

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
PCC TEXAS
HOMEOWNERS'S ASSOCIATION, INC.**

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FOR
PCC TEXAS HOMEOWNERS' ASSOCIATION, INC.**

THE STATE OF TEXAS]
]
COUNTY OF COOKE]

KNOW ALL MEN BY THESE PRESENTS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PCC TEXAS HOMEOWNERS' ASSOCIATION, INC. (also known as Pecan Creek Crossing Addition) (this "Declaration", is made on the date hereafter as set forth by McClintock Homes, LLC (the "Declarant") for the purpose of evidencing the covenants, conditions and restrictions contained herein.

WITNESSETH:

WHEREAS, Declarant, is the owner of that certain real property BEING AN AMENDING Plat of PECAN CREEK CROSSING ADDITION. An Addition to The City of Valley View, as approved by the City of Valley View and filed of record Cabinet A, Slide 263, Plat Records, Cooke County, Texas, on October 1, 2021, said subdivision referred to as "Development", and such plat, as may be amended or replatted, being referred to as the "Plat" and all said real property being more specifically describe on the Plat of Development which are incorporated herein and made a part hereof for all purposes (the "Property") and as shown on Appendix "A".

NOW THEREFORE, Declarant hereby declares that all the property shall be held, sold, and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Property. These easements, covenants, restrictions, and conditions shall run with the Property and be binding on all parties having or acquiring any right, title or the interest in the Property or any part thereof, their heirs, successors, and assigns, and shall insure to the benefit of Declarant and each owner thereof.

ARTICLE 1

ADDITIONAL DEFINITIONS

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not intended to apply to the Property if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

1.2 Architectural Review. "Architectural Reviewer" means the entity having jurisdiction over a particular application for architectural approval. During the Development Period, the Architectural Reviewer is Declarant, Declarant's designee, or Declarant's delegate. Thereafter, the board-appointed Architectural Control Committee is the Architectural Reviewer.

1.3 Areas of Common Responsibility. "Area of Common responsibility" shall mean those areas listed below in which the Association shall maintain and repair:

All Open Spaces as hereinafter defined (including all landscaping and improvements thereon) as may be designated on the Plat.

- (a) Any screening wall, fence, and other improvements benefitting the Development, including but not limited to, the screening wall or fence along the edges of the Development which abuts Pecan Creek Crossing and other properties included within the Development including Postal Box easements.
- (b) Detention Pond and any green spaces, dog park, or any other areas designated for use of homeowners.
- (c) Maintain any entry features and area around entry.

1.4 Association. "Association" shall mean and refer to PCC Texas Homeowners Association, Inc., a Texas non-profit corporation, its successors, and assigns.

1.5 Builder. "Builder" is any company, entity or person that purchases Lot(s) from the Declarant or another entity for the express purpose of the construction and sale of a new home residence within the Development.

1.6 Contractor. "Contractor" is any independent contractor or employee of a Builder or Declarant who is present on the Property to construct, assemble, fabricate, install, or erect any improvements for the Declarant or Builder.

1.7 City. "City" shall mean the City of Valley View, Texas.

1.8 Declarant. The term "Declarant" shall mean McClintock Homes, a Texas Limited Liability Corporation, and any party to whom it expressly assigns in writing, its rights, powers, and privileges and prerogatives hereunder.

1.9 Detached Home. "Detached Home" shall mean a single-family residential unit in a single unit building constructed on a Lot being a part of the property, including the parking garage utilized in connection therewith and the Lot upon which any Detached Home is located.

1.10 Developer. "Developer" shall mean and refer to current developer Linken Real Estate, LP or any assignees to which Linken Real Estate, LP shall assign its rights, and which shall assume its obligations as Developer hereunder.

1.11 Development Period. "Development Period" means the 20-year period beginning the date this Declaration is recorded, during which Declarant has certain rights pursuant to Appendix C hereto, including rights relating to development, construction, expansion, and marketing of the Property and the Additional Land. The Development Period is for a term of years and does not require that Declarant own any part of the Property. Declarant may terminate the Development Period at any time by recording a notice of termination.

1.12 Documents. "Documents" means, singly or collectively as the case may be, this Declaration, the Plat, the bylaws, the Association's articles of incorporation, and the rules of the Association, as any of these may be amended from time to time. An appendix, exhibit, schedule, or certification accompanying a Document is a part of that Document.

1.13 Lienholder. "Lienholder" or "Mortgagee" shall mean the holder of a first mortgage lien, on the Detached Home, and or any lot.

1.14 Lot. "Lot" or "Lots" shall mean and refer to a portion of the Property designated as a Lot on the Plat of the Property, excluding Open Space, streets, and any Area of Common Responsibility. Where the context requires

or indicates, the term Lot shall include the Detached Home and all other improvements which are or will be constructed.

1.15 Member. "Member" shall mean and refer to every person or entity that holds membership in the Association. The declarant and each Owner shall be a Member in the Association.

1.16 Open Spaces and Common Areas. "Open Spaces" and "Common Areas" shall mean the areas of land which shall be owned by the Association and/or are designated on the recorded Plat of the Property and any other areas deemed common areas such areas that are leased easements including Post Office Cluster Boxes, etc. Easements shall mean and refer to the various utility or other easements of record, those shown on the map or Plats of the subdivision within the Property and such other easements as are created in The Declaration or any supplements thereto.

1.17 Owner. "Owner" shall mean and refer to the record Owner, other than the Declarant whether one or more persons or entities of a fee simple title to any Lot and shall include any homebuilder but shall exclude those having such interest merely as security for the performance of an obligation. However, the term "Owner" shall include any Lienholder or Mortgagee who acquires fee simple title to any Lot which is part of the Property, through deed in lieu of foreclosure or through judicial or non-judicial foreclosure.

1.18 Property. "Property" shall mean and refer to the property platted as all Phases of Pecan Creek Crossing Addition, in the City of Valley View, Cooke County, Texas.

1.19 Plat. "Plat" shall mean and refer to the recorded subdivision plat of the Property.

ARTICLE 2

PROPERTY RIGHTS

2.1 Ownership. The designation of real property as a Common Area is determined by the Plat and this Declaration, and not by the ownership of the Property. This Declaration contemplates that the Association will eventually hold title to every Common Area capable of independent ownership by the Association. The Declarant may install, construct, or authorize certain improvements on Common Areas in connection with the initial development of the Property, and the cost thereof is not a common expense of the Association. Thereafter, all costs attributable to common areas, including maintenance, property taxes, insurance, and enhancements, are automatically the responsibility of the Association, regardless of the nature of title to the Common Areas, unless this Declaration elsewhere provides for a different allocation for a specific Common Area.

2.2 Acceptance. By accepting an interest in or title to a Lot, each owner is deemed (1) to accept the Common Area of the Property, and any improvement thereon, in its then existing "as-is" condition; (2) to acknowledge the authority of the Association, acting through its board of directors, for all decisions pertaining to the Common Area; (3) to acknowledge that transfer of a Common Area's title to the Association by or through the Declarant is a ministerial task that does not require acceptance by the Association; and (4) to acknowledge the continuity of maintenance of the common area, regardless of changes in the Association's board of directors or management.

2.3 Components. The Common Area of the Property consists of the following components on or adjacent to the Property, even if located on a lot or a public right-of-way:

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

- (b) The land described in Appendix A as Common Area and all improvements thereon, including any amenity center on the Common Area.
- (c) Any area shown on the plat as Common Area or an area to be maintained by the Association.
- (d) The formal entrances to the Property, including any signage, landscaping, electrical and water installations, planter boxes and fencing.
- (e) Any modification, replacement, or addition to any of the above-described areas and improvements.
- (f) Personal property owned by the Association, such as books and records, office equipment and supplies.

2.2 Title to Open Spaces. Immediately upon the resolution of this Declaration, the Developer shall dedicate and convey to the Association by separate deed, without consideration, the fee simple title to the Open Spaces owned by Declarant and Developer free and clear of monetary liens and encumbrances other than those created in or subordinate to this declaration.

2.3 Adjacent Land Use. Declarant makes no representations of any kind as to current or future uses – actual or permitted – of any land that is adjacent to or near the Property, regardless of what the plat shows as potential uses of adjoining land.

2.4 Use of Common Areas. Every Member shall have the right and easement in and to the Common Areas and such right and easement shall be appurtenant to and shall pass with the title of every Lot. The County of Cooke, and City of Valley View, Texas will be indemnified against any loss or claims from damage or injury in any person or Property. Easements of record on the date hereof and any easements which may hereafter be granted by the Declarant or Association to any public or private utilities or governmental bodies for the installation and maintenance of electrical, telephone and television conduit and lines, sewers, water pipes, or any other utility services serving any Lot within the Property or any portion thereof, however that all conduit, lines, pipes and similar facilities shall be underground.

2.5 Risk. Each resident uses all Common Areas at his own risk. All Common Areas are unattended and unsupervised. Each resident is solely responsible for his own safety and that of his guests. The Association disclaims any and all liability or responsibility for injury or death occurring from use of the Common Areas.

ARTICLE 3

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

3.1 Board. Unless the Documents expressly reserve a right, action, or decision to the Owners, Declarant, or another party, the Board acts in all instances on behalf of the Association. Unless the context indicates otherwise, references in the Documents to the "Association" may be construed to mean "the Association acting through its board of directors."

3.2 Association. The duties and powers of the Association are those set forth in the Documents, together with the general and implied powers of a property owners association and a nonprofit corporation organized under the laws of the State of Texas. Generally, the Association may do any and all things that are lawful and necessary, proper, or desirable in operating for the peace, health, comfort, and general benefit of its members, subject only to the limitations on the exercise of such powers as stated in the Documents. The Association comes into existence on the earlier of (1) issuance of its corporate charter or (2) the initial levy of assessments against the Lots and Owners. The Association will continue to exist at least as long as the Declaration is effective against the Property, regardless of whether its corporate charter lapses from time to time.

3.3 Governance. The Association will be governed by a board of directors elected by the members. Unless the Association's bylaws or articles of incorporation provide otherwise, the Board will consist of at least 3 persons elected at the annual meeting of the Association, or at a special meeting called for that purpose. The Association will be administered in accordance with the bylaws. Unless the Documents provide otherwise, any action requiring approval of the members may be approved in writing by owners of at least a majority of all Lots, or at a meeting by owners of at least a majority of the Lots that are represented at the meeting.

3.4 Membership. Declarant, during the time it owns any Lots, and each person or entity who is a record Owner of a fee or undivided fee interest in any Lot, shall be a Member of the Association. Membership is appurtenant to and may not be separated from ownership of the Lot. The Board may require satisfactory evidence of transfer of ownership before a purported owner is entitled to vote at meetings of the Association. If a lot is owned by more than one person or entity, each co-Owner is a member of the Association and may exercise the membership rights appurtenant to the Lot. A member who sells his Lot under a contract for deed may delegate his membership rights to the contract purchaser, provided a written assignment is delivered to the Board. However, the contract seller remains liable for all assessments attributable to his Lot until fee title to the Lot is transferred. The foregoing is not intended to include persons or entities who own an interest merely as a security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from any ownership of any Lot which is subject to assessment by the Association. Transfer of ownership, either voluntarily or by operation of law, shall terminate such Owner's membership in the Association, and membership shall be vested in the transferee; provided, however, that no such transfer shall relieve or release such owner from any personal obligations with respect to assessments which have accrued prior to such transfer.

3.5 Voting Rights. The Association shall have two classes of voting membership.

(a) Class "A". The Class "A" Members shall be the Owners. The Class "A" members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in a Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall be more than one vote.

(b) Class "B". The Class "B" Members shall be the Declarant. The Declarant shall be entitled to (10) votes for each Lot it owns; provided, however that Declarant shall cease to be a Class "B" Member and shall become a Class "A" Member entitled to one vote per Lot on the happening of either of the following events:

(i) when the Declarant owns less than ten percent (10%) of the total Lots in all phases.

(ii) the expiration of twenty (20) years from the recording date of this instrument in the Real Property Record of Cooke County, Texas.

(iii) when the Declarant owns less than 10% of the total lots in all phases, a meeting of all members will be notified to elect Board of Directors and Members for the Modification Committee.

3.6 No Cumulative Voting. At all meetings of the Association, there shall be no cumulative voting. Prior to all meetings, the Board of Directors shall determine the total number of votes outstanding and entitled to vote by the Member.

3.7 Association's Powers. In addition to the rights of the Association set forth in other sections of this Declaration, the Association shall have the duty to enforce the covenants under this Declaration and Maintain all Areas of Common Responsibility and shall have the right power, and authority to do any act which is consistent with or required by the provisions of this Declaration or the Bylaws, whether the same be expressed or implied, including but not limited to the following:

- (a) the power to levy and collect assessments (as hereinafter defined), of whatever nature for the maintenance, repair or replacement of the Areas of Common Responsibility existing on the property and for such other purposes as are herein provided;
- (b) the power to keep accounting records with respect to the Association's activities;
- (c) the power to contract with and employ others for maintenance and repair; and
- (d) the power to adopt rules and regulations concerning the operations of the Association.

3.8 Amendments by Declarant. Declarant, its successors and assigns, shall have and reserve the right at any time and from time to time, without the joinder or consent of any other party, amend the Declaration by any instrument in writing duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that such amendment shall be consistent with and furtherance of the general plan and scheme of development as evidenced by The Declaration.

Particularly reserved to Declarant, and its successors and assigns, is the right and privilege of Declarant to amend, revise or abolish portions of The Declaration applicable to any portion of the Properties within The Declaration so long as Declarant owns at least one Lot within the portion(s) of the Property to be so affected. Such amendment may be done by Declarant without the consent or joinder of the other Lot owners in such affected area.

3.9 Declarant's Special Power to Act Without Meeting or Vote. Except to the extent otherwise required by law, so long as the Declarant controls votes sufficient to constitute the requisite majority for a given action under this Declaration, such action shall be deemed to have been approved for all purposes at the time Declarant authorizes the action, without the necessity for a meeting of the Board of Directors, Owner or any other formality, to the same extent as if such meeting had been convened in accordance with the terms of this Declaration and a vote or votes taken and approved.

3.10 Books and Records. The books and records of The Association may be requested by email notification to the Association's email. The Board of Directors, may, by resolution, establish rules and regulations governing the frequency of inspection and other matters to the end that inspection of the books and records by any Member or Members will not become burdensome nor constitute harassment of The Association. The Declaration and the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member by request. Once a HOA website is established, they are to be available online.

3.11 Indemnification. The Association indemnifies every officer, director, committee chair, and committee member (for purposes of this Section, "Leaders") against expenses, including attorney's fees, reasonably incurred by or imposed on the Leader in connection with an action, suit, or proceeding to which the Leader is a party by reason of being or having been a Leader. A Leader is not liable for a mistake of judgment, negligent or otherwise. A Leader is liable for his willful misfeasance, malfeasance, misconduct, or bad faith. This right to indemnification does not exclude any other rights to which present or former Leaders may be entitled. The Association may maintain general liability and directors and officers' liability insurance to fund this obligation. Additionally, the Association may indemnify a person who is or was an employee, trustee, agent, or attorney of the Association, against any liability asserted against him and incurred by him in that capacity and arising out of that capacity. Additionally, to the extent allowed by the Texas Non-Profit Corporation Act, the Association may indemnify a person who is or was an employee, trustee, agent, or attorney of the Association, against any liability asserted against him and incurred by him in that capacity and arising out of that capacity.

3.12 Obligations of Owners. Without limiting the obligations of Owners under the Documents, each Owner has the following obligations:

3.12.1 Information. Within 30 days after acquiring an interest in a Lot, within 30 days after the Owner has notice of a change in any information required by this Subsection, and on request by the Association from time to time, an Owner will provide the Association with the following information: (1) a copy of the recorded deed by which Owner has title to the Lot; (2) the Owner's address, phone number, driver's license number, and e-mail address if any; (3) any mortgagee's name, address, and loan number; (4) the name and phone number of any resident other than the Owner; (5) the name, address, and phone number of Owner's managing agent, if any.

3.12.2 Pay Assessments. Each Owner will pay assessments properly levied by the Association against the Owner or his Lot and will pay regular assessments without demand by the Association.

3.12.3 Comply. Each Owner will comply with the Documents as amended from time to time.

3.12.4 Reimburse. Each Owner will pay for damage to the Property caused by the negligence or willful misconduct of the owner, a resident of the Owner's lot, or the Owner or resident's family, guests, employees, contractors, agents, or invitees.

3.12.5 Liability. Each Owner is liable to the Association for violations of the Documents by the Owner, a resident of the Owners lot, or the Owner or resident's family, guests, employees, agents, or invitees, and for costs incurred by the Association to obtain compliance, including attorney's fees whether or not suit is filed.

3.13 Transfer-Related Fees. A number of independent fees maybe charged in relation to the transfer of title to a Lot, including but not limited to fees for resale certificates, estoppel certificates, copies of Documents, compliance inspections, ownership record changes, and priority processing, provided the fees are customary in amount, kind, and number for the local marketplace. Transfer related fees are not refundable and may not be regarded as a prepayment of or credit against regular or special assessments. Transfer-related fees do not apply to the following transfers unless a party to the transfer requests the corresponding documentation: (1) foreclosure of a deed of trust lien, tax lien, or the Association's assessment lien ; (2) transfer to, from, or by the Association; (3) voluntary transfer by an Owner to one or more co-Owners, or to the Owner's spouse, child, or parent. Transfer-related fees may be charged by the Association or by the Association's managing agent, provided there is no duplication of fees. Transfer-related fees charged by or paid to a managing agent must have the prior written approval of the Association, are not subject to the Association's assessment lien, and are not payable by the Association. This Section does not obligate the Board or the manager to levy transfer related fees.

ARTICLE 4

ASSESMENTS, MAINTENANCE FUND AND ASSESSMENT LIENS

4.1 Creation of the Lien and Personal Obligation of Assessments. An Owner is obligated to pay assessments levied by the Board against the Owner or his Lot. An Owner makes payment to the Association at its principal office or at any other place the Board directs. Payments must be made in full regardless of whether an Owner has a dispute with the Association, another Owner, or any other person or entity regarding any matter to which this Declaration pertains . No Owner may exempt himself from his assessment liability by waiver of the use or enjoyment of the Common Area or by abandonment of his Lot. An Owner's obligation is not subject to offset by the Owner, nor is it contingent on the Association's performance of the Association's duties . Payment of assessments is both a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Lot.

A Lot that is owned by Declarant during the Development Period is exempt from mandatory assessment by the Association. Assessments are due at closing of each Attached Home and only begin to accrue upon the closing of the Home. Assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, together shall be a charge on the Lot and shall be of the Association upon the Lot against which each such Assessment is made. Each such Assessment, together with such interest costs and reasonable attorney's fees shall also constitute a personal obligation of the person or entity that was record Owner of such Lot at the time of the Assessment. The personal Obligation for delinquent Assessments shall not pass to successors in title unless expressly assumed by such successors; however, the lien upon the Lot shall continue until paid.

4.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Owners of the Lots, the improvements and maintenance of the Areas of Common Responsibility and any other property owned by the Association, and the performance and/or exercise of the rights and obligations of The Association arising hereunder. Assessments shall include, but not limited to: funds to cover actual Association costs (including reasonable reserves) for all taxes, insurance, repair, replacement, maintenance, and other activities as may from time to time be authorized by the Board of Directors; legal and accounting fees and any fees for management services; expenses incurring in complying with any laws, ordinances or governmental requirements applicable; and other charges required or contemplated by this Declaration and/or that which the Board of Directors of the Association shall determine to be necessary to meet the primary purpose of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes and other charges as specified herein.

4.3 Types of Assessments. There are 4 types of assessments: Regular, Special, Individual, and Deficiency.

4.3.1 Regular Assessments. Regular assessments are based on the annual budget. Each Lot is liable for its equal share of the annual budget. If the Board does not approve an annual budget or fails to determine new regular assessments for any year, or delays in doing so, Owners will continue to pay the regular assessment as last determined. If during the course of a year the Board determines that regular assessments are insufficient to cover the estimated common expenses for the remainder of the year, the Board may increase regular assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency. Regular assessments are used for common expenses related to the reoccurring, periodic, and anticipated responsibilities of the Association, including but not limited to:

- (a) Maintenance, repair, and replacement, as necessary, of the Common Area.
- (b) Utilities billed to the Association.
- (c) Services billed to the Association and serving all Lots.
- (d) Taxes on property owned by the Association and the Association's income taxes.
- (e) Management, legal, accounting, auditing, and professional fees for services to the Association.
- (f) Costs of operating the Association, such as telephone, postage, office supplies, printing meeting expenses, and educational opportunities of benefit to the Association.
- (g) Premiums and deductibles on insurance policies and bonds deemed by the Board to be necessary or desirable for the benefit of the Association, including fidelity bonds and directors and officers' liability insurance.
- (h) Contributions to the reserve funds.

- (i) Any other expense which the Association is required by law or the Documents to pay, or which in the opinion of the Board is necessary or proper for the operation and maintenance of the Property or for enforcement of the Documents.

4.3.2 Special Assessments. In addition to regular assessments, and subject to the Owners' control for assessment increases, the Board may levy one or more special assessments against all Lots for the purpose of defraying, in whole or in part, common expenses not anticipated by the annual budget or reserve funds. Special assessments do not require the approval of the Owners, except that special assessments for the following purposes must be approved by Owners of least a majority of the Lots:

- (a) Acquisition of real property, other than the purchase of a Lot at the sale foreclosing the Association's lien against the Lot.
- (b) Construction of additional improvements within the Property, but not replacement of original improvements.
- (c) Any expenditure that may reasonably be expected to significantly increase the Association's responsibility and financial obligation for operations, insurance, maintenance, repairs, or replacement.

4.3.3 Individual Assessments. In addition to regular and special assessments, the Board may levy an individual assessment against a Lot and its Owner. Individual assessments may include, but are not limited to: interest, late charges, and collection costs on delinquent assessments ; reimbursement for costs incurred in bringing an Owner or his Lot into compliance with the Documents ; fines for violations of the Documents; insurance deductibles ; transfer-related fees and resale certificate fees; fees for estoppel letters and project documents ; reimbursement for damage or waste caused by willful or negligent acts; common expenses that benefit fewer than all of the Lots, which may be assessed according to benefit received ; fees or charges levied against the Association on a per-Lot basis; and "pass through" expenses for services to Lots provided through the Association and which are equitably paid by each Lot according to benefit received.

4.3.4 Deficiency Assessments. The Board may levy a deficiency assessment against all Lots for the purpose of defraying, in whole or in part, the cost of repair or restoration if insurance proceeds or condemnation awards prove insufficient.

4.4 Basis of Assessment. The share of liability for common expenses allocated to each Lot is uniform for all Lots, regardless of a Lot's location or the value and size of the Lot or dwelling subject, however, to the exemption for Declarant provided below.

4.5 Declaring Obligation. A Lot that is owned by Declarant during the Development Period is exempt from mandatory assessment by the Association. Declarant has a right to reimbursement for any assessment paid to the Association by Declarant during the Development Period, but only after the Declarant Control Period. This provision may not be construed to prevent Declarant from making a loan or voluntary monetary donation to the Association, provided it is so characterized.

4.6 Annual Budget. The Board will prepare and approve an estimated annual budget for each fiscal year. The budget will take into account the estimated income and expenses for the year, contributions to reserve funds, and a projection for uncollected receivables. The Board will make the budget or its summary available to an Owner of each Lot, although failure to receive a budget or summary does not affect an Owner's liability for assessments. The Board will provide copies of the detailed budget to Owners who make written request and pay a reasonable copy charge.

4.7 Due Date. The Board may levy regular assessments on any periodic basis - annually, semiannually, quarterly, or monthly. Regular assessments are due on the first day of the period for which levied. Special and individual assessments are due on the date stated in the notice of assessment or, if no date is stated, within 10 days after notice of the assessment is given. Assessments are delinquent if not received by the Association on or before the due date. Initially a late charge in the amount of \$20.00 may be assessed against the non-paying Owner for each month that any portion of any assessment remains unpaid, and a service charge in the amount of \$25.00 shall be charged for each check that is returned because of insufficient funds.

4.9 Reserve Funds. The Association will establish, maintain, and accumulate reserves for operations and for replacement and repair. The Association must budget for reserves and may fund reserves out of regular assessments.

4.10 Operations Reserves. The Association will endeavor to maintain operations reserves at a level determined by the Board to be sufficient to cover the cost of operational or maintenance emergencies or contingencies, such as the full amount of deductibles on insurance policies maintained by the Association.

4.11 Replacement & Repair Reserves. The Association will endeavor to maintain replacement and repair reserves at a level that anticipates the scheduled replacement or major repair of components of the Common Area.

4.12 Association's Right to Borrow Money. The Association is granted the right to borrow money, subject to (1) the consent of Owners of at least a majority of lots represented at a properly noticed meeting of the Association, at which a quorum is present, called for the purpose of approving the loan, and (2) the ability of the Association to repay the borrowed funds from assessments. To assist its ability to borrow, the Association is granted the right to encumber, mortgage, pledge, or deed in trust any of its real or personal property, and the right to assign its right to future income, as security for money borrowed or debts incurred, provided that the rights of the lender in the pledged property are subordinate and inferior to the rights of the owners hereunder.

4.13 Limitations Of Interest. The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Documents or any other document or agreement executed or made in connection with the Association's collection of assessments, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid special and regular assessments, or reimbursed to the Owner if those assessments are paid in full.

4.14 Basis and Maximum of Annual Assessments.

(a) Commencing February 1, 2023, the regular maximum annual Assessment shall be an amount not to exceed:

(b) \$600.00 per year per sold Home Lot per year paid in advance in full at the closing of any Detached Home, said initial assessment shall be collected by the Title Company at closing. Thereafter, annual assessments shall be billed quarterly; February 1st will be considered the due date for each year of dues.

Each Owner is responsible for the HOA fees without any written or email notice.

(c) From and after February 1, 2023, the maximum regular annual Assessment may be increased by any amount up to fifteen percent (15%) over the preceding year's regular annual Assessment solely by the Board of Directors. Any increase over and above 15% of the previous year's regular Assessment shall be done by written approval of one-half (50%) the outstanding votes (determined pursuant to Section 3.2 hereof) held by Members at a meeting at which a quorum is present.

(d) A Resale Certificate is to be Issued for each home purchased, transferred, and or sold, and the initial cost is \$375.00; There shall be an administrative transfer fee charged by the Association for a change of ownership of each property in the subdivision, and the initial fee is \$50.00. This fee can be increased solely by the Board of Directors at any time as needed.

4.15 Notice and Quorum for any Action Authorized Under Sections 4.3. Written notice of any meeting called for the purpose of taking any action authorized under Sections 4.3 and 4.4 hereunder shall be given to all Members not less than ten (10) days or no more than fifty (50) days in advance of such meeting. At such meeting, the presence of Members or of written proxies entitled to cast 10 % of all the votes entitled to be cast by the Members of the Association shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. So long as a Declarant and the Builders control two-thirds (2/3) of the outstanding vote, the member may participate in a meeting by means of teleconference or similar communications by means of which all persons participating in the meeting can participate in said meeting by voting or taking appropriate action.

4.16 Assessment Lien. Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay assessments to the Association. Each assessment is a charge on the Lot and is secured by a continuing lien on the Lot. Each Owner, and each prospective owner, is placed on notice that his title may be subject to the continuing lien for assessments attributable to a period prior to the date he purchased his Lot.

4.17 Superiority Of Assessment Lien. The assessment lien is superior to all other liens and encumbrances on a Lot, except only for (1) real property taxes and assessments levied by governmental and taxing authorities, (2) a deed of trust or vendor's lien recorded before this Declaration, (3) a recorded deed of trust lien securing a loan for construction of the original dwelling, and (4) a first or senior purchase money vendor's lien or deed of trust lien recorded before the date on which the delinquent assessment became due . The assessment lien is subordinate and inferior to a recorded deed of trust lien that secures a first or senior purchase money mortgage, an FHA-insured mortgage, or a VA-guaranteed mortgage.

4.18 Effect of Mortgagee's Foreclosure. Foreclosure of a superior lien extinguishes the Association's claim against the Lot for unpaid assessments that became due before the sale, but does not extinguish the Association's claim against the former Owner. The purchaser at the foreclosure sale of a superior lien is liable for assessments coming due from and after the date of the sale, and for the Owner's pro rata share of the pre-foreclosure deficiency as an Association expense.

4.19 Notice and Release of Notice. The Association's lien for assessments is created by recordation of this Declaration, which constitutes record notice and perfection of the lien . No other recordation of a lien or notice of lien is required. However, the Association, at its option, may cause a notice of the lien to be recorded in the county's Real Property Records. If the debt is cured after a notice has been recorded, the Association will record a release of the notice at the expense of the curing Owner.

4.20 Power Of Sale. By accepting an interest in or title to a Lot each Owner grants to the Association a private power of nonjudicial sale in connection with the Associations' assessment lien. The Board may appoint, from time to time, any person, including an officer, agent, trustee, substitute trustee, or attorney, to exercise the Association's lien rights on behalf of the Association, including the power of sale. The appointment must be in writing and may be in the form of a resolution recorded in the minutes of a board meeting.

4.21 Foreclosure Of Lien. The assessment lien may be enforced by judicial or nonjudicial foreclosure. A foreclosure must comply with the requirements of Applicable Law, such as Chapter 209 of the Texas Property Code. A nonjudicial foreclosure must be conducted in accordance with the provisions applicable to the exercise of

powers of sale as set forth in Section 51.002 of the Texas Property Code, or in any manner permitted by law. In any foreclosure, the Owner is required to pay the Association's costs and expenses for the proceedings, including reasonable attorneys' fees, subject to applicable provisions of the bylaws and Applicable Law, such as Chapter 209 of the Texas Property Code. The Association has the power to bid on the lot at foreclosure sale and to acquire, hold, lease, mortgage, and convey same. The Association may not foreclose the assessment lien if the debt consists solely of fines and/or a claim for reimbursement of attorney's fees incurred by the Association.

4.22 Effect of Non-Payment of Assessments, Remedies of the Association; Liens Securing Assessments. An assessment is delinquent if the Association does not receive payment in full by the assessment's due date. The Association, acting through the Board, is responsible for taking action to collect delinquent assessments. The Association's exercise of its remedies is subject to applicable laws, such as Chapter 209 of the Texas Property Code, and pertinent provisions of the bylaws. From time to time, the Association may delegate some or all of the collection procedures and remedies, as the Board in its sole discretion deems appropriate, to the Association's manager, an attorney, or a debt collector. Neither the Board nor the Association, however, is liable to an Owner or other person for its failure or inability to collect or attempt to collect an assessment. The following remedies are in addition to and not in substitution for all other rights and remedies which the Association has.

4.23 Interest. Delinquent assessments are subject to interest from the due date until paid, at a rate to be determined by the Board from time to time, not to exceed the lesser of 18 percent or the maximum permitted by law. If the Board fails to establish a rate, the rate is 10 percent per annum.

4.24 Late Fees. Delinquent assessments are subject to reasonable late fees, at a rate to be determined by the Board from time to time.

4.25 Costs of Collection. The Owner of a Lot against which assessments are delinquent is liable to the Association for reimbursement of reasonable costs incurred by the Association to collect the delinquent assessments, including attorney's fees and processing fees charged by the manager.

4.26 Acceleration. If an Owner defaults in paying an assessment that is payable in installments, the Association may accelerate the remaining installments on 10 days' written notice to the defaulting Owner. The entire unpaid balance of the assessment becomes due on the date stated in the notice.

4.27 Suspension of Use and Vote. If an Owner's account has been delinquent for at least 30 days, the Association may suspend the right of Owners and residents to use Common Areas and common services during the period of delinquency. The Association may also suspend the right to vote appurtenant to the Lot. Suspension does not constitute a waiver or discharge of the Owner's obligation to pay assessments.

4.28 Money Judgment. The Association may file suit seeking a money judgment against an Owner delinquent in the payment of assessments, without foreclosing or waiving the Association's lien for assessments.

4.29 Notice to Mortgagee. The Association may notify and communicate with the holder of any lien against a Lot regarding the Owner's default in payment of assessments.

4.30 Foreclosure Of Assessment Lien. As provided by this Declaration, the Association may foreclose its lien against the Lot by judicial or nonjudicial means.

4.31 Application Of Payments. The Board may adopt and amend policies regarding the application of payments. The Association may refuse to accept partial payment, i.e., less than the full amount due and payable. The Association may also refuse to accept payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. The Association's policy may provide that endorsement and deposit of a payment does not constitute acceptance by the Association, and that acceptance occurs when the Association posts the payment to the Lot's account.

ARTICLE 5

ENFORCING THE DOCUMENTS

5.1. Notice And Hearing. Before the Association may exercise certain of its remedies for a violation of the Documents or damage to the Property, the Association must give an Owner written notice and an opportunity for a hearing, according to the requirements and procedures in the bylaws and in Applicable Law, such as Chapter 209 of the Texas Property Code. Notices are also required before an Owner is liable to the Association for certain charges, including reimbursement of attorney's fees incurred by the Association.

5.2. Remedies. The remedies provided in this Article for breach of the Documents are cumulative and not exclusive. In addition to other rights and remedies provided by the Documents and by law, the Association has the following right to enforce the Documents, subject to applicable notice and hearing requirements (if any):

5.2.1 Nuisance. The result of every act or omission that violates any provision of the Documents is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation.

5.2.2 Fine. The Association may levy reasonable charges, as an individual assessment; against an Owner and his Lot if the Owner or resident, or the Owner or resident's family, guests, employees, agents, or contractors violate a provision of the Documents. Fines may be levied for each act of violation or for each day a violation continues, and does not constitute a waiver or discharge of the Owner's obligations under the Documents.

5.2.3 Suspension. The Association may suspend the right of Owners and residents to use Common Areas for any period during which the Owner or resident, or the Owner or resident's family, guests, employees, agents, or contractors violate the Documents. A suspension does not constitute a waiver or discharge of the Owner's obligations under the Documents.

5.2.4 Self-Help. The Association has the right to enter any part of the Property, including lots, to abate or remove, using force as may reasonably be necessary, any erection, thing, animal, person, vehicle, or condition that violates the Documents. In exercising this right, the Board is not trespassing and is not liable for damages related to the abatement. The Board may levy its costs of abatement against the Lot and Owner as an individual assessment. The Board will make reasonable efforts to give the violating Owner prior notice of its intent to exercise self-help. The notice may be given in any manner likely to be received by the Owner. Prior notice is not required (1) in the case of emergencies, (2) to remove violative signs, (3) to remove violative debris, or (4) to remove any other violative item or to abate any other violative condition that is easily removed or abated and that is considered a nuisance, dangerous, or eyesore to the neighborhood.

5.2.5 Suit. Failure to comply with the Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Prior to commencing any legal proceeding, the Association will give the defaulting party reasonable notice and an opportunity to cure the violation.

5.3 Board Discretion. The Board may use its sole discretion in determining whether to pursue a violation of the Documents, provided the Board does not act in an arbitrary or capricious manner. In evaluating a particular violation, the Board may determine that under the particular circumstances (1) the Association's position is not sufficiently strong to justify taking any or further action; (2) the provision being enforced is or may be construed as inconsistent with applicable law; (3) although a technical violation may exist, 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 (4) that enforcement is not in the Association's best interests, based on hardship, expense, or other reasonable criteria.

5.4 No Waiver. The Association and every Owner has the right to enforce all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by the Documents . Failure by the Association or by any Owner to enforce a provision of the Documents is not a waiver of the right to do so thereafter . If the Association does waive the right to enforce a provision, that waiver does not impair the Association's right to enforce any other part of the Documents at any future time . No officer, director, or member of the Association is liable to any Owner for the failure to enforce any of the Documents at any time.

5.6 Recovery Of Costs. The costs of curing or abating a violation are at the expense of the Owner or other person responsible for the violation. If legal assistance is obtained to enforce any provision of the Documents, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of the Documents or the restraint of violations of the Documents, the prevailing party is entitled to recover from the non-prevailing party all reasonable and necessary costs incurred by it in such action, including reasonable attorneys' fees.

ARTICLE 6

ARCHITECTURAL COVENANTS AND CONTROL

6.1 Purpose. Because the Lots are part of a single, unified community, this Declaration creates rights to regulate the design, use, and appearance of the Lots and Common Areas in order to preserve and enhance the Property's value and architectural harmony. One purpose of this Article is to promote and ensure the level of taste, design, quality, and harmony by which the Property is developed and maintained . Another purpose is to prevent improvements and modifications that may be widely considered to be radical, curious, odd, bizarre, or peculiar in comparison to then existing improvements. A third purpose is to regulate the appearance of every aspect of proposed or existing improvements on a Lot, including but not limited to dwellings, fences, landscaping, retaining walls, yard art, sidewalks and driveways, and further including replacements or modifications of original construction or installation. During the Development Period, a primary purpose of this Article is to reserve and preserve Declarant's right of architectural control.

6.2 Architectural Control During The Development Period. During the Development Period, neither 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 new homes on vacant Lots. During the Development Period, the Architectural Reviewer for new homes on vacant lots is the Declarant or its delegates.

6.2.1 Declarant's Rights Reserved. Each owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees that Declarant has a substantial interest in ensuring that the improvements within the Property enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market its property or the ability of Builders to sell homes in the Property. Accordingly, each owner agrees that - during the Development Period - no improvements will be started or progressed on any Owner's Lot without the prior written approval of Declarant, which approval may be granted or withheld at Declarant's sole discretion . In reviewing and acting on an application for approval, Declarant may act solely in its self-interest and owes no duty to any other person or any organization . Declarant may designate one or more persons from time to time to act on its behalf in reviewing and responding to applications .

6.2.2 Delegation by Declarant. During the Development Period, Declarant may from time to but is not obligated to, delegate all or a portion of its reserved rights under this Article to (1) an architectural control committee appointed by the Board, or (2) a committee comprised or architects, engineers, or other persons who may or may not be members of the Association. Any such delegation must be in writing and must

specify the scope of delegated responsibilities. Any such delegation is at all 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.

6.3 Architectural Control By Association. Unless and until such time as Declarant delegates all or a portion of its reserved rights to the Architectural Control Committee (the "ACC"), or the Development Period is terminated or expires, the Association has no jurisdiction over architectural matters. On termination or expiration of the Development Period, or earlier if delegated in writing by Declarant, the Association, acting through the ACC will assume jurisdiction over architectural control.

6.3.1 ACC. The ACC will consist of at least 3 but not more than 5 persons appointed by the Board, pursuant to the bylaws . Members of the ACC serve at the pleasure of the Board and may be removed and replaced at the Board's discretion . At the Board's option, the Board may act as the ACC, in which case all references in the Documents to the ACC are construed to mean the Board. Members of the ACC need not be owners or residents, and may but need not include architects, engineers, and design professionals whose compensation, if any, may be established from time to time by the Board.

6.3.2 Limits on Liability. The ACC has sole discretion with respect to taste, design and all standards specified by this Article. The members of the ACC have no liability for the ACC's decisions made in good faith and which are not arbitrary or capricious. The ACC is not responsible for: (1) errors in or omissions from the plans and specifications submitted to the ACC, (2) supervising construction for the Owner's compliance with approved plans and specifications, or (3) the compliance of the Owner's plans and specifications with governmental codes and ordinances, state and federal laws.

6.4 Prohibition Of Construction Alteration & Improvement. Without the Architectural Reviewer's prior written approval, a person may not construct a dwelling or make an addition, alteration, improvement, installation, modification, redecoration, or reconstruction of or to the Property, if it will be visible from a street, another lot, or the common area . The Architectural Reviewer has the right but not the duty to evaluate every aspect of construction, landscaping, and property use that may adversely affect the general value or appearance of the Property.

6.5 Architectural Approval. To request architectural approval, an Owner must make written application to the Architectural Reviewer and submit plans and specifications showing the nature, kind, shape, color, size, materials, and locations of the work to be performed. In support of the application, the Owner may but is not required to submit letters of support or non-opposition from Owners of Lots that may be affected by the proposed change. The application must clearly identify any requirement of this Declaration for which a variance is sought . The Architectural Reviewer will return one set of plans and specifications to the applicant marked with the Architectural Reviewer's response, such as "Approved," "Denied," or "More Information Required." The Architectural Reviewer will retain the other set of plans and specifications, together with the application for the Architectural Reviewer's files. Verbal approval by an Architectural Reviewer, the Declarant, an Association director or officer, a member of the ACC, or the Association's manager does not constitute architectural "approval by the appropriate Architectural Reviewer", which must be in writing . In connection with the submission of such plans and specifications, the ACC may require that the submitting party pay a fee of up to \$250.00 per submission, which fee shall be payable to the Association or, if the Committee elects, to a representative designated by the Committee to review such plans and specifications.

6.5.1 Deemed Approval. Under the following limited conditions, the applicant may presume that his request has been approved by the Architectural Reviewer:

- (a) If the applicant or a person affiliated with the applicant has not received the Architectural Reviewer's written response - approving, denying, or requesting additional information - within 60 days after delivering his complete application to the Architectural Reviewer; and
- (b) If the proposed improvement or modification strictly conforms to requirements and construction specifications contained in this Declaration and in any design guidelines for the Property in effect at the time of application.

If those conditions are satisfied, the Owner may then proceed with the improvement, provided he adheres to the plans and specifications which accompanied his application, and provided he initiates and completes the improvement in a timely manner. In exercising deemed approval, the burden is on the Owner to document the Board's actual receipt of the Owner's complete application. Under no circumstance may approval of the Architectural Reviewer be deemed, implied, or presumed for an improvement or modification that would require a variance from the requirements and construction specifications contained in this Declaration and in any design guidelines for the Property in effect at the time of application.

6.5.2 No Approval Required. No approval is required to repaint exteriors in accordance with the original color scheme approved by the Architectural Reviewer, or to rebuild a dwelling in accordance with originally approved plans and specifications. Nor is approval required for an Owner to remodel or repaint the interior of a dwelling.

6.5.3 Building Permit. If the application is for work that requires a building permit from a governmental body, the Architectural Reviewer's approval is conditioned on the issuance of the appropriate permit. The Architectural Reviewer's approval of plans and specifications does not mean that they comply with the requirements of the governmental body. Alternatively, governmental approval does not ensure Architectural Reviewer approval.

6.5.4 Neighbor Input. The Architectural Reviewer may solicit comments on the application, including from Owners or residents of Lots that may be affected by the proposed change, or from which the proposed change may be visible. Whether to solicit comments, from whom to solicit comments, and whether to make the comments available to the applicant is solely at the discretion of the Architectural Reviewer. The Architectural Reviewer is not required to respond to the commenters in ruling on the application.

6.5.5 Declarant Approved. Notwithstanding anything to the contrary in this Declaration, any improvement to the Property made or approved by Declarant during the Development Period is deemed to have been approved by the Architectural Reviewer.

6.6 Architectural Guidelines. Declarant during the Development Period, and the Association thereafter, may publish architectural restrictions, guidelines, and standards, which may be revised from time to time to reflect changes in technology, style, and taste.

ARTICLE 7

CONSTRUCTION AND USE RESTRICTIONS

7.1 Variance. The use of the Property is subject to the restrictions contained in this Article and subject to rules adopted pursuant to this Article. The Board or the Architectural Reviewer, as the case may be, may grant a variance or waiver of a restriction or rule on a case-by-case basis when unique circumstances dictate, and may limit or condition its grant. To be effective, a variance must be in writing. The grant of a not effect a waiver or estoppel of the Association's right to deny a variance in other circumstances. Approval of a variance or waiver may not be deemed, implied, or presumed under any circumstance.

7.2 Construction Restrictions. Without the Architectural Reviewer's prior written approval for a variance, improvements constructed on every Lot must have the characteristics described in Appendix B, which may be treated as the minimum requirements for improving and using a Lot. The Architectural Reviewer and the Board may promulgate additional rules and restrictions, as well as interpretations, additions, and specifications of the restrictions contained in this Article. An Owner should review the Association's architectural restrictions, if any, before planning improvements, repairs, or replacements to his Lot and dwelling.

7.3 Limits To Rights. No right granted to an Owner by this Article or by any provision of the Documents is absolute. The Documents grant rights with the expectation that the rights will be exercised in ways, places, and times that are customary for the neighborhood. This Article and the Documents as a whole do not try to anticipate and address every creative or bizarre interpretation of the restrictions. For example, an Owner's right to have a sign advertising the home for sale or lease is not the right to mount the sign on the chimney and illuminate it with pulsating neon lights. Or, the right of access to a home is not the right to land helicopters on the Lot. The rights granted by this Article and the Documents are at all times subject to the Board's determination that a particular interpretation and exercise of a right is significantly inappropriate, unattractive, or otherwise unsuitable for the neighborhood, and thus constitutes a violation of the Documents. In other words, the exercise of a right or restriction must comply with the spirit of the restriction as well as with the letter of the restriction.

7.4 Association's Right To Promulgate Rules. The Association, acting through its Board, is granted the right to adopt amend, repeal, and enforce reasonable Rules and penalties for infractions thereof, regarding the occupancy, use, disposition, maintenance, appearance, and enjoyment of the Property. In addition to the restrictions contained in this Article, each Lot is owned and occupied subject to the right of the Board to establish Rules, and penalties for infractions thereof, governing:

- (a) Use of Common Area.
- (b) Hazardous, illegal or annoying materials or activities on the Property.
- (c) The use of Property-wide services provided through the Association.
- (d) The consumption of utilities billed to the Association.
- (e) The use, maintenance, and appearance of exteriors of dwellings.
- (f) Landscaping and maintenance of yards.
- (g) The occupancy and leasing of dwellings.
- (h) Animal.
- (i) Vehicles.
- (j) Disposition of trash and control of vermin, termites, and pests.
- (k) Anything that interferes with maintenance of the Property, operation of the Association, administration of the Documents, or the quality of life for residents.

7.5 Accessory Sheds. Without the prior written approval of the Architectural Reviewer, accessory structures - such as dog houses, gazebos, metal storage sheds, playhouses, and greenhouses are prohibited (not allowed). To be approved by the Architectural Reviewer, an accessory structure must have the following features:

- (a) Only one per Lot.
- (b) Designed for outdoor use.
- (c) Less than 10 feet in height at the ridge line of the roof.
- (d) Less than 144 square feet of floor space (e.g . 12 x 12').
- (e) Visually harmonious with the house or fence to which it is most visually related or physically attached, including matching major materials such as siding and roofing, dominant colors, construction details, and pitch of roof.
- (f) Screened by a fence or acceptable landscape material so it is not visible to a person standing on the surface of an adjoining Lot or street.
- (g) Not located in front yards or in unfenced portions of side yards facing streets.

If an accessory structure is installed in violation of this Section, the Architectural Reviewer reserves the right to determine that the accessory structure is unattractive or inappropriate or otherwise unsuitable for the Property and may require the Owner to screen it or to remove it.

7.6 Residential Use. The use of a Lot is limited exclusively to residential purposes, or any other use permitted by this Declaration. This residential restriction does not, however, prohibit a resident from using a dwelling for personal business or professional pursuits provided that: (1) the uses are incidental to the use of the dwelling as a residence; (2) the uses conform to applicable governmental ordinances; (3) there is no external evidence of the uses; (4) the uses do not entail visits to the Lot by employees or the public in quantities that materially increase the number of vehicles parked on the street; and (5) the uses do not interfere with residents' use and enjoyment of neighboring Lots.

7.7 Garages. Each residence shall have a garage suitable for parking not less than two (2) standard size vehicles. The house must always maintain exterior garage doors. Without the Board's prior written approval, the original garage area of a Lot may not be enclosed or used for any purpose that prohibits the parking of two standard-size operable vehicles therein. Garage doors are to be kept closed at all times except when a vehicle is entering or leaving.

7.8 Fences. No Fence may extend beyond the front of the house and must be constructed and maintained of wood. No fencing shall exceed 8' in height. Wood fences are required to have steel posts. If any portion of a wood fence is being replaced from less than 8' to a fence 8' in height, the adjacent Owner must agree to the increase in fence in height. Evidence of that agreement must be given to the Architectural Control Committee upon submission of the request for fence change.

7.9 Guns. Hunting and shooting are not permitted anywhere on or from the Property.

7.10 Animal Restrictions. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except that dogs, cats, or other household pets may be kept for the purpose of providing companionship for the private family. A maximum of two registered dogs and two cats and one other indoor household pet may be kept, provided they are not kept, bred, or maintained for commercial purposes., *(exception would be a litter of puppies, kittens for a period of 8 weeks only)*. Pets must be restrained or confined to the homeowner's rear yard within a secured fenced area or within the house. Is it the pet owner's responsibility to keep the Lot clean and free of pet debris or noxious to adjoining lots. All animals must be properly registered and tagged for identification and keep current on all required vaccines. Animals are not to be raised or bred for commercial purposes or for food. It is the

purpose of these provisions to restrict the use of the lot so that NO person shall quarter on the premise's cows, horses, bees, hogs, sheep, chickens, goats, guinea fowls, ducks, turkeys, skunks, snakes, etc., and or continual barking dogs or any other animals that may interfere with the peace and quiet, health and or safety of the community. Owner is responsible for removal of pet wastes from the Property. Unless the Rules provide otherwise, a resident must prevent his pet from relieving itself on the Common Area or the Lot of another Owner.

7.11 Annoyance. No Lot or Common Area may be used in any way that : (1) may reasonably be considered annoying to neighbors; (2) may be calculated to reduce the desirability of the Property as a residential neighborhood; (3) may endanger the health or safety of residents of other Lots; (4) may result in the cancellation of insurance on the Property; or (5) violates any law. The Board has the sole authority to determine what constitutes an annoyance.

7.12 Appearance. Both the Lot and the dwelling must be maintained in a manner so as not to be unsightly when viewed from the street or neighboring Lots. The Architectural Reviewer is the arbitrator of acceptable appearance standards.

7.13 Color Changes. The colors of buildings, fences, exterior decorative items, window treatments, and all other improvements on a Lot are subject to regulation by the Architectural Reviewer. Because the relative merits of any color are subjective matters of taste and preference, the Architectural Reviewer determines the colors that are acceptable to the Association . Do not change or add colors that are visible from the street, a Common Area, or another Lot without the prior written approval of the Architectural Reviewer.

7.14 Drainage. No person may interfere with the established drainage pattern over any part of the Property unless an adequate alternative provision for proper drainage has been approved by the Board.

7.15 Leasing Of Homes. An Owner may lease the dwelling on his Lot. Whether or not it is so stated in a lease, every lease is subject to the Documents. An Owner is responsible for providing his tenant with copies of the Documents and notifying him of changes thereto. Failure by the tenant or his invitees to comply with the Documents, federal or state law, or local ordinance is deemed to be a default under the lease. When the Association notifies an Owner of his tenant's violation, the Owner will promptly obtain his tenant's compliance or exercise his 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 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 the Documents against his tenant. 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 the Documents against the Owner's tenant.

7.16 Noise & Odor. A resident 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 residents of neighboring Lots. The Rules may prohibit the use of noise-producing security devices and wind chimes.

7.17 Occupancy. Other than the completed principal dwelling, no thing or structure on a Lot may be occupied as a residence at any time by any person . This provision applies, without limitation, to the garage, mobile homes, campers, tent shack, barn, and storage sheds.

7.18 Screening. The Architectural Reviewer may require that the following items must be screened from the view of the public and neighboring Lots and dwellings, if any of these items exists on the Lot: (1) air conditioning equipment; (2) satellite reception equipment; (3) clotheslines, drying racks, and hanging clothes, linens, rugs, or textiles of any kind; (4) yard maintenance equipment; (5) wood piles and compost piles; (6) accessory structures that do not have prior approval of Architectural Reviewer; (7) garbage cans and refuse containers ; (8) anything determined by the Board to be unsightly or inappropriate for a residential subdivision. Screening may be achieved

with fencing or with plant material, such as trees and bushes, or any combination of these. If plant material is used, a reasonable period of time is permitted for the plants to reach maturity as an effective screen. As used in this Section, "screened from view" refers to the view of a person in a passenger vehicle driving on a street or the view of a person of average height standing in the middle of a yard of an adjoining Lot.

7.19 Trash, Debris and Rubbish. No Lot or other area of the property shall be used as a dumping ground for rubbish, or accumulation of unsightly materials of any kind, including, without limitation, broken or rusty equipment, disassembled or inoperative cars and discarded appliances and furniture. Trash, garbage, or other waste shall be kept except in sanitary containers which are not visible from the front of any Residence. Each Owner and resident will endeavor to keep the Property clean and will dispose of all refuse in receptacles designated specifically by the Association or by the city for that purpose. Trash must be placed entirely within the designated receptacle. The Board may adopt, amend, and repeal rules regulating the disposal and removal of trash from the Property. If the rules fail to establish hours for curbside trash containers, the container may be in the designated area from dusk on the evening before trash pick-up day until dusk on the day of trash pick-up. At all other times, trash containers must be kept inside the house, garage, or fenced yard and may not be visible from a street or another Lot.

7.20 Air-Conditioning. No air-condition apparatus shall be installed on the ground forward of the front elevation of a residence. No air-conditioning apparatus shall be attached to any front wall or window of a residence. No evaporative cooler shall be installed on the front wall or window of a residence.

7.21 Antennas. No antennas, satellite dishes or other equipment for receiving or sending sound or video signals shall be permitted in or on the property except antennas for television reception, AM or FM radio reception and UHF and VHF television reception. Such antennas shall be located inside the attic of the main residential structure except that One (1) antenna may be permitted to be attached to the main residential structure not to extend above said roof more than a maximum of 6 feet OR one (1) small satellite dish not to exceed 18" in diameter may be installed on the side or rear roof. No antennas or satellite dish may be installed on the front of the roof or front of the house. No windmills of any kind over 6' tall.

7.22 Signs. No sign or signs of any nature shall be displayed to the public view within the Property except:

- (a) Any builder, during the construction and sale of a single-family Residence may utilize professional signs (of not more than twelve (12) square feet in size) on each Lot which it owns for advertising and sales promotion.
- (b) A dignified "For Sale" sign (of not more than six (6) feet in size) may be utilized on a Lot by the homeowner of the Lot for the sale of that Lot and its improvements.
- (c) One small, professionally fabricated sign indicating that the Property is protected by a security system and monitored by a professional security company may be placed on a Lot.
- (d) A builder sign on Owner's property stating the home is occupied.
- (e) No more than two (2) political signs advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal may be erected on a Lot provided that such signs shall not be erected more than a reasonable period of time (in no event to exceed sixty (60) days in advance of the election to which they pertain and are removed within fifteen (15) days after the election.
- (f) Personal signs indicating school affiliations, birth announcements and similar type signs may be erected on a Lot provided they are in compliance with the intent of this declaration.

As used in this Section, "sign" includes, without limitation, lettering, images, symbols, pictures, shapes, lights, banners, and any other representation or medium that conveys a message.

7.23 Vehicles. All vehicles on the Property, whether owned or operated by the residents or their families and guests, are subject to this Section and Rules adopted by the Board. The Board may adopt, amend, and repeal rules regulating the types, sizes, numbers, conditions, uses, appearances, and locations of vehicles on the Property. The Board may affect the removal of any vehicle in violation of this Section or the Rules without liability to the owner or operator of the vehicle.

Prohibited Vehicles. Without prior written Board approval, the following types of vehicles and vehicular equipment - mobile or otherwise - may not be kept, parked, or stored on the Property - including overnight parking on streets and driveways - if the vehicle is visible from a street or from another Lot: mobile homes, motor homes, buses, travel trailers, campers, boats, marine craft, aircraft, inoperable vehicles, commercial truck cabs, vehicles which are not customary personal passenger vehicles, and any vehicle which the Board deems to be a nuisance, unsightly, or inappropriate. This restriction does not apply to vehicles and equipment temporarily on the Property in connection with the construction or maintenance of a dwelling. Vehicles that transport inflammatory or explosive cargo are prohibited from the Property at all times. Small boats, popup campers, or other items that are no taller than 7' from ground to top may be parked on the side yard or rear yard behind the front line of the house AND concealed from public view by a fence or wall and must be on a solid pad of concrete, gravel, (not blocks).

7.24 Yard Art. A maximum of four items of yard art (excluding items representing the U.S. Armed Forces) may be placed in any front, side, or backyard that is visible from the street without prior approval of the HOA. Holiday décor to be displayed no more than 45 days prior and must be removed within 30 after the Holiday is past including Christmas/Holiday lights.

7.25 Window Treatments. All window treatments within the dwelling that are visible from the street or another dwelling must be maintained in good condition and must not detract from the appearance of the Property. The Architectural Reviewer may require an Owner to change or remove a window treatment that the ACC determines to be inappropriate or unattractive. The Architectural Reviewer may prohibit the use of certain colors or materials for window treatments.

7.26 Pools. Pools are permitted to be installed on any Lot, but are subject to the Architectural Reviewer's prior approval, including approval of design, color, materials, and location. Above ground-level swimming pools may be installed only in the backyard of any Lot, provided any such pool is not visible when viewed from the street. This provision is not intended to prohibit inflatable pools, no greater than twenty-four inches (24") in depth, typically used by toddlers, but they must, likewise, be placed in the backyard of any Lot.

7.27 Playground Structures. Pre-manufactured play sets, jungle gyms, trampolines, and patio umbrellas installed in the back yard do not require approval of the Architectural Reviewer. Those items that are "homemade" and are visible from the streets and/or neighboring property, do require approval by the Architectural Reviewer, and will be reviewed on a case-by-case basis. All of the above must comply with the following : a. Height not to exceed fifteen feet (15'); b. If seen above fence, any non-wood or metal components must be neutral color, i.e. white, tan, pewter, or green, as opposed to red, blue, or yellow; c. If seen above fence, wooden components may not be painted. The wood may be sealed using a natural wood stain or clear sealing material; d. All such items must be kept in good repair or otherwise removed from the Lot; and e. All such items shall be placed in backyard enclosed by a fence.

ARTICLE 8

MAINTENANCE AND REPAIR OBLIGATIONS

8.1 Association Maintains. The Association's maintenance obligations will be discharged when and how the Board deems appropriate. The Association maintains, repairs, and replaces, as a common expense, the portions of the Property listed below, regardless of whether the portions are on Lots or

- (a) The Common Areas.
- (b) Any real and personal property owned by the Association, but which is not a Common Area, such as a Lot owned by the Association.
- (c) Any property adjacent to Sable Creek if maintenance of same is deemed to be in the best interests of the Association, and if not prohibited by the owner or operator of said property.
- (d) Any area, item, easement, or service - the maintenance of which is assigned to the Association by this Declaration or by the Plat.

8.2 Owner Responsibility. Every Owner has the following responsibilities and obligations for the maintenance, repair, and replacement of the Property, subject to the architectural control requirements of Article 5 and the use restrictions of Article 6 :

8.2.1 House Maintenance. Each Owner, at the Owner's expense, must maintain all improvements on the Lot, including but not limited to the dwelling, fences, sidewalks, and driveways. Maintenance includes preventative maintenance, repair as needed, and replacement as needed . Each Owner is expected to maintain his Lot's improvements at a level, to a standard, and with an appearance that is commensurate with the neighborhood. Specifically, each Owner must repair and replace worn, rotten, deteriorated, and unattractive materials, and must regularly repaint all painted surfaces.

8.2.2 Yard Maintenance. Each Owner, at the Owner's expense, must maintain the yards on his Lot at a level, to a standard, and with an appearance that is commensurate with the neighborhood . "Yards" means all parts of the Lot other than the dwelling, including fenced and unfenced portions of the Lot. Specifically, each Owner must:

- (a) Maintain an attractive ground cover or lawn on all yards visible from a street.
- (b) Edge the street curbs at regular intervals.
- (c) Mow the lawns and grounds at regular intervals.
- (d) Prevent lawn weeds or grass from exceeding 6 inches in height.
- (e) Not plant vegetable gardens that are visible from a street.
- (f) Maintain an attractive appearance for shrubs and trees visible from a street.
- (g) Replace plant material, as needed, to maintain the minimum landscaping requirements.

8.2.3 Avoid Damage. An Owner may not do any work or to fail to do any work which, in the reasonable opinion of the Board, would materially jeopardize the soundness and safety of the Property,

reduce the value of the Property, adversely affect the appearance of the Property, or impair any easement relating to the Property.

8.2.4 Responsible for Damage. An Owner is responsible for his own willful or negligent acts and those of his or the resident's family, guests, agents, employees, or contractors when those acts necessitate maintenance, repair, or replacement to the Common Areas or the property of another Owner.

8.3 Owner's Default In Maintenance. If the Board determines that an Owner has failed to properly discharge his obligation to maintain, repair, and replace items for which the Owner is responsible, the Board may give the owner written notice of the Association's intent to provide the necessary maintenance at Owner's expense. The notice must state, with reasonable particularity, the maintenance deemed necessary and a reasonable period of time in which to complete the work. If the Owner fails or refuses to timely perform the maintenance, the Association may do so at Owner's expense, which is an individual assessment against the Owner and his Lot. In case of an emergency, however, the Board's responsibility to give the Owner written notice may be waived and the Board may take any action it deems necessary to protect persons or property, the cost of the action being the Owner's expense.

8.4 Party Wall Fences. A fence located on or near the dividing line between 2 Lots and intended to benefit both lots constitutes a Party Wall Fence and, to the extent not inconsistent with the provisions of this Section, is subject to the general rules of law regarding party walls and liability for property damage due to negligence, willful acts, or omissions.

8.4.1 Encroachments & Easement. If the Party Wall Fence is on one Lot or another due to an error in construction, the fence is nevertheless deemed to be on the dividing line for purposes of this Section. Each Lot sharing a Party Wall Fence is subject to an easement for the existence and continuance of any encroachment by the fence as a result of construction, repair, shifting, settlement, or movement in any portion of the fence, so that the encroachment may remain undisturbed as long as the fence stands. Each Lot is subject to a reciprocal easement for the maintenance, repair, replacement, or reconstruction of the Party Wall Fence.

8.4.2 Right to Repair. If the Party Wall Fence is damaged or destroyed from any cause, the owner of either Lot may repair or rebuild the fence to its previous condition, and the Owners of both Lots, their successors, and assigns, have the right to the full use of the repaired or rebuilt fence.

8.4.3 Maintenance Costs. The Owners of the adjoining Lots share equally the costs of repair, reconstruction, or replacement of the Party Wall Fence, subject to the right of one Owner to call for larger contribution from the other under any rule of law regarding liability for negligence or willful acts or omissions. If an Owner is responsible for damage to or destruction of the fence, that Owner will bear the entire cost of repair, reconstruction, or replacement. If an Owner fails or refuses to pay his share of costs of repair or replacement of the Party Wall Fence, the Owner advancing moneys has a right to file a claim of lien for the moneys advanced in the county's Real Property Records and has the right to foreclose the lien as if it were a mechanic's lien. The right of an Owner to contribution from another Owner under this Section is appurtenant to the land and passes to the Owner's successors in title.

8.4.4 Iterations. The Owner of a Lot sharing a Party Wall Fence may not cut openings in the fence or alter or change the fence in any manner that affects the use, condition, or appearance of the fence to the adjoining Lot. Unless both Owners reach a mutual decision to the contrary, the Party Wall Fence will always remain in the same location as where initially erected.

ARTICLE 9

INSURANCE

9.1 General Provisions. All insurance affecting the Property is governed by the provisions of this Article, with which the Board will make every reasonable effort to comply. The cost of insurance coverages and bonds maintained by the Association is an expense of the Association. Insurance policies and bonds obtained and maintained by the Association must be issued by responsible insurance companies authorized to do business in the State of Texas. The Association must be the named insured on all policies obtained by the Association. Each Owner irrevocably appoints the Association, acting through its Board, as his trustee to negotiate, receive, administer, and distribute the proceeds of any claim against an insurance policy maintained by the Association. Additionally :

9.1.1 Notice of Cancellation or Modification. Each insurance policy maintained by the Association should contain a provision requiring the insurer to give at least 10 days' prior written notice to the Board before the policy may be canceled, terminated, materially modified, or allowed to expire, by either the insurer or the insured.

9.1.2 Deductibles. An insurance policy obtained by the Association may contain a reasonable deductible, which will be paid by the party who would be liable for the loss or repair in the absence of insurance. If a loss is due wholly or partly to an act or omission of an Owner or resident or their invitees, the Owner must reimburse the Association for the amount of the deductible that is attributable to the act or omission .

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

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

9.4 Directors & Officers Liability. To the extent it is reasonably available, the Association will maintain directors and officers liability insurance, errors and omissions insurance, indemnity bonds, or other insurance the Board deems advisable to insure the Association's directors, officers, committee members, and managers against liability for an act or omission in carrying out their duties in those capacities.

9.5 Other Coverages. The Association may maintain any insurance policies and bonds deemed by the Board to be necessary or desirable for the benefit of the Association, including but not limited to worker's compensation insurance, fidelity coverage, and any insurance and bond requested and required by an Underwriting Lender for planned unit developments as long as an Underwriting Lender is a mortgagee or an Owner.

9.6. Owner's Responsibility For Insurance. Each Owner will obtain and maintain property insurance on all insurable improvements on his Lot, in an amount sufficient to cover 100 percent of the replacement cost of any repair or reconstruction in event of damage or destruction from any insured hazard. Further, each Owner will obtain and maintain general liability insurance on his Lot. Each Owner will provide the Association with proof or a certificate of insurance on request by the Association from time to time. If an Owner fails to maintain required insurance, or to provide the Association with proof of same, the Board may obtain insurance on behalf of the Owner who will be obligated for the cost as an individual assessment. The Board may establish additional minimum insurance requirements, including types and minimum amounts of coverage, to be individually obtained

and maintained by Owners if the insurance is deemed necessary or desirable by the Board to reduce potential risks to the Association or other owners . Each Owner and resident is solely responsible for insuring his personal property in his dwelling and on the Lot, including furnishings, vehicles, and stored items.

ARTICLE 10

AMENDMENTS

10.1 Consents Required. As permitted by this Declaration, certain amendments of this Declaration may be executed by Declarant alone, or by the Board alone. Otherwise, amendments to this Declaration must be approved by Owners of at least a majority of the Lots.

10.2 Method Of Amendment. For an amendment that requires the approval of Owners, this Declaration may be amended by any method selected by the Board from time to time, pursuant to the bylaws, provided the method gives an Owner of each Lot the substance if not exact wording of the proposed amendment, a description of the effect of the proposed amendment, and an opportunity to vote for or against the proposed amendment.

10.3 Effective. To be effective, an amendment approved by the Owners or by the Board must be in the form of a written instrument (1) referencing the name of the Property, the name of the Association, and the recording data of this Declaration and any amendments hereto ; (2) signed and acknowledged by an officer of the Association, certifying the requisite approval of Owners or directors and, if required, Eligible Mortgagees; and (3) recorded in the Real Property Records of every county in which the Property is located, except as modified by the following section.

10.4 Declaring Provisions. Declarant has an exclusive right to unilaterally amend this Declaration for the purposes stated herewithin. An amendment that may be executed by Declarant alone is not required to name the Association or to be signed by an officer of the Association. No amendment may affect Declarant's rights under this Declaration without Declarant's written and acknowledged consent, which must be part of the recorded amendment instrument. This Section may not be amended without Declarant's written and acknowledged consent.

10.5 Termination. Termination of the terms of this Declaration and the status of the Property as a planned unit development are according to the following provisions . In the event of substantially total damage, destruction, or public condemnation of the Property, an amendment to terminate must be approved by Owners of at least two-thirds of the Lots . In the event of public condemnation of the entire Property, an amendment to terminate may be executed by the Board without a vote of Owners. In all other circumstances, an amendment to terminate must be approved by Owners of at least 80 percent of the Lots.

10.6 Condemnation. In any proceeding, negotiation, settlement, or agreement concerning condemnation of the Common Area, the Association will be the exclusive representative of the Owners. The Association may use condemnation proceeds to repair and replace any damage or destruction of the Common Area, real or personal, caused by the condemnation . Any condemnation proceeds remaining after completion, or waiver, of the repair and replacement will be deposited in the Association's reserve funds.

ARTICLE 11

DISPUTE RESOLUTION

11.1 Introduction & Definitions. The Association, the Owners, Declarant, all persons subject to this Declaration, and any person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, the "Parties") agree to encourage the amicable resolution of disputes involving the Property and to

avoid the emotional and financial costs of litigation if at all possible . Accordingly, each Party hereby covenants and agrees that this Article applies to all claims as hereafter defined. As used in this Article only, the following words, when capitalized, have the following specified meanings:

11.1.1 "Claim" means any claim, grievance, or dispute between Parties involving the Property, except Exempt Claims as defined below, and including without limitation:

- (a) Claims arising out of or relating to the interpretation, application, or enforcement of the Documents.
- (b) Claims relating to the rights and/or duties of Declarant as Declarant under the Documents.
- (c) Claims relating to the design, construction, or maintenance of the Property.

11.1.2 "Claimant" means any Party having a Claim against any other Party.

11.1.3 "Exempt Claims" means the following claims or actions, which are exempt from this Article:

- (a) The Association's claim for assessments, and any action by the Association to collect assessments.
- (b) An action by a Party to obtain a temporary restraining order or equivalent emergency equitable relief, and such other ancillary relief as the court deems necessary to maintain the status quo and preserve the Party's ability to enforce the provisions of this Declaration.
- (c) Enforcement of the easements, architectural control, maintenance, and use restrictions of this Declaration.
- (d) A suit to which an applicable statute of limitations would expire within the notice period of this Article, unless a Party against whom the Claim is made agrees to toll the statute of limitations as to the Claim for the period reasonably necessary to comply with this Article .

11.1.4 "Respondent" means the Party against whom the Claimant has a Claim.

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

11.3 Notice. Claimant must notify Respondent in writing of the Claim (the "Notice"), stating plainly and concisely: (1) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (2) the basis of the Claim (i.e., the provision of the Documents or other authority out of which the Claim arises); (3) what Claimant wants Respondent to do or not do to resolve the Claim; and (4) that the Notice is given pursuant to this Section.

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

11.5 Mediation. If the parties negotiate but do not resolve the Claim through negotiation within 120 days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have 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 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, Claimant is deemed to have waived the Claim, and Respondent is released and discharged from any and all liability to Claimant on account of the Claim.

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

11.7 Allocation Of Costs. Except as otherwise provided in this Section, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, and Mediation sections above, including its attorney's fees. Respondent and Claimant will equally divide all expenses and fees charged by the mediator.

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

11.9 General Provisions. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim. A Party having an Exempt Claim may submit it to the procedures of this Article.

11.10 Litigation Approval & Settlement. In addition to and notwithstanding the above alternate dispute resolution procedures, the Association may not initiate any judicial or administrative proceeding without the prior approval of Owners of at least a majority of the Lots, except that no such approval is required (1) to enforce provisions of this Declaration, including collection of assessments; (2) to challenge condemnation proceedings; (3) to enforce a contract against a contractor, vendor, or supplier of goods or services to the Association; (4) to defend claims filed against the Association or to assert counterclaims in a proceedings instituted against the Association; or (5) to obtain a temporary restraining order or equivalent emergency equitable relief when circumstances do not provide sufficient time to obtain the prior consents of Owners in order to preserve the status quo. The Board, on behalf of the Association and without the consent of Owners, is hereby authorized to negotiate settlement of litigation, and may execute any document related thereto, such as settlement agreements and waiver or release of claims. This Section may not be amended without the approval of Owners of at least 75 percent of the Lots.

ARTICLE 12

GENERAL PROVISIONS

12.1 Compliance. The Owners hereby covenant and agree that the administration of the Association will be in accordance with the provisions of the Documents and applicable laws, regulations, and ordinances, as same may be amended from time to

12.2 Easements. Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat. Easements are also reserved for the installation, operation, maintenance, and ownership of utility service lines from the property lines to the residences. By acceptance of a deed to any lot, the owner thereof covenants and agrees to mow weeds and grass and to keep and maintain in a neat and clean condition any easement which may traverse a portion of the lot.

12.3 Recorded Plat. All dedications, limitations, restrictions and reservations shown on the Plat are incorporated herein and shall be construed as being adopted in each contract, deed or conveyance executed or to be executed by Declarant, conveying lots in the Property, whether specifically referred to therein or not.

12.4 Landscaping requirements and Lot Maintenance. Each home, prior to occupancy will be landscaped to the City of Valley View Landscape Requirements and PCC Texas Homeowners Association. For lots less than one acre in size, the front, side, and rear yard will be sodded with grass, and a tree (unless lot has an established tree in the front yard), 1 ornamental tree, and shrubs. For lots one acre or more in size, sod shall be in areas as follows: Side yards 12.5' from side of house, rear yard 20' from rear of house (if possible due to existing trees), front yard. Each owner is required to maintain the yards, including watering, weeding and shall edge the street curbs that run along the property line. Grass, weeds and vegetation on each lot must be kept mowed at regular intervals to maintain the property in a neat and attractive manner. No owner shall permit weeds or grass to grow to a height of greater than six (6") upon their property. No foundation planting, shrub or other vegetation near the house shall be allowed to grow above the bottom of any window. If, after ten (10) days' prior written notice, an owner of a lot shall fail to: (a) control weeds, grass and /or other unsightly growth, (b) remove trash, rubble, (c) exercise reasonable care and conduct to prevent or remedy an unclean, untidy or unsightly condition, or (d) otherwise satisfy the aforesaid maintenance requirements, enforcement shall and can be commenced.

12.5 Other Authorities. The Documents are subordinate to federal and state law, and local ordinances. Generally, the terms of the Documents are enforceable to the extent they do not violate or conflict with local, state, or federal law or ordinance. If other authorities, such as the City or County, impose more demanding, expensive, or restrictive requirements than those set forth herein, the requirements of such authorities shall be complied with. Other authorities' imposition of lesser requirements than those set forth herein shall not supersede or diminish the requirements herein.

12.6 Addresses. Any notices or correspondence to any owner of a lot shall be addressed to the street address of the lot or the address the United Postal Service uses for that lot.

12.7 Association's Access Easement. Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, grants to the Association an easement of access and entry over, across, under and through the Property, including without limitation all Common Areas and the Owner's Lot and all improvements thereon – including the house and yards for the below-described purposes:

12.7.1 Purposes. Subject to the limitations stated below, the Association may exercise this easement of access and entry for the following express purposes:

- (a) To inspect the Property for compliance with maintenance and architectural standards.
- (b) To perform maintenance that is permitted or required of the Association by the Documents or by Applicable Law.
- (c) To perform maintenance that is permitted or required of the Owner by the Documents or by Applicable Law, if the Owner fails or refuses to perform such maintenance.
- (d) To enforce architectural standards.

- (e) To enforce use restrictions.
- (f) To remove signs that violate the Association's sign restrictions.
- (g) The exercise of self-help remedies permitted by the Documents or by Applicable Law.
- (h) To enforce any other provision of the Documents.
- (i) To respond to emergencies.
- (j) To grant easements to utility providers as may be necessary to install, maintain and inspect utilities serving any portion of the Property.
- (k) To perform any and all functions or duties of the Association as permitted or required by the Documents or by Applicable Law.

12.8.2 No Trespass. In exercising this easement on an Owner's Lot, the Association is not liable to the Owner for trespass.

12.8.3 Limitations. If the exercise of this easement requires entry onto an Owner's Lot, including into an Owner's fenced yard, the entry will be during reasonable hours and after notice to the owner. This subsection does not apply to situations that – at time of entry – are deemed to be emergencies that may result in imminent damage to or loss of life or property.

12.9 Notice. All demands or other notices required to be sent to an Owner or resident by the terms of this Declaration may be sent by ordinary or certified mail, postage prepaid, to the party's last known address as it appears on the records of the Association at the time of mailing. If an Owner fails to give the Association an address for mailing notices, all notices may be sent to the Owner's Lot, and the Owner is deemed to have been given notice whether or not he actually receives it .

12.10 Liberal Construction. The terms and provision of each Document are to be liberally construed to give effect to the purposes and intent of the Document. All doubts regarding a provision, including restrictions on the use or alienability of property, will be resolved in favor of the operation of the Association and its enforcement of the Documents, regardless which party seeks enforcement.

12.11 Severability. Invalidation of any provision of this Declaration by judgment or court order does not affect any other provision, which remains in full force and effect. The effect of a general statement is not limited by the enumeration of specific matters similar to the general.

12.12 Captions. In all Documents, the captions of articles and sections are inserted only for convenience and are in no way to be construed as defining or modifying the text to which they refer. Boxed notices are inserted to alert the reader to certain provisions and are not to be construed as defining or modifying the text .

12.13 Interpretation. Whenever used in the Documents, unless the context provides otherwise, a reference to a gender includes all genders . Similarly, a reference to the singular includes the plural, the plural the singular, where the same would be appropriate .

12.14 Duration. Unless terminated or amended by Owners as permitted herein, the provisions of this Declaration run with and bind the Property, and will remain in effect perpetually to the extent permitted by law.

ARTICLE 13


LIABILITY CLAUSE

13.1 No Liability. Neither Declarant, the Association, Board of Directors, or Modifications Committee or the Members thereof shall be liable at law or in equity to anyone submitting plans or specifications to them for approval, or to any Owner of a Building lot affected by these restrictions by reason of any action by such body or person taken in good faith in any capacity or by reason of any provision of The Declaration, including (without implied limitation) the granting of a variance, or a mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications, including specifically, but without limitation, consequences of any defect in any plans or specifications. Every person who submits plans or specifications to the New Construction Committee or Modifications Committee for approval agrees, that submission of such plans and specifications, and every Owner agrees, that he will not bring action or suit of any kind against Declarant, the Association, the Board of Directors, the Modifications Committees, or any of the Members thereof, notwithstanding any term or provision hereof to the contrary.

EXECUTED this 24th day of January, 2023.

Address: 161 W. 3rd St., Suite 110
Prosper, TX 75078

McClintock Homes, LLC
A Texas limited liability corporation

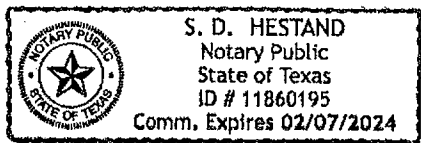
By: 
Lisa Dritschler, Authorized Agent

STATE OF TEXAS]

COUNTY OF Cooke]

BEFORE ME the undersigned authority, on this day personally appeared Lisa Dritschler, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 25 day of Jan., 2023.



S. D. Hestand
 Notary Public, State of Texas
 My Commission Expires: _____

After Filing Return To: McClintock Homes, LLC
 161 W. 3rd St. #110
 Prosper, TX 75078

APPENDIX A

DESCRIPTION OF SUBJECT LAND

PECAN CREEK CROSSING

The 18.992 acre tract described by metes and bounds in the Final Plat of Pecan Creek Crossing, an Addition to the City of Valley View, Texas as shown by Plat of record in Cabinet A, Slide 263, Plat Records, Cooke County, Texas

HOUSE LOTS

BLOCK A: LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12

BLOCK B: LOTS 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, AND 27

BLOCK C: LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10

COMMON AREAS

LOT 9X
LOT 11X

COMMON AREA (LANDCAPE AND FENCES)
AT ENTRANCES ON NORTH PECAN CREEK TRAIL

APPENDIX B

CONSTRUCTION SPECIFICATIONS

All improvements on a Lot must (1) comply with any applicable city ordinances and codes, (2) have a building permit issued by the city, if the type of improvement requires a permit, and (3) have the Architectural Reviewer's prior written approval. These 3 requirements are independent - one does not ensure or eliminate the need for another. The Lot Owner and/or Owner's contractor must comply with all 3 requirements. Without the Architectural Reviewer's prior written approval for a variance, improvements constructed on every Lot must have the following characteristics:

B.1 City Ordinance. The City of Valley View has a number of ordinances pertaining to what can be constructed on a Lot.

B.2 Lots. The size of each Lot must comply with the requirements of applicable ordinances.

B.2.1 Combining Lots. Any person owning two or more adjoining Lots may consolidate such Lots into a single building location for the purpose of constructing one (1) residential structure thereon (the plans and specifications therefore being approved as set forth in this Declaration) and such other improvements as are permitted herein; provided, however, any such consolidation must comply with the rules, ordinances and regulations of any governmental authority having jurisdiction over the Property. In the event of any such consolidation, the consolidated Lots shall be deemed to be a single Lot for purposes of applying the provisions of this Declaration; provided, however, such Owner shall continue to pay assessments on such Lots as if such Lots had not been consolidated and shall be entitled to one vote for each Lot (determined prior to such consolidation) owned by such Owner. Any such consolidation shall give consideration to easements as shown and provided for on the Plat and any required abandonment or relocation of any such easements shall require the prior written approval of Declarant as well as the prior written approval of any utility company having the right to the use of such easements. Combining of portions of Lots into a single building site is prohibited.

B.2.2 Setback Requirements and Building Location. All front, side and rear setbacks must be approved by the Architectural Reviewer and must meet the requirements of the City of Valley View and the requirements of the Plat. The location of the main residence on each Lot and the facing of the main elevation with respect to the street shall be subject to the written approval of the Architectural Reviewer. No building or structure of any type shall be erected on any Lot nearer to the property lines indicated by the minimum building setback line on the Plat.

B.3 Houses. The principal improvement on a Lot must be one detached single-family dwelling. The dwelling size, setbacks, and exterior materials must comply with the applicable ordinances and with any higher standards established by the Architectural Reviewer.

B.3.1 Minimum Floor Space. All floor areas referenced below are for air-conditioned floor areas, exclusive of porches, garages, or breezeways attached to the main dwelling. Each dwelling constructed on any Lot in the subdivision shall contain a minimum of one thousand five hundred fifty (1,550) square feet.

B.3.2 Height. No building or structure on any Lot shall contain more than two (2) stories or exceed, in height, the maximum height allowed by the City of Valley View, such height to be measured and determined in accordance with the method approved by the City of Valley View.

B.4 New Construction. The dwelling must be constructed on the Lot. A dwelling or addition constructed elsewhere may not be moved onto a Lot. Factory-built homes are not permitted, even though assembled or finished on the Lot. The construction of a dwelling must be started promptly after the Architectural Reviewer approves the dwelling's plans and specification . At the start of construction - but not before - building material to be used in the construction may be stored on the Lot. Once started, the dwelling and all improvements on the Lot must be completed with due diligence.

B.5 Masonry. For purposes of this Appendix, the following materials qualify as masonry: conventional brick and brick veneer, stone and stone veneer, glass block or brick, and lathed or sprayed stucco . The following materials do not qualify as masonry for purposes of this Appendix, subject to the right of the Architectural Reviewer to grant a variance on a case-by-case basis: pressed or poured concrete forms, and concrete block.

B.6 Exterior Wall Materials. The type, quality, and color of exterior wall materials must be approved by the Architectural Reviewer. Generally, at least Eighty Percent (80%) of the dwelling's total exterior area, minus windows and doors, must be masonry or masonry veneer, such as brick, stone, or stucco . Any siding used on the remainder of the dwelling's exterior walls must be (a) a cement fiber board product, such as HardiPlank or any other exterior material approved by the Architectural Reviewer.

B.7 Fences & Walls. This Section is subject to the Architectural Reviewer's right to adopt additional or different specifications for construction or reconstruction of fences . Generally, fences should be approximately 6 feet in height and should not exceed 6 feet . Fences must be made of wood, or other Architectural Reviewer-approved material. Any portion of a fence that faces a street or Common Area must have a "finished side" appearance.

B.7.1 Prohibited Materials. Barbed wire, vinyl fencing, and chain link fencing are prohibited . Barbed wire and chain link are not included within the meaning of "iron," "metal," or "steel" fence materials or components if those terms are used and permitted in the Documents.

B.7.2 Fence Stain. No wood fence may be stained to alter the fence color from a natural wood color. Without prior written approval of the Architectural Reviewer, clear sealants may be applied, including, by way of example, Olympic Oil Base Natural Tone Semi-Transparent Stain, Ready Seal OIS, Thompson's Clear Water Seal, Sherwin Williams' Clear Wood Finish, or their equivalents. The use or application of (1) paint or (2) any stain that cures in a solid color is prohibited.

B.8 Roofs. Roofs must be covered with material having a manufacturer's warranty of at least 30 years. The color of roofing material must be weatherwood or an equivalent earth tone color. The Architectural Reviewer may permit or require other weights, materials, and colors . The roof pitch of any structure shall be 5:12 ratio at a minimum. Any deviation of roof pitch must be approved in writing by the Architectural Reviewer. No projections of any type shall be placed or permitted to remain above the roof of any residential building with the exception of one or more chimneys and one or more vent stacks without the written permission of the Architectural Reviewer.

B.9 Garage & Driveway . Each dwelling must have an attached garage for at least two standard-size cars. The driveway must be surfaced with concrete.

B.10 Carports No carport may be installed, constructed, or maintained on the front of any Lot or dwelling, with or without approval of the Architectural Reviewer. No carport may be installed, constructed, or on any other portion of a Lot without the Architectural Reviewer's prior written consent. In other words, all carports require the written approval of the Architectural Reviewer, and carports on the front sides or front yards of dwellings are expressly prohibited and may not be authorized.

B.11 Landscaping. Landscaping must be installed on the front and side yards of the Lot within 90 days after an occupancy permit is issued for the dwelling.

B.12 Accessories. Installation of all exterior items and surfaces, including address numbers, decorative hardware, external ornamentation, lights fixtures, and exterior paint and stain, is subject to the Architectural Reviewer's prior approval, including approval of design, color, materials, and location.

B.13 Mailboxes. If curbside boxes are permitted by postal authorities, the Architectural Reviewer may require a uniform size and style of mailbox and pedestal.

B.14 Utilities. All utility lines and equipment must be located underground, except for: (1) elevated or surface lines or equipment required by a public utility or the city; (2) elevated or surface lines or equipment installed by Developer as part of the development plan; and (3) surface equipment necessary to maintain, operate, or read underground facilities, such as meters, risers, service pedestals, and transformers . The Architectural Reviewer may require that utility meters, risers, pedestals, and transformers be visually screened from the street and neighboring lots . Each Lot will use city water and sewage systems. Individual water supply and sewage disposal systems are not permitted . No privy, cesspool, or septic tank shall be placed or maintained upon or in any Lot. However, portable toilets will be required during building construction . The installation and use of any propane, butane, LP Gas or other gas tank, bottle or cylinder of any type (except portable gas grills), shall require the prior written approval of the Architectural Reviewer, and, if so approved, the Architectural Reviewer may require that such tank, bottle or cylinder be installed underground.

B.15 Air Conditioners. Air conditioning equipment may not be installed in the front yard of a dwelling . Window units are prohibited . The Architectural Reviewer may require that air-conditioning equipment and apparatus be visually screened from the street and neighboring lots .

B.16 No Subdivision. No Lot may be subdivided . One or more Lots may be replatted with the approval of all Owners of the Lots directly affected by the replatting, and subject to the approval of the city. The parties executing the replat will provide a copy of the recorded replat to the Association. Replatting of Lots may not alter the number of votes and assessments allocated to the Lots as originally platted . If replatting reduces the number of Lots by combining Lots, the joined Lot will have the votes and assessments allocated to the Lots as originally platted.

B.17 Debris. No Lot or other part of the Property may be used as a dumping ground. Waste materials incident to construction or repair of improvements on a Lot may be stored temporarily on the Lot during construction while work progresses and must be removed when construction or repair is complete.

B.18 Drainage. Neither the Declarant nor its successors or assigns shall be liable for any loss of, use of, or damage done to, any shrubbery, trees, flowers, improvements, fences, walks, sidewalks, driveways, or buildings of any type or the contents thereof on any Lot caused by any water levels, rising waters, or drainage waters. After the residence to be constructed on a Lot has been substantially completed, the Lot will be graded so that surface water will generally flow to streets, drainage easements, or Common Areas, and in conformity with the general drainage plans for the subdivision.

B.19 Sidewalks. Construction of a new single-family dwelling on any Lot shall include the placement of a concrete sidewalk across the entire frontage of such Lot. Such sidewalks shall be constructed in conformity with the existing ordinances, standards and codes promulgated by the City of Valley View.

Appendix C

DECLARING REPRESENTATIONS & RESERVATIONS

C.1 GENERAL PROVISIONS.

C.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 Appendix.

C.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 Appendix which Declarant hereby reserves exclusively unto itself and its successors and assigns. In case of conflict between this Appendix and any other Document, this Appendix controls. This Appendix may not be amended without the prior written consent of Declarant. The terms and provisions of this Appendix must be construed liberally to give effect to Declarant's intent to protect Declarant's interests in the Property.

C.1.3 Purpose of Development and Declarant Control Periods. This Appendix gives Declarant certain rights during the Development Period and the Declarant Control Period to ensure a complete and orderly buildout 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 90 days' notice.

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

- (a) "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 dwelling for resale or under contract to an Owner.
- (b) "Declarant Control Period" means that period of time during which Declarant controls the operation of the 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: (1) Ten years from date this Declaration is recorded; or (2) Six months after title to 90 percent of the Lots that may be created in the Property and on the Additional Land has been conveyed to Owners other than Builder.

C.1.5 Builders. Declarant, in its own name or through its affiliates, reserves the right to construct dwellings on the Lots in connection with the sale of the Lots.

C.2 Declaring Control Period Reservations. Declarant reserves the following powers, rights, and duties during the Declarant Control Period:

C.2.1 Officers & Directors. During the Declarant Control Period, the Board may consist of 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."

C.2.2 Weighted Votes. During the Declarant Control Period, the vote appurtenant to each Lot owned by Declarant is weighted 10 times that of the vote appurtenant to a Lot owned by another Owner. In other words, during the Declarant Control Period, Declarant may cast the equivalent of 10 votes for each Lot owned by Declarant on any issue before the Association. On termination of the Declarant Control Period and thereafter, the vote appurtenant to Declarant's Lots is weighted uniformly with all other votes.

C.2.3 Budget Funding. During the Declarant Control Period only, Declarant is responsible for the difference between the Association's operating expenses and the regular assessments received from Owners other than Declarant and will provide any additional funds necessary to pay actual cash outlays of the Association. Any cash outlay contributed by the Declarant may be classified as a short-term liability of the Association to be paid back in full when funds are available. On termination of the Declarant Control Period, Declarant will cease being responsible for the difference between the Association's operating expenses and the assessments received from Owners other than Declarant.

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

C.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. Absent such an exemption, any Builder who owns a Lot is liable for all assessments and other fees charged by the Association in the same manner as any Owner.

C.2.6 Builder Assessments. During the Declarant Control Period only, Declarant has the right but not the duty to reduce or waive the assessment obligation of a Builder, provided the agreement is in writing.

C.2.7 Builder Transfer Fees. During the Declarant Control Period only, Declarant has the right but not the duty 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.

C.2.8 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.

C.2.9 Budget Control. During the Declarant Control Period, (a) the right of Owners to veto assessment increases or special assessments is not effective and may not be exercised; and (b) the right of Owners to assessments, special assessments or borrowing by the Association is not effective and shall not be required .

C.2.10 Organizational Meeting. Within 60 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, directors to the Board. Written notice of the organizational meeting must be given to an Owner of each Lot at least 10 days before the meeting . For the organizational meeting, Owners of 10 percent of the Lots constitute a quorum. The directors elected at the organizational meeting will serve until the next annual meeting of the Association or a special meeting of the Association called for the purpose of electing directors, at which time the staggering of terms will begin.

C.3 Development Period Reservations. Declarant reserves the following easements and rights, exercisable at Declarant's sole discretion, at any time during the Development Period:

C.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. Without Declarant's prior written approval, a Builder may not use a sales office or model in the Property to market houses, Lots, or other products located outside the Property or the Additional Land.

C.3.2 Architectural Control. During the Development Period, Declarant has the absolute right to serve as the Architectural Reviewer. Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights under Article 5 and this Appendix to (1) an architectural control committee appointed by the Board, or (2) a committee comprised of architects, engineers, or other persons who may or may not be members of the Association. Any such delegation must be in writing and must specify the scope of delegated responsibilities. 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. Neither 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 new homes and related improvements on vacant Lots.

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

- (a) To add real property to the Property;
- (b) To withdraw real property from the Property;
- (c) To create Lots, easements, and Common Areas within the Property;
- (d) To subdivide, combine, or reconfigure lots;
- (e) To convert Lots into Common Areas;
- (f) To modify the construction and use restrictions of this Declaration;
- (g) To modify the construction specifications of Appendix B of this Declaration;
- (h) To merge the Association with another property owners association.;
- (i) To comply with requirements of an underwriting lender;
- (j) To resolve conflicts, clarify ambiguities, and to correct misstatements, errors, or omissions in the Documents;
- (k) To enable any reputable title insurance company to issue title insurance coverage on the lots;
- (l) To enable an institutional or governmental lender to make or purchase mortgage loans on the Lots;
- (m) To change the name or entity of Declarant;
- (n) To change the name of the addition in which the Property is located;
- (o) To change the name of the Association;

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

C.3.5 Completion. During the Development Period, Declarant has (1) the right to sell or lease any Lot owned by Declarant; and (2) an easement and right to erect, construct, and maintain on and in the Common Area 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.

C.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.

C.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 houses, 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, tours, and brokers 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.

C.3.8 Offices. During the Development Period, Declarant reserves for itself the right to use dwellings 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 dwellings used by Declarant as models, storage areas, and offices, as may be necessary to adapt them to the uses permitted herein.

C.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 Additional Land, and for discharging Declarant's obligations under this Declaration. Declarant also has the right to provide a reasonable means of access for the homebuying public through any existing or future gate that restricts vehicular access to the Property or to the Additional Land in connection with the active marketing of Lots and homes 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.

C.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 Area of the Property or not owned by Declarant, Declarant must have the prior written consent of the land owner.

C.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.

C.4 Common Areas. Developer will convey title to the Common Areas to the Association by one or more deeds - with or without warranty. At the time of conveyance to the Association, the Common Areas will be free of encumbrance except for the property taxes accruing for the year of conveyance. Developer'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 Areas requiring inspection, evaluation, acceptance, or approval of Common Area improvements by the Owners.

C.5 Successor Declaring. Declarant may designate one or more Successor Declarants 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 Denton 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.

**** Electronically Filed Document ****

**Cooke County, Texas
Hon. Pam Harrison
County Clerk**

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

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

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Cooke County as stamped hereon by me.

**Hon. Pam Harrison
County Clerk, Cooke County, Texas**