DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

FOR
PARK PLACE
PHASE III

AN ADDITION TO THE CITY OF FORT WORTH
TARRANT COUNTY, TEXAS

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
PARK PLACE
PHASE III

STATE OF TEXAS
COUNTY OF TARRANT

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, PULTE HOME CORPORATION OF TEXAS, a Michigan corporation and U.S. HOME CORPORATION ("Declarants"), are the current owners of all of the land located in Park Place, Phase III (the "Addition"), an addition to the City of Fort Worth, Tarrant County, Texas, according to the lot description attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, for the purpose of promoting the development of the Addition in a first-class manner, Declarants desire to place certain restrictions on the property comprising the Addition as more fully set forth herein.

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarants hereby declare as follows:

ARTICLE I

DEFINITIONS

The following words and phrases when used in this Declaration (unless the context shall otherwise prohibit) shall have the following meanings:

(a) **Addition** - as defined in the recitals hereof.

(b) **Approved Materials** - as defined in Section 4.6 hereof.

(c) **Association** - the homeowners' association, if any, established in connection with the Addition in the manner set forth in Section 2.3 hereof, which homeowners' association (if formed) shall be a Texas non-profit corporation. If such Association is formed, Developer shall file in Real Property Records of Tarrant County, Texas, an appropriate notice entitled "Supplementary Declaration of Covenants, Conditions and Restrictions" (the "Supplementary Declaration"). Upon such filing, the provisions of this Declaration concerning the Association shall become effective. If no such Supplementary Declaration is filed within five (5) years after the date hereof, the provisions hereof regarding the Association shall hereof no further force and effect.

(d) **Board** - the board of directors of the Association (if formed), as set forth in Section 8.3 hereof.

(e) **Builders** - as defined in subparagraph (1) below.

(f) **Common Area** - as defined in Section 9.3 hereof.

(g) **City** - the City of Fort Worth, Texas.

(h) **Committee** - the Architectural Control Committee, as provided in Section 5.1 hereof.

(i) **County** - Tarrant County, Texas.

(j) **Declarants** - Pulte Home Corporation of Texas, a Michigan corporation and U. S. Home Corporation, and any successors thereto as provided in Section 2.2 hereof.

(k) **Declaration** - this Declaration of Covenants, Conditions and Restrictions, as amended from time to time as expressly provided herein.

(l) **Developers** - Pulte Home Corporation of Texas, a Michigan corporation and U. S. Home Corporation, and any successors thereto as provided in Section 2.2 hereof, who undertake the development of the Addition into lots, but specifically excluding those persons or entities (the "Builders") whose activities are limited to the construction of residences on developed lots or the purchase and resale of previously developed lots.

(m) **FHA** - the Federal Housing Administration, or any successor agency or authority thereto.

(n) **Lot(s)** - one or more numbered lots or plots as shown on the Plat not including any Common Area, public areas, parks, esplanades, tracts owned or subsequently acquired by any public body or any plot or tract shown as a reserve lot (whether unrestricted or not) on the Plat.

(o) **Lot Approval Date** - with respect to a particular lot, the date whichever is later, that:

(i) this Declaration is filed of record,

(ii) the lot has received final plat approval, is fully developed and approved by all applicable governmental authorities and is available for issuance of building permits,

(iii) the Association is formed (this subparagraph is a condition only if the Association is formed within thirty (30) days of the date this Declaration is recorded), or

(iv) the Common Area is conveyed to the Association (this subparagraph is a condition only if the Association is formed within thirty (30) days of the date this Declaration is recorded).

(p) **Maintenance fund** - as described in Section 9.2 hereof.

(q) **Owner** - the record owner, whether one or more persons or entities (including contract sellers, of fee simple title to a lot, but specifically excluding those having an interest merely as security for the performance of an obligation.

(r) **Plat** - the plat(s) to be recorded in Tarrant County, Texas, as replatted and amended from time to time, upon development of the property contained in the Addition.

(s) **Residence** - a freestanding single family residential dwelling constructed on a lot, as defined in Section 3.1 hereof.

(t) **Restricted Area** - the portion of the lots subject to any specified use as provided in Section 6.1 hereof.

(u) **VA** - the Veterans Administration, or any successor agency or authority thereto.

ARTICLE II

DECLARATION, DECLARANTS, DEVELOPERS AND ASSOCIATION

Section 2.1 Declaration

(a) Declarants hereby declare that all of the land in the Addition shall be held, sold and conveyed subject to the easements, covenants, conditions and restrictions contained in this Declaration, which easements, covenants, conditions and restrictions:

(i) are for the purpose of establishing a general scheme for the development of, and construction of residences on, the land and lots in the Addition;

(ii) are for the purpose of enhancing and protecting the value, attractiveness, appeal and desirability of all land within the Addition;

(iii) shall run with all land within the Addition and be binding on all parties having or acquiring any right, title or interest in the subject property or any part thereof; and

(iv) shall inure to the benefit of each owner thereof.

The easements, covenants, conditions and restrictions contained in this Declaration are made for the mutual and reciprocal benefit of each and every owner of any portion of the land within the Addition and are intended to create:

(i) mutual and equitable servitudes upon each portion of land (including each of the lots, tracts and Common Areas) in favor of each and all other portions and tracts of land within the Addition;

(ii) reciprocal rights between the respective owners of any portion of the land; and

(iii) privity of contract and estate between the grantees of each portion of the land, their heirs, legal representatives, successors and assigns.

(b) The lot owners may amend this Declaration in any respect and in whole or in part at any time by recording an instrument containing such amendment(s) in the deed records of the County after such amendments have been approved by a least ninety percent (90%) of all votes of each class of voting membership (if the Association is created) or all lot owners, whichever applies: provided, however, until the earlier of:

(i) the construction of residences on all lots within the Addition; or

(ii) ten (10) years following the recording of this Declaration, no such amendment shall be valid or effective without the joinder of Developers and the Committee (if formed) unless such party waives its right to consent to such amendment, provided, further, that as long as the Association has Class B members, any amendment which affects or alters any provisions hereof directly governed or regulated by the FHA or VA shall be subject to the approval of the Department of Housing and Urban Development ("HUD") unless such amendments merely correct errors in this Declaration or are required to comply with any requirements imposed by HUD, FHA or VA.

Section 2.2 Declarants and Developers

(a) The initial Declarants of this Declaration is Pulte Home Corporation of Texas and U. S. Home Corporation. After this Declaration is created and filed of record, the Declarants shall have no further rights, duties or obligations hereunder, and all of their rights shall immediately pass to and vest in the Developers hereunder.

(b) The initial Developers of the Addition shall be Pulte. Such initial Developers shall have the joint right, but not the obligation, in the event of the transfer of all or any portion of the Addition to another development, person or entity, to convey all or a portion of the rights and obligations of Developers to such transferee, whereupon such transferee shall become "Developer" with respect to (but only with respect to) the portion of the Addition so conveyed for all purposes hereunder. Developers shall not in any way or manner be held liable or responsible for any damages occasioned by violations of restrictions set forth in this Declaration by any person or entity other than itself. If Developers convey a portion (but not all) of the rights and obligations of Developers hereunder to one (1) or more transferees, then:

(i) the rights of Developers hereunder shall be exercised by the initial Developers except to the extent specified in the conveyance document; and

(ii) obligations of Developers hereunder shall be performed by or enforced against the party to whom such obligations have been conveyed by the initial Developers hereunder.

Section 2.3 Association

(a) Commencing on the date hereof and continuing for a period of five (5) years thereafter, the Developers shall have the right, but not the obligation, to create the Association as a Texas non-profit corporation; provided however, the Association may be created by the lot owners in the Addition if more than seventy-five percent (75%) of all lots in the Addition have been sold and the owners of all lots in the Addition assent by at least seventy-five percent (75%) of all votes of such lot owners to create the Association within such five (5) year period of time.

(b) The Declarants and Developers shall have no responsibility or liability for:

(i) the creation, formation, management or operation of the Association;

(ii) any actions taken or omitted to be taken by or on behalf of the Association as a result of, in connection with, under or pursuant to this Declaration or the Addition; or

(iii) any liabilities, obligations, debts, actions, causes of action, claims, debts, suits or damages incurred by or on behalf of or arising in connection with the Association, the Addition or the duties and obligations of the Association pursuant to this Declaration.

ARTICLE III

RESTRICTIONS ON USE OF LOTS

Section 3.1 Residential Use

All lots shall be used only for single-family private residential purposes and related amenities (including, without limitation, the Common Area). No building or structure shall be erected, altered, placed or permitted to remain on any lot other than one (1) freestanding single-family residence ("residence") per lot (which residence may not exceed two (2) stories in height), one (1) in-the-ground pool, one (1) private garage and appurtenant sidewalks, driveways, curbs, fences and storage or mechanical buildings not otherwise prohibited hereby.

Section 3.2 Single-Family Use

Each residence may be occupied by only one (1) family consisting of persons related by blood, adoption or marriage or no more than two (2) unrelated persons living and cooking together or in the same residence as a single housekeeping unit; provided, however, that nothing contained herein shall prevent occasional temporary occupancy by guests of the family or occupancy by full-time domestic servants or medical assistants employed by the family. No building or structure intended for or adapted to commercial, business or professional purposes, nor any apartment house, duplex, double house, lodging house, rooming house, dormitory, church, school, hospital, sanatorium, guest house, servant's quarters or multiple-family dwelling shall be erected, placed, permitted or maintained on any lot.

Section 3.3 Restrictions on Resubdivision

Except for any replatting undertaken by Developers, none of the lots shall be divided into smaller lots.

Section 3.4 Uses Specifically Prohibited

(a) No machinery, boat, marine craft, boat or motorcycle trailer, hovercraft, aircraft, recreational vehicle, pick-up camper, travel trailer, motor home, camper body or similar vehicle or equipment (collectively, "Vehicle or Equipment") maybe be:

(i) parked for storage in the front driveway or front yard of any lot or residence which has a

rear or side entry garage;

(ii) parked for storage in the front driveway or front yard of any lot or residence which has a front entry garage if such Vehicle or Equipment exceeds twenty (20) feet in length;

(iii) parked on any public street in the Addition;

(iv) parked for storage in the side or rear yard of any lot or residence unless substantially concealed from public view; or

(v) parked for storage anywhere on the lot unless such Vehicle or Equipment is fully operational and has all current licenses and permits necessary or appropriate for use on public thoroughfares or waterways.

No such Vehicle or Equipment shall be, used as a residence or office temporarily or permanently, provided that this restriction shall not apply to any Vehicle or Equipment temporarily parked and in use for the construction, maintenance or repair of a residence in its immediate vicinity.

(b) Trucks with tonnage in excess of one (1) ton and any vehicle with painted or affixed advertisement shall not be permitted to park overnight within the Addition except those used by Developers or a Builder during and directly related to the construction or improvements on a lot.

(c) No vehicle of any size which transports dangerous, flammable, hazardous, corrosive or explosive cargo may pass through or be kept in the Addition at any time.

(d) Except to the extent expressly permitted hereby, no vehicles or similar equipment shall be parked or stored in any area visible from any street except passenger automobiles, passenger vans, motorcycles, pick-up trucks (with tonnage not in excess of one (1) ton) and pick-up trucks with attached bed campers (with tonnage not in excess of one (1) ton) that are in operating condition with current license plates and inspection stickers and in daily use as motor vehicles on the streets and highways of the State of Texas.

(e) No manufacturing, industrial, oil or gas drilling, oil or gas development, smelting, refining, quarrying or mining operations of any kind shall be permitted in the Addition, nor shall oil or gas wells, tanks, tunnels, pipelines (other than natural gas lines installed and maintained by a utility company generally serving the public and the residences in the Addition), mineral excavations or shafts be permitted upon or in any part of the Addition. No derrick or other structure, equipment or machinery designed for use in quarrying or boring for oil, natural gas or other minerals shall be erected, maintained or permitted within the Addition.

(f) No animals of any kind shall be raised, bred or kept on any property in the Addition except that dogs, cats or other household pets may be kept for the purpose of providing companionship for the residents of any residence constructed on a lot. Animals are not to be raised, bred or kept for commercial purposes or for fur, clothing or food. Without limiting the foregoing, it is the general purpose of these provisions to restrict the use of the Addition so that no person shall permanently or temporarily quarter in the Addition live cows, horses, bees, hogs, sheep, goats, guinea fowls, ducks, chickens, turkeys, skunks, snakes or any other reptiles, mammals or animals (domesticated, household or otherwise) that may interfere with or threaten the quietude, health or safety of the community. No more than

four (4) domesticated household pets will be permitted on each lot. Pets must be restrained or confined on the owner's back lot inside a fenced area or within the residence. All lots shall be kept clean and free of pet waste and debris. All animals shall be properly tagged for identification and shall be properly vaccinated, bathed and otherwise kept clean to avoid health or safety risks and concerns.

(g) No portion of the Addition shall be used as a dumping ground for rubbish or a site for the accumulation of unsightly materials of any kind including, without limitation, broken or rusted equipment, disassembled, incomplete or inoperable cars or Vehicles or Equipment and discarded appliances and furniture. Trash, garbage or other waste shall not be kept on any lot or anywhere in the Addition except completely within well-maintained sanitary containers and only in reasonable quantities and until the next regularly scheduled pick-up or removal of such items, or five (5) days, whichever occurs first. All equipment and containers for the storage or other disposal of such material shall be kept in a clean and sanitary condition. No incinerators may be erected or maintained in the Addition. Materials incident to construction of improvements may be stored on lots during construction so long as construction progresses on such lots without delay.

(h) No garage or other out-building (except for sales offices and construction trailers owned and used by the Developers or Builder on a lot during the construction period) shall be occupied by any owner, tenant or other person on a lot prior to the erection and completion of a residence on such lot.

(i) No lot, residence or improvement shall be used for business, professional, commercial or manufacturing purposes of any kind. No activity, whether for profit or not, shall be conducted in the Addition which is not related to single-family residential purposes. or the development, marketing, construction or sale of the land, lots or residences thereon. No noxious or offensive activity shall be undertaken within the Addition, nor shall anything be done which is or may become an annoyance or nuisance to the Addition or its residents. Nothing in this Section 3.4(i) shall prohibit a Builder's temporary use of a residence as a sales office until such Builder's last residence in the Addition is sold. Nothing in this Section 3.4(i) shall prohibit an owner's use of a residence for quiet, inoffensive activities such as tutoring or giving art or music lessons so long as such activities do not materially increase the number of cars parked on the street or interfere with adjoining owners, use and enjoyment of their residences and yards.

(j) The drying of clothes in public view is prohibited. The owners and occupants of any lots at the intersections of streets or adjacent to parks, playgrounds or other facilities where the rear yard is visible to public view shall construct a suitable enclosure to screen from public view equipment which is incident to normal residences, such as clothes drying equipment, yard equipment, lawn furniture, pool filtration or composting equipment and stored materials.

(k) Except within fireplaces in the main residential dwelling and except for outdoor cooking in safe and sanitary residential barbecue grills, no burning of anything shall be permitted anywhere within the Addition.

(l) No use shall be conducted in the Addition which could be violate of any the deed restrictions, other encumbrances of record, zoning or planned use designation, or development or building restrictions or regulations imposed by the City or County, all as such may be applicable to the Addition from time to time nor any use which shall conflict

with FHA or VA regulations (if applicable) or any regulation or ordinance of any other applicable governmental entity or agency.

ARTICLE IV

CONSTRUCTION OF IMPROVEMENTS

Section 4. 1 General Standards

All construction in the Addition shall be in accordance with the standards developed pursuant to Section 5.5 hereof, unless otherwise approved by the Developers as provided in Article V hereof.

Section 4.2 Garage Required

Each residence shall have a private garage suitable for parking not less than two (2), nor more than four (4), standard size automobiles and, unless otherwise permitted by the Developers, each garage shall be attached to such residence, open to the front, side or rear of the lot and conform in appearance, design and materials to the main residence. No garage shall be enclosed or otherwise altered to prevent the parking of at least two (2) conventional automobiles completely within such garage unless an additional garage is constructed which meets the standards of this Article IV, is in compliance with existing city ordinances and is approved by the Developers. Enclosure of garages by Developers or a Builder for temporary marketing, sales, construction or office purposes is permitted hereby, provided such enclosures and offices are architecturally compatible with the residence and this Declaration. If any garage is so enclosed by Developers or a Builder, such garage shall be converted to use solely for the parking of automobiles prior to the sale of such residence to the occupying owner.

Section 4.3 Driveways

All driveways shall be surfaced with concrete.

Section 4.4 Construction Specifically Regulated

(a) No temporary dwelling, shop, trailer or mobile home of any kind nor any improvement of a temporary character (except children's playhouses, dog houses, greenhouses, gazebos, lawn furniture and buildings as approved by Developers for storage of lawn or pool maintenance equipment, which may be placed on a lot only in areas not visible from any street adjacent to the lot) shall be permitted on any lot except that either of the Developers and any Builders may have temporary dwellings, trailers or improvements (such as a sales office and/or construction trailer) on a given lot during construction of the residence on or in the immediate vicinity of such lot. No building material of any kind or character shall be placed or stored upon the lot until the owner thereof is ready to commence construction of improvements thereon, and then such material shall be placed only within the property lines of the lot upon which the improvements are to be erected.

(b) No structure of a temporary character, such as a trailer, tent, shack, barn or other out-building, shall be used on any property at any time as a dwelling house; provided, however, that either of the Developers or any Builder may maintain and occupy model

houses, sales offices and construction trailers during the period of any original construction of a residence.

(c) No individual water supply system shall be permitted in the Addition.

(d) No individual sewage disposal system shall be permitted in the Addition.

(e) No air-conditioning apparatus shall be installed on the ground in front of a residence or on the roof of any residence (unless screened by the roof structure in a manner approved by the Developers or Committee, if formed). No air-conditioning apparatus nor evaporative cooler shall be attached to any front wall or window of a residence.

(f) No antennas, dishes or other equipment for receiving or sending audio or video messages or transmissions shall be permitted in the Addition except antennas for private AM and FM radio reception and UHF and VHF television reception. All antennas shall be located inside the attic of the residence.

(g) No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadway shall be placed or permitted to remain on any corner lot within the triangular area formed by the street right-of-way lines and a line connecting them at points ten (10) feet from the intersection of the street right-of-way lines, or, in the case of a rounded property corner, from the intersection of the street right-of-way lines as extended. The same sight-line limitations shall apply on any lot within ten (10) feet from the intersection of a street right-of-way line with the edge of a private driveway or alley pavement. No tree shall be permitted to remain within such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight line.

(h) Except for children's playhouses, dog houses, greenhouses, gazebos and buildings (as approved by the Developers) for storage of lawn and pool maintenance equipment, no building previously constructed elsewhere shall be moved onto any lot, it being intended that only new construction be placed and erected thereon.

(i) Within platted easements on each lot, no permanent structures, paving (other than driveways, sidewalks and flatwork installed in compliance with all applicable codes and laws and the remaining provisions of this Section 4.4 (i)), planting or materials shall be placed or permitted to remain which may damage or materially interfere with the installation, operation and maintenance of utilities, change the direction of flow within drainage channels or obstruct or retard the flow of water through drainage channels and/or easements.

(j) After Developers have developed the lots, the general grading, slope and drainage plan of a lot may not be altered, nor may any dams, berms, channels or swales be constructed, without the prior approval of Developers, the City and other appropriate agencies having authority to grant such approval.

(k) No sign of any kind shall be displayed to the public view on any lot except one (1) professional sign of not more than one (1) square foot, and one (1) sign of not more than five (5) square feet, advertising the property for rent or sale, or signs used by Developers or any Builder to advertise the Property during the development, construction and sales period. Any such signs may not describe the condition of the residence or lot and, if

applicable, must conform to the requirements of Section 4.12 hereof. Declarants, Developers, Association (if formed) or their respective agents shall have the right to remove all signs, billboards or other advertising structures including, without limitation, political or private sale (such as "garage" sale) signs, that do not comply with this Section 4.4(k), and in so doing shall not be subjected to any liability for trespass or any other liability in connection with such removal.

(l) All containers and other facilities for trash disposal must be located and screened in a manner approved by the Developers.

(m) All exterior mechanical equipment, including, without limitation, heating, air conditioning and ventilation ("HVAC") equipment, shall be located and screened in a manner approved by the Developers.

(n) All construction shall comply at all times with this Declaration and all other applicable deed restrictions, encumbrances of record, zoning ordinances and requirements, planned use and development restrictions, building codes, FHA and VA requirements and regulations and all other applicable ordinances and regulations.

(o) All roof surfaces shall have at least a 5/12 pitch on the main structure of the house and a 4/12 pitch on the garage unless approved by the Developer.

Section 4.5 Minimum Floor Area

The total air-conditioned habitable living area of the main residential structure on each lot, as measured to the outside of exterior walls, but exclusive of porches, garages, patios and detached accessory buildings, shall be not less than one thousand (1000) square feet or the minimum habitable floor area as specified by the City, whichever is greater.

Section 4.6 Approved Materials

(a) The total exterior wall area (including the first and second floor) of the front of each building constructed or placed on a lot shall be one hundred percent (100%), and the total exterior wall area of the first floor of each building constructed or placed on a lot shall be not less than fifty percent (50%) (or such higher percentage as may be required by the City), brick, brick veneer, stone, stone veneer, masonry or other materials approved by the Developers. Windows, doors, chimney chases, openings and gables and other areas which are not permitted to have brick by applicable City code and/or building are excluded from the calculation of the total exterior wall area.

(b) The exterior surfaces of the chimney chases shall be fully enclosed by materials approved by the Developers.

(c) Roofing materials may be wood shingle, slate, metal, tile or composition or asphalt roofing material, which composition or asphalt roofing material is restricted to material weighing a minimum of one hundred ninety (190) pounds per one hundred (100) square feet of area, unless otherwise approved by the Developers; provided, however, all such roofing materials shall conform to applicable City, FHA and VA requirements.

Section 4.7 Side, Front and Rear Setback Restrictions

No dwelling shall be located on any lot nearer to the front or rear lot line or nearer to the side lot line than the minimum setback lines required by the City. In any event, no building shall be located on any lot nearer than twenty (20) feet to, nor further than forty (40) feet from, the front lot line, nor nearer than five (5) feet to any interior side lot line, nor on, corner lots nearer than ten (10) feet to the side property line adjoining the street unless approved by Developers and all applicable governmental agencies and authorities. For all purposes of this Section 4.7, eaves, steps and open porches shall not be considered as a part of the building; provided however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot or to vary from any applicable City requirements.

Section 4.8 Waiver of Front Setback Requirements

With the prior written approval of the Developers and the City (if required), any building may be located further back from the front property line of a lot than provided in Section 4.7 where, in the opinion of the Developers, the proposed location of the building will add to the appearance and value of the lot and will not substantially detract from the appearance of the adjoining lots.

Section 4.9 Fences and Walls

The location and type of any fence or wall must be approved by the Developers and must be constructed of masonry, brick, wood or other material approved by the Developers and must comply with all applicable governmental requirements and ordinances. No fence or wall shall be permitted to extend nearer to the front street than forty-five (45) feet from the front street except as approved by the Developers. No portion of any fence shall be less than six (6) feet nor more than eight (8) feet in height as measured from the lowest point of the lot except as approved by the Developers. No structural supports of any fence shall be visible from any public right-of-way.

Section 4.10 Sidewalks

All sidewalks shall conform to the City, FHA and VA specifications and regulations.

Section 4.11 Mailboxes

Mailboxes shall be constructed of a material and design approved by the Developers and the United States Postal Service.

Section 4.12 Signs Advertising the Addition or Lots

All signs advertising the entire Property or any substantial part thereof shall be approved by the Developers. All signs shall be maintained in good condition and repair, with a neat and orderly appearance, and shall comply with the applicable ordinances of the City. All signs advertising the Addition shall be removed after all buildings to be initially constructed on the lots have been sold. Developers or the Association may remove from the Addition or any surrounding area any signs which do not comply with this Section 4.12.

Section 4.13 Landscaping/Fencing Plans

Any person or entity (other than the Developers) planning to landscape or fence areas in the Addition (other than individual lots) shall prepare and submit to the Developers for approval, pursuant to the procedures set forth in Article V, a landscaping/fencing plan for the Addition prior

to undertaking any landscaping or fencing in the Addition. Such plan shall be compatible with the existing landscaping or fencing improvements and treatments, if any.

Section 4.14 Destruction

Any improvements on any lot which are fully or partially destroyed or damaged by fire, storm or any other peril shall be fully rebuilt and repaired and/or the debris therefrom fully removed, within a reasonable period of time not to exceed one hundred eighty (180) days after the occurrence of such destruction or damage, unless a written extension is obtained by the owner of such lot from Developers.

Section 4.15 Developers Approval

(a) Prior to the formation of the Committee (if ever) all consents and approvals reserved to the Developers shall be made solely by the Developers.

(b) All consents and approvals reserved to the Developers shall be provided by the Committee if formed and only after the Developers have relinquished their duties hereunder or sold or otherwise disposed of all its interest in their lots.

ARTICLE V

ARCHITECTURAL CONTROL

Section 5.1 Appointment

The Architectural Control Committee ("Committee") consisting of three (3) members may, but shall not be obligated to, be formed only by the Developers during the period of time that Developers own any interest in any lot, and thereafter (a) by the members of the Association (if formed), or (b) by the majority of the lots owners. If the Committee is formed by the Developers, then:

(i) Developers shall initially designate and appoint the members to the Committee, each appointee to be generally familiar with the residential and community development design matters within other additions with which Developers have been associated and knowledgeable about those concerns articulated in this Declaration; and

(ii) within ninety (90) days after the date the Developers have sold all of their interests in all of their lots, the Board (in the event the Supplementary Declaration is filed) or the lot owners (if no such Supplementary Declaration is filed) shall (a) confirm and approve the membership of the Committee, or (b) subject to the provision following this subparagraph 5.2, appoint one (1) or more successor members of its own choosing to the Committee, with such succession to be effective thirty (30) days after such appointment of such successor(s); provided however, notwithstanding anything contained in the preceding subparagraph (b) or elsewhere in this Declaration to the contrary, as long as the Developers own any lot(s) in the Addition, the Developers shall be entitled to appoint all members of the Committee.

Section 5.2 Term; Successors; Compensation; Liability

In the event of the death, resignation or removal by the appointing party of any member of the Committee, such appointing party shall have full authority to designate and appoint a successor within a reasonable period of time. If no such appointment is made on a timely basis, the remaining member(s) of the Committee shall appoint a successor member. No member of the Committee shall be entitled to compensation for, or be liable for claims, causes of action or damages arising out of, services performed pursuant to this Declaration.

Section 5.3 Authority

(a) The Addition shall not be replatted or resubdivided, no landscaping shall be undertaken and no building, fence, wall or other structure shall be commenced, erected, placed, maintained or altered on any lot, nor shall any exterior painting of, exterior addition to, or alteration of, such items be made by any party other than Developers, and if a Committee has been formed and is in existence as of such date then until all plans therefore have been submitted to and approved in writing by a majority of the members of the Committee, as to:

(i) conformity and harmony of the proposed replat and any landscape plan to the existing development in the Addition, surrounding areas, community standards and other developments with which Developers are associated;

(ii) quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design and proper facing of main elevation with respect to nearby streets;

(iii) conformity and harmony of the external design, color, type and appearance of exterior surfaces and landscaping in relation to the various parts of the proposed improvements and in relation to improvements on other lots in the Addition; and

(iv) the other standards set forth within this Declaration or matters in which Developers or the Committee, whichever applies, have been vested with the authority to render a final interpretation and decision.

Without limiting the foregoing, Developers or the Committee, whichever applies, is authorized and empowered to consider and review any and all aspects of platting, construction and landscaping which may, in the reasonable opinion of such party, adversely affect the living enjoyment of one or more lot owners or the general value of lots in the Addition. In considering the harmony of external design between existing structures and a proposed building being erected, placed or altered, the Developers or the Committee, whichever applies, shall consider only the general appearance of the proposed building as that can be determined from front, rear and side elevations on submitted plans.

(b) Developers, or the Committee acting pursuant to a majority vote of their members, whichever applies, shall have the right, power and authority to enforce the covenants, conditions, restrictions and all other terms contained in this Declaration relating to the matters within its purview as set forth herein.

Section 5.4 Procedure for Approval

(a) Each of the following documents (and all modifications thereof) must be submitted to the Developers or the Committee, whichever applies, and4 such party's approval must be obtained, prior to the document's submission to the City or implementation:

(i) preliminary replat;

(ii) final replat;

(iii) engineering plans and specifications;

(iv) landscaping, fencing and general development plans; and

(v) plans for each residence, showing the nature, kind, shape, height, materials and location of all landscaping and improvements, and specifying any requested variance from the setback lines, garage location or other requirements set forth in this Declaration, and, if requested by such party, samples of proposed construction materials.

(b) All documents must be submitted in duplicate and must be sent to such party by hand delivery or certified mail. At such time as the submitted documents meet the approval of such party, one complete set of the submitted documents will be retained by such party and the other complete set shall be marked "Approved", signed by such party and returned to Builder or its respective designated representative. If disapproved by the Committee, one set of documents shall be returned marked "Disapproved" and shall be accompanied by a statement of the reasons for disapproval, which statement shall be signed by such party. Such party's approval or disapproval shall be in writing. In no event shall such party give oral approval of any documents. Notwithstanding the foregoing, if such party fails to respond to any submitted documents within ninety (90) days after the date of submission, the matters submitted shall be deemed to be approved.

Section 5.5 Standards

Developers or the Committee, whichever applies, shall use their best efforts to promote and ensure a high level of taste, design, quality, harmony and conformity throughout the Addition consistent with the standards set forth in this Declaration, provided that such party shall have sole discretion with respect to taste, design and all standards specified herein. One objective of such party is to conform generally with community standards and prevent unusual, radical, curious, odd, bizarre, peculiar or irregular structures from being built or maintained in the Addition. Such party shall also have the authority, among other things, to require at a minimum a six (6) to twelve (12) foot roof pitch or slope, to require that the exterior surfaces of the chimney chases be covered with brick, masonry or wood, to prohibit the use of lightweight composition roof material, to require that the colors of roofing materials be earth tones, to require the use of certain types of divided light windows (such as bronzed, white or black), to prohibit or regulate the use of solar or heating panels, to regulate the construction and maintenance of awnings and generally to require that any plans meet the standards of the existing improvements on neighboring lots. Such party may from time to time publish and promulgate bulletins regarding architectural standards, which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration.

Section 5.6 Termination

The Committee shall cease to exist on the date on which, with the prior written approval of Developers (if created and sanctioned by the Developer) or the Board (if the Supplementary Declaration is filed) or a majority of the lot owners (if the Supplementary Declaration is not filed), all the members of the Committee file a document declaring the termination of the Committee. If there is no Committee in authority, then no approval by the Committee shall be required under this Declaration, and variations from the standards set forth in this Declaration shall then be made in accordance with the general development standards as reflected in the plans, construction materials, landscaping and other matters approved by Developers or the Committee, whichever applies, during its period of control.

Section 5.7 Liability of Developers and the Committee

(a) The Developers and the members of the Committee shall have no liability for decisions made by them so long as such decisions are made in good faith and are not discriminatory, arbitrary or capricious. Any errors in or omissions from the documents submitted to such party shall be the responsibility of the entity or person submitting the documents, and such party shall have no obligation to check for errors in or omissions from any such documents, or to check for such documents' compliance with the general provisions of this Declaration, City codes and regulations, FHA or VA regulations, state statutes or the common law, whether the same relate to lot lines, building lines, easements or any other issue.

(b) The Declarants and Developers shall have no responsibility or liability for:

(i) the creation, selection, management or operation of the Committee;

(ii) any actions taken or omitted to be taken by or on behalf of the Committee as a result of, in connection with, under or pursuant to this Declaration or the Addition; or

(iii) any liabilities, obligations, debts, actions, causes of action, claims, debts, suits or damages incurred by or on behalf of or arising in connection with the Committee, the Addition or the duties and obligations of the Committee pursuant to this Declaration.

ARTICLE VI

SPECIAL FENCING AND LANDSCAPING PROVISIONS

Section 6.1 Fences, Walls, Sprinkler Systems in the Restricted Area

Developers and/or the Association, whichever applies, shall have the right to erect, install, maintain, repair and/or replace fences, walls and/or sprinkler systems within those portions (the "Restricted Area") of any lot which are located between the property line of such lot and the setback or sight lines (as established by the Plat, this Declaration or any governmental entity) of such lot. If any fence, wall, subdivision monument, sign, improvement or sprinkler system is erected or installed on any lot(s), such fence, wall, sprinkler system is erected or installed on any lot(s), such fence, wall or sprinkler system shall be the property of the owner of the lot on which

such fence, wall, or sprinkler system is erected or installed, subject to the easements and rights of Developers set forth below. No fence, wall or sprinkler system shall be erected or installed in the Restricted Area by the owner of the affected lot without the prior written consent of Developers.

Section 6.2 Landscaping

Developers shall have the right but not the obligation to grade, plant and/or landscape and maintain, repair, replace and/or change such grading, planting and landscaping on any portion of the Restricted Area of any lot provided that such grading, planting and landscaping conforms with the landscaping plan approved as set forth above. In the event Developers do not landscape the Restricted Area, the owner of the affected lot may plant grass and, with the prior written consent of Developers, may landscape, install a sprinkler system and plant grass and, with the prior written consent of Developers, may landscape and plant trees and shrubs in the Restricted Area; provided however, in no event shall an owner erect or maintain any structure, paving or improvement other than landscaping in the Restricted Area.

Section 6.3 Restricted Area and Fence Encroachment Easements

(a) Developers shall have the right and easement to enter upon the Restricted Area for the purpose of exercising the discretionary rights set forth in Sections 6.1 and 6.2 hereof.

(b) Each owner, as grantor, grants to each owner of each immediately adjacent lot, as grantee, a reciprocal easement for the encroachment of any common fence upon such grantor's lot, provided however, no such encroachment shall extend more than two (2) feet into such grantor's lot.

Section 6.4 Maintenance of Restricted Area by Individual Lot Owner

In the event Developers do not maintain or repair any fences, walls, grading, planting or landscaping erected, installed or situated within the Restricted Area, then the owner of the affected lot shall, at its expense, perform such maintenance and repair work as is necessary to maintain such fences, walls, grading, planting, landscaping in a good and neat condition and appearance; provided however, that the lot owner shall give Developers ten (10) business days' written notice before performing any maintenance other than mowing, edging and trimming. So long as the Restricted Area and any fences, walls, grading, planting, landscaping thereon are reasonably maintained and repaired by Developers, the owner of such affected lot shall not perform any maintenance or repair work within such Restricted Area without the prior written consent of Developers. In no event shall the owner of any lot perform any maintenance or repair work on any sprinkler system within the Restricted Area without the prior written consent of Developers.

Section 6.5 Termination

Upon notice from Developers recorded in the public records of the County, Developers may terminate any or all of their rights, easements and authority pursuant to this Article VI.

Section 6.6 Association's rights

Notwithstanding any contrary provision herein, the Association (if a Supplementary Declaration is filed) shall have the right, but not the obligation, to exercise, at the Association's sole expense, any of Developers' rights, easements and authority pursuant to this Article VI, but only to the extent that Developers elects not to exercise such rights, easements and authority. Developers'

termination of their rights pursuant to Section 6.5 shall have no effect on the Association's rights pursuant to this Section 6.6.

ARTICLE VII

MAINTENANCE

Section 7.1 Property and Lot Maintenance

Prior to completion of the development of the entire Addition and/or construction of a residence on each lot, all vacant lots and undeveloped portions of the Addition shall be kept mowed and free of trash and construction debris by the owner thereof. After the Lot Approval Date with respect to a particular lot, the owner and occupant of each lot shall cultivate an attractive ground cover or grass on all areas visible from the street, shall maintain all areas in a sanitary and attractive manner 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 so as to maintain the property in a neat and attractive manner. No vegetables shall be grown in any yard that faces a street unless completely screened from public. No owner shall permit weeds or grass to grow to a height of greater than six (6) inches upon its lot. Upon failure of the owner of any lot to maintain such lot (whether or not developed), Developers may, at their option, have the grass, weeds and vegetation cut as often as necessary in its judgment, and the owner of such lot shall be obligated, when presented with an itemized statement, to reimburse Developers for the cost of such work. In the event Developers shall fail to exercise their right granted under the preceding sentence within ten (10) days following written notice from the Association to Developers of the Association's intent exercise such right, the Association shall have the right, in lieu of Developers, to have the grass, weeds and vegetation cut as provided above, and upon exercise of such right, the owner of such undeveloped property or the owner of the lot in question shall be obligated, when presented with an itemized statement, to reimburse the Association for the cost of such work. These provisions shall be construed to create a lien in favor of the performing party against such property for the cost of such work or the reimbursement sought for such work performed on such property.

Section 7. 2 Maintenance of Improvements

Subject to the provisions of this Article VII, each owner shall maintain the exterior of all buildings, fences, walls and other improvements on his lot in good condition and repair, shall replace worn and rotten parts, shall regularly repaint all painted surfaces and shall not permit the roofs, rain gutters, downspouts, exterior walls, windows, doors, walks, driveways, parking areas or other exterior portions of the improvements to deteriorate.

ARTICLE VIII

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION AND VOTING RIGHTS OF THE LOT OWNERS

Section 8.1 Membership in the Association

In the event the Supplementary Declaration is field, every owner of a lot shall be a member of the Association, which shall function as a homeowners' association for the owners of lots in the Addition. Membership shall be appurtenant to, and shall not be separated from, ownership of a lot.

Section 8.2 Voting Rights

(a) In the event the Supplementary Declaration is filed, the Association shall have two (2) classes of voting membership:

(i) Class A. Class A members shall be all owners (other than Class B members) and shall be entitled to one (1) vote for each lot. When more than one (1) person holds an interest in any lot, all such persons shall be members, but the vote for such lot shall be exercised as they among themselves determine, and in no event shall more than one (1) vote be cast with respect to any lot.

(ii) Class B. Class B members shall be the Developers, who shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

(b) In the event the Supplementary Declaration is not filed and the Association is not created, then, on all matters submitted to or which must be approved by the lot owners:

(i) the Developers shall be entitled to three (3) votes for each lot owned by the Developers; and

(ii) each other lot owner shall be entitled to one (1) vote for each lot owned by such owner.

In this regard, any reference in this Declaration to approval or action by the lot owners shall require the affirmative vote of such lot owners taking into account the weighted voting set forth above.

Section 8.3 Board of Directors

(a) The members of the Association (if created) shall elect the board of directors (the "Board") of the Association subject to the provisions of subparagraph (b) hereof, and the Board shall, by majority rule, conduct all of the business of the Association, except when membership votes are required pursuant to this Declaration or pursuant to the articles of incorporation or bylaws of the Association. Notwithstanding the above provision, for three (3) years after the date hereof, the Committee must approve any decisions made by the Board. From and after the date set forth in Section 5.1, the Board shall appoint the Committee in the manner set forth in Section 5.1 hereof.

(b) Notwithstanding anything contained in the preceding subparagraph (a) or elsewhere in this Declaration to the contrary, as long as the Developers own any lot(s) in the Addition, the Developers shall be entitled to appoint at least one (1) member of the Board.

Section 8.4 By-laws

The Association (if created) may make whatever rules and bylaws it deems desirable to govern the Association and its members; provided however, any conflict between such by-laws and the provisions hereof shall be controlled by the provisions hereof.

Section 8.5 Inspection Rights

Each owner shall have the right to inspect and examine the books, records and accounts of the Association at reasonable times upon reasonable written notice, provided that such inspection and examination shall be at such owner's sole cost and expense.

ARTICLE IX

ASSESSMENTS

Section 9. 1 Creation of Lien and Personal Obligation of Assessments

In the event the Supplementary Declaration is filed, Developers, for each fully developed lot in the Addition, hereby covenant, and each owner, by acceptance of a deed to a lot, is deemed to covenant and agree, to pay to the Association (a) annual assessments, and (b) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs of collection and reasonable attorneys' fees, shall be a charge on each lot and, if unpaid as described in Section 9.5 hereof, shall constitute a continuing lien upon the lot against which each such unpaid assessment is made. Each such assessment, together with interest, costs of collection and reasonable attorney's fees, shall be the personal obligation of the owner of such lot at the time when the assessment came due. The personal obligation for delinquent assessments shall not pass to such owner's successors in title unless expressly assumed by them, provided that the lien for such assessments shall continue and may be enforced against the lot.

Section 9.2 Annual Assessment

(a) In the event the Supplementary Declaration is filed, and from and after the Lot Approval Date, each lot shall hereby be subjected to an annual assessment for the purpose of creating a fund to be designated and known as the "maintenance fund". The annual assessment will be paid to the Association annually in advance by the owner of each lot. The assessment per lot for the year in which the Lot Approval Date occurs shall be established by the:

(i) Developers if Developers create the Association, or

(ii) assent of seventy-five percent (75%) of the votes of the lot owners (taking into account the weighted voting described herein) if the lot owners create the Association. The initial

annual assessments shall be equal to One Hundred Twenty and No/Dollars ($120.00) for each platted developed lot in the Addition.

(b) The assessment for a particular lot for the calendar year in which the Lot Approval Date occurs shall be prorated for such calendar year for the period commencing on the Lot Approval Date and ending on December 31 of such calendar year. The rate at which, each lot will be assessed for subsequent years will be determined annually at least thirty (30) days in advance of each annual assessment provided that, without a vote of the membership as described in the next sentence, the annual assessment, may not be increased by the Board in any year by an amount in excess of ten percent (10%) above the previous year's annual assessment. The annual assessment may be increased to an amount in excess of ten percent (10%) of the assessment for the previous year by the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for such purpose at which a quorum is present. The notice and quorum requirements for such meeting are the same as those set forth in Section 9.4 for special assessments for capital improvements. The assessments for each lot shall be uniform according to the categories set forth above. The Association shall, upon demand and upon payment of a reasonable fee, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid.

Section 9.3 Purposes

In the event the Supplementary Declaration is filed, the Association shall use the proceeds of the maintenance fund for the use and benefit of the Addition. Such uses and benefits may include, by way of example and not limitation, any and all of the following: maintaining the landscaping, lighting, sprinkler systems, walls, fences, signs and other features located in any Restricted Area and other areas owned by the Association (collectively, the "Common Area") as designated or Exhibit A or the Plat, mowing the grass, maintaining the gravel and maintaining signs in or adjoining any right-of-way or easements in the event the City or County fails to maintain such areas; payment of all legal charges and expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions and conditions affecting the land to which the maintenance fund applies, payment of all reasonable and necessary expenses in connection with the collection and administration of the assessments; paying insurance premiums for liability and fidelity coverage for the Association and/or their officers and directors, employing policemen and watchmen, caring for vacant lots and doing any other things which are necessary or desirable in the opinion of the Board to keep the lots neat, secure and in good order, or which are considered of general benefit to the owners or occupants of the Addition, it being understood that the judgment of the Board in the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 9.4 Special Assessments for improvements

In the event the Supplementary Declaration is filed, in addition to the annual assessments authorized above, the Association may levy, in any calendar year after the Lot Approval Date, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of or a capital improvement on or to the Restricted Area or Common Area in that same or immediately subsequent calendar year, including walls, fences, lighting, signs and sprinkler systems provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose not less than ten (10) days nor more than fifty (50) days in advance of such meeting. At the first such meeting called by the

presence of members (in person or by proxy) entitled to cast fifty one percent (51%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the minimum required quorum at the preceding meeting provided that as long as the Class B membership exists, a quorum shall be met if a majority of the Class B votes is present in person or by proxy at such subsequent meeting regardless of the presence of any Class A members or votes. No meeting shall be held more than fifty (50) days following the preceding meeting.

Section 9.5 Effect of Nonpayment of Assessments; Remedies of the Association

In the event the Supplementary Declaration is filed, any assessment not paid within thirty (30) days after the due date shall bear interest from the due date until paid in full at the prime rate as announced from time to time by NCNB Texas National Bank plus four percent (4%) per annum, or if no such rate is announced, then at the rate of eighteen percent (18%) per annum, but in no event in excess of the maximum rate allowed by applicable Texas law. The Association may bring an action at law against the lot owner personally obligated to pay the same, may foreclose the lien against the lot and/or may pursue any other legal or equitable remedy available to it. No owner may waive or otherwise avoid liability for the assessment provided for herein by non use of the Common Area or by abandonment of its lot.

Section 9.6 Subordinated Lien to Secure Payment

In the event the Supplementary Declaration is filed, the lien on any particular lot created as the result of the non-payment of any assessment provided for herein shall be subordinate to the liens of any valid preceding mortgage or deed of trust secured by such lot. Sale or transfer of any lot shall not impair the enforceability or priority of the assessment lien against such lot.

Section 9.7 Duration

In the event the Supplementary Declaration is filed, the assessments will remain effective for the full term (and extended term, if applicable) of the Declaration, provided that no assessments may be made against the Declarants or Developers, or any lots owned by Declarants or Developers, for any periods prior to the Lot Approval Date.

Section 9.8 Declarants and Developers Not Liable for Association Deficits

Notwithstanding anything contained in this Declaration to the contrary, Declarants and Developers shall not be liable for any liabilities, obligations, damages, causes, causes of action, claims, debts, suits or other matters incurred by or on behalf of the Association or lot owners or for any deficits or shortfalls incurred or realized by or on behalf of the Association in connection with the Addition or this Declaration. Each Declarants' and Developers' sole liability and obligation hereunder shall be limited to the assessments assessed against any lots owned by the Declarants or Developers, whichever applies.

ARTICLE X

PROPERTY RIGHTS IN COMMON AREA

Section 10.1 Association's Rights

In the event the Supplementary Declaration is filed, the Association and its assigns, contractors, agents and employees shall have the right and easement to enter upon the Common Area for the purpose of exercising the rights of the Association as set forth in this Declaration.

Section 10.2 Common Area Easements

Every owner shall have a non-exclusive right and easement of enjoyment in and to any Common Area, which right shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admissions and other fees for the use of any recreational facility situated upon any Common Area;

(b) The right of the Association to suspend the voting rights and right to the use of the recreational facilities by an owner or occupant of a lot for any period during which any assessment against such owner's lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction or its published rules and regulations; and

(c) The right of the Association to dedicate or transfer all or any part of any Common Area to any public agency, authority or utility company for such purposes and subject to such conditions as may be agreed to by the Board provided, however, that no such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3rds) of each class of members agreeing to such dedication or transfer has been recorded.

Section 10.3 Delegation of Rights

Any owner may delegate, in accordance with the by-laws of the Association, his right of enjoyment to the Common Area and facilities to the members of such owner's family or to persons residing on the lot under a lease or contract to purchase.

Section 10.4 Conveyance of Common Area to Association

The Developers shall convey the Common Area to the Association, free and clear of any encumbrances other than as may be created by this Declaration or imposed by the City, County or other applicable governmental authority, prior to the sale of the first lot in the Addition if the Association is formed prior to such date.

ARTICLE XI

GENERAL PROVISIONS

Section 11.1 Utility Easements

Easements for the installation and maintenance of utilities and drainage facilities are reserved and shown on the Plat, including, without limitation, an easement over the rear five (5) feet of each lot. Easements are also reserved on the Plat for the installation, operation, maintenance and ownership of utility service lines from the lot lines to the residences. Developers reserve the right to make changes in and additions to the above easements for the purpose of most efficiently and economically developing improvements in the Addition. The owner of a lot shall mow weeds and grass and shall keep and maintain in a neat and clean condition any easement which may traverse a portion of the lot.

Section 11.2 Recorded Plat

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

Section 11.3 Mortgages

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

Section 11.4 Term

The foregoing covenants and restrictions shall run with and bind all land within the Addition and shall remain in full force and effect for a term of thirty (30) years after this Declaration is recorded, and shall be automatically extended for successive periods of ten (10) years unless amended as provided herein.

Section 11.5 Severability

If any condition, covenant or restriction herein contained shall be invalid, which invalidity shall not be presumed until the same is determined by the unappealable judgment or order of a court of competent jurisdiction, such invalidity shall in no way affect any other condition, covenant or restriction, each of which shall remain in full force and effect.

Section 11.6 Binding Effect

Each of the conditions, covenants, restrictions and agreements herein contained is made for the mutual benefit of, and is binding upon, each and every person acquiring any part of the Addition, it being understood that, except as otherwise expressly provided herein with respect to Declarants, Developers and the Committee, such conditions, covenants, restrictions and agreements are not for the benefit of the owner of any land except land in the Addition. This instrument, when executed, shall be filed of record in the deed records of the County so that each

and every owner or purchaser of any portion of the land within the Addition is on notice of the easements, conditions, covenants, restrictions and agreements herein contained.

Section 11.7 Enforcement

Declarants, Developers, the Committee (if formed), Association (if formed) and/or the owners of any lot in the Addition shall have the easement and right to have each and all of the foregoing restrictions, conditions and covenants herein faithfully carried out and performed with reference to each and every portion of land within the Addition, together with the right to bring any suit or undertake any legal process that may be proper to enforce the performance thereof, it being the intention hereby to attach to each lot in the Addition, without reference to when it was sold, and to the Common Area, the right and easement to have such restrictions, conditions and covenants strictly complied with, such right to exist with the owner of each lot and to apply to all lots in the Addition. Failure by any owner, Declarants, Developers, Committee (if formed) or Association (if formed) to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The rights of enforcement granted Declarants, Developers, Committee (if formed) and Association (if formed) under this Declaration are personal rights and in no other event shall the owner of any land except land in the Addition have any right of enforcement with respect to this Declaration. In addition, the restrictions, conditions and covenants set forth herein may be enforced by the Building Inspector (or official performing similar functions) of the City, and such Building Inspector is hereby authorized to refuse or revoke all permits for the construction of any improvements on any lot if the proposed improvements on such lot do not strictly comply with such restrictions, conditions and covenants.

Section 11.8 Other Authorities

If other authorities, such as the City or County, impose more demanding, extensive or restrictive requirements than those set forth herein, the requirements of such authorities shall govern. Other authorities' imposition of lesser requirements than those set forth herein shall not supersede or diminish the requirements herein.

Section 11.9 Addresses

Any notices or correspondence to an owner of a lot shall be addressed to the street address of the lot. Any notices or correspondence to the Developers or Committee shall initially be addressed to the Committee at the address of the Developers, or to such other address as is specified by the Committee pursuant to an instrument recorded in the deed records of the County.

END OF DOCUMENT