the required procedures.

Section 3.3 Procedure for Approval.

PRIOR TO THE COMMENCEMENT OF ANY CONSTRUCTION BY ANY PERSON OR ENTITY, THE BUILDER SHALL OBTAIN FROM THE REVIEWER A BUILDING PERMIT AND SHALL PAY, IN ADVANCE, ANY RELATED INSPECTION FEES AND FEES OWING OR TO BE OWED AS DETERMINED BY THE REVIEWER. THIS REQUIREMENT NOT ONLY APPLIES TO ORIGINAL CONSTRUCTION BUT TO POOL INSTALLATIONS, MODIFICATIONS OR ADDITIONS TO EXISTING STRUCTURES OF IMPROVEMENTS. FAILURE TO OBTAIN SUCH PERMIT OR PAY SUCH FEES PRIOR TO INITIATION OF CONSTRUCTION SHALL BE CAUSE FOR THE REVIEWER OR THE ASSOCIATION TO REQUEST AND OBTAIN EMERGENCY TEMPORARY RELIEF TO RESTRAIN ALL ASPECTS OF CONSTRUCTION. FINES FOR FAILURE TO OBTAIN PRIOR WRITTEN REVIEWER'S APPROVAL MAY BE LEVIED BY THE BOARD OR THE REVIEWER UP TO \$1,000.00 PER VIOLATION OCCURRENCE.

In addition to the foregoing requirement, final plans and specifications may be submitted in hardcopy form by mail or hand delivery to the Reviewer. Applications for modifications other than new home construction may be submitted electronically. Contact the managing agent for information on how to submit applications online or by electronic mail. The Owner or Builder shall be solely responsible to ensure delivery of the plans. The Declarant, Reviewer, or the Association shall not be responsible for plans lost in the mail. The plans and specifications shall show the nature, kind, shape, height, materials and location of all landscaping and improvements. The application shall specify in writing any requested variances from the requirements set forth in this Declaration, the Design Guidelines or any Community-Wide Standard. The Reviewer is authorized to request the submission of samples of proposed construction materials and such other information as they reasonably deem necessary to make their determination. Applications shall not be considered complete until the Reviewer determines that all required information needed for proper architectural review has been received. At such time as the plans and specifications meet the approval of the Reviewer, one complete set of plans and specifications will be retained by the Association and another complete set of plans shall be marked "Approved" and returned to the Lot Owner or his designated representative. If disapproved by the Reviewer, one set of such plans shall be returned marked "Disapproved" and shall be accompanied by a reasonable statement of the reasons for disapproval. Any modification of the approved set of plans and specifications must again be submitted to the Reviewer for its approval. The Reviewer's approval or disapproval, as required herein, shall always be in writing **NO VERBAL APPROVAL SHALL EVER BE GIVEN OR PRESUMED.** Any reliance upon a verbal approval of any plans by the Reviewer shall be wholly unjustified, at the risk of the Lot Owner and subject to any subsequent or otherwise conflicting written response by the Reviewer.

If the Reviewer fails to approve or disapprove any such plans and specifications or modification thereto submitted by a Builder within ten (10) business days after the date of submission of all information shall be deemed to have been approved notwithstanding, it shall be the sole responsibility of the Builder to ensure that all requirements or restrictions as set forth in

this Declaration or the Design Guidelines are adhered to as well as any city ordinance which may exist.

The Reviewer, The Association or its managing agent shall not be held responsible for a Builder's failure to adhere to all applicable Design Guidelines and City Ordinances as it exists or may be amended. **Failure to comply could result in a request for the removal and / or replacement of any non-conforming structure or items and/or a fine for non-compliance.** Any Builder who is constructing residences on multiple Lots shall have the option of submitting a master set of final plans and specifications for all of the residences it intends to construct within the Property to the Reviewer in accordance with the provisions of this paragraph. Once the master set of plans has been approved, the Builder shall be allowed to construct residences in accordance with such approved plans and no further submittals shall be required unless material deviations have been made to such approved plans.

For all other plans the Reviewer shall have up to thirty (30) business days after the date of submission of all information the Reviewer requires in order to review and submit a decision. Should the Reviewer fail to provide a response within thirty (30) business days, the plan shall be deemed to be disapproved. The Reviewer may, but is not obligated to, permit or require that plans be submitted or considered in stages, in which case, a final decision shall not be required until after the final, required submission stage. The Reviewer may establish and charge fees for rush requests. This process is at the sole discretion of the Board and the ACC after the Declarant Control Period ends.

As part of any approval, the Reviewer may require that construction in accordance with approved plans commence within a specified time period. If construction does not commence within the required period, the approval shall expire and the Owner must reapply for approval before commencing any activities. Once commenced, construction must be diligently pursued to completion. All construction work shall be completed within one (1) year of commencement unless otherwise specified in the notice of approval or the Design Guidelines, or unless the Reviewer, in its discretion, grants an extension in writing. If approved work is not completed within the required time, it shall be in violation of this Article and shall be subject to enforcement action.

Also, as a part of the review process, the Reviewer may require that the construction of any improvement be inspected on a periodic basis prior to completion for compliance with the plans, codes adopted by the Declarant and other matters relating to the quality or method of construction. The Association may conduct such inspections or, in the alternative, it may contract with third parties for such purposes. The Owner on whose Lot the construction is taking place shall be responsible for the payment of costs relating to any such inspection. Builders must keep construction areas clean and free of debris. A industrial sized construction waste bin must be maintained on lots to hold waste. Builders and contractors are expected to act with respect and consideration at all times toward Owners and other contractors. Streets within the Association must be kept clean and free of mud and dirt. Builder or contractors shall hire street cleaners when needed to keep streets clean and free of debris. Builders shall ensure tool boxes, containers, and other equipment is kept closed to prevent spilling of debris or construction items into street. **LOTS SHALL BE KEPT CLEAN AND PROPER BINS FOR CONSTRUCTION DEBRIS AND TRASH ARE REQUIRED.** Builders are responsible for their workers.

Section 3.4 Standards.

The Reviewer shall have sole discretion with respect to taste, design and all standards specified herein. One objective of the Reviewer is to prevent unusual, radical, curious, odd, bizarre, peculiar or irregular structures from being built on the Property. The Reviewer shall have the authority to interpret and amend the Design Guidelines, subject to Declarant's approval for so long as Declarant or any Builder owns any portion of the Property and, thereafter, subject to the approval of the Board. Any amendment shall be filed as a dedicatory instrument and delivered or made available to all Class A Members. The Association may use any electronic means of delivery or website or other electronic platform to make such amendments available to Owners. The Reviewer may from time to time publish and promulgate bulletins regarding architectural standards, which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration.

Section 3.5 Requests for Variance.

Upon submission of a written narrative request for same, the Reviewer may, from time to time, in its sole discretion, permit Owners and Builders to construct, erect or install improvements which are in variance from the requirements of this Declaration or which may be contained in the Design Guidelines. In any case, however, such variances shall be in basic conformity and shall blend effectively with the general architectural style and design of the Subdivision. No member of the ACC or the Board, or the Association or Declarant shall be liable to any Owner or other person claiming by, through, or on behalf of any Owner, for any claims, causes of action, or damages arising out of the granting or denial of, or other action or failure to act upon, any variance request by any Owner or any person acting for or on behalf of any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Reviewer's right to strictly enforce the Declaration, the Design Guidelines or the against any other Owner. Each such written request must identify and set forth in narrative detail the specific restriction or standard from which a variance is sought and describe in complete detail the exact nature of the variance sought. Any grant of a variance by the Reviewer must be in writing and must identify in narrative detail both the standard from which a variance is being sought and the specific variance being granted.

Section 3.6 Liability of Reviewer.

Neither Declarant, the Board of Directors, the Architectural Control Committee, nor any of their respective members, officers, employees, designees, contractors, administrators, inspectors and agents, shall have any liability whatsoever for decisions made in accordance with this Article so long as such decisions are made in good faith and are not arbitrary or capricious. The plans or the site plan submitted to the Reviewer shall be the responsibility of the Owner of the Lot to which the improvements relate, and the Reviewer shall have no obligation to check for errors in or omissions from any such plans, or to check for such plans' compliance with the general provisions of this Declaration, or any codes, ordinances, regulations or other laws, whether statutory or not, and whether the same relate to Lot lines, building lines, easements or any other issue. Review and approval of any plans pursuant to this Article may be based on purely aesthetic considerations. The Reviewer is not responsible for the structural integrity or soundness of approved construction or modifications, for compliance with building codes and other

governmental requirements, or for ensuring that every residence is of comparable quality, value, or size, of similar design, or aesthetically pleasing or otherwise acceptable to other Owners.

THE ASSOCIATION HEREBY UNCONDITIONALLY AND PERPETUALLY INDEMNIFIES AND HOLDS DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, AND THEIR RESPECTIVE MEMBERS, EMPLOYEES, DESIGNEES, ADMINISTRATORS, INSPECTORS, CONTRACTORS, AND AGENTS HARMLESS FROM AND AGAINST ANY CLAIMS, LIABILITIES, LOSS, DAMAGE, COSTS AND EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES, IN CONNECTION WITH OR ARISING OUT OF ANY ACTIONS OR INACTIONS TAKEN HEREUNDER BY THE REVIEWER, IRRESPECTIVE OF WHETHER OR NOT THE REVIEWER, ITS EMPLOYEES, CONTRACTORS, AGENTS AND OTHER INDIVIDUALS OR ENTITIES TO OR EMPLOYED BY THE REVIEWER ACTED NEGLIGENTLY OR WITH WILLFUL MISCONDUCT.

Section 3.7 Special Rights of Declarant.

Notwithstanding anything to the contrary contained herein, any Lot owned by Declarant or its successor or assign, shall not be subject to the provisions of this Article III and Declarant shall not be required to submit plans and specifications, etc. to the Architectural Control Committee nor obtain the consent, permission or approval of the Architectural Control Committee for the matters otherwise required pursuant to this Article III, and the consent, permission or approval of the Architectural Control Committee shall be deemed given for plans and specifications, plot plans and the like to be used by Declarant, or Declarant's assigns, in the construction of any residence on any Lot owned or sold to a Builder by Declarant. **DECLARANT ALSO RETAINS SPECIAL AND UNIQUE RIGHTS AND PRIVILEGES IN ARTICLE XII THAT TAKE PRECEDENCE OVER ALL OTHER ARTICLES OR SECTIONS IN THIS DECLARATION.**

Section 3.8 Review of Restricted Outparcels.

(a) The Declarant may designate from and after the date of this Declaration by recordation of a Supplemental Declaration in the Official Public Records of Collin County Texas making reference to this Declaration, any portion of the Property to be developed for commercial, retail, restaurant or multi-family uses as a "Restricted Outparcel" (herein so called and collectively, the "Restricted Outparcels"), and each generally referred to herein as a "Restricted Outparcel"), and upon such designation, the Restricted Outparcel shall not be subject to, and shall be automatically excluded from, the covenants, conditions, restrictions, terms and assessments set forth in this Declaration, except as specifically provided in this Section 3.8. The initial Restricted Outparcel hereby designated by Declarant shall be the Multi-Family Site. Owners of any Restricted Outparcel are not Members of the Association, however, by acceptance of title to and occupancy of any Restricted Outparcel, the owners of the Restricted Outparcels and their occupants agree to be bound by the terms of this Section 3.8 for the benefit of each Member and the Association. The terms of this Section 3.8 may be enforced against each Restricted Outparcel and any owner or occupant thereof by the Association, and also by Declarant during the Declarant Control Period.

(b) Any building, structure or other improvements to be constructed within any Restricted Outparcel (including, without limitation, and renovation, expansion or alteration thereof) (the "Restricted Outparcel Improvements") shall be subject to the prior review and approval of the Reviewer in accordance with the terms of this Article III applying the same procedures and requirements as if such Restricted Outparcel were one of the Lots; provided, however, the Reviewer may (but is not obligated to) establish and impose differing Design Guidelines specifically tailored to each Restricted Outparcel. The Association or Declarant may exercise any right or remedies hereunder that would apply to an Owner of a Lot, or at law or in equity, including, without limitation, the right to injunctive relief, in the event of a failure of the owner of a Restricted Outparcel to obtain the prior written consent and approval of the Reviewer with respect to any Restricted Outparcel Improvements, as required by the terms of this Section 3.8.

(c) No Restricted Outparcel shall be included in the Property or Common Properties described in this Declaration. Neither the Association, nor declarant, shall have any obligations to maintain or repair any portion of the Restricted Outparcels or any Restricted Outparcel Improvements thereon. The Restricted Outparcels and the Restricted Outparcel Improvements are made subject to this Declaration solely for the purposes of establishing and enforcing the architectural review and control rights of the Association and the Reviewer in accordance with this Article III.

ARTICLE IV SPECIAL FENCING AND LANDSCAPING

Section 4.1 Fences, Walls and Screening Landscaping.

Declarant and/or the Association shall have the right, but not the obligation, to erect, install, maintain, repair and/or replace fences, walls and/or screening landscaping within that portion of any Lot situated along the perimeter of the Property or on Lots adjacent to Common Properties, as shown on a Final Plat. Any such fence, wall or sprinkler system shall be the property of the Owner of the Lot on which such fence, wall or sprinkler system is erected or installed, subject to the easements and rights of Declarant and the Association set forth below.

With respect to any fencing installed within a Lot that is adjacent to a thoroughfare, the Association shall have the exclusive right to make repairs and stain the exterior of such fence facing the thoroughfare whenever, in the Board's sole and absolute discretion, it deems necessary. Should such repairs extend beyond the normal replacement of broken pickets or correction of leaning fences, and other such minor repairs as determined by the Association through the Board in its sole and absolute discretion, the Association shall have the right to bill such repairs back to the Owner of the Lot on which such fence improvements are located, and levy such charges to such Owner's account as a Special Individual Assessment.

Section 4.2 Landscaping.

Declarant and/or the Association shall have the right to grade, plant and/or landscape and maintain, repair, replace and/or change such grading, planting and landscaping on any portion of the Property not comprising any portion of a Lot and, without limitation whatsoever, to do all things necessary within the Property to obtain full compliance with applicable City ordinances.

Section 4.3 Easement.

Declarant and the Association shall have, and hereby reserve, the right and easement to enter upon the Common Properties and those Lots which are situated along the perimeter of the Property and/or the Common Properties, as shown on a Final Plat, or the Lots adjacent to a thoroughfare, for the purpose of exercising the discretionary rights set forth in this Article IV.

Section 4.4 Declarant and the Association's Discretion.

Notwithstanding any provisions herein to the contrary, neither Declarant nor the Association shall ever be obligated to erect, install, maintain, repair or replace any fences, walls, sprinkler systems, grading, planting or landscaping on the Property.

Section 4.5 Twenty (20) Year Limitation.

The provisions of this Article IV regarding Declarant's rights shall terminate and be of no further force and effect from and after that date which is twenty (20) years after the recording of this Declaration. Declarant may waive said right prior to the twenty (20) years by filing a waiver with the Collin County Clerk's Office. The rights of the Association shall continue throughout the term hereof.

**ARTICLE V
LOT MAINTENANCE BY OWNERS**

Section 5.1 Lot Maintenance.

After the installation of the landscaping on a Lot by a Builder, the Owner of the Lot shall thereafter maintain the yard in a sanitary and attractive manner, including adequate watering and immediate replacement of dead vegetation and trees. Yards shall be mowed, edged, and kept free of weeds in lawn, tree wells, and flowerbeds in order to maintain lawn in an attractive manner. The height of grass may be considered on a case by case basis depending upon the type of grass planted and the manner in which the yard is maintained; Notwithstanding, no grass shall be allowed to exceed six inches (6") in height. No vegetables shall be grown in any portion of a Lot or yard that faces a street or is not screened by fencing built in accordance with the terms hereof.

Section 5.2 Maintenance of Improvements.

Each Owner shall maintain all exterior portions of the residence and Lot in good condition and repair at all times. All buildings, fences, walls and other improvements must be kept in good condition and repair, Owner shall replace worn and rotten parts, and shall regularly repaint all painted surfaces and shall not permit the roofs, rain gutters, down spouts, exterior walls, windows, doors, walks, and driveways, parking areas or other exterior portions of the improvements to deteriorate in an unattractive manner. All fences shall be kept neat, clean and in good repair. Any fence which is damaged, leaning, or otherwise not in good repair shall be immediately repaired.

Owners who lease out their residence(s) have the same responsibility and obligation to keep their residence in good condition and repair at all times. Owners are responsible for all tenants, occupants, invitees, and guests that violates any rule or restriction. Fines levied for non-compliance shall be the responsibility of the Owner to pay. If a tenant, occupant, invitee, or guest of any Owner violates a rule, amenity privileges of such Owner and its tenant, invitee, occupant or guest in violation may be revoked at the sole discretion of the Board.

**ARTICLE VI
ENFORCEMENT**

Section 6.1 Special Enforcement Rights of the Board of the Association.

In the event an Owner or any tenant or occupant or any guest or invitee fails to comply with any provision of this Declaration, the Design Guidelines, including but not limited to any requirement contained in Article V, then, prior to the Board or the Association enforcing the compliance of such failure or seeking against such Owner remedies in accordance with this Declaration (or such other remedies as may be available to the Board and/or the Association at law or in equity), the Board shall first be obligated to give such Owner (Owner's shall at all times be responsible for the conduct of all occupants, tenants, guests, and invitees) a minimum of one (1) notice of such failure and a reasonable time to cure such violation or failure. The amount of time allotted for cure shall vary depending upon the violation, the severity of the violation, the reoccurrence of a violation, as well as the type of violation. Violations of certain restrictions such as pet violations and violations putting at risk the safety, health, and welfare of other persons, animals, or things may carry a different notice requirement and fine rate and schedule to be determined by the Declarant during the Declarant Control Period and thereafter, by the Board of Directors. If the Owner shall not have corrected such failure within such reasonable time after the giving of such notice, the Board of Directors shall have the right but not the obligation, to assess monetary fines which may not exceed a total of \$1,000.00 per occurrence which may be levied in increments or as a lump sum and enter upon the Lot and to bring the Lot, and any improvements thereon, into full compliance with this Declaration, the Design Guidelines. All costs and expenses incurred by the Association in connection with correcting any such failure shall be borne by the Owner. If any Owner does not promptly reimburse the Association for all such

costs, expenses and violation fines assessed after receipt of written request for same, the Board shall have the right to assess the Owner for same plus interest, such assessment, interest and fines being a special individual assessment under the provisions of Section 10.6 below. Self-help will be considered to abate any violation as deemed necessary or appropriate by the Board of Directors. Owners shall be solely responsible for the compliance of any resident, occupant, guest, or invitee. Any violation cited against an Owner's residence or Lot shall be the sole responsibility of the Owner to abate and bring into compliance. The Board of Directors may but, is not obligated to send violation notices to the resident or occupant notwithstanding the Owner shall be solely responsible for any monetary penalty or self-help actions enforced against his residence or Lot.

Section 6.2 Enforcement.

In addition to but not in lieu of the enforcement rights set forth in Section 6.1, the Board of Directors may impose sanctions for violation of this Declaration (including any rules, regulations, policies, guidelines or standards adopted pursuant to the Declaration) in accordance with the applicable procedures set forth in any policy or procedure adopted by the Board. Notwithstanding, should any such policy contain rules or sanctions less than those rules and sanctions present in this Declaration, this Declaration and any rules or regulations promulgated hereunder shall prevail. Such sanctions may include all remedies available at law and/or in equity and all remedies herein, including, without limitation, the following:

(a) Fines. The Board of Directors may impose reasonable monetary fines which shall constitute a lien upon the Owner of the Lot related to or connected with the alleged violation. The Owner shall be liable for the actions of any occupant, guest, or invitee of the Owner of such Lot. ***The same violation, regardless of its origin, noted and properly noticed shall be deemed as a separate occurrence.***

(b) Suspension of Rights to Use the Common Properties. The Board of Directors may suspend any person's or entity's right to use any recreational facilities within the Common Properties and this rule shall also apply to any Owner or Owner's occupants, tenants, guests, or invitees that violate a posted rule at pools, parks, or any other amenity or Common Properties within the Subdivision. Depending upon the severity of the violation, suspensions may remain in place for up to six (6) months or permanently if such violation causes injury or damage to any person, place, or thing. Provided, however, nothing herein shall authorize the Board of Directors to limit ingress or egress to or from a Lot.

(c) Right to Require Removal. The Board of Directors may require an Owner, at the Owner's expense, to remove any dead tree or landscaping from an Owner's Lot and to restore or install the necessary trees or landscaping as required by the applicable City ordinances, or as required by Association rules, regulations, and/or policies, upon failure of the Owner to do so, the Board of Directors or its designee shall have the right to enter the Lot, remove and cure the violation without such action being deemed a trespass and charge the costs thereof to the Owner's account as a special individual assessment in accordance with Section 10.6 below.

(d) Levy Special Individual Assessment. The Board of Directors may levy a special individual assessment in accordance with Section 10.6 as a violation fine and/or to cover costs incurred by the Association in bringing a Lot into compliance with this Declaration, the Design Guidelines, rules, regulation, policies as well as any Community-Wide Standard whether or not said standard is in writing.

(e) Lawsuit; Injunction or Damages. The Board of Directors may bring a suit at law or in equity to enjoin any violation or to recover monetary damages, or both. Failure by Declarant or the Board of Directors, to enforce any covenant, condition, agreement or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In addition to the Association's enforcement rights, this Declaration may be enforced by any aggrieved Owner. The decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case: (i) the Association's position is not strong enough to justify taking any or further action; (ii) the covenant, restriction, or rule being enforced is, or is likely to be construed as, inconsistent with applicable law; (iii) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or (iv) that it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action. **So long as the Board of Directors has taken measures to address a violation with an Owner and has exhausted those enforcement measures allowed per this Declaration and as deemed appropriate at the sole discretion of the Board the Association shall have been considered to have performed their due diligence and no Owner shall have the right to harass, defame through any form of media or social media, e-mail, or any other communication tool, and may not bring suit against the Association, the Declarant, the Board of Directors, or the managing agent of the Association to include all successors or assigns of any of the persons or entities named above.**

ARTICLE VII AMENDMENT AND TERMINATION

Section 7.1 Amendment.

This Declaration may be amended by Declarant at any time so long as Declarant owns at least one (1) Lot from the date this Declaration is filed of record with the office of the County or for a period of not less than fifteen (15) years. Within such period, Declarant may amend the Declaration for any reason without the consent or joinder of any party or without the need to call a meeting of the Association. In addition to the foregoing, the Declaration may be amended by an instrument containing such amendment(s) and recorded in the Official Public Records of the County, provided, that (i) during the period Declarant owns at least one Lot, no such amendment shall be valid or effective without the joinder and consent of Declarant and (ii) such amendment shall first be approved by the affirmative vote or written consent of the Association's Members representing at least 51% of the votes in the Association voting, in person or by proxy, at a duly convened meeting of the Association.

Furthermore, Declarant or the Board may, at its sole discretion and without a vote or the consent of any other party, modify, amend, or repeal this Declaration: (i) as necessary to bring any provision into compliance with any applicable statute, governmental rule, regulation, or judicial determination; (ii) as necessary to comply with the requirements of VA, or HUD (Federal Housing Administration), FHLMC or FNMA or any other applicable governmental agency or secondary mortgage market entity; or (iii) as necessary for clarification or to correct technical, typographical or scrivener's errors; provided, however, any amendment pursuant to clause (ii) and/or (iii) immediately above must not have a material adverse effect upon any right of any Owner. Any amendment to this Declaration must be recorded in the Real Property Records of the County.

No amendment may remove, revoke, or modify any right or privilege of Declarant, the Class B Member, or a Builder without the written consent of Declarant or the Class B Member, respectively (or the assignee of such right or privilege). If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that the Owner has the authority to consent, and no contrary provision in any mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Section 7.2 Termination.

At any time, the Owners may terminate and extinguish this Declaration in its entirety by executing an instrument terminating this Declaration and recording same in the Official Public Records of the County, provided, however, that (i) for the period in which Declarant owns at least one Lot or any other portion of the development, no such termination shall be valid or effective without the joinder and consent of Declarant and (ii) such termination and extinguishment shall first be approved by the affirmative vote or written consent of the Association's Members representing at least 75% of the votes in the Association.

ARTICLE VIII MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 8.1 Membership.

Every Owner of a Lot shall automatically be a Member of the Association. Membership shall be appurtenant to each Lot and may not be separated from ownership of any Lot which is subject to assessment hereunder.

Section 8.2 Classes of Membership.

The Association shall have two (2) classes of voting membership:

CLASS A. Class A Members shall all be Members with the exception of the Class B Member. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership; provided, however, that in the event that more than one (1) person holds such interest or interests in any Lot, even though all such persons shall be Members,

there shall be only one (1) vote for such Lot, which shall be exercised as they, among themselves, determine (but in no event shall more than one (1) vote be cast with respect to any such Lot).

CLASS B. The Class B Member(s) shall be Declarant. Until such time as 99% of the maximum number of Lots planned or approved for the Property has been conveyed to Class A Members other than Builders who purchase Lots for development and sale, the Class B Member shall have twenty-five (25) votes for each Lot owned by such Declarant. Class B Membership shall expire after title to 99% of the maximum number of Lots planned or approved for the Property has been transferred to Class A Members other than Builders who purchase Lots for development and sale. After such time, the Class B Member shall be a Class A Member entitled to one (1) vote for each Lot it owns. The Declarant Control Period, the Development Period, and Declarant rights are not contingent upon Declarant's Class B status.

Section 8.3 Quorum and Notice Requirements.

8.3.1. Except as expressly provided herein to the contrary, any action requiring vote of the Members shall require the assent of a majority of the votes of those Association Members who are present at a meeting, in person or by proxy. Written notice of any meeting, except Board Meetings (unless notice of such Board Meeting is required to be delivered to Members under applicable law), shall be given to all Members not less than ten (10) days nor more than sixty (60) days in advance of such meeting. Notices shall be mailed to the address of record. If an Owner fails to keep an updated address and e-mail on file with the Association, the Association may not be deemed to have failed to provide notice to that Owner.

8.3.2. A quorum is required for any action referred to in Section 8.3.1, unless otherwise provided, for any action for which a percentage vote at a meeting is required. A quorum shall be determined as set forth in this Section 8.3.2. For every meeting of the Members, with the exception of Board meetings or other meetings as may be defined separately in this Declaration or the Bylaws, whether regular or special, the presence at the

meeting of Members, or of proxies, entitled to cast at least ten percent (10%) of all of the votes of the Association's Members, without regard to class, shall constitute a quorum. If the required quorum is not present at the initial meeting, additional meetings may be called, subject to the notice requirement hereinabove set forth, and the required quorum at such subsequent meeting(s) shall be one-half (1/2) of the quorum requirement for such prior meeting. The Association may call as many subsequent meetings as may be required to achieve a quorum (although the quorum requirement shall be reduced for each such meeting, in no event shall a quorum be less than one-tenth (1/10) of the votes of the Association). During the Declarant Period, should quorum not be obtained after the first meeting, the presence of the Declarant or a delegate of the Declarant shall constitute a quorum. At such adjourned or subsequent meeting at which a quorum shall be present or represented, any business may be transacted which may have been transacted at the meeting as originally notified.

8.3.3. Except as specifically set forth in this Declaration, notice, voting and quorum requirements of any action to be taken by the Association shall be set forth in its Bylaws, as same may be amended from time to time.

Section 8.4 Right of Inspection.

Each Owner shall have the right to inspect the financial records and books of the Association, during normal business hours and at the place where such books are kept, upon reasonable prior written notice sent by certified mail to the Association stating a proper purpose in accordance with Section 209.005 of the Texas Property Code, as amended, and pursuant to the Open Records Policy established by the Association.

**ARTICLE IX
THE COMMON PROPERTIES**

Section 9.1 Initial Common Properties.

The Common Properties may include but, are not limited to, and **by way of illustration only**, all aspects of the entry features, entry monuments and walls, landscaping, irrigation for same and the land on which such entry features are situated, retention ponds, screening walls, pocket parks, a clubhouse and associated recreational amenity, if applicable, gates, fences, fountains and other structures, whether or not shown on a Final Plat, or as deemed necessary by Declarant, each as may be leased, maintained or owned by the Association. The foregoing list is intended to illustrate examples of Common Properties and under no circumstance shall such list impose any obligation on the Declarant or the Association to purchase, install or construct any such features or amenities. The Common Properties may hereafter include any neighborhood parks or other improvements or land conveyed to or leased by the Association for the use and benefit of the Owners. All Common Properties and Property, improvements, Amenities as well as the maintenance and repair of Common Properties and Property, improvements and amenities shall be the responsibility of the Association after initial construction or installation.

The Declarant, after initial construction and / or installation shall not be responsible for the maintenance, upkeep or repair. Assessments and monetary obligations of Owners of Lots are not contingent upon the construction or existence of any common area, common element, amenity, or any other Common Properties.

Section 9.2 Additional Common Properties.

Additional property may be added to the Common Properties hereunder upon the sole discretion of Declarant during such time as Declarant owns at least one (1) Lot. Thereafter, additional property may be added to the Common Properties hereunder upon the affirmative vote of at least fifty-one percent (51%) of the votes of those Association Members, regardless of class, who are voting, in person or by proxy, at a meeting duly called for such purpose.

Section 9.3 Acceptance and Control of Common Properties.

Declarant, or any third-party at the request of Declarant, may transfer to the Association, and the Association shall accept as Common Properties, personal property and/or fee title or other property interests in any improved or unimproved real property included within the property described in **Exhibit A** or any other real property made subject to this Declaration in the future in its "As Is" condition. Upon Declarant's written request, the Association shall transfer back to Declarant any unimproved real property originally conveyed to the Association for no payment, to the extent conveyed by Declarant in error or needed by Declarant to make minor adjustments in property lines.

Section 9.4 Extent of Members' Easement in the Common Properties.

Each Member shall have a right and easement of access, use and enjoyment in and to the Common Properties which is subject to the following:

9.4.1 The right of the Association to prescribe regulations governing the use, operation and maintenance of the Common Properties;

9.4.2 The right of the Association to take such steps as is reasonably necessary to protect the Common Properties against foreclosure;

9.4.3 Subject to applicable law (including, without limitation, Section 209.006 of the Texas Property Code), the right of the Association to suspend the right of any individual to use any of the Common Properties and/or common facilities for any period during which any assessment against a Lot resided upon or owned by such individual remains unpaid, and for any period in which an infraction of the rules and regulations of the Association, the Declaration, or the Design Guidelines remains uncured; and

9.4.4 The right of the Association to charge reasonable admission and other fees for the use of recreational facilities on the Common Properties, if any such recreational facilities are ever constructed.

Section 9.5 Dedication of the Common Properties.

The Board of Directors shall have the right at any time to dedicate or transfer all or any part of the Common Properties to any public agency, authority or utility for such purposes and upon such conditions as the Board of Directors may determine.

**ARTICLE X
COVENANT FOR ASSESSMENTS**

Section 10.1 Creation of the Lien and Personal Obligation of Assessments.

Each Owner hereby covenants and agrees, and each purchaser of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association (or to a mortgage company or other collection agency designated by the Association) the following: (a) annual assessments or charges; (b) acquisition assessments; (c) special assessments for capital improvements; (d) individual special assessments (including, without limitation interest and fines) levied against individual Owners for violations of the Declaration, Design Guidelines or the Community-Wide Standard or to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner, his tenant(s) occupying his Lot, if applicable, and their respective family, agents, guests and invitees, or for costs incurred by the Association resulting from any Owner failing to comply with the terms and provisions hereof or maintenance and repairs performed by the Association on behalf of some, but not all Members. All such assessments shall be fixed, established and collected as hereinafter provided. The annual, acquisition, benefitted, special capital, and individual special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made. Each such assessment, together with late charges, collection costs, such interest thereon and cost of collection thereof, including attorneys' fees, as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Fines, not to exceed \$1,000.00 per occurrence, shall be assessed upon the expiration of a reasonable time after the date notice of such violation was sent to the violating Owner. In all instances of violations, the Owner shall be responsible for correcting such violation within the time noted in the violation notice, regardless as to whether the residence is occupied by the Owner or a tenant. On occasion, fine amounts for certain violations may exceed \$1,000.00 per occurrence depending upon the severity and nature of the violation. Without limiting the foregoing, and by way of example only, a violation that may result in a greater fine are Owners who house vicious animals who attack and harm a person or another animal, Owners who use restricted items such as fireworks or firearms that result in damages, injury, or death. The lien provided for herein shall secure payment of fines not timely paid and the Owner shall also have personal liability for the payment of same.

Section 10.2 Purpose of Assessments.

The assessments levied by the Association shall be used as follows: (a) for the purpose of promoting the interests of the Association and the recreation, health and welfare of the residents of the Property, and in particular for the improvement, repair and maintenance of the entry ways or any other properties, services and facilities devoted to this purpose and comprising or directly relating to the use and enjoyment of the Common Properties, including, but not limited, to the payment of taxes on and insurance in connection with the Common Properties, and the repair, replacement and additions thereto; (b) for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of, the Common Properties; (c) for carrying out the duties of the Board of Directors of the Association as set forth in Article XI hereafter including, but not limited to, the payment by the Association of all assessments and charges payable in connection with sewer, water and garbage

pickup services and the installation and maintenance of lighting (if any) of the Common Properties; (d) for paying the cost of maintenance of the monument sign for the Property, if any, in the event the appropriate governmental authority refuses to maintain the same; or (e) for carrying out the purposes of the Association as stated in its Certificate of Formation.

Section 10.3 Basis and Amount of Annual Assessments.

10.3.1 The Board of Directors may fix the annual assessment at any amount equal to or less than the maximum annual assessment for that year, as herein below provided. The annual assessment for each Lot beginning with fiscal year 2020 shall be **Five Hundred Fifty and No/100 Dollars (\$550.00)**. Commencing with the recording of this Declaration and each year thereafter, the Board of Directors may set the amount of the maximum annual assessment for that year (and for following years) for each Lot based upon the budgetary and other known or presumed expenses of the Association. Notwithstanding, the maximum annual assessment may not be increased more than fifty percent (50%) above the maximum annual assessment for the previous year without a vote of the membership taken in accordance with the provisions of Section 10.3.2.

10.3.2 Commencing with the recording of this Declaration, and in each year thereafter, the Board of Directors may set the maximum annual assessment for the following year for each Lot at an amount **more than fifty percent (50%)** above the maximum annual assessment for the previous year; provided that any such increased assessment shall be approved by the affirmative vote of fifty-one percent (51%) of the votes of those Association Members who are voting, in person or by proxy, at a meeting duly called for such purpose.

Section 10.4 Working Capital / Acquisition Assessment

At any time, record title is transferred to any Owner (excluding Lot sales from Declarant to a Builder), a Working Capital / Acquisition Assessment shall be paid to the Association by such Owner at closing in the amount of **Three Hundred Fifty and No/100 Dollars (\$350.00) for each Lot acquired**. Working Capital / Acquisition Assessments are in addition to and, not in lieu of, any other fees or assessment provided for herein. Working Capital / Acquisition Assessments are not refundable and shall be available for all necessary expenditures of the Association as may be determined by the Board. In addition to the foregoing but still considered an assessment hereunder, the Board may, at its sole discretion, enter into a contract with a managing agent to oversee the daily operation and management of the Association. The managing agent 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**" (herein so called). 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 shall in no event exceed \$350.00 for each Lot being conveyed and are not refundable and may not be regarded as a prepayment of or credit against regular or special assessments, and are in addition to any other contribution which may exist or be established from time to time. This Section does not obligate the Board or any third party to levy such fees. Notwithstanding anything to the contrary contained hereinabove, transfer fees and fees for the issuance of a Resale Certificate in connection with a transfer from Declarant to any Builder shall

in no event exceed \$125.00 for each Lot conveyed to a Builder.

Section 10.5 Special Assessments.

The Association may also levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the costs of any unbudgeted, underbudgeted, unforeseen, extraordinary expenses or needs, construction or reconstruction, maintenance, unexpected repair or replacement of a common amenity or element and/or capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto; provided that any such assessment shall not exceed fifty percent (50%) of the then current Assessment rate. Any amount over fifty percent (50%) must be approved by the affirmative vote of fifty-one percent (51%) of the votes of those Association Members, regardless of Class, who are voting, in person or by proxy, at a meeting duly called for such purpose.

Section 10.6 Special Individual Assessments, Interest and Fines.

In the event that any Owner fails to comply with the provisions of this Declaration, the Design Guidelines or the Community-Wide Standard and/or the Association incurs any cost or expense in either enforcing said provisions against any such Owner or in carrying out the obligations of any such Owner, the Association shall have the right to assess against such Owner and the Lot of such Owner a special individual assessment in the amount of all such costs incurred by the Association plus interest and/or in the amount of any violation fine(s) levied by the Board. Special individual assessment, interest and fines to be paid by the applicable Owner upon demand by the Association.

Section 10.7 Uniform Rate of Assessments.

Both annual and special assessments (excepting there from special individual assessments) shall be fixed at a uniform rate for all Lots.

Section 10.8 Date of Commencement and Due Dates of Assessments.

The obligation to pay assessments commences as to each Lot: (a) upon acquisition of record title to a Lot by the Owner thereof other than Declarant; the initial annual assessment levied on each Lot shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Lot. Annual assessments shall be payable in advance on the first (1st) business day of each January; provided, if the Board so elects, annual assessments may be paid in monthly, quarterly, or semi-annual installments. The Board may require advance payment or any difference in payment of all or any portion of the annual assessment at closing of the transfer of title to a Lot. The due date or dates, if it is to be paid in installments, of any special assessment under Section 10.5 shall be fixed in the respective resolution authorizing such assessment. Payment of Assessments is not contingent upon the construction, production, placement or existence of any amenity.

Section 10.9 Duties of the Board of Directors with Respect to Assessments.

10.9.1 The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Owner.

10.9.2 Only if such assessment is an amount different from that charged for the previous year, written notice of the assessment shall thereupon be delivered or mailed to every Owner subject thereto (according the Association's then current records).

10.9.3 The Board of Directors shall, upon demand, cause to be furnished to any Owner liable for said assessments a certificate in writing signed by an officer or agent of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board or the Association's managing agent for the issuance of such certificates.

Section 10.10 Assessment Lien to Secure Charges and Assessments.

All assessments, interest, late charges, collection fees and attorneys' fees, as provided for herein, shall constitute and be secured by a separate and valid and subsisting assessment lien, hereby created and fixed, and which shall exist upon and against each Lot and all improvements and fixtures thereon, for the benefit of the Association. Notwithstanding any other provision hereof, the lien to secure the payment of assessments or any other sums due hereunder and any other lien which the Association may have on any Lot pursuant to this Declaration shall be subordinate to the lien or equivalent security interest of any first lien mortgage or deed of trust on any Lot.

Any foreclosure of any such superior lien under the power of sale of any mortgage, deed of trust or other security instrument, or through court proceedings in which the Association has been made a party, shall extinguish the liens securing maintenance charges or assessments or any other sums due hereunder which became due and payable prior to such foreclosure date, but no such foreclosure shall free any Lot from the liens securing assessments thereafter becoming due and payable, nor shall the liability of any Member personally obligated to pay maintenance charges or assessments which become due prior to such foreclosure be extinguished by any foreclosure, nor shall the lien for future assessments or charges be affected in any manner.

Section 10.11 Effect of Nonpayment of Assessment.

If any assessment is not paid within thirty (30) days from the due date thereof, the same shall bear interest from time to time, at the sole discretion of the Board, from the due date until paid at the highest non-usurious rate allowed under the laws of the State of Texas, or other applicable law, or if no such limitation imposed then at the rate of fifteen percent (15%) per annum, and if placed in the hands of an attorney for collection or if collected through probate or other judicial proceedings, there shall be reimbursed to the Association its reasonable attorneys' fees. Should the Board set different terms for payment of Assessments the Board shall, at that time, set

the standard with regard to amount of time Owners shall have to submit the payment without being considered late. Should any assessment provided for herein be payable in installments, the Association may accelerate the entire assessment and demand immediate payment thereof. In addition, a late charge shall be assessed against the non-paying Owner for each month that any assessment remains unpaid. The late charge shall be in the amount of **Twenty-Five and No/100 Dollars (\$25.00)** per month and shall serve to reimburse the Association for administrative expenses and time involved in collecting and processing delinquent assessments. Monthly charges may, and probably will, be charged by the Association's managing agent for reimbursement of collection and processing of delinquent accounts. The Association's managing agent may and probably will have other fees by which compensation is made to managing agent for its efforts in collecting delinquent assessments. Such fees may include but, are not limited to, collection fee charges, demand letter and certified mail processing charges and work with third party collection agencies, certified and return receipt mailings and processing, payment plan processing and monitoring and other. A charge of not less than **Twenty-Five and No/100 Dollars (\$25.00)** or an amount equal to the bank charge incurred, if greater, shall be assessed against an Owner for payment returned for insufficient funds or for any other reason. The Association, in the Board's discretion, shall have the right to waive any part of or all of such interest and/or fees owed to the Association.

Section 10.12 Collection and Enforcement.

The Association shall have a lien on each Lot securing payment of any assessment, together with interest thereon as provided herein, reasonable attorneys' fees, late charges, collection fees and costs incurred in the collection of same and the enforcement of said lien. The Board of Directors shall take such action as it deems necessary to collect assessments and may settle and compromise the same if deemed appropriate in the exercise of the Board's business judgment. Such liens shall be effective as and, in the manner, provided for herein and shall have the priorities established in this Declaration. The Board of Directors may bring an action at law against any Owner personally obligated to pay an assessment or foreclose the lien against such Owner's Lot, or both, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment.

Each Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Board of Directors of the Association or its agent the right and power to bring all actions against such Owner personally for the collection of such assessments as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including, but not limited to, nonjudicial foreclosure pursuant to Texas Property Code Section 51.002 in force and effect on the date of this Declaration, or in accordance with the prescribed manner for foreclosure of deed of trust liens provided by any future amendment to such Section 51.002 or any other statute or article enacted in substitution therefore, and such Owner hereby expressly grants to the Board of Directors a private power of sale in connection with said lien. The Board is hereby appointed trustee, unless and until the Board of Directors shall designate a substitute or successor trustee, as hereinafter provided, to post the required notices as provided by law and conduct such foreclosure sale.

The lien provided for in this Section shall be in favor of the Association and shall have the same effect as though each Owner had expressly granted to the Association a deed of trust lien as well as a security interest in said Lot to secure the payment of the assessments provided for herein. In addition to such notices as required by the aforesaid statute, the trustee shall mail to the Owner of a Lot for which the assessment has not been paid, a copy of the notice of assessment lien prior to the date any notice of sale is posted, by certified, return receipt requested, at the Lot or such other address as the Board has been advised in writing for receipt of notices under this Declaration. Notwithstanding the foregoing, any mandatory foreclosure requirements of Section 209 of the Texas Property Code shall be adhered to by the foreclosing entity.

At any foreclosure, judicial or nonjudicial, the Association shall be entitled to bid up to the amount of its lien, together with costs and attorneys' fees, and to apply as cash credit against its bid all sums due the Association covered by the lien foreclosed. All foreclosure sales provided for herein shall be subject to any then existing statutory right of redemption in favor of the former Owner. From and after any such foreclosure, the former Owner or Owners, their heirs and assigns, shall forthwith upon the making of such sale surrender and deliver possession of the property so sold to the purchaser at such sale, and in the event of their failure to surrender possession of said property upon demand, the purchaser, or his heirs or assigns, shall be entitled to institute and maintain an action for forcible detainer of said property in the Justice of the Peace Court in the Justice Precinct in which such Lot, or any part thereof, is situated.

The Board of Directors in any event is hereby authorized to appoint a substitute trustee, or a successor trustee, to act in the place of the trustee without any formality other than the designation in writing of a substitute or successor trustee; and the authority hereby conferred by the Board of Directors shall extend to the appointment of other successor and substitute trustees successively until the delinquent assessment or assessments have been paid in full, or until said property is sold, and each substitute and successor trustee shall succeed to all the rights and powers of the original trustee appointed by the Board of Directors or its agents.

Section 10.13 Homestead.

By acceptance of a deed thereto, the Owner and spouse thereof, if married at the time of the conveyance or subsequently married, of a 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 be available by 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 construed in its favor.

Section 10.14 Omission of Assessments.

The omission of the Board of Directors, before the expiration of any assessment period, to fix the assessments hereunder for that or the next assessment period, shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay the assessments, or any installment thereof for that or any subsequent assessment period, but the assessment fixed for the preceding assessment period shall continue until a new assessment is fixed or levied by the Board.

Section 10.15 Reserve Fund.

10.15.1 The Association, after the Declarant Control Period, shall establish and maintain a Reserve Fund for the periodic maintenance or improvements of the Common Properties and for any need of the Association. A Reserve Fund as described in this Section is not the Working Capital and/or Acquisition Assessment noted in Section 10.4 above. During the Declarant Control Period, the Declarant has no obligation to establish or fund a Reserve Fund; Notwithstanding, should any such fund be established, a separate account shall be required to hold said funds apart from the general or normal Operating account. The Reserve Fund may be funded from Assessments collected but, may not be funded from Working Capital / Acquisition Assessments collected during the Declarant Control Period without the Declarant's approval. After the Declarant Control Period ends, Working Capital / Acquisition Assessments may be used to establish and/or fund a Reserve account if no such account exists. Subject to the provisions of Section 10.3 above, the Board may at any time ratably increase or decrease the amounts of regular annual assessments in accordance with this Declaration to such level as shall be reasonably necessary in the judgment of the Board to cover obligations of the Association under this Declaration, including provisions for funding reasonable reserves. So long as the Board exercises business judgment in determining the amount or necessity of the reserve fund, the amount held in reserves shall be considered adequate.

10.15.2 The Association shall establish a general Operating account for the initial operation of the Common Properties.

Section 10.16 Exempt Property.

The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein:

- 10.16.1 All properties dedicated and accepted by the local public authority and devoted to public use; and
- 10.16.2 All Lots and/or Property owned by Declarant, subject to the terms of Sections 10.17 and 10.18 below; and
- 10.16.2 All Common Properties.

Section 10.17 Declarant Subsidy.

Declarant may, but shall not be obligated to, pay a subsidy to the Association in order to reduce the total annual assessment which would otherwise be necessary to be levied against all Lots to cover the estimated expenses of the Association (including reserve contributions, if any). Any such subsidy shall be disclosed as a line item in the income portion of the budget and may be treated by the Declarant, in its sole discretion, as a loan from the Declarant to the Association or as an advance against future assessments due or as a contribution.

Prior to Declarant subsidizing the Association, Declarant may require the Association to apply monies from all sources to include, but is not limited to, revenues from the operation of Common Properties, Working Capital / Acquisition Assessments, guest fees, user fees, and the assessments levied against the Owners of Lots, other than the Declarant as well as general reserve funds should the same exist. Any sums paid by the Declarant to the Association to fund the "deficiency" of the Association or any sums paid by the Declarant in the form of cash or in-kind services or materials. Any subsidy provided may be considered by the Declarant as a loan subject to the terms as set forth in the Declaration or the Declarant's Reservations and Representations, if applicable and the Association shall cooperate, fully, with the repayment of any such loan upon the Declarant's request. After termination of the Class B membership, Declarant shall pay assessments on its unsold Lots in the same manner as any other Owner.

Section 10.18 Declarant's Assessment.

Notwithstanding any provision of this Declaration or the Certificate of Formation or Bylaws to the contrary, so long as there is Class B membership in the Association, the Declarant is not subject to assessments.

**ARTICLE XI
GENERAL POWERS OF THE
BOARD OF DIRECTORS OF THE ASSOCIATION**

Section 11.1 Power and Duties.

Except as provided in Article XII below, the Board, for the benefit of the Association, the Property and the Owners shall have the right to do all things which are necessary or advisable in connection with enforcing the provisions of this Declaration. During the Declarant Control Period the Declarant may limit or delegate powers to the Board at its sole discretion. Such powers shall include, but shall not be limited to, the following unless Declarant dictates otherwise in writing:

11.1.1 Paying assessments and charges for sewer, water and garbage pickup services for the Properties, if any, the installation and maintenance charges for street lighting for the Property, if any, and taxes, assessments and other charges which shall properly be assessed or charged against the Common Properties.

11.1.2 Performing maintenance on the Common Properties which may include, without limitation, the following: (a) maintenance of any driveways, private roadways, jogging paths, walkways and sidewalks; (b) maintenance of grounds, including care of trees, shrubs and grass, lighting systems, sprinkler systems (if installed) and similar facilities on the Common Properties; and (c) maintenance of the entry monument(s) and any screening walls or fences constructed around the perimeter of the Property; provided, further, that in the event that the need for maintenance or repair is caused through the willful or negligent act of any Owner, his family, his guests or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Lot is subject.

11.1.3 Managing and maintaining the Common Properties and full maintenance of a utility service for the Common Properties; the furnishing and upkeep of any desired personal property for use in the Common Properties.

11.1.4 Purchasing a policy or policies of insurance insuring the Association against any liability to the public or to the Owners (and/or invitees or tenants) incident to the operation of the Association, in an amount not less than \$250,000.00 to indemnify against the claim of one person, \$500,000.00 against the claims of two or more persons in any one occurrence, and property damage insurance in an amount not less than \$50,000.00 per occurrence; which policy or policies shall contain an endorsement providing that the rights of the named insured shall not be prejudiced with respect to actions against other named insured's; provided, that under no circumstances shall the Board be authorized to provide or pay for fire, casualty, or other insurance insuring the interest of any Owner in his Lot.

11.1.5 Executing all re-plats of the Property and all declarations of ownership for tax assessment purposes with regard to the Common Properties on behalf of all Owners.

11.1.6 Borrowing funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit.

11.1.7 Entering into contracts (contracts entered into by the Declarant are not subject to Board's approval and the Board may not terminate a contract executed by the Declarant), maintaining one or more bank accounts, and generally exercising all the powers necessary or incidental to the operation and management of the Association, expressly including the power to enter into management and maintenance contracts.

11.1.8 Protecting or defending the Common Properties from loss or damage by suit or otherwise, and to provide adequate reserves for replacements.

11.1.9 Making reasonable rules and regulations for the operation of the Common Properties and operation of the Association and ability to amend them from time to time, provided that any rule or regulation may be amended or repealed by the vote of at least sixty-seven percent (67%) of those Members present, in person or by proxy, at a meeting called for such purpose (without limiting the generality of the foregoing language, the rules and regulations may provide for limitations on use of the Common Properties during certain periods by youthful persons, visitors or otherwise).

11.1.10 Adjusting the amount, collecting and using any insurance proceeds to repair damage or replace lost property, and if proceeds are insufficient to repair damage or replace lost property, assessing the Members in proportionate amounts to cover the deficiency.

11.1.11 Enforcing the provisions of this Declaration, the Design Guidelines, any Community-Wide Standard, and any rules made hereunder, and to enjoining and seeking damages from any Owner for violation of such provisions or rules.

11.1.12 Exercising the rights granted to the Association in this Declaration, including, without limitation, all rights of the Board, the Association, and the ACC relating to architecture, design, and construction review and inspections under Article III.

The Association may exercise any right or privilege given to it expressly or by reasonable implication by this Declaration, the Bylaws, or the Certificate of Formation, and may take action reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in such documents or by law, all of the Association's rights and powers may be exercised by the Board without a vote of the membership.

The Board may institute, defend, settle, or intervene on the Association's behalf in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Common Properties, enforcement of this Declaration, or any other civil claim or action. However, the Board shall exercise business judgment in determining whether to take any

such action under particular circumstance and shall have no legal duty to institute litigation under any circumstances on behalf of or in the name of the Association or the Members.

Section 11.2 Board Power, Exclusive.

The Board shall have the exclusive right to contract for all goods, services and insurance, payment for which is to be made from the maintenance fund, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

Section 11.3 Owner's Obligations to Repair.

Except for those portions of each Lot constituting the Common Properties, each Owner shall at his sole cost and expense, maintain and repair his Lot and the improvements situated thereon, keeping the same in good condition and repair. In the event that any Owner shall fail to maintain and repair his Lot and such improvements as required hereunder, the Association, in addition to all other remedies available to it hereunder or by law, and without waiving any of said alternative remedies, shall have the right but not the obligation, subject to the notice and cure provisions of Section 6.1 above, through its agents and employees, to enter upon said Lot and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon; and each Owner (by acceptance of a deed for his Lot) hereby covenants and agrees to repay to the Association the cost thereof immediately upon demand, and the failure of any such Owner to pay the same shall carry with it the same consequences as the failure to pay any assessments hereunder when due.

Section 11.4 Maintenance Contracts with Owners.

The Board, on behalf of the Association, shall have full power and authority to contract with any Owner, including Members of the Board, for the performance by or for the Association of services pursuant to the terms hereof (including, but not limited to, the maintenance and repair of fences owned by any such Owner), such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable and to the best interest of the

Association; provided, however, that same must be commercially reasonable in all circumstances. Contracts which may be entered into with a member of the Board shall comply with all applicable local and /or State ordinances. Members of the Board may not be compensated for performance related to their duties as a Board of Director.

Section 11.5 Liability of the Board of Directors.

The Association shall indemnify every officer, director, and committee member against all damages and expenses, including attorneys' fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding if approved by the Board of Directors at the time of such settlement) to which he or she may be a party by reason of being or having been an officer, director, or committee member. **OFFICERS, DIRECTORS, AND COMMITTEE MEMBERS SHALL NOT BE LIABLE FOR ANY MISTAKE OF JUDGMENT, NEGLIGENCE OR OTHERWISE, EXCEPT FOR THEIR OWN INDIVIDUAL WILLFUL MISFEASANCE, MALFEASANCE, MISCONDUCT, OR BAD FAITH.** The Association's officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association. The Association shall indemnify and forever hold each such officer, director, and committee member harmless from any and all liability to others on account of any such contract, commitment, or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as an Association expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 11.6 Notice and Hearing Procedures Prior to the Initiation of Certain Types of Actions by the Association.

Except as set forth in paragraph (c) below, prior to filing suit to enforce the provisions of this Declaration, the Design Guidelines, any Community-Wide Standard or rules promulgated hereunder, the Association shall comply with the notice and hearing procedures set forth in subsections (a) and (b) below.

(a) Notice. The Association shall serve the alleged violator with a minimum of one (1) written notice describing (i) the nature of the alleged violation and a request for its abatement, (ii) the action which the Association proposes or intends to take unless the violation is corrected within the time allotted in the notice. Within a period of not less than thirty (30) days within which the Owner was notified of the alleged violation, the Owner may present a written request for a hearing. If Owner does not abate/cure any violation within the time frame given, the Association may proceed with the action which may include the Association's right to initiate Self Help actions wherein the Association shall make the necessary repairs to correct the violation and all charges incurred by the Association in abating the violation shall be assessed to the Owner's account. Emergency situations as they may be deemed to exist by the Declarant, the Board or its managing agent shall be exempt from the time restraints or limitations set forth for self-help so long as it is reasonably assumed, using good faith judgment, that the violation causes or may cause injury, be a health hazard to persons or animals, may cause damage to Owner's property or common property or neighbors adjoining property. A twenty-four (24) hour notice shall be given

and may be done by e-mail or posting to the front door of the Owner's property. Notice by U.S. mail may also be made but, shall not prevent or hinder the twenty-four (24) hour rule in the case of emergencies. If Owner requests a hearing the violation and/or fine process shall be suspended until after the hearing is held and a decision has been rendered.

Non-Payment of fines for non-compliance or charges assessed by the Association for Self Help remedies will be collected according to applicable law and per current Texas Property Code regulations. Charges will be subject to possible late and/or collection charges when applicable. If the violation is abated within the time period set forth in the written notice, the Association shall suspend the proposed action unless a similar violation occurs within six (6) months from the date of the written notice. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Owner. Recurring violations within a six (6) month period will not require the Association to issue again notices previously sent. If the required notice was previously sent, the Association may, at its discretion, send an immediate notice of fine warning to the Owner which must allow the Owner not less than five (5) days to correct the violation, excluding any violation deemed to require immediate correction such as an emergency situation as outlined above. If Owner does not make the necessary corrections, the Association may begin fines or initiate Self Help action without further notice required; Notwithstanding, when initiating a fine, a Notice of Fine shall be issued.

(b) Hearing. If a hearing is requested within any allotted thirty (30) day period of violation notice being provided, the hearing shall be held before a committee appointed by the Board consisting of three (3) persons, all of whom shall be members of the ACC, Owners or Members of the Association, or representatives of the Declarant. A representative of the Association may attend and shall be afforded a reasonable opportunity to make a statement describing the alleged violation and to present any evidence or witnesses to support its statement. The alleged violator shall also be afforded a reasonable opportunity to be heard and to present any evidence or witnesses on his or her behalf. At the conclusion of all statements and presentations, the committee may close the hearing and retire to discuss the evidence and to render a judgment as to whether, in fact, a violation has occurred or may announce to the Owner that a decision will be rendered by U.S. mail within ten (10) days of the hearing date. The committee shall notify the Association in writing of its determination. If the committee determines that a violation has occurred, the Association may pursue any and all remedies described in its original notice of the violation. The alleged violator shall have the opportunity to appeal the decision of the committee to the Board in accordance with Section 209.007 of the Texas Residential Property Owners Act, Texas Property Code, as it may be amended.

(c) Applicability. The notice and hearing procedures set forth in this Section shall not apply to any claim: (i) upon which the Board deems it necessary to obtain emergency injunctive relief; (ii) pertaining to the collection of assessments; or (iii) where the Association decides to exercise its right of self-help to cure the violation after written notice to the Owner and an opportunity to cure.

(d) Right of Action. The Association shall not have the power to institute, pursue, join, intervene in, settle or compromise litigation, arbitration or other proceedings: (i) in the name of or on behalf of any Owner (whether one or more); or (ii) pertaining to a claim relating to the design, construction or repair of a residence, a Lot or any improvements on a Lot (other than a

Claim (as defined in Section 12.6.2 hereof) relating to Common Properties to be maintained by the Association hereunder on one or more Lots). This Section may not be amended or modified without Declarant's written and acknowledged consent and the consent of Members entitled to cast at least one hundred percent (100%) of the total number of votes of the Association, both of which must be part of the recorded amendment instrument.

ARTICLE XII AUTHORITY AND CONTROL BY DECLARANT

Section 12.1 Declarant Rights.

Notwithstanding anything herein to the contrary, so long as Declarant owns at least one (1) Lot, Declarant shall have the sole right, but not the obligation, in its sole discretion, at any time, effective as of the date hereof, to control, perform and/or conduct the following:

- (1) amend this Declaration, the Design Guidelines and/or the Community-Wide Standard, in whole or in part for any reason as the Declarant in its discretion, deems necessary without the consent or joinder of the Board or Members;
- (2) enforce the provisions of this Declaration, Design Guidelines, policies, rules and regulations as they exist or may be adopted, amended, or rescinded. Limit or restrict the duties of the Board of Directors, enter into contracts and Agreements;
- (3) review, determine and enforce the architectural control of the Lots. So long as Builders have Lots to purchase or upon which to construct, the Declarant alone or an ACC appointed by the Declarant shall have the review rights and act as "Reviewer" hereunder for Builders; and
- (4) assigns its rights and obligations under this Declaration to any entity at any time, in whole or in part.

Declarant's rights set forth above are absolute in its sole discretion and do not require the approval, consent, or joinder of (i) any Owner, (ii) the Association, (iii) the Board of Directors, or (iv) any committees or other parties which may be established with respect hereto. At such time as Declarant no longer owns a Lot within the Property, all of such rights of enforcement shall revert to the Board of Directors of the Association. **In the event any other provision in this Declaration is in contradiction to this Article XII, in whole or in part, this Article XII shall prevail.**

Section 12.2 Easement to Inspect and Right to Correct.

Declarant reserves for itself and others it may designate the right, but not the obligation, to inspect, monitor, test, redesign, and correct any structure, improvement, or condition which may exist on any portion of the Property, including Lots, and a nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Lot shall be only after reasonable notice to the Owner and no entry into a residence or other structure on a Lot shall be permitted without the Owner's consent, which consent

shall not unreasonably be withheld, conditioned, or delayed. The failure or refusal to permit reasonable access to the Lot for the purposes contemplated under this paragraph shall excuse Declarant or its designee from responsibility for repairs or damages relating to defective workmanship or materials.

Section 12.3 Right to Develop.

Declarant and its employees, agents, and designees shall have a right of access and use and an easement over and upon all of the Property for the purpose of making, constructing, and installing such improvements to the Property, as Declarant deems appropriate in its discretion.

Section 12.4 Construction Activities.

All Owners, occupants, and users of Lots are hereby placed on notice that Declarant, and/or its agents, contractors, subcontractors, licensees, and other designees, shall conduct development and construction activities within the Property and that such activities shall be conducted in phases and may cause disturbance and disruption which impact the use and enjoyment of a Lot. ***No Owner shall interfere with the development and buildout of the Subdivision. Owners are hereby put on notice that any such interference shall result in any number of violations or actions which may be initiated by the Declarant, any Builder or the Association.*** By the acceptance of a deed or other conveyance or mortgage, leasehold, license, or other interest, and by using any portion of a Lot or the Property generally, the Owners and all occupants and users of Lots acknowledge, stipulate, and agree: (a) that such activities shall not be deemed nuisances, or noxious or offensive activities, under any applicable covenants or at law generally; (b) not to enter upon, or allow their children or other persons under their control or direction to enter upon, or allow their children or other persons under their control or direction to enter upon (regardless of whether such entry is a trespass or otherwise) any property within or in proximity to the Lot where such activities are being conducted (even if not being actively conducted at the time of entry, such as at night or otherwise during non-working hours); (c) that Declarant and all of its agents, contractors, subcontractors, licensees, and other designees, shall not be liable but, rather, shall be held harmless for any and all losses, damages (compensatory, consequential, punitive, or otherwise), injuries, or deaths arising from or relating to the aforesaid activities; (d) that any purchase or use of any portion of a Lot has been and will be made with full knowledge of the foregoing; and (e) this acknowledgment and agreement is a material inducement to Declarant to sell, convey, lease, and/or allow the use of Lots within the Property.

Section 12.5 Changes in Master Plan.

Each Owner acknowledges that Subdivision is a planned community, the development of which is likely to extend over many years, and agrees that the Association shall not engage in, or use Association funds to support any protest, challenge, or other form of objection to (a) changes in uses or density of property within the Property, or (b) changes in the master plan of Subdivision, including, without limitation, the enlargement of the master plan and the acquisition or revision of regulatory approvals to reflect the annexation of real property, without Declarant's prior written consent, which consent may be granted or withheld in Declarant's discretion.

Each Owner acknowledges and agrees that the present plans and themes for the Property's development may change and that it has not relied on any representation, warranty, or assurance by any person: (a) that any Lots, or other property or facilities will or will not be added, modified, or eliminated within the Property; or (b) as to the financial or other impact of such action on any Owner. Each Owner acknowledges and agrees that it is not entitled to rely upon and has not received or relied upon any representations, warranties, or guarantees whatsoever as to: (a) the design, construction, completion, development, use, benefits, or value of the Property; or (b) the number, types, sizes, prices, or designs of any residential structures or improvements built or to be built in any part of the Property.

Section 12.6 Dispute Resolution.

(a) AGREEMENT TO ENCOURAGE RESOLUTION OF DISPUTES WITHOUT LITIGATION.

12.6.1 Bound Parties. Declarant, the Association and its officers, directors, and committee members, Owners, residents, and all other parties subject to this Declaration ("Bound Party", or collectively, the "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in this Section in a good faith effort to resolve such Claim.

12.6.2 Claim(s). As used in this Article, the term "Claim" or "Claims" will refer to any claim, grievance or dispute arising out of or relating to:

(i) Claims relating to the rights and/or duties of Declarant, the Association or an Owner under the Restrictions; or

(ii) Claims relating to the design or construction of improvements on the Common Properties or Lots, other than matters of aesthetic judgment under Article 11, which will not be subject to review.

12.6.3 Not Considered Claims. The following will not be considered "Claims" for purposes of this Article unless all parties to the matter otherwise agree to submit the matter to the procedures set forth herein:

(i) any legal proceeding by the Association to collect assessments or other amounts due from any Owner;

(ii) any legal proceeding by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of this Restrictions;

(iii) any legal proceeding which does not include Declarant or the Association as a party, if such action asserts a Claim which would constitute a cause of action independent of the Restrictions; and

(iv) any action by the Association to enforce the Restrictions.

12.7 CLAIMS REGARDING COMMON PROPERTIES.

12.7.1 Claim by the Association – Common Properties. The Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation or administrative proceedings: (i) in the name of or on behalf of any Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section(s) described above, relating to the design or construction of a residence (whether one or more). In the event the Association or an Owner asserts a Claim related to the Common Properties, as a precondition to providing the Notice defined in this Article, initiating the mandatory dispute resolution procedures set forth in this Article or taking any other action to prosecute a Claim related to the Common Properties, the Association or an Owner, as applicable, must:

(i) Independent Report on the Condition of the Common Properties. Obtain an independent third-party report (the “Common Properties Report”) from a licensed professional engineer in the same area of engineering practice of which the engineer is qualified which: (A) identifies the Common Properties subject to the Claim including the present physical condition of the Common Properties; (B) describes any modification, maintenance, or repairs to the Common Properties performed by the Owner(s) and/or the Association; (C) provides specific and detailed recommendations regarding remediation and/or repair of the Common Properties subject to the Claim. For the purposes of this Section, an independent third-party report is a report obtained directly by the Association or an Owner and paid for by the Association or an Owner, as applicable, and not prepared by a person employed by or otherwise affiliated with the attorney or law firm that represents or will represent the Association or an Owner in the Claim. As a precondition to providing the Notice described herein, the Association or Owner must provide at least ten (10) days prior written notice of the inspection to each party subject to a Claim which notice shall identify the independent third-party engaged to prepare the Common Properties Report, the specific Common Properties to be inspected, and the date and time the inspection will occur. Each party subject to a Claim may attend the inspection, personally or through an agent. Upon completion, the Common Properties Report shall be provided to each party subject to a claim. In addition, before providing the Notice described herein, the Association or the Owner, as applicable, shall have permitted each party subject to a Claim the right, for a period of ninety (90) days, to inspect and correct, any condition identified in the Common Properties Report.

(ii) Owner Meeting and Approval. Obtain approval from Members holding eighty five percent (85%) of the votes in the Association to provide the Notice described herein, initiate the mandatory dispute resolution procedures set forth in this Article 12, or take any other action to prosecute a Claim, which approval from Members must be obtained at a special meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder will be provided pursuant to the Bylaws but the notice must also include: (A) the nature of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success;

(B) a copy of the Common Properties Report; (C) a copy of any proposed engagement letter, with the terms of such engagement between the Association and an attorney to be engaged by the Association to assert or provide assistance with the claim (the "Engagement Letter"); (D) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which it may be liable if it is not the prevailing party or that the Association will be required, pursuant to the Engagement Letter or otherwise, to pay if the Association elects to not to proceed with the Claim; (E) a summary of the steps previously taken, and proposed to be taken, to resolve the Claim; (F) an estimate of the impact on the value of each Lot and improvements if the Claim is prosecuted and an estimate of the impact on the value of each Lot and improvements after resolution of the Claim; (G) an estimate of the impact on the marketability of each Lot and improvements if the Claim is prosecuted and during prosecution of the Claim, and an estimate of the impact on the value of each Lot and improvements during and after resolution of the Claim; (H) the manner in which the Association proposes to fund the cost of prosecuting the Claim; and (I) the impact on the finances of the Association, including the impact on present and projected reserves, in the event the Association is not the prevailing party. The notice required by this paragraph must be prepared and signed by a person other than, and not employed by or otherwise affiliated with, the attorney or law firm that represents or will represent the Association or Owner, as applicable, in the Claim. If the Claim is prosecuted by the Association, in the event Members approve providing the Notice described herein, or taking any other action to prosecute a Claim, the Members holding a Majority of the votes in the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Claim.

(iii) Prohibition on Contingency Fee Contracts. The Association may not engage or contract with any attorney, law firm, consultant, expert or advisor on a contingency fee basis, in whole or in part, to assist in the prosecution of a Claim.

12.8 NOTICE

(i) Notice Requirements for All Claims. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") must notify the Respondent in writing of the Claim (the "Notice"), stating plainly and concisely: (A) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (B) the basis of the Claim (i.e., the provision of the Restrictions or other authority out of which the Claim arises); (C) what Claimant wants Respondent to do or not do to resolve the Claim; and (D) that the Notice is given pursuant to this Section. All Bound Parties agree that the provisions of Chapter 27 of the Texas Property Code shall control any Claim, and they expressly adopt and incorporate the terms of Chapter 27 of the Texas Property Code as is full set forth herein. If the Claimant is the Association, prior to proceeding with negotiations under this Article/Section, the Association shall fully comply with provisions of Chapter 27 of the Texas Property Code, but for all other Claims, the time period for negotiation in Section(s) below or as provided herein, is equivalent to the sixty (60) day period under Section 27.004 of the Texas Property Code. If a Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with this Article and all Sections, to comply with the terms and provisions of Section 27.004 during such sixty (60) day period. No Section of this Dispute Resolution is intended to modify or extend the time period set forth in Section 27.004 of the Texas Property Code. Failure

to comply with the time periods or actions specified in Section 27.004 shall not affect a Claim and the Respondent shall have all rights and remedies under Chapter 27 of the Texas Property Code. The one hundred and twenty (120) day period for mediation set forth herein below is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during negotiation. If the Claim is not resolved during negotiation, mediation pursuant to this Article is required without regard to the monetary amount of the Claim.

(ii) Special Notice for Association. If the Claimant is the Association, the Notice will also include: (A) a true and correct copy of the Common Properties Report; (B) a copy of the Engagement Letter; (C) copies of all reports, studies, analyses, and recommendations obtained by the Association related to the Common Properties which forms the basis of the Claim; (D) a true and correct copy of the special meeting notice provided to Members in accordance with this Article (ii) above; and (E) and reasonable and credible evidence confirming that Members holding eighty-five percent (85%) of the votes in the Association approved providing the Notice. If the Claimant is the Association, providing the information identified in this Section (ii) is a condition precedent to the assertion of any Claim. Should the Association fail to provide the information required by this Section (ii) to the Respondent, the Respondent shall be entitled to a temporary injunction enjoining the prosecution of the Claim until such time as the Association provides the information required by this Section (ii). Furthermore, should the Association fail to provide information required by this Section (ii) within one-hundred twenty (120) days after making a demand on the Respondent, the Association's Claim shall be dismissed with prejudice, and the Respondent may take such actions in law or in equity to confirm such dismissal.

12.9 NEGOTIATION. Claimant and Respondent will make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. At any time during the negotiation period, if the Respondent is the Declarant, the Declarant may make repairs to the Common Properties to prevent further damage to any of these areas, the structures, or residence, whether or not such repairs would inhibit or prohibit Claimant from securing evidence of resulting damage. Within 60 days after Respondent's receipt of the Notice, Respondent and Claimant will meet at a mutually acceptable place and time to discuss the Claim. If the Claim involves all or any portion of the Property, then at such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives will have full access to the Property that is subject to the Claim for the purposes of inspecting the Property. If Respondent elects to take corrective action, Claimant will provide Respondent and Respondent's representatives and agents with full access to the Property to take and complete corrective action.

12.10 MEDIATION. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator must have at least five (5) years of experience serving as a mediator and must have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent will submit the Claim to mediation in accordance with this Section.

12.11 TERMINATION OF MEDIATION. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, or within a time deemed reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the Parties are at an impasse and the date that mediation was terminated. Thereafter, if the Association is the Claimant, it shall provide a report of the mediation to the Members of the Association, which such report shall provide the last best offer made by the Respondent, the last best offer by the Association, and the reason the Association did not accept the offer made by the Respondent. After such report is provided to the Members, the Board shall call a special meeting of the Members, at which special meeting the Members shall vote on whether to accept the last, best offer by the Respondent. If a Majority of the Members in attendance at the special meeting vote to accept the Respondent's last, best offer, the Board shall accept the Respondent's last, best offer and shall dismiss the Claim. Claimant may file suit or initiate arbitration proceedings on the Claim, as appropriate and permitted by this Article.

12.12 BINDING ARBITRATION-CLAIMS. All Claims must be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this Section.

12.13 Governing Rules. If a Claim has not been resolved after Mediation as required by this Article, the Claim will be resolved by binding arbitration in accordance with the terms of this Section and the rules and procedures of the American Arbitration Association ("AAA") or, if the AAA is unable or unwilling to act as the arbitrator, then the arbitration shall be conducted by another neutral reputable arbitration service selected by Respondent. Regardless of what entity or person is acting as the arbitrator, the arbitration shall be conducted in accordance with the AAA's "Construction Industry Dispute Resolution Procedures" and, if they apply to the disagreement, the rules contained in the Supplementary Procedures for Consumer-Related Disputes. If such rules have changed or been renamed by the time a disagreement arises, then the successor rules will apply. Also, despite the choice of rules governing the arbitration of any Claim, if the AAA has, by the time of Claim, identified different rules that would specifically apply to the Claim, then those rules will apply instead of the rules identified above. In the event of any inconsistency between any such applicable rules and this Section, this Section will control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows:

12.13.1 Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this Section will limit the right of Claimant or Respondent, and Claimant and the Respondent will have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before,

during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

12.13.2 Statute of Limitations. All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding under this Section, and to the fullest extent allowed under law, any action, lawsuit and/or claim whatsoever initiated by the Association or its assigns, regardless of form, that arises from or relates to this Declaration, the Property, the Subdivision, the Lots, the residences, the improvements or otherwise is barred unless it is brought not later than two (2) years and one (1) day from the date the cause of action accrues.

12.13.3 Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with the applicable substantive law except as provided by this Section. The arbitrator may grant any remedy or relief that the arbitrator deem just and equitable and within the scope of this Section but subject to Section 12.14 below (attorney's fees and costs may not be awarded); provided, however, that for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code. In all arbitration proceedings the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of federal or state law; or (iv) a cause of action or remedy not expressly provided under existing state or federal law or otherwise in accordance with the terms and conditions of this Declaration. In no event may an arbitrator award speculative, consequential, special, indirect, lost profit or punitive damages for any Claim. Notwithstanding anything else contained in this Declaration, no Claimant shall be entitled to an award in connection with a Claim related to or arising in connection with a violation of Applicable Law, and the arbitrator shall not provide an award, unless the arbitrator determines that such Claim was due to a material violation of any Applicable Law and that such material violation of Applicable Law creates an imminent threat to health and safety.

12.13.4 Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the Claim for arbitration by notice from either party to the other. Arbitration proceedings hereunder shall be conducted in the county where the Property is located. The arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and applicable law. The arbitrator shall have the power to award recovery of all costs and fees, subject to the limitations in this Article and any of the pertinent Sections thereto. Each party agrees to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. In no event shall any party discuss with the news media or grant

any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

12.14 ALLOCATION OF COSTS. Notwithstanding any provision in this Declaration to the contrary, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, Mediation, and Arbitration sections above, including its attorney's fees. For avoidance of doubt, the prevailing party in any Arbitration shall not recover any attorneys' fees, expenses, or costs. Respondent and Claimant will equally divide all expenses and fees charged by the mediator and arbitrator.

12.15 GENERAL PROVISIONS. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

12.16 PERIOD OF LIMITATION.

12.16.1 For Actions by an Owner. The exclusive period of limitation for any of the Parties to bring any Claim, including, but not limited to, a Claim related to the design or construction of improvements (including, but not limited to residences) on the Common Properties or Lots, shall be no later than two (2) years and one (1) day from the date that the Owner discovered or reasonably should have discovered evidence of the Claim.

12.16.2 For Actions by the Association. The exclusive period of limitation for the Association to bring any Claim, including, but not limited to, a Claim related to the design or construction of improvements (including, but not limited to residences) on the Common Properties or Lots, shall be no later than two (2) years and one (1) day from the date that the Association or its agents discovered or reasonably should have discovered evidence of the Claim.

12.17 APPROVAL & SETTLEMENT. The Association must levy a Special Assessment to fund the estimated costs of arbitration, including estimated attorney's fees, conducted pursuant to this Article or any judicial action initiated by the Association. The Association may not use its annual operating income or reserve funds or savings to fund arbitration or litigation, unless the Association's annual budget or a savings account was established and funded from its inception as an arbitration and litigation reserve fund.

12.18 LIMITATION ON DAMAGES. NOTWITHSTANDING ANY PROVISION CONTAINED IN THIS DECLARATION OR ANY OF THE ASSOCIATION DOCUMENTS TO THE CONTRARY, IN NO EVENT SHALL DECLARANT OR THE ASSOCIATION BE LIABLE FOR SPECULATIVE, CONSEQUENTIAL, SPECIAL, INDIRECT, LOST PROFIT OR PUNITIVE DAMAGES IN CONNECTION WITH ANY CLAIM, EVEN IF DUE TO THE NEGLIGENCE OF DECLARANT OR THE ASSOCIATION.

12.19 HOME CONSTRUCTION CLAIMS.

12.19.1 Claims Relating to Residences and Lots. EACH OWNER (WHICH INCLUDES WITHOUT LIMITATION EACH SUBSEQUENT PURCHASER OF A LOT), BY ACCEPTING AN INTEREST IN OR TITLE TO A LOT, AGREES THAT ALL CLAIMS AND CAUSES OF ACTION THAT SUCH OWNER MAY HAVE RELATING TO THE ORIGINAL DESIGN OR CONSTRUCTION OF SUCH OWNER'S RESIDENCE, LOT, OR ANY IMPROVEMENT ON SUCH OWNER'S LOT (OTHER THAN COMMON MAINTENANCE AREAS ON ONE OR MORE LOTS), INCLUDING, WITHOUT LIMITATION, CLAIMS BASED ON ANY EXPRESS OR IMPLIED WARRANTIES (COLLECTIVELY, "HOME CONSTRUCTION CLAIMS"), WILL BE GOVERNED EXCLUSIVELY BY THE TERMS AND CONDITIONS OF THE EXPRESS OR IMPLIED WARRANTY PROVIDED BY THE BUILDER OR CONTRACTOR WHICH CONSTRUCTED SUCH RESIDENCE OR IMPROVEMENT AND ANY OTHER AGREEMENTS BETWEEN THE INITIAL PURCHASER OF SUCH RESIDENCE AND SUCH BUILDER OR CONTRACTOR, INCLUDING WITHOUT LIMITATION ALL PROCEDURES AND AGREEMENTS CONTAINED THEREIN PERTAINING TO THE RESOLUTION OF DISPUTES. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH OWNER (WHICH INCLUDES WITHOUT LIMITATION EACH SUBSEQUENT PURCHASER OF A LOT), BY ACCEPTING AN INTEREST IN OR TITLE TO A LOT, ASSUMES THE TERMS AND CONDITIONS OF THE EXPRESS OR IMPLIED WARRANTY PROVIDED BY THE BUILDER OR CONTRACTOR WHICH CONSTRUCTED THE RESIDENCE OR IMPROVEMENT, AND, UNLESS THE EXPRESS WARRANTY OR CONTRACT PROVIDED BY SUCH BUILDER OR CONTRACTOR CONTAINS OTHER PROCEDURES TO RESOLVE HOME CONSTRUCTION CLAIMS, SPECIFICALLY AGREES TO THE FOLLOWING:

12.19.2 Agreement to Arbitrate Home Construction Claims. ALL HOME CONSTRUCTION CLAIMS SHALL BE RESOLVED BY BINDING ARBITRATION. This means each Owner (which includes without limitation each subsequent purchaser of a Lot) and the other parties involved in the Home Construction Claim GIVE UP THE RIGHT TO GO TO COURT OR TO A JURY to assert or defend Home Construction Claims (EXCEPT for matters that may be taken to SMALL CLAIMS COURT as provided below). Home Construction Claims will be determined by a NEUTRAL ARBITRATOR and NOT by a judge or jury. The parties to each Home Construction Claim will be entitled to a FAIR HEARING, but the arbitration procedures are simpler and more limited than the rules applicable in a court. The arbitrator's decision will be final and binding, subject to appeal as described below. Arbitrator decisions are as enforceable as any court order and are subject to very limited review by a court. For more information, read the provisions regarding arbitration below, review the American Arbitration Association's Home Construction Arbitration Rules and related information at www.adr.org, call the American Arbitration Association at 1-800-778-7879, and consult an attorney if you so choose. Alternatively, if the Home Construction Claim does not exceed the maximum jurisdictional amount for a small claims court in the state where the Lot is located, a party involved in a Home Construction Claim may elect to have the claim resolved in a small claims court rather than by binding arbitration (however, any appeal of a small claims court judgment must be resolved through arbitration in accordance with this Article).

12.19.3 Applicable Law. The original construction and sale of each Residence was a transaction involving interstate commerce. The Federal Arbitration Act shall govern the interpretation and enforcement of this agreement to arbitrate Home Construction Claims. Even if a part of these arbitration provisions is determined to be unenforceable under applicable law, the remainder shall survive, and the parties shall remain obligated to resolve Home Construction Claims through binding arbitration as set forth herein.

12.19.4 Arbitrator – American Arbitration Association. The arbitration shall be conducted before an arbitrator appointed by the AAA. If the AAA declines to arbitrate a Home Construction Claim, or if the AAA is not available, the parties will agree to an alternative arbitrator, or have a court appoint a new arbitrator who meets the qualification criteria of an AAA-trained arbitrator and has at least ten years of construction arbitration experience.

12.19.5 Arbitration Rules. The arbitration shall proceed in accordance with the AAA's Home Construction Arbitration Rules. If those rules have been repealed or replaced at the time the arbitration claim is filed, the AAA's rules then most applicable to residential construction shall apply. However, each Builder or contractor will be entitled to visually inspect and perform testing as to any component claimed to have a construction defect and no AAA rule shall apply if it is inconsistent with the provisions of this Section 12.19.

12.19.6 Additional Parties or Claims. Each party to a Home Construction Claim may join as a party to the arbitration any third-party consultant, contractor, supplier, manufacturer, engineer, architect or other professional involved in the manufacture, design or construction of any part of the residence, Lot or improvement on the Lot. Except as provided above, each Home Construction Claim shall be between only the then Owner of a residence or Lot and the Builder, contractor and other parties involved in manufacture, design or construction of any part of such residence or improvements on such Lot and shall not be joined or consolidated with the claims or arbitration of any other party, and the arbitrator is not authorized to permit any consolidation or joinder with any other party. Each Owner and subsequent purchaser of a Lot waives the right to institute or participate in a class or any other type of representative arbitration or any type of legal action as a member or representative of a class for any Home Construction Claim and agrees the arbitrator is not authorized to permit any class or representative arbitration.

12.19.7 Arbitration Process. A party seeking to resolve a Home Construction Claim shall begin the arbitration process by filing a demand for arbitration with the AAA and serving a copy of the demand on the other party. The failure to initiate arbitration at any particular time shall not be considered a waiver of the right to compel arbitration of a Home Construction Claim. The only way this right to arbitrate claims may be waived is by a written agreement among the parties. To the extent not inconsistent with the Federal Arbitration Act, all provisions of this paragraph are subject to the general qualification that state laws, requirements and rules, including, but not limited to, state filing limitations (such as statute of limitations and statutes of repose), may affect how and when arbitration may be initiated and administered. The following is a brief description of the steps to initiate arbitration and the arbitration process:

(i) Step 1 – Filing a Request. The party initiating arbitration must notify the AAA in writing of the request for arbitration under the terms of this Agreement. If a Builder or contractor initiates arbitration, such Builder or contractor will pay the AAA's filing fee. If an Owner (including a subsequent purchaser of a Lot) initiates arbitration, such Owner will pay the lesser of 1/2 of the AAA filing fee or the amount provided by the AAA rules and the Builder or

contractor will pay the other 1/2 or remainder. All other AAA arbitration fees and costs shall be paid in accordance with the applicable AAA fee schedule.

(ii) Step 2 - Hearing. The arbitration will be held at a location agreed to by the parties, usually in the metropolitan area where the Property is located. The hearing typically will be scheduled by the arbitrator at a time mutually agreeable to all parties. At the hearing, the arbitrator will hear and consider evidence presented by all parties. If a party timely notifies the AAA of a request for a record of the hearing prior to the earlier of the hearing date or the date in the AAA's rules, if specified, the arbitrator will preserve all evidence presented at the arbitration. Oral evidence will be preserved in a manner that it can be converted into a written transcript. The costs of the record will be paid by the party requesting the record or shared equally among the parties requesting a copy.

(iii) Step 3 - Award. The arbitrator's award will decide the relief to be awarded and, if requested by a party, the scope and manner of correction. The arbitrator's award shall be consistent with this agreement, based on applicable law (except to the extent the Federal Arbitration Act overrides and preempts state, local or other law), and shall include findings of fact and conclusions of law. If permitted by the AAA rules, either party may request a written explanation of the award. Each party shall bear its own attorney's fees and expenses (including without limitation the costs and fees of any expert witnesses) in the arbitration, any confirmation proceeding and any appeal. Arbitrator compensation, expenses, and administrative fees (which include filing and hearing fees) shall not be subject to reallocation.

(a) Appeal. Each party shall have the right to appeal the arbitrator's award to the AAA by filing a written notice with the AAA (with a copy to the other party) within 30 days of the date of the arbitrator's award. The party appealing the award shall pay the fees necessary to initiate the appeal. If both sides appeal, the fees shall be split 50/50. The notice of appeal must include the specific items the party seeks to change in the award and the supporting facts and law. The appeal shall be heard by a panel of three arbitrators from the AAA. The appeal shall be conducted in accordance with the applicable rules of the AAA and this agreement as if the claim was being initially filed with the AAA, except that: (i) the only issues to be determined on appeal are the issues described in the notice of appeal and any issues raised by the non-appealing party in response to the issues in the notice of appeal, (ii) the arbitrators' award on appeal shall be final, binding and non-appealable, and (iii) no new evidence shall be accepted or considered by the arbitrators.

(b) Award after Appeal. The award of the arbitrator shall be final, subject to appeal as provided above. If a notice of appeal from the initial hearing is not received by the AAA within 30 days after the date of the initial award, then the initial award shall be final. Once the award is final, it will be binding on and enforceable against the parties, except as modified, corrected, or vacated according to the applicable arbitration rules and procedures or to the extent not inconsistent with the Federal Arbitration Act or applicable state law. Either party may present the final award to any court having jurisdiction over the Home Construction Claim to enter that award as a judgment of the court.

(iv) Step 4 - Repairs. Unless designated otherwise in the award (and unless appealed), any party ordered to perform a correction to the residence or Lot will, within 10 days after a final award, elect to either perform the correction awarded by the arbitrator or, at such party's option, pay the Owner of the residence or Lot the reasonable cost of such correction. If such party elects to perform a correction under an award, such party will complete the correction

within 60 days after a final award or as may be specified by the arbitrator. If the correction cannot be completed in that time, the arbitrator must grant reasonable additional time to make the correction. If the Owner believes that the correction was not performed satisfactorily or in a timely manner, such Owner may have those issues determined in a later arbitration. If the cost of correction is not specified in the award and party ordered to perform a correction elects to pay the Owner the reasonable cost of the correction, such Owner may have the amount of that payment reviewed in a later arbitration.

12.19.8 Expenses. Except as stated above, each party shall bear its own attorney's fees and other expenses incurred in connection with a Home Construction Claim. However, if a party to such a claim files a court action in violation of this Article and the other party is required to compel arbitration by filing a motion with the court, the court shall award the moving party its court costs and reasonable attorneys' fees incurred in connection with the motion.

LIKE ALL COVENANTS CONTAINED IN THIS DECLARATION, THE AGREEMENTS CONTAINED IN THIS ARTICLE ARE COVENANTS RUNNING WITH TITLE TO EACH LOT, CONCERN EACH LOT AND THE RESIDENCE AND OTHER IMPROVEMENTS ON SUCH LOT, AND SHALL BE BINDING UPON EACH SUCCESSIVE OWNER OF A LOT (WHICH INCLUDES WITHOUT LIMITATION EACH SUBSEQUENT PURCHASER OF A LOT).

ARTICLE XIII OBLIGATIONS OF BOARD OF DIRECTORS

Section 13.1 Obligations of Board of Directors.

Notwithstanding anything herein to the contrary, and so long as Declarant is acting on behalf of the Board of Directors as further described in Section 13.2 below, the sole responsibility and obligation of the Board of Directors shall be to maintain the corporation books of the Association and maintain the Association in good corporate standing with Secretary of State of the State of Texas and in good standing with the Office of the Comptroller of Public Accounts of the State of Texas.

Section 13.2 Liability for Association Operations.

The Association shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless Declarant (including its successors, and assigns) from and against any and all losses, claims, demands, damages, costs, and expenses of whatever kind or nature (including, without limitation, reasonable attorneys' fees and costs at all tribunal levels and whether or not suit is instituted, including those incurred in establishing the right to be indemnified, defended, and held harmless pursuant hereto), which relate to or arise out of Association management and operations, including, without limitation, improvement, maintenance, repair and operation of amenities and other portions of the Common Properties and the collection of assessments.

Section 13.3 No Liability for Acts of Third Party.

OWNERS AND OCCUPANTS OF LOTS, AND THEIR RESPECTIVE GUESTS AND INVITEES, ARE RESPONSIBLE FOR THEIR OWN PERSONAL SAFETY AND FOR THEIR PROPERTY WITHIN THE PROPERTY. THE ASSOCIATION MAY BUT IS NOT OBLIGATED TO MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTY WHICH PROMOTE OR ENHANCE SAFETY OR SECURITY WITHIN THE PROPERTY. HOWEVER, THE ASSOCIATION, AND DECLARANT SHALL NOT IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SAFETY OR SECURITY WITHIN THE PROPERTY, NOR SHALL THEY BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. NO REPRESENTATION OR WARRANTY IS MADE THAT ANY SYSTEMS OR MEASURES, INCLUDING FIRE PROTECTION, BURGLAR ALARM, OR OTHER SECURITY MONITORING SYSTEMS, OR ANY MECHANISM OR SYSTEM FOR LIMITING ACCESS TO THE PROPERTY, CANNOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER ACKNOWLEDGES, UNDERSTANDS, AND SHALL BE RESPONSIBLE FOR INFORMING ITS TENANTS AND ALL OCCUPANTS OF ITS LOT THAT THE ASSOCIATION, THE BOARD AND ITS COMMITTEES, AND DECLARANT ARE NOT INSURERS OR GUARANTORS OF SECURITY OR SAFETY AND THAT EACH PERSON WITHIN THE PROPERTY ASSUMES ALL RISKS OF PERSONAL INJURY OF ANY TYPE OR KIND, DEATH, AND LOSS OR DAMAGE TO PROPERTY, INCLUDING LOTS AND THE CONTENTS OF LOTS, RESULTING FROM ACTS OF THIRD PARTIES.

**ARTICLE XIV
EXPANSION OF THE PROPERTY**

Section 14.1 Expansion of the Property.

Declarant, in its sole discretion and without the approval of any other party, may from time to time subject this Declaration to additional real property by recording in the Real Property Records of the County, a Supplemental Declaration describing the additional real property to be subjected to this Declaration. Any such Supplemental Declaration which is executed by Declarant and the owner of such additional property, if other than Declarant, and recorded in the Real Property Records of the County shall not require the consent or approval of any other Owner or other person in order to be fully enforceable and effective to cause such additional real property to be incorporated herein. Nothing in this Declaration shall be construed to require Declarant to subject additional real property to this Declaration.

Section 14.2 Additional Covenants and Easements.

Declarant, in its sole discretion and without the approval of any other party, may from time to time subject any portion of the Property, whether now or hereafter a part of this Declaration, to additional covenants and easements, including, without limitation, covenants obligating the Association to maintain and insure such property and authorizing the Association to recover its costs through the assessments, as described in Article X hereof. Such additional covenants and easements may be set forth either in a Supplemental Declaration subjecting such property to this Declaration or in a separate Supplemental Declaration referencing property previously subjected to this Declaration. Any such Supplemental Declaration may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the Property, whether now or hereafter a part of this Declaration, in order to reflect the different character and intended use of such Property. Any such Supplemental Declaration which is executed by Declarant and recorded in the Real Property Records of the County shall not require the consent or approval of any other Owner or other person in order to be fully enforceable and effective to cause such additional covenants and easements to be incorporated herein.

Section 14.3 Effect of Recording Supplemental Declaration.

A Supplemental Declaration shall be effective upon the recording of same in the Real Property Records of the County unless otherwise specified in such Supplemental Declaration. On the effective date of the Supplemental Declaration, any additional property subjected to this Declaration shall be assigned voting rights in the Association and assessment liability in accordance with the provisions of this Declaration.

**ARTICLE XV
GENERAL PROVISIONS**

Section 15.1 Mortgages.

It is expressly provided that the breach of any of the conditions contained herein shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, as to the same premises or any part thereof encumbered by such mortgage or deed of trust, but said conditions shall be binding thereto as to Lots acquired by foreclosure, trustee's sale or otherwise, as to any breach occurring after such acquisition of title.

Section 15.2 Term.

This Declaration shall be enforceable by Declarant, the Association, any aggrieved Owner, and their respective legal representatives, heirs, successors, and assigns until December 31, 2050, after which time this Declaration shall extend automatically for successive 10-year periods unless

at least sixty-seven percent (67%) of the then Owners have signed, within a six month period preceding the end of the initial term or any extension, an instrument which terminates this Declaration and such instrument is recorded in the Real Property Records of the County prior to the end of the term.

Section 15.3 Severability.

If any provision herein contained shall be invalid, which invalidity shall not be presumed until the same is determined by the final (*i.e.*, non-appealable) judgment or order of a court of competent jurisdiction, such invalidity shall in no way affect any other provision hereof, each of which shall remain in full force and effect.

Section 15.4 Binding Effect.

This Declaration is for the mutual benefit of, and shall be binding upon, each and every person acquiring any part of the Property, it being understood that the covenants, conditions, restrictions, easements, and other provisions contained in this Declaration are not for the benefit of the owner of any land except that which is a part of the Property. This Declaration, when executed, shall be filed of record in the Real Property Records of the County, so that each and every Owner or purchaser of any portion of the Property is on notice of the covenants, conditions, restrictions, easements, and other provisions herein contained.

Section 15.5 Notices.

Any notices or correspondence to an Owner shall be addressed to the street address of the Lot or to such other address as is specified by any such Owner in writing to the Association. The burden shall be on the Owner to prove that such written notification was duly given and delivered to the Association as provided below. Any notices or correspondence to the Association shall be addressed to the registered office of the Association as shown by the records of the Secretary of State for the State of Texas or to such other address as is specified by the Association in writing to the Owners. Except as this Declaration or the Bylaws otherwise provide, all notices, demands, bills, statements, or other communications under this Declaration or the Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or by private carrier; if sent by United States mail; or, if the intended recipient has given its prior written authorization to use such method of delivery, by facsimile or electronic mail with written confirmation of transmission.

Notices sent in accordance with this Declaration shall be deemed to have been duly given and effective:

- (i) sent by United States mail, when deposited with the U.S. Postal Service, correctly addressed, with first class postage prepaid;
- (ii) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery; or
- (iii) if sent by facsimile or electronic mail, upon transmission, as evidenced by a printed confirmation.

Section 15.6 Transfer Under Deed of Trust.

Upon any transfer of Declarant's interest in and to the Property, or any part thereof, under the terms of any deed of trust lien upon the Property, whether voluntary or involuntary, by foreclosure, deed in lieu of foreclosure or otherwise, all rights, title and interests of Declarant under this Declaration, shall be transferred to and devolve upon the party to whom the Property or any part thereof, is thereby conveyed.

Section 15.7 Notice of Transfer.

If at any time a Lot is sold, the new Owner shall have the sole obligation to promptly notify the Association of the name and address of the new Owner and shall be responsible for any cost, charge or expense added to the account of such Owner which may have otherwise been avoided if the above information was promptly delivered to the Association.

Section 15.8 No Liability for Trespass.

Whenever the Association, the Board of Directors or Declarant exercises any right hereunder and in connection therewith enters upon any Lot, such parties shall not be liable for trespass upon such Lot.

Section 15.9 Lien Priority.

Notwithstanding any other provision of the Declaration, the lien to secure the payment of assessments and any other lien which the Association may have on any Lot pursuant to the Declaration for (a) assessments or other charges becoming payable on or after the date of recordation of the first mortgage or deed of trust on any Lot, or (b) any fees, late charges, fines or interest that may be levied by the Association in connection with unpaid assessments, shall be subordinate to the lien or equivalent security interest of any legitimate third-party first lien mortgage or deed of trust on any Lot, if any. Any foreclosure of any such superior lien under the power of sale of any mortgage, deed of trust or other security instrument, or through court proceedings in which the Association has been made a party, shall extinguish the liens securing maintenance charges or assessments which became due and payable prior to such foreclosure date, but no such foreclosure shall free any Lot from the liens securing assessments thereafter becoming due and payable, nor shall the liability of any Owner personally obligated to pay maintenance charges or assessments which become due prior to such foreclosure be extinguished by any foreclosure, nor shall the lien for future assessments or charges be affected in any manner. Any such maintenance charges or assessments which are extinguished pursuant to the foregoing provision shall be reallocated and assessed to all Lots as a common expense.

Section 15.10 Use of Recreational Facilities and Other Common Properties.

The property made subject to this Declaration may contain common recreational facilities available for the use and enjoyment of Owners of all or any part of the Property, including Lots and residences, within the Subdivision, their families, tenants and other occupants of their property, and the guests of any such persons. **EACH OWNER, BY ACCEPTANCE OF A DEED TO ANY PORTION OF THE PROPERTY MADE SUBJECT TO THIS**

DECLARATION, ACKNOWLEDGES THAT THE USE AND ENJOYMENT OF ANY RECREATIONAL FACILITY OR ANY OTHER PORTION OF THE COMMON PROPERTIES INVOLVES RISK OF PERSONAL INJURY, DEATH, OR DAMAGE TO PROPERTY. Each Owner acknowledges, understands, and covenants to inform his or her family members, and tenants and other occupants of Owner's property that Declarant, the Association, the Board and any committees, and Builders constructing residences and other improvements within the Property are not insurers of personal safety. **EACH PERSON USING SUCH RECREATIONAL FACILITIES OR ANY OTHER PORTION OF THE COMMON PROPERTIES ASSUMES ALL RISKS OF PERSONAL INJURY, DEATH, AND LOSS OR DAMAGE TO PROPERTY, RESULTING FROM THE USE AND ENJOYMENT OF ANY RECREATIONAL FACILITY OR OTHER PORTION OF THE COMMON PROPERTIES.**

Each Owner agrees that Declarant, the Association, the Board and committees, and Builders within the Subdivision shall not be liable to any person claiming any loss or damage, including, without limitation, indirect, special or consequential loss or damage arising from personal injury or death, destruction of property, trespass, loss of enjoyment, or any other wrong or entitlement to remedy based upon, due to, arising from, or otherwise relating to the use of any recreational facility or other portions of the Common Properties, including, without limitation, any claim arising in whole or in part from the negligence of Declarant, the Association, or any Builder within the Subdivision. **THE FOREGOING RELEASE IS INTENDED TO RELEASE THE SPECIFIED PARTIES FROM LIABILITY FOR THEIR OWN NEGLIGENCE.**

EACH OWNER ACKNOWLEDGES AND AGREES THAT THE ABOVE RELEASE FROM LIABILITY IS CONSIDERATION FOR, AND A CONDITION TO, THE USE AND ENJOYMENT OF THE RECREATIONAL FACILITIES AND OTHER COMMON PROPERTIES WITHIN THE SUBDIVISION AND THAT THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DECLARANT AND BUILDERS TO SELL, CONVEY, LEASE, AND/OR ALLOW THE USE OF LOTS WITHIN THE SUBDIVISION. ANY VIOLATION OF THIS RELEASE AGREEMENT BY AN OWNER, OR ANY OF OWNER'S FAMILY MEMBERS, TENANTS AND OTHER OCCUPANTS OF OWNER'S PROPERTY, OR THEIR RESPECTIVE GUESTS SHALL BE GROUNDS FOR THE SUSPENSION OR TERMINATION OF ALL OF SUCH PERSONS' USE PRIVILEGES IN SUCH FACILITIES.

Section 15.11 Construction of Declaration and All Association Documents.

The provisions of this Declaration and all other documents of the Association shall be liberally construed to give effect to its intended purpose. All doubts regarding the meaning, significance or effect of a provision in this Declaration or other documents of the Association, shall be resolved in favor of the operation of the Association and its enforcement of the Declaration.

(Signature page follows)

EXECUTED to be effective as of the 12th day of August, 2020.

MM Princeton 854, LLC,
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: [Signature]
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 13 day of August, 2020 by Mehrdad Moaycdi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of MM Princeton 854, LLC, a Texas limited liability company on behalf of said company(ies).

[Signature]
Notary Public, State of Texas

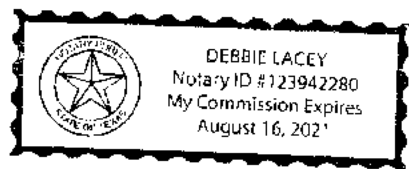


Exhibit "A"
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WHITEWING TRAILS

Property Description

LEGAL DESCRIPTION

BEING a tract of land situated in the David Cherry Survey, Abstract No. 166, City of Princeton, Collin County, Texas and being all of a called 853.61 acre tract of land described in deed to Macavity Company, LLC recorded in Instrument No. 20160627000808950 Official Public Records, Collin County, Texas and being more particularly described as follows:

BEGINNING at 1/2" iron rod found at the south end of a right-of-way corner clip located at the intersection of the west right-of-way line of F.M. Highway No. 75 (a 90-foot wide right-of-way) and the north right-of-way line of Monte Carlo Boulevard (a variable width right-of-way) and being the southeast corner said 853.61 acre tract;

THENCE with said north right-of-way line of said Monte Carlo Boulevard, the following courses and distances:

South 85°26'29" West, a distance of 317.54 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

North 89°37'58" West, a distance of 1472.25 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found for corner;

North 0°08'28" West, a distance of 47.52 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found for corner;

North 90°00'00" West, a distance of 1219.59 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found at the beginning of a tangent curve to the right having a central angle of 1°29'49", a radius of 24940.00 feet, a chord bearing and distance of North 89°15'06" West, 651.58 feet;

In a northwesterly direction, with said curve to the right, an arc distance of 651.60 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found for corner;

North 88°30'11" West, a distance of 406.84 feet to a "X" cut in concrete found for the southeast corner of Block II, Villas of Monte Carlo Phase One, an addition to the City of Princeton according to the plat recorded in Volume Q, Page 480, Map Records, Collin County, Texas;

THENCE departing said north right-of-way line of Monte Carlo Boulevard and with the east lines of said Villas of Monte Carlo Phase One, Villas at Monte Carlo Phase Two A, an addition to the City of Princeton according to the plat recorded in Volume 2014, Page 466 of said Map Records and Villas at Monte Carlo Phase Two B, an addition to the City of Princeton according to the plat recorded in Volume 2014, Page 468 of said Map Records, North 0°54'35" East, a distance of 2390.61 feet to a 1/2" iron rod found for the southeast corner of Lot 18, Block D, Ragon Estates, an addition to the City of Princeton according to the plat recorded in Volume J, Page 532 of said

Map Records;

THENCE with the east line of said Ragon Estates, North 1°01'14" East, a distance of 589.42 feet to a 5/8" iron rod found for the northeast corner of Lot 13, Block C of said Ragon Estates;

THENCE with the north line of said Ragon Estates, North 89°04'12" West, a distance of 2470.27 feet to a point for the northwest corner of said Ragon Estates and being the northeast corner of Lot 31, Block 24, Park Trails - Phase 3, an addition to the City of Princeton according to the plat recorded in Volume 2018, Page 702 of said Map Records; from said point a 5/8" iron rod found bears South 23°58'30" East, a distance of 0.31 feet;

THENCE with the north line of said Park Trails - Phase 3, North 89°26'18" West, a distance of 1650.22 feet to a 1" iron pipe found for the northwest corner of Lot 7, Block 23 of said Park Trail - Phase 3 and being in the east line of a called 50.461 acre tract of land described as "Tract 1" in deed to Srilakshmi Veluri and Radhika Velivilli, recorded in Instrument No. 20150120000064420 of said Official Public Records;

THENCE with said east line of Tract 1, North 0°49'42" East, a distance of 1322.40 feet to a 1" iron pipe found for the northeast corner of said Tract 1;

THENCE with the north line of said Tract 1, North 88°26'27" West, a distance of 1154.37 feet to a 1/2" iron rod found for the northwest corner of said Tract 1 and being the southeast corner of a called 1.251 acre tract of land described as Tract 2 in said deed to Srilakshmi Veluri and Radhika Velivilli;

THENCE with the east lines of said 853.61 acre tract, a called 22.474 acre tract of land described in deed to Hari Prasad Myneni recorded in Instrument No. 20150120000064440 of said Official Public Records and a called 101 acre tract of land described in deed to Harold Brown Bixler, recorded in Instrument No. 20140815000874290 of said Official Public Records, North 0°18'16" East, a distance of 1328.51 feet to a point for the westernmost northwest corner of said 853.61 acre tract and being in the south line of a called 11.058 acre tract described in deed to Valerie L. Bixler recorded in Instrument No. 20120827001062980 of said Official Public Records from which a 1/2" iron rod found bears North 33°11'19" West, a distance of 0.44 feet;

THENCE with said south line of the 11.058 acre tract, South 89°02'00" East, a distance of 164.68 feet to a metal corner post found for the southeast corner of said 11.058 acre tract and being the southwest corner of Lot 3, Free Rein # 1 Addition, an addition to the City of Princeton according to the plat recorded in Volume 2010, Page 69 of said Map Records;

THENCE with the south line of said Lot 3, South 88°57'40" East, a distance of 560.77 feet to a PK nail found for the southeast corner of said Lot 3 and being the southwest corner of a called 306.81 acre tract described in deed to Hasan Pirkul and Tulin Pirkul, Gurgun Muharrem and Semahat Muharrem, Kemal Altinkemer and Chery L. Altinkemer and Hakan Aytac and Alper Aytac recorded in Volume 5218, Page 3630 of the Land Records, Collin County, Texas;

THENCE with the south line of said 306.81 acre tract, the following courses and distances:

North 89°33'50" East, a distance of 551.89 feet to a 5/8" iron rod found for corner;
South 0°10'50" West, a distance of 103.30 feet to a 3/4" iron rod found for corner;
South 89°34'09" East, a distance of 321.08 feet to a 5/8" iron rod with plastic cap stamped
" Sparr Surveys " found for corner;
North 89°51'02" East, a distance of 1206.51 feet to a 5/8" iron rod with plastic cap stamped
"Sparr Surveys" found for corner;
South 88°26'10" East, a distance of 1494.09 feet to a 5/8" iron rod with plastic cap stamped
"Sparr Surveys" found for corner;
South 89°52'10" East, a distance of 343.52 feet to a 5/8" iron rod with plastic cap stamped
"Sparr Surveys" found for corner;
South 88°43'10" East, a distance of 642.64 feet to a 1" iron pipe found for the southeast
corner of said 306.81 acre tract;

THENCE with the east line of said 306.81 acre tract, North 0°49'26" East, a distance of 1780.23 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found in the south right-of-way line of County Road No. 408 (a variable width right-of-way) for the northernmost northwest corner of said 853.61 acre tract;

THENCE departing said east line of the 306.81 acre tract and with said south right-of-way line of County Road No. 408, the following courses and distances:

South 82°00'49" East, a distance of 561.42 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;
South 89°11'09" East, a distance of 149.57 feet to a 5/8" iron rod with plastic cap stamped "Woolpert Inc." found for corner;
North 56°39'33" East, a distance of 89.06 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found for corner;
South 89°11'09" East, a distance of 992.91 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found for corner;
South 59°11'14" East, a distance of 87.34 feet to a 5/8" iron rod found for corner;
South 89°13'25" East, a distance of 416.33 feet to a 5/8" iron rod with plastic cap stamped "Woolpert Inc." found at the beginning of a non-tangent curve to the right having a central angle of 4°33'58", a radius of 955.00 feet, a chord bearing and distance of South 65°48'44" East, 76.09 feet;
In a southeasterly direction, with said curve to the right, an arc distance of 76.11 feet to a 5/8" iron rod with plastic cap stamped "KHA" set from which a 5/8" iron rod found bears South 21°59'07" East, a distance of 0.34 feet and being at the beginning of a reverse curve to the left having a central angle of 25°31'47", a radius of 1045.00 feet, a chord bearing and distance of South 76°17'38" East, 461.79 feet;
In a southeasterly direction, with said curve to the left, an arc distance of 465.63 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found for corner;
South 89°03'32" East, a distance of 58.08 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found for corner at the intersection of said south right-of-way line of County Road No. 408 with said west right-of-way line of F.M. Highway No. 75;

THENCE with said west right-of-way line of F.M. Highway No. 75, the following courses and distances:

South 10°02'44" East, a distance of 132.84 feet to a 5/8" iron rod found at the beginning of a non-tangent curve to the right having a central angle of 3°21'26", a radius of 1864.86 feet, a chord bearing and distance of South 6°55'03" East, 109.26 feet; from said point a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found bears South 86°29'42" West, a distance of 1.46 feet, a 1" iron rod found bears North 34°41'43" West, a distance of 2.10 feet and a wooden highway monument found bears North 3°09'11" East, a distance of 1.42 feet;

In a southeasterly direction, with said curve to the right, an arc distance of 109.27 feet to a Wooden Highway Monument Found for corner from which a 1/2" iron rod found bears North 29°57'26" West, a distance of 1.59 feet and a 5/8" iron rod found bears North 2°33'17" East, a distance of 1.20 feet;

South 6°02'12" East, a distance of 800.82 feet to a Wooden Highway Monument found at the beginning of a non-tangent curve to the left having a central angle of 3°59'45", a radius of 5774.58 feet, a chord bearing and distance of South 7°59'23" East, 402.63 feet;

In a southeasterly direction, with said curve to the left, an arc distance of 402.71 feet to a Wooden Highway Monument found for corner from which a 1/2" iron rod found bears North 53°21'59" West, a distance of 1.35 feet;

South 10°02'31" East, a distance of 2572.86 feet to a 3/4" iron rod found for corner from which a Wooden Highway Monument found bears South 31°15'49" East, a distance of 0.56 feet;

South 9°21'23" East, a distance of 2427.20 feet to a 1/2" iron rod found for the northeast corner of a called 1.000 acre tract of land described in deed to Texas-New Mexico Power Company recorded in Volume 2707, Page 444 of said Land Records;

THENCE departing said west right-of-way line of F.M. Highway No. 75 and with the north line of said 1.000 acre tract, North 88°45'53" West, a distance of 189.45 feet to a 1/2" iron rod found for the northwest corner of said 1.000 acre tract;

THENCE with the west line of said 1.000 acre tract, South 1°08'22" West, a distance of 209.33 feet to a 1/2" iron rod found for the southwest corner of said 1.000 acre tract;

THENCE with the south line of said 1.000 acre tract, South 89°06'43" East, a distance of 227.29 feet to a 1/2" iron rod found in said west right-of-way line of F.M. Highway No. 75 for the southeast corner of said 1.000 acre tract;

THENCE with said west right-of-way line of F.M. Highway No. 75, South 9°11'17" East, a distance of 550.57 feet to a 5/8" iron rod with plastic cap stamped "Sparr Surveys" found for corner at the north end of said right-of-way corner clip;

THENCE with said right-of-way corner clip, South 40°13'14" West, a distance of 38.73 feet to the **POINT OF BEGINNING** and containing a GROSS area of 853.54 acres of land.

SAVE AND EXCEPT the following 1.509 acre tract of land described in Dedication Deed to the City of Princeton, Texas recorded in Instrument No. 20190305000230730, Official Public Records of Collin County, Texas:

Being a tract of land, situated in the David Cherry Survey, Abstract No. 166, in the City of Princeton, Collin County, Texas, and being a part of that called 853.61 acre tract of land, described by deed as recorded under document No. 20160627000808950, Official Public Records, Collin County, Texas (O.P.R.C.C.T.), said tract being more particularly described as follows:

BEGINNING at a 1/2" iron rod found at the southwesterly end of a corner clip found at the northwesterly intersection of Longneck Road and Monte Carlo Boulevard, said corner also being the most southerly southeast corner of said 853.61 acre tract;

THENCE along the northerly monumented line of Monte Carlo Boulevard, the following courses and distance:

South 85°22'51" West, a distance of 317.69' to a 5/8" iron rod with a plastic cap stamped "SPARR" found for an angle point;
North 89°37'50" West, a distance of 1472.12' to a 5/8" iron rod with a plastic cap stamped "SPARR" found for an "ell" corner in said right-of-way;
North 00°00'08" East, along the easterly monumented line of Monte Carlo Boulevard, a distance of 47.70' to a 5/8" iron rod with a plastic cap stamped "SPARR" found for an "ell" corner in said right-of-way;

THENCE over and across said 853.61 acre tract, the following courses and distances:

South 89°59'52" East, a distance of 625.00' to a 1/2" iron rod with a yellow plastic cap stamped "RPLS 5686" set for an angle point;
South 68°20'05" East, a distance of 50.53' to a 1/2" iron rod with a yellow plastic cap stamped "RPLS 5686" set for corner;
South 89°36'33" East, a distance of 1121.30' to a 1/2" iron rod with a yellow plastic cap Stamped "RPLS 5686" set for corner in the aforementioned corner clip at the northwesterly intersection of Longneck Road and Monte Carlo Boulevard;

THENCE South 40°22'32" West, along said corner clip, a distance of 6.93' to the **POINT OF BEGINNING** and containing 65,716 square feet or 1.509 acres of land, more or less resulting in a NET area of 852.03 acres of land.

SAVE AND EXCEPT:

The 3.006 acre tract or parcel described on Exhibit "A-1" attached hereto; and

SAVE AND EXCEPT:

The 6.314 acre tract or parcel of land described on Exhibit "A-3" attached hereto.

Exhibit "A-1"
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WHITEWING TRAILS

Fire Station Site Description

FIELD NOTES:

BEING a 3.006 acres tract or parcel of land situated in the David Cherry Survey, Abstract No. 166, in the City of Princeton, Collin County, Texas and being a part of an 853.61 acre tract of land described in Special Warranty Deed to Macavity Company, LLC, as recorded in County Clerk's File No. 20160627000808950 in the Deed Records of Collin County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod found for the Northeast corner of a right-of-way dedication as described in a Deed to the City of Princeton, as recorded in County Clerk's File No. 20110915000979900 of the Deed Records of Collin County, Texas, said point also being the Northerly right-of-way of Monte Carlo Boulevard (a variable width right-of-way)

THENCE North 90 degrees 00 minutes 00 seconds West, along said Northerly right-of-way line of Monte Carlo Boulevard a distance of 385.57 feet to a point for corner for the **POINT OF BEGINNING**;

THENCE North 90 degrees 00 minutes 00 second West, continuing along said Northerly right-of-way line of Monte Carlo Boulevard a distance of 373.40 feet to a point for corner;

THENCE departing the Northerly right-of-way line of said Monte Carlo Boulevard and crossing said Macavity tract the following courses and distances;

North 00 degrees 52 minutes 00 second West a distance of 70.01 feet to a point for corner;

North 90 degrees 00 minutes 00 seconds West a distance of 45.01 feet to a point for corner;

North 00 degree 52 minutes 00 second West a distance of 148.92 feet to a point for corner;

North 03 degrees 25 minutes 15 second East a distance of 100.84 feet to a point for corner;

North 90 degrees 00 minute 00 second East a distance of 415.73 feet to a point for corner;

South 00 degree 00 minutes 00 second East a distance of 319.56 feet to the **POINT OF BEGINNING**, and containing 130,947.81 square feet or 3.006 acres of land more or less.

Exhibit "A-2"
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WHITEWING TRAILS

Multi-Family Site Description

FIELD NOTES:

BEING a 20.162 acres tract or parcel of land situated in the David Cherry Survey, Abstract No. 166, in the City of Princeton, Collin County, Texas and being a part of an 853.61 acre tract of land described in Special Warranty Deed to Macavity Company, LLC, as recorded in County Clerk's File No. 20160627000808950 in the Deed Records of Collin County, Texas and being more particularly describe as follows:

BEGINNING at a 5/8 inch iron rod found for the Northeast corner of a right-of-way dedication as described in a Deed to the City of Princeton, as recorded in County Clerk's File No. 20110915000979900 of the Deed Records of Collin County, Texas, said point also being the Northerly right-of-way of Monte Carlo Boulevard (a variable width right-of-way)

THENCE North 90 degrees 00 minutes 00 seconds West, along said Northerly right-of-way line of Monte Carlo Boulevard a distance of 385.57 feet to a point for corner;

THENCE departing the Northerly right-of-way line of said Monte Carlo Boulevard and crossing said Macavity tract the following courses and distances;

North 00 degree 00 minute 00 second East a distance of 319.56 feet to a point for corner;

North 90 degrees 00 minute 00 seconds West a distance of 415.74 feet to a point for corner;

North 00 degree 52 minutes 00 seconds West a distance of 296.32 feet to a point for corner;

North 89 degrees 08 minutes 00 second East a distance of 25.00 feet to a point for corner;

North 08 degrees 28 minutes 04 seconds East a distance of 387.88 feet to a point for corner;

North 89 degrees 59 minutes 52 seconds East a distance of 803.09 feet to a point for corner;

South 15 degrees 51 minutes 01 seconds East a distance of 752.89 feet to a point for corner;

South 25 degrees 37 minutes 53 seconds East a distance of 305.11 feet to a point for corner;

THENCE North 90 degrees 00 minute 00 second West a distance of 417.04 feet to the **POINT OF BEGINNING**, and containing 878,259.86 square feet or 20.162 acres of land more or less.

Exhibit "A-3"
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WHITEWING TRAILS

Outparcel Site Description

FIELD NOTES:

BEING a 6.314 acres tract or parcel of land situated in the David Cherry Survey, Abstract No. 166, in the City of Princeton, Collin County, Texas and being a part of an 853.61 acre tract of land described in Special Warranty Deed to Macavity Company, LLC, as recorded in County Clerk's File No. 20160627000808950 in the Deed Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found at the beginning of a tangent curve in the Northerly right-of-way of Monte Carlo Boulevard (a variable width right-of-way), whose chord bears North 89 degrees 43 minutes 13 seconds West a chord distance of 243.49 feet;

THENCE along said curve to the right having a central angle of 00 degree 33 minutes 34 seconds, a radius of 24940.00 feet, an arc length of 243.49 feet to a point for corner;

THENCE departing said Northerly right-of-way line and crossing said Macavilty tract the following courses and distances;

North 00 degree 54 minutes 17 seconds East a distance of 505.24 feet to a point for corner;

North 77 degrees 28 minutes 49 seconds East a distance of 490.58 feet to a point for corner;

South 04 degree 51 minutes 17 seconds East a distance of 294.30 feet to a point for corner;

South 07 degrees 22 minutes 55 seconds West a distance of 101.05 feet to a point for corner;

South 00 degree 52 minutes 00 seconds East a distance of 149.28 feet to a point for corner;

North 90 degrees 00 minutes 00 seconds West a distance of 45.01 feet to a point for corner;

South 00 degrees 52 minutes 00 seconds East a distance of 70.01 feet to a point for corner, said point being in the Northerly right-of-way of said Monte Carlo Boulevard;

THENCE North 90 degrees 00 minutes 00 second West, along said Northerly right-of-way of Monte Carlo boulevard a distance of 213.64 feet to the **POINT OF BEGINNING**, and containing 275,047.52 square feet or 6.314 acres of land more or less.

Exhibit "B"

**TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WHITEWING TRAILS**

DECLARANT REPRESENTATIONS & RESERVATIONS

GENERAL PROVISIONS.

B.1.1. Introduction. Declarant intends the Declaration to be perpetual and understands that provisions pertaining to the initial development, construction, marketing, and control of the Property will become obsolete when Declarant's role is complete. As a courtesy to future users of the Declaration, who may be frustrated by then-obsolete terms, Declarant is compiling the Declarant-related provisions in this Exhibit. Owners are put on notice that throughout the Declaration and its exhibits the intention shall be that during the Declarant Control Period all restrictions, rules, regulations, policies and any other provision governing the Association shall be interpreted so as to be in the favor of the Declarant and the Builders. This is necessary to ensure the continual and smooth buildout of the Subdivision. The Declarant's decision on any matter shall be final and shall not be subject to the discretion, opinion, or interference of any Class A Member.

B.1.2. General Reservation & Construction. Notwithstanding other provisions of the Documents to the contrary, nothing contained therein may be construed to, nor may any mortgagee, other Owner, or the Association, prevent or interfere with the rights contained in this Exhibit which Declarant hereby reserves exclusively unto itself and its successors and assigns. In case of conflict between this Exhibit and any other Document, this Exhibit controls. This Exhibit may not be amended without the prior written consent of Declarant. To the extent any proposed amendment is for the purpose of either amending the provisions of this Declaration or the Association's Agreements pertaining to the use, operation, maintenance and/or supervision of any facilities, structures, improvements, systems, Common Properties, private Streets or grounds that are the responsibility of the Association, prior written consent of the City may be required. The terms and provisions of this Exhibit must be construed liberally to give effect to Declarant's intent to protect Declarant's interests in the Property.

B.1.3. Purpose of Development and Declarant Control Periods. This Exhibit gives Declarant certain rights during the Development Period and the Declarant Control Period to ensure a complete and orderly build out and sellout of the Property, which is ultimately for the benefit and protection of Owners and mortgagees. Declarant may not use its control of the Association and the Property for an advantage over the Owners by way of retention of any residual rights or interests in the Association or through the creation of any contractual agreements which the Association may not terminate without cause with ninety days' notice; Notwithstanding, certain rights and protections for the Declarant and Builders is deemed reasonable and necessary to ensure a complete and orderly buildout.

B.1.4. Definitions. As used in this Exhibit and elsewhere in the Documents, the following words and phrases, when capitalized, have the following specified meanings:

"Builder" means a person or entity which purchases, or contracts to purchase, a Lot from Declarant or from a Builder for the purpose of constructing a residence for resale or under contract to an Owner other than Declarant. As used in this Declaration, Builder does not refer to Declarant or to any home building or home marketing company that is an affiliate of Declarant.

"Declarant Control Period" means that period of time during which Declarant controls the operation of this Association. The duration of the Declarant Control Period will be from the date this Declaration is recorded for a maximum period not to exceed the earlier of: (i) the date on which Declarant no longer owns any portion of the Property, or (ii) the date which is fifteen (15) years after recordation of this Declaration in the Official Public Records of the County in which the Association is located, or (iii) the date of recording in the Official Public Records of the County in which the Association is located, of a notice signed by the Declarant terminating the Declarant Control Period.

B.1.5. Builders. Declarant, through its affiliates, intends to construct residences on the Lots in connection with the sale of the Lots. However, Declarant may, without notice, sell some or all of the Lots to one or more Builders to improve the Lots with residences to be sold and occupied.

B.2. DECLARANT CONTROL PERIOD RESERVATIONS. Declarant reserves the following powers, rights, and duties during the Declarant Control Period:

B.2.1. Officers & Directors. During the Declarant Control Period, the Board may consist of three (3) persons. During the Declarant Control Period, Declarant may appoint, remove, and replace any officer or director of the Association, none of whom need be Members or Owners, and each of whom is indemnified by the Association as a "Leader;" provided, however, that on or before the date which is the earlier of (i) one hundred twenty (120) days after Declarant has sold seventy five percent (75%) of the Lots that may be developed within the Property, or (ii) ten (10) years after the date of recordation of this Declaration, at least one-third (1/3) of the directors on the Board shall be elected by non-Declarant Owners.

B.2.2. Weighted Votes. During the Declarant Control Period, the vote appurtenant to each Lot owned by Declarant is weighted twenty-five (25) times that of the vote appurtenant to a Lot owned by Class A Members. On termination of the Declarant Control Period and thereafter, the vote appurtenant to Declarant's Lots is weighted uniformly with all other votes.

B.2.3. Budget Funding. During the Declarant Control Period only, Declarant may, in its sole discretion, provide amounts in excess of the funds raised by the regular assessments in order to maintain the Common Properties within reasonable standards excluding non-recurring expenses which the Declarant shall have no obligation to fund. Any such advances made by Declarant during the Declarant Period shall be a debt of the Association to the advancing party. The Association shall, upon written request of the Declarant, cooperate fully in the repayment of sums loaned to the Association by the Declarant. Notwithstanding the foregoing, Declarant, in its sole

discretion, may cause the Association to borrow any deficiency amount from a lending institution at the then prevailing rate for such a loan. Declarant is not responsible for funding the Reserve Fund and may, at its sole discretion, require the Association to use Reserve Funds when available to pay operating expenses prior to the Declarant funding any deficiency.

B.2.4. Declarant Assessments. During the Declarant Control Period, any real property owned by Declarant is not subject to Assessments by the Association.

B.2.5. Builder Obligations. During the Declarant Control Period only, Declarant has the right but not the duty (1) to reduce or waive the Assessment obligation of a Builder, and (2) to exempt a Builder from any or all liabilities for transfer-related fees charged by the Association or its manager, provided the agreement is in writing.

B.2.6. Commencement of Assessments. During the initial development of the Property, Declarant may elect to postpone the Association's initial levy of Regular Assessments until a certain number of Lots are sold. During the Declarant Control Period, Declarant will determine when the Association first levies Regular Assessments against the Lots.

B.2.7. Expenses of Declarant. Expenses related to the completion and marketing of the Property will be paid by Declarant and are not expenses of the Association.

B.2.8. Budget Control. During the Declarant Control Period, the Declarant approves the budget and controls the right to amend said budget without consent of joinder of the Members in order to establish and produce a budget commensurate with the Association's expenses, needs and expectations during the build out period. **Owners' shall have no right of veto regarding Amendment, Assessment increases or Special Assessments during the Declarant Control Period.**

B.2.9. Organizational Meeting. Within one hundred twenty (120) days after the end of the Declarant Control Period, or sooner at the Declarant's option, Declarant will call an organizational meeting of the Members of the Association for the purpose of electing, by vote of the Owners, three directors to the Board. The transition from a Declarant to Homeowner Board may also schedule to correspond with an Annual Meeting if the timing of the transition allows. Written notice of the organizational meeting must be given to an Owner of each Lot at least ten (10) days but not more than thirty (30) days before the meeting. For the organizational meeting, Owners of ten percent (10%) of the Lots constitute a quorum. The directors elected at the organizational meeting will serve staggered terms with the candidates obtaining the highest number of votes serving the longer term and the remaining candidates serving the shorter term as follows: Three-person Board one (1) Member shall serve a three-year term, one (1) Member shall serve a two-year term, and one (1) Member shall serve a one-year term. At the first annual meeting to be held by the Members after Declarant Control ends the Board shall have the right, but not the obligation, to increase from a three to a five-person Board. The Board shall upon majority vote have the right to increase the Board; five being the maximum number of Directors allowed. A five-person Board: Two (2) Members shall serve a three-year term, two (2) Members shall serve a two-year term, and one (1) Member shall serve a one-year term.

At this transition meeting, the Declarant will transfer control of all utilities, if applicable, related to the Common Properties provide information to the Association, if not already done so, relating to the total costs to date related to the operation and maintenance of the Common Properties.

B.3. DEVELOPMENT PERIOD RESERVATIONS. Declarant reserves the following easements and rights, exercisable at Declarant's sole discretion, at any time during the Development Period:

B.3.1. Builder Limitations. Declarant may require its approval (which may not be unreasonably withheld) of all documents and materials used by a Builder in connection with the development and sale of Lots, including without limitation promotional materials; deed restrictions; forms for deeds, Lot sales, and Lot closings. With Declarant's prior written approval, a Builder may use a sales office or model in the Property to market residences, Lots, or other products located outside the Property.

B.3.3. Architectural Control. During the Development Period, Declarant has the absolute right to serve as the Architectural Reviewer pursuant to the Declaration. Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights as Architectural Reviewer under the Declaration and this Exhibit to (1) a committee comprised of architects, engineers, or other persons who may or may not be Members of the Association chosen by the Declarant. Any such delegation is at all times subject to the unilateral rights of Declarant (1) to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated and (2) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason. Declarant also has the unilateral right to exercise architectural control over vacant Lots in the Property. The Association, the Board of Directors, nor a committee appointed by the Association or Board (no matter how the committee is named) may involve itself with the approval of Builders new construction plans and/or construction of new residences and related improvements on vacant Lots without the express written permission of the Declarant.

B.3.4. Amendment. During the Development Period, Declarant may amend this Declaration and the other Documents to include Bylaws, without consent of the Board, other Owners or mortgagee, or Members for any purpose, including without limitation the following purposes:

- (i) To create Lots, easements, and Common Properties within the Property.
- (ii) To subdivide, combine, or reconfigure Lots.
- (iii) To convert Lots into Common Properties and Common Properties back to Lots.
- (iv) To modify the construction and use restrictions of this Declaration.
- (v) To merge the Association with another property owner's association.
- (vi) To comply with the requirements of an underwriting lender.
- (vii) To resolve conflicts, clarify ambiguities, and to correct misstatements, errors, or omissions in the Documents.
- (viii) To enable any reputable title insurance company to issue title insurance coverage on the Lots.

(ix) To enable an institutional or governmental lender to make or purchase mortgage loans on the Lots.

(x) To change the name or entity of Declarant.

(xi) To change the name of the addition in which the Property is located.

(xii) To change the name of the Association.

(xiii) For any other purpose, provided the amendment has no material adverse effect on any right of any Owner.

B.3.5. Completion. During the Development Period, Declarant has (1) the right to complete or make improvements indicated on the Plat; (2) the right to sell or lease any Lot owned by Declarant; and (3) an easement and right to erect, construct, and maintain on and in the Common Properties and Lots owned or leased by Declarant whatever Declarant determines to be necessary or advisable in connection with the construction, completion, management, maintenance, leasing, and marketing of the Property, including, without limitation, parking areas, temporary buildings, temporary fencing, portable toilets, storage areas, dumpsters, trailers, and commercial vehicles of every type.

B.3.6. Easement to Inspect & Right to Correct. During the Development Period, Declarant reserves for itself the right, but not the duty, to inspect, monitor, test, redesign, correct, and relocate any structure, improvement or condition that may exist on any portion of the Property, including the Lots, and a perpetual nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise this right. Declarant will promptly repair, at its sole expense, any damage resulting from the exercise of this right. By way of illustration but not limitation, relocation of a screening wall located on a Lot may be warranted by a change of circumstance, imprecise siting of the original wall, or desire to comply more fully with public codes and ordinances. This Section may not be construed to create a duty for Declarant or the Association.

B.3.7. Promotion. During the Development Period, Declarant reserves for itself an easement and right to place or install signs, banners, flags, display lighting, potted plants, exterior decorative items, seasonal decorations, temporary window treatments, and seasonal landscaping on the Property, including items and locations that are prohibited to other Owners and residents, for purposes of promoting, identifying, and marketing the Property and/or Declarant's residences, Lots, developments, or other products located outside the Property. Declarant reserves an easement and right to maintain, relocate, replace, or remove the same from time to time within the Property. Declarant also reserves the right to sponsor marketing events – such as open houses, MLS tours, and broker's parties – at the Property to promote the sale of Lots. During the Development Period, Declarant also reserves (1) the right to permit Builders to place signs and promotional materials on the Property and (2) the right to exempt Builders from the sign restriction in this Declaration. **AT NO TIME AND IN NO EVENT SHALL OWNERS INTERFERE WITH OR TAKE ANY ACTION THAT WOULD PROHIBIT THE DECLARANT AND BUILDERS FROM PERFORMING THE SMOOTH AND ORDERLY CONSTRUCTION OF LOTS AND THE ORDERLY BUILDOUT OF THE SUBDIVISION. OWNERS AND BOARD MEMBERS MAY NOT ATTEMPT TO AMEND, MODIFY, OR RESCIND DAYS AND TIMES OF**

SHOWINGS, CONTRACTOR ACTIVITY ASSOCIATED WITH CONSTRUCTION OF THE DEVELOPMENT OR LOTS NOR SHALL THE BOARD OR ANY OWNER HAVE THE RIGHT TO LIMIT OPEN HOUSES OR OTHER SUCH SPECIAL EVENTS PROMOTING SALES. ANY SUCH ACTION IS SUBJECT TO SUIT BY THE DECLARANT OR A BUILDER.

B.3.8. Offices. During the Development Period, Declarant reserves for itself the right to use residences owned or leased by Declarant as models, storage areas, and offices for the marketing, management, maintenance, customer service, construction, and leasing of the Property and/or Declarant's developments or other products located outside the Property. Also, Declarant reserves for itself the easement and right to make structural changes and alterations on and to Lots and/or residences used by Declarant as models, storage areas, and offices, as may be necessary to adapt them to the uses permitted herein.

B.3.9. Access. During the Development Period, Declarant has an easement and right of ingress and egress in and through the Property for purposes of constructing, maintaining, managing, and marketing the Property and the Property Subject to Annexation (as hereinafter defined), and for discharging Declarant's obligations under this Declaration. Declarant also has the right to provide a reasonable means of access for the home buying public through any existing or future gate that restricts vehicular access to the Property in connection with the active marketing of Lots and residences by Declarant or Builders, including the right to require that the gate be kept open during certain hours and/or on certain days. This provision may not be construed as an obligation or intent to gate the Property.

B.3.10. Utility Easements. During the Development Period, Declarant may grant permits, licenses, and easements over, in, on, under, and through the Property for utilities, roads, and other purposes necessary for the proper development and operation of the Property. Declarant reserves the right to make changes in and additions to the easements on any Lot, as shown on the Plat, to more efficiently or economically install utilities or other improvements. Utilities may include, but are not limited to, water, sewer, trash removal, electricity, gas, telephone, television, cable, internet service, and security. To exercise this right as to land that is not a Common Property or not owned by Declarant, Declarant must have the prior written consent of the Owner.

B.3.11. Assessments. For the duration of the Development Period, any Lot owned by Declarant is not subject to mandatory assessment by the Association until the date Declarant transfers title to an Owner other than Declarant. If Declarant owns a Lot on the expiration or termination of the Development Period, from that day forward Declarant is liable for Assessments on each Lot owned by Declarant in the same manner as any Owner.

B.3.12. Land Transfers. During the Development Period, any transfer of an interest in the Property to or from Declarant is not subject to any transfer-related provision in the Documents, including without limitation on an obligation for transfer or Resale Certificate fees, and the transfer-related provisions of this Declaration. The application of this provision includes without limitation Declarant's Lot take-downs, Declarant's sale of Lots to Builders, and Declarant's sale of Lots to homebuyers.

B.4. COMMON PROPERTIES. Declarant will convey title to the Common Properties, including any and all facilities, structures, improvements and systems of the Common Properties owned by Declarant, to the Association by one or more deeds – with or without warranty and in “As Is” condition, at the end of the Declarant Control Period. Any initial improvements within or that are part of the Common Properties will be installed, constructed, or authorized by Declarant, the cost of which is not a Common Expense of the Association. At the time of conveyance to the Association, the Common Properties will be free to encumbrance except for the property taxes accruing for the year of conveyance the terms of this Declaration and matters reflected on the Plat. Declarant's conveyance of title is a ministerial task that does not require and is not subject to acceptance by the Association or the Owners. The transfer of control of the Association at the end of the Declarant Control Period is not a transfer of Common Properties requiring inspection, evaluation, acceptance, or approval of improvements within or that are part of the Common Properties by the Owners. **Declarant is under no contractual or other obligation to provide amenities of any kind or type.**

B.5. WORKING CAPITAL FUND. Declarant may (but is not required to) establish a working capital fund for the Association by requiring purchasers of Lots to make a one-time contribution to this fund, subject to the following conditions:

a. Subject to the foregoing a Lot's contribution should be collected from any Owner at closing excluding Lot sales from Declarant to Builders. Declarant acknowledges that this condition may create an inequity among the Owners, but deems it a necessary response to the diversification of marketing and closing Lot sales.

b. Contributions to the fund are not advance payments of Regular Assessments or Special Assessments and are not refundable to the contributor by the Association or by Declarant. This may not be construed to prevent a selling Owner from negotiating reimbursement of the contribution from a purchaser. Working Capital Funds may be used for any expense or need of the Association.

c. Declarant will transfer the balance of the working capital fund to the Association on or before termination of the Declarant Control Period. Declarant may not use the fund to defray Declarant's personal expenses or construction costs however, Declarant may, if necessary, utilize funds for the Association's operating needs in the event of a deficit in the Association's operating budget.

B.6. SUCCESSOR DECLARANT. Declarant may designate one or more Successor Declarants' (herein so called) for specified designated purposes and/or for specified portions of the Property, or for all purposes and all of the Property. To be effective, the designation must be in writing, signed and acknowledged by Declarant and Successor Declarant, and recorded in the Real Property Records of Collin County, Texas. Declarant (or Successor Declarant) may subject the designation of Successor Declarant to limitations and reservations. Unless the designation of Successor Declarant provides otherwise, a Successor Declarant has the rights of Declarant under this Section and may designate further Successor Declarants.

B.7. Declarant's Right to Annex Adjacent Property. Declarant hereby reserves for itself and its affiliates and/or any of their respective successors and assigns the right to annex any real property in the vicinity of the Property (the "Property Subject to Annexation") into the scheme of this Declaration as provided in this Declaration. Notwithstanding anything herein or otherwise to the contrary, Declarant and/or such affiliates, successors and/or assigns, subject to annexation of same into the real property, shall have the exclusive unilateral right, privilege and option (but never an obligation), from time to time, for as long as Declarant owns any portion of the Property or Property Subject to Annexation, to annex (a) all or any portion of the Property Subject to Annexation owned by Declarant, and (b) subject to the provisions of this Declaration and the jurisdiction of the Association, any additional property located adjacent to or in the immediate vicinity of the Property (collectively, the "Annexed Land"), by filing in the Official Public Records of Collin County, Texas, a Supplemental Declaration expressly annexing any such Annexed Land. Such Supplemental Declaration shall not require the vote of the Owners, the Members of the Association, or approval by the Board or other action of the Association or any other Person, subject to the prior annexation of such Annexed Land into the real property. Any such annexation shall be effective upon the filing of such Supplemental Declaration in the Official Public Records of Collin County, Texas (with consent of Owner(s) of the Annexed Land, if not Declarant). Declarant shall also have the unilateral right to transfer to any successor Declarant, Declarant's right, privilege and option to annex Annexed Land, provided that such successor Declarant shall be the developer of at least a portion of the Annexed Land and shall be expressly designated by Declarant in writing to be the successor or assignee to all or any part of Declarant's rights hereunder.

B.7.1. Procedure for Annexation. Any such annexation shall be accomplished by the execution by Declarant, and the filing for record by Declarant (or the other Owner of the property being added or annexed, to the extent such other Owner has received a written assignment from Declarant of the right to annex hereunder) of a Supplemental Declaration which must set out and provide for the following:

- (i) A legally sufficient description of the Annexed Land being added or annexed, which Annexed Land must as a condition precedent to such annexation be included in the real property;
- (ii) That the Annexed Land is being annexed in accordance with and subject to the provisions of this Declaration, and that the Annexed Land being annexed shall be developed, held, used, sold and conveyed in accordance with, and subject to, the provisions of this Declaration as theretofore and thereafter amended; provided, however, that if any Lots or portions thereof being so annexed are to be treated differently than any of the other Lots (whether such difference is applicable to other Lots included therein or to the Lots now subject to this Declaration), the Supplemental Declaration should specify the details of such differential treatment and a general statement of the rationale and reasons for the difference in treatment, and if applicable, any other special or unique covenants, conditions, restrictions, easements or other requirements as may be applicable to all or any of the Lots or other portions of Annexed Land being annexed;

- (iii) That all of the provisions of this Declaration, as amended, shall apply to the Annexed Land being added or annexed with the same force and effect as if said Annexed Land were originally included in this Declaration as part of the Initial Property, with the total number of Lots increased accordingly;
- (iv) That an Assessment Lien is therein created and reserved in favor of the Association to secure collection of the Assessments as provided in this Declaration, and as provided for, authorized or contemplated in the Supplemental Declaration, and setting forth the first year Maintenance Assessments and the amount of any other then applicable Assessments (if any) for the Lots within the Annexed Land being made subject to this Declaration; and
- (v) Such other provisions as the Declarant therein shall deem appropriate.

B.7.2. Amendment. The provisions of this B.7. or its sub-sections may not be amended without the express written consent of Declarant (and Declarant's successors and assigns in accordance with the terms hereof).

B.7.3. No Duty to Annex. Nothing herein contained shall establish any duty or obligation on the part of the 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.

B.7.4. Effect of Annexation on Class B Membership. In determining the number of Lots owned by the Declarant for the purpose of Class B Membership status the total number of Lots covered by this Declaration and located in such Declarant's portion of the Property, including all Lots acquired by the Declarant and annexed thereto, shall be considered. If Class B Membership has previously lapsed but annexation of additional property restores the ratio of Lots owned by the Declarant to the number required by Class B Membership, such Class B Membership shall be reinstated until it expires pursuant to the terms of the Declaration.

[End of Exhibit B]

Exhibit C

TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WHITEWING TRAILS

Design Guidelines

Restrictions apply to all Single Family Detached and Zero Lot Line Residences. The ACC has sole discretion and authority as to any modification or addition regardless of the structure type. Failure to abide by the conditions set forth in this Declaration and/or the conditional approval of the ACC when such an approval is issued is grounds for possible cease construction, removal or replacement of the non-conforming object or structure, and the maximum fine allowed under this Declaration.

PART ONE: LANDSCAPING, FENCES AND EXTERIOR ELEMENTS

SECTION 1.1 LANDSCAPING:

Upon completion of each residential unit, each residence must comply with the landscaping requirements of any applicable City of Princeton ordinances, specifically Ordinance No. 2001-01-03 and 2003-02-18-02 and all Association Rules. The provisions of this section are deemed to be the minimum standards and shall apply to all new construction. Builders and Owners are hereby placed on notice that the City of Princeton has specific requirements for landscaping which include the need for permits, submission of detailed landscape plans, certain tree removal and tree protection restrictions as well as a pre-approved list of allowed trees and shrubs. Whitewing Trails has included much of the information from the City's ordinances below; Notwithstanding, **the list and restrictions are not all inclusive therefore, and it is the Builders and/or Owners responsibility to ensure compliance with all City of Princeton landscape restrictions and ordinances prior to commencing installation.** Should there be any discrepancy between the guidelines listed below and any City of Princeton ordinances, the higher standard shall always prevail.

The following landscape elements shall be installed prior to occupancy of the residence:

- 1.1.1 Sod: Each residence shall have full sod installed for the entire front, sides, and rear yard and a minimum of ten (10) feet back from the front wall face for each side yard, or to the side yard fence, whichever is greater. Non-living landscape materials such as wood chips and gravel may only be used under trees, shrubs, and other plants and only after obtaining the prior written consent of the Reviewer. Sod shall be clean and reasonably free of weeds and noxious pests and insects.
- 1.1.1(a) Ground covers may not be used in lieu of grass or sod without the prior written consent of the Reviewer.

- 1.1.2 Trees: Ornamental trees shall have a minimum spread of crown of greater than fifteen (15) feet at maturity. Ornamental trees having a minimum mature crown of less than fifteen (15) feet may be substituted by grouping the same as to create the equivalent of fifteen (15) feet crown width. Canopy trees shall have a minimum spread of twenty-five (25) feet at maturity. Larger trees shall be a minimum of three (3) inches in caliper as measured twenty-four (24) inches above the ground and seven (7) feet in height at time of planting. Small trees shall be a minimum of one (1) inch in caliper as measured twenty-four (24) inches above ground and five feet in height at time of planting. A minimum of two (2) canopy trees with a minimum caliper of 3" as instructed above shall be required for most front yards. At least one (1) tree shall be located in the back yard on all lots. For smaller lots where two (2) trees in the front is not feasible, at least one (1) tree in the front and one (1) tree in the rear yard is required. For the avoidance of doubt, only one (1) tree shall be required to be located in the front of fifty-foot (50') Lots. Compliance with these landscaping requirements shall not be such as to cause visibility obstructions and/or blind corners at intersections. Landscaping within areas where visibility could potentially be obstructed shall be planted to ensure the line of sight and/or cross-visibility areas remain unobstructed. Trees in these areas must be kept trimmed in a manner that no limbs or foliage extend into or block the visibility areas. Each Owner shall be responsible for maintenance and preservation of trees located on their property and shall promptly replace dead trees within thirty (30) days of loss occurrences when favorable planting weather exists and ninety (90) days in off-seasons or when unfavorable planting weather exists. Tree species shall comply with the City of Princeton Zoning Ordinance; some of the allowed trees have been provided in Attachment 1.1.2-A below.
- 1.1.3 Shrubbery, Hedges, and Planting Beds: Each residence shall have a minimum of ten (10) one-gallon shrubs and one (1) fifteen-gallon ornamental shrub planted in a mulched planting bed; the planting bed shall have quality edging materials to separate the sod and bed mulch areas. Shrubs not of the dwarf variety shall be a minimum of two (2) feet in height when measured immediately after planting. Hedges, where installed for buffering purposes required by the City of Princeton, shall be planted and maintained so as to form a continuous, unbroken, solid visual screen which will be three feet (3') in height within two years after planting. Hedges within the front yard shall not exceed three feet (3') in height. The Owner shall be responsible for the maintenance a preservation of the shrubs and planting bed, and shall promptly replace dead shrubs and hedges within thirty (30) days of loss occurrences when favorable planting weather exists and ninety (90) days in off-seasons or when unfavorable planting weather exists. Color in beds to bring beauty and aesthetic appeal is encouraged. A variety of approved shrubs allowed by the City of Princeton has been provided in Attachment 1.1.3-B below.

- 1.1.4 Landscaping, except for sod and low ground cover (if approved) shall not be located closer than three (3) feet from the edge of any driveway or parking space.

SECTION 1.2 FENCES:

Permits from City of Princeton are required prior to any installation of a fence and prior to any alteration, addition, or change to an existing fence in any length greater than twenty (20) feet. Any repair or maintenance must be done with similar materials unless replacing the entire fence and prior written approval of the Reviewer shall be required for any installation, alteration, addition, or change including, but not limited to, staining or re-staining of fence. Inspection from the City of Princeton is required after construction of a fence. Approval for minor repairs such as replacing broken pickets, etc., or up righting a leaning or fallen panel is not required. No fence shall be constructed within any drainage or other easement in the City limits unless the property Owner submits a certification under seal from a licensed engineer that such fence shall not interfere with or impair the natural flow of water across the drainage easement. Regardless of whether the City and the Association issues a permit or approval, the Owner shall not be absolved of responsibility should the fence interfere with or impair the natural flow of water across a drainage easement. The ACC shall have the exclusive right to require a five-foot (5') setback from all fences for any structure, temporary or permanent, installed on a Lot other than the main residence. Additional fence restrictions and requirements exist in the body of this Declaration and apply to all fencing as the language and rules are set forth or may be applied by the Reviewer. Without the proper permit from the city and written consent of the Reviewer, all wood fences shall not exceed six feet (6') in height.

- 1.2.1 Major thoroughfares and Corner Lots: All fencing on corner lots and backing up to streets and major thoroughfares will be considered major thoroughfare fencing. Fencing, which shall be board on board, six feet (6') in height with a cap, and pre-stained Spruce Fence or better, with steel posts. All posts shall be schedule 40 steel posts and be buried at least two feet (2') in the ground with concrete support. Wood posts are not allowed. Posts shall be mounted on the inside and step up's and step downs shall be allowed to adjust for grade when necessary. Chain link, vinyl, and barbed wire fencing is prohibited. Steel posts must be buried at least two feet in the ground with concrete support. NO front yard fencing is allowed and no electrical fencing is allowed. Setback restrictions as to how closely the fence can extend to the front of the residence exists and may vary depending upon the placement of the Lot and other factors.

All fencing facing major thoroughfares shall be stained with one approved stain color only to ensure uniformity in color throughout for all perimeter fencing. From the below pre-approved stain colors, Sable Brown shall be the standard stain color for perimeter fencing. All other wood fencing may use either of the stain colors listed below. No other stain color shall be used without the written consent of the Reviewer. Painting of fences is not allowed.

Manufacturer: Sherwin Williams
Color: Banyan Brown – or similar color acceptable to the

Reviewer.

Manufacturer: Standard Paint
Color: Sable Brown – or similar color acceptable to the Reviewer.

- 1.2.2 Standard Side and Rear Yard Fences – Interior Lots: For all interior lots, fences shall not exceed six feet (6') max fence height, pre-stained Spruce or better, with steel posts, and top rail. All fences to have step ups and step downs to adjust for grade. All portions of the fence that are viewable from the street shall be stained with one of the colors specified above. Other stain colors are not allowed without the prior written approval of the Reviewer.
- 1.2.3 Greenbelt Areas, Open Spaces and Parks: Lots adjacent to a Greenbelt area, Open Spaces and/or a Park shall have black finished, forty-eight inch (48") high wrought iron fences for the full width of the Lot line abutting said space. The remainder of any side not facing a greenbelt, open space or park may be wood board-on-board or board-to-board, depending upon the location of the Lot. The type of wood fencing is contingent upon the rules in 1.2.1 and 1.2.2 above. All wrought iron fences shall be consistent; no variation of design is generally permitted. Fence areas shall remain unobstructed by screening or other materials unless specifically approved in writing by the Reviewer prior to installation.

SECTION 1.3 MAIL BOXES:

- 1.3.1 Standard Mail Boxes: All Lots shall utilize cluster mailboxes in accordance with the terms of the Declaration. Final product used as well as location of the pad and cluster mailboxes are at the discretion of the Declarant, the Architectural Control Committee, and United States Postal Service.

SECTION 1.4 FLAGS AND FLAGPOLES

- 1.4.1 The only flags which may be displayed are: (i) the flag of the United States of America; (ii) the flag of the State of Texas; and (iii) an official or replica flag of any branch of the United States armed forces. No other types of flags, pennants, banners, kits or similar types of displays are permitted on a Lot if the display is visible from a street or Common Properties.
- 1.4.2 The flag of the United States must be displayed in accordance with 4 U.S.C. Sections 5-10.
- 1.4.3 The flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code.
- 1.4.4 Any freestanding flagpole, or flagpole attached to a residence, shall be constructed of permanent, long-lasting materials. The materials used for the flagpole shall be harmonious with the residence, and must have a silver finish with a gold or silver

- ball at the top. The flagpole must not exceed three (3) inches in diameter.
- 1.4.5 The display of a flag, or the location and construction of the supporting flagpole, shall comply with applicable zoning ordinances, easements, and setbacks of record.
 - 1.4.6 A displayed flag, and the flagpole on which it is flown, shall be maintained in good condition at all times. Any flag that is deteriorated must be replaced or removed. Any flagpole that is structurally unsafe or deteriorated shall be repaired, replaced, or removed.
 - 1.4.7 Only one flagpole will be allowed per Lot. A flagpole can either be securely attached to the face of the residence (no other structure) or be a freestanding flagpole. A flagpole attached to the residence may not exceed 4 feet in length. A freestanding flagpole may not exceed 20 feet in height. Any freestanding flagpole must be located in either the front yard or backyard of a Lot, and there must be a distance of at least 5 feet between the flagpole and the property line.
 - 1.4.8 Any flag flown or displayed on a freestanding flagpole may be no smaller than 3'x5' and no larger than 4'x6'.
 - 1.4.9 Any flag flown or displayed on a flagpole attached to the residence may be no larger than 3'x5'.
 - 1.4.10 Any freestanding flagpole must be equipped to minimize halyard noise. The preferred method is through the use of an internal halyard system. Alternatively, swivel snap hooks must be covered or "Quiet Halyard" Flag snaps installed. Neighbor complaints of noisy halyards are a basis to have flagpole removed until Owner resolves the noise complaint.
 - 1.4.11 The illumination of a flag is allowed so long as it does not create a disturbance to other residents in the Subdivision. Solar powered, pole mounted light fixtures are preferred as opposed to ground mounted light fixtures. Compliance with all municipal requirements for electrical ground mounted installations must be certified by Owner. Flag illumination may not shine into another residence. Neighbor complaints regarding flag illumination are a basis to prohibit further illumination until Owner resolves complaint.
 - 1.4.12 Flagpoles shall not be installed in Common Properties or any property maintained by the Association.
 - 1.4.13 All freestanding flagpole installations must receive prior written approval from the Reviewer.

SECTION 1.5 RAIN BARRELS OR RAINWATER HARVESTING SYTEMS

- 1.5.1 Rain barrels or rain water harvesting systems and related system components (collectively, "Rain Barrels") may only be installed after receiving the written approval of the Reviewer.
- 1.5.2 Rain Barrels may not be installed upon or within Common Properties.
- 1.5.3 Under no circumstances shall Rain Barrels be installed or located in or on any area within a Lot that is in-between the front of the property Owner's residence and an adjoining or adjacent street.
- 1.5.4 The rain barrel must be of color that is consistent with the color scheme of the property Owner's residence and may not contain or display any language or other content that is not typically displayed on such Rain Barrels as manufactured.
- 1.5.5 Rain Barrels may be located in the side-yard or back-yard of an Owner's Lot so long as these may not be seen from a street, another Lot or any Common Properties.
- 1.5.6 In the event the installation of Rain Barrels in the side-yard or back-yard of an Owner's property in compliance with paragraph 1.5.5 above is impossible, the Reviewing Body may impose limitations or further requirements regarding the size, number and screening of Rain Barrels with the objective of screening the Rain Barrels from public view to the greatest extent possible. The Owner must have sufficient area on their Lot to accommodate the Rain Barrels.
- 1.5.7 Rain Barrels must be properly maintained at all times or removed by the Owner.
- 1.5.8 Rain Barrels must be enclosed or covered.
- 1.5.9 Rain Barrels which are not properly maintained become unsightly or could serve as a breeding pool for mosquitoes must be removed by the Owner from the Lot.

SECTION 1.6 RELIGIOUS DISPLAYS

- 1.6.1 An Owner may display or affix on the entry to the Owner's or occupant's residence one or more religious items, the display of which is motivated by the Owner's or resident's sincere religious belief.
- 1.6.2 If displaying or affixing of a religious item on the entry to the Owner's or occupant's residence violates any of the following covenants, The Association may remove the item displayed:
 - (1) threatens the public health or safety;
 - (2) violates a law;
 - (3) contains language, graphics, or any display that is patently offensive to a passerby;

- (4) is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the Owner's or occupant's residence; or
 - (5) individually or in combination with each other religious item displayed or affixed on the entry door or door frame has a total size of greater than 25 square inches
- 1.6.3 No Owner or resident is authorized to use a material or color for an entry door or door frame of the Owner's or occupant's residence or make an alteration to the entry door or door frame that is not authorized by the Association, Declaration or otherwise expressly approved by the Architectural Control Committee.

PART TWO: RESIDENCES

SECTION 2.1 ROOFS

- 2.1.1 **Roof Pitch:** Roof Pitch for residences is to match the house roof; Notwithstanding, the minimum roof pitch allowed shall have minimum 6-in-12 slope or must comply with the minimum roof pitch as may be allowed by the applicable City Zoning Ordinance. Higher pitches such as an 8-in-12 pitch may be used to meet certain City of Princeton Design Elements required in Whitewing Trails. Lower slopes may ONLY be allowed for certain areas and building styles and is subject to the prior written approval of the Declarant or the Reviewer and must meet any City of Princeton ordinances.
- 2.1.2 **Roofing Materials:** Roofing materials shall be minimum 20-year architectural grade asphalt composition shingles with a minimum weight of 220 pounds per square (100 square feet). Tile and masonry roofing materials may be allowed however, use of these roofing materials are not pre-approved and will require the prior written permission of the Reviewer prior to installation and use. Approved shingle colors are weathered brown, light to medium brown tones, and grays. Any other color must receive the prior written approval of the Reviewer prior to installation and use. Failure to obtain approval for use of any roofing material or color other than specified above shall be an automatic fine for non-compliance for Builders and / or Owners of not less than \$500.00 and other conditions of non-compliance may also apply such as, but not limited to, removal of the non-complying roofing materials
- 2.1.3 **Dormers & Above Roof Chimneys:** Dormers and Chimney Chases, above roof structure and roofing materials, must meet the City of Princeton's Building and Zoning Ordinances for Whitewing Trails. All Fireplace flues shall be enclosed and finished; exposed pre-fabricated metal flue piping is prohibited without prior written consent of the Reviewer. Flues used for gas fireplaces and other similar equipment if exposed, shall be installed in such a manner so as not to be visible from the front of the residence or street. Should installation of exposed flues be required elsewhere, prior written consent of the Reviewer shall be required.

- 2.1.4 Roof-mounted and wall-mounted mechanical equipment is prohibited on single family detached residential structures and zero lot line structures.

SECTION 2.2 CERTAIN ROOFING MATERIALS

- 2.2.1 Roofing shingles covered by this Section are exclusively those designed primarily to be more wind and hail resistant than those provided by customary composite shingles.
- 2.2.2 Roofing Shingles allowed under this Section shall:
- (1) resemble the shingles used or otherwise authorized for use in the Subdivision and/or Property. Solar shingles shall be subject to placement restrictions as well as other restrictions governing the installation of solar shingles designed to generate solar energy;
 - (2) be more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use in the Subdivision and/or Property.
 - (3) match the aesthetics of the property surrounding the property of the Owner requesting permission to install the Roofing Shingles.
- 2.2.3 The Owner requesting permission to install the Roofing Shingles will be solely responsible for accrediting, certifying and demonstrating to the Reviewer that the proposed installation is in full compliance with paragraphs a and b above.
- 2.2.4 Roofing Shingles shall be installed after receiving the written approval of the Reviewer.
- 2.2.5 Owners are hereby placed on notice that the installation of Roofing Materials may void or adversely affect other warranties.

SECTION 2.3 SOLAR PANELS

- 2.3.1 Solar energy devices, including any related equipment or system components (collectively, "Solar Panels") may only be installed after receiving the written approval of the Architectural Control Committee.
- 2.3.2 Solar Panels may not be installed upon or within Common Properties or any area which is maintained by the Association.
- 2.3.3 Solar Panels may only be installed on designated locations on the roof of a residence, on any structure allowed under any Association dedicatory instrument, or within any fenced rear-yard or fenced-in patio of the Owner's property, but only as allowed by the Reviewer. **Solar Panels may not be installed on the front elevation of the residence.**

- 2.3.4 If located on the roof of a residence, Solar Panels shall:
- (1) not extend higher than or beyond the roofline;
 - (2) conform to the slope of the roof;
 - (3) have a top edge that is parallel to the roofline; and
 - (4) have a frame, support bracket, or wiring that is black or painted to match the color of the roof tiles or shingles of the roof. Piping must be painted to match the surface to which it is attached, i.e. the soffit and wall. Panels must blend with the color of the roof to the greatest extent possible.
- 2.3.5 If located in the fenced rear-yard or patio, Solar Panels shall not be taller than the fence line or visible from a Lot, Common Properties or street.
- 2.3.6 The Reviewer may deny a request for the installation of Solar Panels if it determines that the placement of the Solar Panels, as proposed by the property Owner, will create an interference with the use and enjoyment of land of neighboring Owners.
- 2.3.7 Owners are hereby placed on notice that the installation of Solar Panels may void or adversely affect roof warranties. Any installation of Solar Panels which voids material warranties is not permitted and will be cause for the Solar Panels to be removed by the Owner.
- 2.3.8 Solar Panels must be properly maintained at all times or removed by the Owner.
- 2.3.9 Solar Panels which become non-functioning or inoperable must be removed by the Owner of the property.

SECTION 2.4 EXTERIOR WALLS

- 2.4.1 Exterior Wall Materials shall be a minimum of eighty percent (80%) mason overall. The following masonry materials are the ONLY approved materials which may be used to meet the minimum eighty percent (80%) requirement: Brick, Clay Brick, Austin Stone, Native Stone, Manufactured Concrete Stone or Brick. A mixture of two types of mason from the approved list above is encouraged and may be used to comply with some City of Princeton's Design Elements as required in Ordinance No. 2009-07-28 (as modified and amended by the City of Princeton Ordinance No. 2019-06-24-01). Cement Fiber Board, Siding, and other similar materials are not an approved masonry material for meeting the eighty percent (80%) overall masonry requirement. Masonry percentages exclude doors, windows, garage doors, the roof, and exterior wall areas built on top of a roof and other similar openings.

2.4.1.1 Side and Rear Wall requirements with regard to 2-story residences must meet the City of Princeton's minimum requirements with regard to masonry use and placement.

2.4.1.2 Chimneys: Chimney wall structures that are a direct extension of an exterior wall shall match the requirement of said wall.

SECTION 2.5 WINDOWS

2.5.1 The use of Pop-Out's, Bay Windows, Recessed Windows, and Windowsills are strongly encouraged and in some cases such as residences facing a street or any open space are mandatory per the City of Princeton's Ordinance No. 2009-07-28 (as modified and amended by the City of Princeton Ordinance No. 2019-06-24-01). The use of the windows listed above may also serve to meet certain Design Elements required for Whitewing Trails by the City of Princeton. Unless written consent is received allowing otherwise, windows shall be constructed of vinyl, divided light on all front windows, divided light on all windows backing siding collectors, parks or open spaces. Reflective glass is prohibited. **Windows on zero lot line side of residences is prohibited.**

SECTION 2.6 GARAGE

2.6.1 No front entry garages (excluding J-Swing garages) on a single family or zero lot line residence shall extend forward from a residence's livable space or in front of a covered front porch by more than 10-feet. The garage shall conform in design and materials with the main structure and may not be used as a living quarter at any time or for the purpose of conducting business of any kind. The following garage doors shall be allowed upon written consent of the Reviewer (i) Metal garage doors, (ii) metal with a wood overlay, and (iii) wood garage doors. Color and style of the garage door must complement the main residence. The prior written consent of the Reviewer shall be required prior to installation, modification, or change of any garage door. Light to Medium color garage doors are preferred. The Reviewer reserves the right to require accents such as trims, decorative hardware, windows, or lighting at their sole discretion.

SECTION 2.7 ADDRESS BLOCKS

2.7.1 All address blocks shall be cast stone.

SECTION 2.8 ANTI-REPETITION RULES.

2.8.1 No front house elevation on a single family or zero lot line residence shall be repeated on the same side of the street unless it is separated by a minimum of three (3) lots from the same elevation. No front house elevation on a single family or zero lot line residence shall be repeated directly across the street or within one (1) lot of one another on either side of the residence and on either side of the street. No more than three (3) consecutive rear elevations may be provided on single family and zero lot line residences with rear elevations abutting a collector road.

2.8.2 Repeat Brick Usage: All residential plan and specification submittals shall be required to calculate the percentage coverage for each material. Plans that fail to do so may be returned or result in a delay in the review process.

2.8.2.1 Same Side of Street: No combination of brick color, mortar color, and sand color shall be repeated for adjacent residences. Street and alley intersections are acceptable separation elements.

2.8.2.2 Opposite Side of Street: Same brick color, mortar color, and sand color for residential units on opposing sides of the street should be separated by at least one (1) lot.

2.8.2.3 NO pink brick is allowed. NO white brick or painting of brick is allowed without the prior written consent of the Reviewer. All Builders shall endeavor to use brick and stone colors that will stay within the aesthetic color scheme of the residences being constructed within the development and shall not use any brick or stone color that will cause a stark contrast without the express written consent of the Reviewer.

SECTION 2.9 FRONT ENTRIES

2.9.1 Each residence shall have front entries visible from the street, and shall include one of the following features on the front elevation: a covered front entry with an area recessed a minimum of eighteen inches (18"); a covered front porch a minimum of four feet (4') in depth; a bay window; or dormers. Features provided under this section may be counted to satisfy features required by the following section.

SECTION 2.10 REQUIRED ARCHITECTURAL FEATURES

2.10.1 Each residence constructed on any Lot shall include at least two (2) of the following design features along the front of the residence or the side of the residence facing a street or an open space area designated on a plat:

- (1) window pop-outs;
- (2) recessed windows;
- (3) architectural pillars or posts;
- (4) bay windows;
- (5) a brick chimney on an exterior wall;
- (6) cast stone accents;
- (7) a covered front porch a minimum of four feet (4') in depth;
- (8) a cupola or turret;
- (9) dormers;
- (10) gables;
- (11) no garage doors that directly face the street;
- (12) metal roof accents;
- (13) multiple types of masonry materials;
- (14) recessed entries (a minimum of three feet [3'] in depth);

- (15) minimum 8:12 primary roof pitch;
- (16) separate transom windows; or
- (17) shutters.

SECTION 2.11 VISIBILITY

2.11.1 On any corner Lot for which front and side yards are required, no wall, fence, structure, sign, tree, or other planting or sloped terrace or embankment may be maintained higher than three feet (3') above the street grade so as to cause danger or hazard to traffic by obstructing the view of the intersection from a point 30 feet back from the right-of-way corner. Visual clearance shall be provided so that no fence, wall, vegetation, architectural screen, earth mounding, or landscaping obstructs the vision of a motor vehicle driver approaching any street, alley, or driveway intersection.

SECTION 2.12 SWIMMING POOLS

2.12.1 The Association requires a minimum of five feet (5') from the edge of any decking around the pool to the fence. Lesser distance shall only be allowed with written variance from the Reviewer. To allow a lesser distance the Reviewer may require one or more french or short drains to help keep the flow of water moving along the natural or established drainage flow. No pool or decking may cover the entire yard. Structures must remain to the back of the residence unless prior written consent is provided by the Reviewer. Outdoor kitchens and any other improvements require prior written consent of the Reviewer and installation by a licensed, professional contractor and/or installer. NO ABOVE GROUND POOL INCLUDING SWIM SPAS ARE ALLOWED.

2.12.2 Swimming pool fences and enclosures shall comply with all applicable federal and state regulations. A permit from the City of Princeton is required.

2.12.3 It shall be a violation to fail to meet the minimum standards required for maintaining a swimming pool enclosure or safety device as set forth by the City of Princeton and any Ordinance or Local Government Code.

Exhibit Attachment 1.1.2-A

City of Princeton approved tree list

(list is not all-inclusive)

Canopy Trees**Ornamental Trees**

Pecan

Bradford Pear

Chinese Pistachio

Large Crepe Myrtle

Caddo Maple

Purple Plum

Cedar Elm

Golden Raintree

Texas Ash

Saucer Magnolia

Lacebark Elm

Japanese Black Pine

Live Oak

Lacey Oak

Red Oak

Wax Myrtle

Exhibit Attachment 1.1.3-B

City of Princeton approved shrubs list

(list is not all-inclusive)

Shrubs

Evergreen Shrubs for low screening 5-feet or less:

Dwarf Abelia
Barberry
Japanese Boxwood
Dwarf Eleagnus

Evergreen Shrubs acceptable for 6-foot screening:

Cleyera
Sweet Viburnum
Willowleaf Holly
Waxleaf Ligustrum
Cherry Laurel

Other Allowed Shrubs:

Possumhaw Holly
Chinese Holly
Juniper
Nandina
Sumac
Texas Sage (Ceniza)

[End of Exhibit C]

Exhibit D

TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WHITEWING TRAILS

CONSENT OF DIRECTORS IN LIEU OF ORGANIZATIONAL MEETING OF WHITEWING TRAILS HOMEOWNER'S ASSOCIATION, INC.

The undersigned, being all of the members of the Board of Directors of Whitewing Trails Homeowner's Association, Inc., a Texas non-profit corporation (hereinafter referred to as the "Association"), do hereby consent, pursuant to the Texas Business Organization Code, to the adoption of the following resolutions:

1. DIRECTORS

RESOLVED, that each of the undersigned, being all of the directors of the Association, as named in its Certificate of Formation filed with the Secretary of State of the State of Texas on June 13, 2019, does hereby accept appointment to such office and does hereby agree to serve as a director of the Association until the first annual meeting of the members and until said director's successor or successors have been duly elected and qualified or until his or her earlier death, resignation, retirement, disqualification or removal from office.

2. BYLAWS

RESOLVED, that the form of Bylaws filed in conjunction with the Covenants, Conditions and Restrictions of the Association were approved and adopted as the Bylaws of the Association, and the Secretary of the Association is instructed to insert the original thereof in the minute book of the Association.

3. OFFICERS

RESOLVED, that each of the following-named persons he and they hereby are elected as officers of the Association for the office or offices set forth below opposite his or her name, and to hold any such office to which elected until the first annual meeting of the Board of Directors of the Association and until his or her successor should be chosen and qualified in his or her stead, or until his or her earlier death, resignation, retirement, disqualification or removal from office:

Mehrdad Moayed	-	President
Brock Babb	-	Vice President
Dustin Warren	-	Secretary/Treasurer

4. REGISTERED OFFICE; REGISTERED AGENT

RESOLVED, that the registered office of the Association be established and maintained at c/o Essex Association Management, L.P., 1512 Crescent Drive, Suite 112, Carrollton, Texas 75006, and that Essex Association Management, L.P., is hereby appointed as registered agent of the corporation in said office.

5. BOOKS AND RECORDS

RESOLVED, that the Secretary of the Association be and hereby is authorized and directed to procure all necessary books and records of the Association. The Board hereby adopts the Records Production and Copying Policy and authorizes the secretary to execute same and cause such policy to be recorded in the applicable county public records.

6. ORGANIZATIONAL EXPENSES

RESOLVED, that the President of the Association or other officer be and hereby is authorized and directed to pay all fees, expenses and costs incident to or necessary for the incorporation and organization of the Association and to reimburse any person who may have paid any of such fees, expenses and costs.

7. CORPORATE SEAL

RESOLVED, that a corporate seal is not adopted at this time and that no impression of a corporate seal is required on any Association document.

8. DEPOSITORY RESOLUTIONS

RESOLVED, that an account shall be established in the name of the Association with a financial institution to be determined by the Board (the "Bank"), under the rules and regulations as prescribed by said Bank wherein may be deposited any of the funds of this Association, whether represented by cash, checks, notes or other evidences of debt, and from which deposit withdrawals are hereby authorized in the name of the Association by any one of the following persons:

Mehrdad Moayedi, President

Brock Babb, Vice President

Dustin Warren, Secretary/Treasurer

Ron Corcoran, Essex Association Management, L.P.

BE IT FURTHER RESOLVED, that the Bank is hereby authorized to honor any and all withdrawal items against the Association's funds, although payable to the officer or agent signing or countersigning the same and whether presented for encashment or for credit to the personal account of such officer or

agent or any other person, and said Bank need make no inquiry concerning such items and/or the disposition of the money, items, or credit given therefor.

9. POLICIES

The Board has adopted and shall record in the applicable county public records the following Policies:

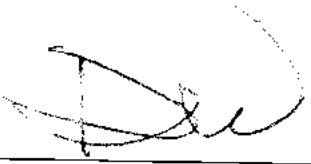
- Alternative Payment Schedule
- Records Production, Copying, and Retention Policy
- Collections Policy
- Notice and Hearing; Schedule of Fines
- Generator Policy
- E-mail Registration Policy

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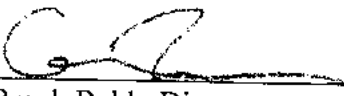
IN WITNESS WHEREOF, the undersigned have executed this instrument as of and effective the 12th day of August, 2020.



Mehrdad Moayed, Director



Dustin Warren, Director



Brock Babb, Director

EXHIBIT D-1
TO ORGANIZATIONAL CONSENT

Form 202

Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
FAX: 512/463-5709



Certificate of Formation
Nonprofit Corporation

Filed in the Office of the
Secretary of State of Texas
Filing #: 803343248 06/13/2019
Document #: 895536560004
Image Generated Electronically
for Web Filing

Filing Fee: \$25

Article 1 - Corporate Name

The filing entity formed is a nonprofit corporation. The name of the entity is :

Whitewing Trails Homeowner's Association, Inc.

Article 2 - Registered Agent and Registered Office

A. The initial registered agent is an organization (cannot be corporation named above) by the name of:

Essex Association Management, L.P.

OR

B. The initial registered agent is an individual resident of the state whose name is set forth below:

C. The business address of the registered agent and the registered office address is:

Street Address:

1512 Crescent Drive, Suite 112 Carrollton TX 75006

Consent of Registered Agent

A. A copy of the consent of registered agent is attached.

OR

B. The consent of the registered agent is maintained by the entity.

Article 3 - Management

A. Management of the affairs of the corporation is to be vested solely in the members of the corporation.

OR

B. Management of the affairs of the corporation is to be vested in its board of directors. The number of directors, which must be a minimum of three, that constitutes the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are set forth below.

Director 1: **Mehrdad Moayed**

Title: **Director**

Address: **1512 Crescent Drive, Suite 112 Carrollton TX, USA 75006**

Director 2: **Dustin Warren**

Title: **Director**

Address: **1512 Crescent Drive, Suite 112 Carrollton TX, USA 75006**

Director 3: **Brock Babb**

Title: **Director**

Address: **1512 Crescent Drive, Suite 112 Carrollton TX, USA 75006**

Article 4 - Organization Structure

A. The corporation will have members.

or

B. The corporation will not have members.

Article 5 - Purpose

The corporation is organized for the following purpose or purposes:

Homeowner's Association

Supplemental Provisions / Information

[The attached addendum, if any, is incorporated herein by reference.]

Effectiveness of Filing

A. This document becomes effective when the document is filed by the secretary of state.

OR

B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Organizer

The name and address of the organizer are set forth below.

Mehrdad Moayed **1800 Valley View Lane, Suite 300, Farmers Branch, TX 75234**

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Mehrdad Moayed

Signature of organizer.

FILING OFFICE COPY

Exhibit E

TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WHITEWING TRAILS

Bylaws

**BYLAWS
OF
WHITEWING TRAILS HOMEOWNER'S ASSOCIATION, INC.**

**ARTICLE I
INTRODUCTION**

The name of the corporation is Whitewing Trails Homeowner's Association, Inc., a Texas non-profit corporation, hereinafter referred to as the "Association". The principal office of the Association shall be located in Collin County, Texas, but meetings of Members and Directors may be held at such places within the State of Texas, as may be designated by the Board of Directors.

The Association is organized to be a nonprofit corporation.

Notwithstanding anything to the contrary in these Bylaws, a number of provisions are modified by the Declarant's reservations in that certain Declaration of Covenants, Conditions and Restrictions for Whitewing Trails Homeowner's Association, Inc. recorded in the Official Public Records of Collin County, Texas, including the number, qualification, appointment, removal, and replacement of Directors.

**ARTICLE II
DEFINITIONS**

Unless the context otherwise specifies or requires, the following words and phrases when used in these Bylaws shall have the meanings hereinafter specified:

Section 2.1. Assessment. "Assessment" or "Assessments" shall mean assessment(s) levied by the Association under the terms and provisions of the Declaration.

Section 2.2. Association. "Association" shall mean and refer to Whitewing Trails Homeowner's Association, Inc., a Texas non-profit corporation.

Section 2.3. Association Property. "Association Property" shall mean all real or personal property now or hereafter owned by the Association, including without limitation, all easement estates, licenses, leasehold estates and other interests of any kind in and to real or personal property which are now are hereafter owned or held by the Association.

Section 2.4. Association Restrictions. "Association Restrictions" shall mean the Declaration of Covenants, Conditions and Restrictions for Whitewing Trails Homeowner's Association, Inc., as the same may be amended from time to time, together with the Certificate, Bylaws, and Association Rules from time to time in effect.

Section 2.5. Association Rules. "Association Rules" shall mean the rules and regulations adopted by the Board pursuant to the Declaration, as the same may be amended from time to time.

Section 2.6. Board. “Board” shall mean the Board of Directors of the Association. During the period of Declarant control, Declarant shall have the sole right to appoint and remove Directors of the Board.

Section 2.7. Bylaws. “Bylaws” shall mean the Bylaws of the Association which may be adopted by the Board and as the same may be amended from time to time.

Section 2.8. Certificate. “Certificate” shall mean the Certificate of Formation for Whitewing Trails Homeowner’s Association, Inc., a Texas non-profit corporation, filed in the office of the Secretary of State of the State of Texas, as the same may from time to time be amended.

Section 2.9. Declarant. “Declarant” shall mean MM Princeton 854, LLC, a Texas limited liability company, and its duly authorized representatives or their successors or assigns; provided that any assignment of the rights of Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder.

Section 2.10. Declaration. “Declaration” shall mean the “Declaration of Covenants, Conditions and Restrictions for Whitewing Trails Homeowner’s Association, Inc.”, recorded in the Official Public Records of Collin County, Texas, as the same may be amended from time to time.

Section 2.11. Development. “Development” shall mean and refer to the property subject to the terms and provisions of the Declaration.

Section 2.12. Manager. “Manager” shall mean the person, firm, or corporation, if any, employed by the Association pursuant to the Declaration and delegated the duties, powers, or functions of the Association.

Section 2.13. Member. “Member” or “Members” shall mean any person(s), entity or entities holding membership privileges in the Association as provided in the Declaration.

Section 2.14. Mortgage. “Mortgage” or “Mortgages” shall mean any mortgage(s) or deed(s) of trust covering any portion of the Property given to secure the payment of a debt.

Section 2.15. Mortgagee. “Mortgagee” or “Mortgagees” shall mean the holder or holders of any lien or liens upon any portion of the Property.

Section 2.16. Owner. “Owner” or “Owners” shall mean the person(s), entity or entities, including Declarant, holding a fee simple interest in any Lot, but shall not include the Mortgagee of a Mortgage.

Unless otherwise defined in these Bylaws or the context otherwise requires, each term used in these Bylaws with its initial letter capitalized which has been specifically defined in the Declaration and not otherwise specifically defined in this Article II shall have the same meaning herein as given to such term in the Declaration.

ARTICLE III MEETING OF MEMBERS

Section 3.1. Annual Meetings. The first annual meeting of the Members shall be held on such date as selected by the Board of Directors which is on or before the earlier of (i) the date which is one hundred twenty (120) days after seventy-five percent (75%) of the Lots have been sold to non-Declarant Owners, or (ii) ten (10) years from the date on which the Declaration is recorded in the Official Public Records of Collin County, Texas, and each subsequent regular annual meeting of the Members shall be held on such date as selected by the Board of Directors who shall, whenever possible, hold the annual meeting in the same month each year thereafter unless a different date is selected by the Board of Directors. The annual meeting shall not be held on a Saturday, Sunday, or legal holiday.

Section 3.2. Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority vote of the Board of Directors, or upon written request of the Members who are entitled to vote fifty-one percent (51%) or more of the votes of the Association.

Section 3.3. Place of Meetings. Meetings of the Association may be held at the Development or at a suitable place convenient to the Members, as determined by the Board.

Section 3.4. Notice of Meetings. At the direction of the Board, written notice of meetings of the Association will be given to the Members at least ten (10) days but not more than sixty (60) days prior to the meeting. Notices of meetings will state the date, time, and place the meeting is to be held. Notices will identify the type of meeting as annual or special, and will state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the Board.

Section 3.5. Voting Member List. The Board will prepare and make available a list of the Association's voting Members in accordance with the Texas Business Organization Code.

Section 3.6. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, ten percent (10%) of the total votes of the membership shall constitute a quorum for any action, except as otherwise provided in the Certificate, the Declaration, or these Bylaws. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be five percent (5%) of all the votes of all Members. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting. If the required quorum is not present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

Section 3.7. Proxies. Votes may be cast in person or by written proxy. To be valid, each proxy must: (i) be signed and dated by a Member or his attorney-in-fact; (ii) identify the Lot to which the vote is appurtenant; (iii) name the person or title (such as "presiding officer") in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the secretary, to the person presiding over the Association

meeting for which the proxy is designated, or to a person or company designated by the Board. Unless the proxy specifies a shorter or longer time, it terminates eleven (11) months after the date of its execution. Perpetual or self-renewing proxies are permitted, provided they are revocable. To revoke a proxy, the granting Member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled is valid when the meeting reconvenes. A proxy may be delivered by fax. However, a proxy received by fax may not be counted to make or break a tie-vote unless: (a) the proxy has been acknowledged or sworn to by the Member, before and certified by an officer authorized to take acknowledgments and oaths; or (b) the Association also receives the original proxy within five (5) days after the vote.

Section 3.8. Conduct of Meetings. The president, or any person designated by the Board, presides over meetings of the Association. The secretary keeps, or causes to be kept, the minutes of the meeting which should record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. Votes should be tallied by tellers appointed by the person presiding over the meeting.

Section 3.9. Order of Business. Unless the notice of meeting states otherwise or the assembly adopts a different agenda at the meeting, the order of business at meetings of the Association is as follows:

- Determine votes present by roll call or check-in procedure
- Announcement of quorum
- Proof of notice of meeting
- Approval of minutes of preceding meeting
- Reports of Officers (if any)
- Election of Directors (when required)
- Unfinished or old business
- New business

Section 3.10. Adjournment of Meeting. At any meeting of the Association, a majority of the Members present at that meeting, either in person or by proxy, may adjourn the meeting to another time and place.

Section 3.11. Action without Meeting. Subject to Board approval, any action which may be taken by a vote of the Members at a meeting of the Association may also be taken without a meeting by written consents. The Board may permit Members to vote by any method allowed by the Texas Business Organization Code, which may include hand delivery, United States Mail, facsimile, e-mail, or any combination of these. Written consents by Members representing at least a majority of votes in the Association, or such higher percentage as may be required by the Documents, constitutes approval by written consent. This Section may not be used to avoid the requirement of an annual meeting and does not apply to the election of Directors.

Section 3.12. Telephone Meetings. Members of the Association may participate in and hold meetings of the Association by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in the meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE IV BOARD OF DIRECTORS

Section 4.1. Authority; Number of Directors.

(a) The affairs of the Association shall be governed by a Board of Directors. The number of Directors shall be fixed by the Board of Directors from time to time. The initial Directors shall be three (3) in number and shall be those Directors named in the Certificate of Formation. The Board of Directors may increase or decrease the number of Directors to serve on the Board of Directors at any given time by a majority vote of the Board of Directors, provided that (i) at no time will there be more than five (5) or less than three (3) Director positions on the Board of Directors, and (ii) after the right of Declarant to appoint Directors to the Board of Directors expires, any new Director positions established by the Board shall not be deemed vacant and shall be established effective as of the date a new Director is elected into such position and shall be filled at the election held at the next scheduled annual meeting of Association or other special meeting scheduled for Board elections where required notice of such meeting has been provided in compliance with any and all applicable laws. The initial Directors shall serve until their successors are elected and qualified. **Except as is provided in the Declaration and in Sections 4.1(b) and 4.1(c) below, Declarant shall have the absolute right to appoint and remove members of the Board of Directors during for as long as Declarant owns any Lot affected by the Declaration.**

(b) From and after the first annual meeting of Members and until the date (the "Transition Date") which is the earlier of (i) one hundred-twenty (120) days after seventy-five (75%) of the Lots have been sold to non-Declarant Owners, or (ii) ten (10) years from the date on which the Declaration is recorded in the Official Public Records of Collin County, Texas, the Board of Directors shall consist of three (3) persons appointed by Declarant who need not be Members of the Association. On and after the Transition Date, the Board of Directors shall include two (2) persons appointed by Declarant and one (1) person elected by a majority vote of Class A Members ("Non-Declarant Director") at such meeting at which quorum is present, which Non-Declarant Member shall serve for a period which is the shorter of one (1) year, or until the next annual meeting of the Members at which the Non-Declarant Member (or replacement thereof) shall be elected. The Non-Declarant Director shall be elected at the first annual meeting (or special meeting called for such purpose by the President of the Association) of Members held on or after the Transition Date. On and after the date on which the last Lot is sold to a non-Declarant Owner (the "Declarant Turnover Date"), the President of the Association will call a meeting of the Members of the Association where the Members will elect one (1) Director for a three (3) year term, and two (2) Directors for a two (2) year term. The member obtaining the most votes will serve the three (3) year term and the remaining two (2) will serve a term of two (2) years. Upon expiration of the term of a Director elected by Members at the first

meeting of the Members after the Declarant Turnover Date pursuant to this Section 4.1(b), his or her successors shall serve a term of two (2) years. Any additional Director positions established by the Board shall be for terms to ensure staggering of the terms of Directors, as determined reasonable and appropriate by the Board. A Director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed. The Board of Directors shall have the power and authority when it is deemed in the best interest of the Association to change or alter the terms of office of directors on the Board or increase the number of Directors to serve on the Board, which shall be done by Board resolution notwithstanding, terms must remain staggered for the purpose of continuity.

(c) Each Director, other than Directors appointed by Declarant, shall be a Member and resident, or in the case of corporate or partnership ownership of a Lot, a duly authorized agent or representative of the corporate or partnership Owner. The corporate, or partnership Owner shall be designated as the Director in all correspondence or other documentation setting forth the names of the Directors.

Section 4.2. Compensation. The Directors shall serve without compensation for such service.

Section 4.3. Nominations to Board of Directors. Members may be nominated for election to the Board of Directors in either of the following ways:

(a) A Member who is not a Director and who desires to run for election to that position shall be deemed to have been nominated for election upon his filing with the Board of Directors a written petition of nomination; or

(b) A Director who is eligible to be re-elected shall be deemed to have been nominated for re-election to the position he holds by signifying his intention to seek reelection in a writing addressed to the Board of Directors.

Section 4.4. Removal of Directors for Cause. If a Director breaches such Director's duties hereunder or violates the terms of the Declaration, the Certificate, the Association Rules or these Bylaws, such Director may be removed by Declarant unless Declarant no longer has the right to appoint and remove Directors in accordance with Section 4.1 of these Bylaws, and then by a majority vote of the remaining Directors after Declarant's right to appoint and remove Directors has expired. No Director shall have any voting rights nor may such Director participate in any meeting of the Board of Directors at any time that such Director is delinquent in the payment of any Assessments or other charges owed to the Association.

Section 4.5. Vacancies on Board of Directors. At such time as Declarant's right to appoint and remove Directors has expired or been terminated, if the office of any elected Director shall become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Directors, at a special meeting duly called for this purpose, shall choose a successor who shall fill the unexpired term of the directorship being vacated. The foregoing shall not apply to any new Director positions established by the Board pursuant to Section 4.1(a) above. If there is a deadlock in the voting for a successor by the remaining Directors, the one Director with the longest continuous term on the Board shall select the successor. At the expiration of the term of his position on the Board of Directors, the

successor Director shall be re-elected or his successor shall be elected in accordance with these Bylaws.

Section 4.6. Removal of Directors by Members. Subject to the right of Declarant to nominate and appoint Directors as set forth in Section 4.1 of these Bylaws, an elected Director may be removed, with or without cause, by a majority vote of the Members at any special meeting of the Members of which notice has been properly given as provided in these Bylaws; provided the same notice of this special meeting has also been given to the entire Board of Directors, including the individual Director whose removal is to be considered at such special meeting.

Section 4.7. Consent in Writing. Any action by the Board of Directors, including any action involving a vote on a fine, damage assessment, appeal from a denial or architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Board of Directors to present the Member's position on the issue, may be taken without a meeting if all of the Directors shall unanimously consent in writing to the action. Such written consent shall be filed in the Minute Book. Any action taken by such written consent shall have the same force and effect as a unanimous vote of the Directors.

ARTICLE V MEETINGS OF DIRECTORS

Section 5.1. Regular Meetings. Regular meetings of the Board shall be held annually or such other frequency as determined by the Board, without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 5.2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 5.3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

Section 5.4. Telephone Meetings. Members of the Board or any committee of the Association may participate in and hold meetings of the Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 5.6. Action without a Meeting. Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting, if all Directors individually or collectively consent in writing to such action. The written consent must be filed with the minutes of Board meetings. Action by written consent has the same force and effect as a unanimous vote.

ARTICLE VI POWERS AND DUTIES OF THE BOARD

Section 6.1. Powers. The Board shall have power and duty to undertake any of the following actions, in addition to those actions to which the Association is authorized to take in accordance with the Declaration:

(a) adopt and publish the Association Rules, including regulations governing the use of the Association Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) to the maximum extent permitted under applicable law, suspend the voting rights of a Member and right of a Member to use of the Association Property during any period in which such Member shall be in default in the payment of any Assessment levied by the Association, or after notice and hearing, for any period during which an infraction of the Association Rules by such Member exists;

(c) exercise for the Association all powers, duties and authority vested in or related to the Association and not reserved to the membership by other provisions of the Association Restrictions;

(d) to enter into any contract or agreement with a municipal agency or utility company to provide electric utility service to all or any portion of the Property;

(e) declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

(f) employ such employees as they deem necessary, and to prescribe their duties;

(g) as more fully provided in the Declaration, to:

(1) fix the amount of the Assessments against each Lot in advance of each annual assessment period and any other assessments provided by the Declaration; and

(2) foreclose the lien against any property for which Assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(h) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid and to levy a reasonable charge for the issuance of these certificates (it being understood that if a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment);

(i) procure and maintain adequate liability and hazard insurance on property owned by the Association, which policies of insurance shall name the Declarant during the Development Period, and any managing agent of the Association as "additional insured;"

(j) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(k) exercise such other and further powers or duties as provided in the Declaration or by law.

Section 6.2. Duties. It shall be the duty of the Board to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by Members who are entitled to cast fifty-one percent (51%) of all outstanding votes; and

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 7.1. Enumeration of Officers. The officers of the Association shall be a President and a Vice-President, who shall at all times be members of the Board, a Secretary and a Treasurer, and such other officers as the Board may from time to time create by resolution.

Section 7.2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 7.3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he resigns sooner, or shall be removed or otherwise disqualified to serve.

Section 7.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 7.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. 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 receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.6. Vacancies. A vacancy in any office may be filled through appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 7.4.

Section 7.8. Duties. The duties of the officers are as follows:

(a) President. The President, or any person designated by the Board, presides over meetings of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments such as promissory notes.

(b) Vice President. The Vice President or Vice Presidents (including, without limitation, Executive Vice Presidents and Senior Vice Presidents), if any, shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated by the President or the Board.

(c) Secretary. The Secretary shall cause to be recorded the votes and cause to be kept the minutes of all meetings and proceedings of the Board and of the Members; serve notice or cause to be served notice of meetings of the Board and of the Members; cause to be kept appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

(d) Assistant Secretaries. Each Assistant Secretary shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him or her by the Secretary, the President, the Board or any committee established by the Board.

(e) Treasurer. The Treasurer shall oversee the receipts and deposits in appropriate bank accounts all monies of the Association and shall oversee the disbursement of such funds as directed by resolution of the Board; shall sign, at the direction of the Board, promissory notes of the Association; cause to be kept proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership; and shall cause to be prepared an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and cause to be delivered a copy of each to the Members.

ARTICLE VIII OTHER COMMITTEES OF THE BOARD OF DIRECTORS

The Board may, by resolution adopted by affirmative vote of a majority of the number of Directors fixed by these Bylaws, designate two or more Directors (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose; provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board of Directors and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board. Notwithstanding the foregoing or anything to the contrary contained herein, during the Development Period, the Architectural Reviewer for plans and specifications for new homes to be constructed on vacant Lots or modifications to any home on a Lot is the

Declarant or its delegates in accordance with Section 6.2 and Appendix B of the Declaration, as amended from time to time.

ARTICLE IX BOOKS AND RECORDS

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

ARTICLE X ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Assessments which are secured by a continuing lien upon the property against which the Assessments are made. Assessments shall be due and payable in accordance with the Declaration.

ARTICLE XI CORPORATE SEAL

The Association may, but shall have no obligation to, have a seal in a form adopted by the Board.

ARTICLE XII DECLARANT PROVISIONS

Section 12.1. Conflict. The provisions of this Article control over any provision to the contrary elsewhere in these Bylaws.

Section 12.2. Board of Directors. As provided in Section 4.1 of these Bylaws, **Declarant is entitled to appoint and remove all members of the Board of Directors until the Transition Date and thereafter, two members of the Board of Directors until the Declarant no longer owns any portion of the Property.** Until Declarant's right to appoint members of the Board of Directors terminates, the Directors appointed by Declarant need not be Owners or residents and may not be removed by the Owners. In addition, Declarant has the right to fill vacancies in any directorship vacated by a Declarant appointee.

ARTICLE XIII AMENDMENTS

Section 13.1. These Bylaws may be amended, (i) on or before the Declarant Turnover Date, by Declarant without consent of joinder of the Members and by the Board by unilateral vote or written consent of Declarant, and thereafter (ii) by a majority vote or written consent of a majority of the Directors on the Board of Directors of the Association.

Section 13.2. In the case of any conflict between the Certificate and these Bylaws, the Certificate shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

**ARTICLE XIV
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

THE ASSOCIATION SHALL INDEMNIFY EVERY DIRECTOR AND OFFICER OF THE ASSOCIATION AGAINST, AND REIMBURSE AND ADVANCE TO EVERY DIRECTOR AND OFFICER FOR, ALL LIABILITIES, COSTS AND EXPENSES INCURRED IN CONNECTION WITH SUCH DIRECTORSHIP OR OFFICE AND ANY ACTIONS TAKEN OR OMITTED IN SUCH CAPACITY TO THE GREATEST EXTENT PERMITTED UNDER THE TEXAS BUSINESS ORGANIZATION CODE AND ALL OTHER APPLICABLE LAWS AT THE TIME OF SUCH INDEMNIFICATION, REIMBURSEMENT OR ADVANCE PAYMENT; PROVIDED, HOWEVER, NO DIRECTOR OR OFFICER SHALL BE INDEMNIFIED FOR: (A) A BREACH OF DUTY OF LOYALTY TO THE ASSOCIATION OR ITS MEMBERS; (B) AN ACT OR OMISSION NOT IN GOOD FAITH OR THAT INVOLVES INTENTIONAL MISCONDUCT OR A KNOWING VIOLATION OF THE LAW; (C) A TRANSACTION FROM WHICH SUCH DIRECTOR OR OFFICER RECEIVED AN IMPROPER BENEFIT, WHETHER OR NOT THE BENEFIT RESULTED FROM AN ACTION TAKEN WITHIN THE SCOPE OF DIRECTORSHIP OR OFFICE; OR (D) AN ACT OR OMISSION FOR WHICH THE LIABILITY OF SUCH DIRECTOR OR OFFICER IS EXPRESSLY PROVIDED FOR BY STATUTE.

**ARTICLE XV
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

I, the undersigned, being the Secretary of Whitewing Trails Homeowner's Association, Inc. does hereby certify that the foregoing are the Bylaws of said non-profit corporation, as adopted by the Association's Board of Directors pursuant to a Unanimous Consent of Directors in Lieu of Organizational Meeting of the Corporation dated to be effective as of 12th day of August, 2020.



Brock Babb, Secretary



Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
08/14/2020 03:45:20 PM
\$486.00 BVINCENT
20200814001331880

