
**DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS**

FOR

FOUNDER'S PARC

TARRANT COUNTY, TEXAS

**Return after recording
Essex Association Management, L.P.
1512 Crescent Drive, Suite 112
Carrollton, Texas 75006**

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR FOUNDER'S PARC**

**THE STATE OF TEXAS §
 § **KNOW ALL PERSONS BY THESE PRESENTS:**
COUNTY OF TARRANT §**

This Declaration of Covenants, Conditions and Restrictions for Founder's Parc (this "Declaration") is made by CADG 901 AIRPORT FREEWAY, LLC, a Texas limited liability company ("Declarant"), on the date signed below. Declarant owns the real property described in Appendix A of this Declaration, together with the improvements thereon (the "Property").

Declarant desires to establish a general plan of development for the planned community developed within the Property to be known as "Founder's Parc" (the "Subdivision") to be governed by the Association (as hereinafter defined). Declarant also desires to provide a reasonable and flexible procedure by which Declarant may expand the Property to include additional real property, and to maintain certain development rights that are essential for the successful completion and marketing of the Property.

Declarant further desires to provide for the preservation, administration, and maintenance of portions of Subdivision, and to protect the value, desirability, and attractiveness of the Property therein. As an integral part of the development plan, Declarant deems it advisable to create the Association to perform these functions and activities more fully described in this Declaration and the other Documents described below.

Declarant DECLARES that the Property, and any additional property made subject to this Declaration by recording one or more amendments of or supplements to this Declaration, will be owned, held, transferred, sold, conveyed, leased, occupied, used, insured, and encumbered subject to the terms, covenants, conditions, restrictions, and easements of this Declaration, including Declarant representations and reservations in the attached Appendix B, which run with the real property and bind all parties having or acquiring any right, title, or interest in any part of the property, their heirs, successors, and assigns, and inure to the benefit of each Owner of any part of the Property.

**ARTICLE 1
DEFINITIONS**

The following words and phrases, whether or not capitalized, have specified meanings when used in the Documents, unless a different meaning is apparent from the context in which the word or phrase is used.

1.1. "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" on the date of

the Document, and are not intended to apply to the Project 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 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 ACC or the Board (if no ACC is appointed by the Board), is the Architectural Reviewer.

1.3. "Area of Common Responsibility" means that portion of the Property and those components of the Townhomes or Townhome Lots for which the Association has maintenance responsibilities, as described with more particularity in Article 5 of this Declaration.

1.4. "Assessment" means any charge levied against a Lot or Owner by the Association, pursuant to the Documents or State law, including but not limited to Regular Assessments, Special Assessments, Insurance Assessments, Individual Assessments, and Deficiency Assessments, as defined in Article 9 of this Declaration.

1.5. "Association" means the association of Owners of all Lots and Residences in the Property, initially organized as Founder's Parc Homeowners Association, Inc., a Texas nonprofit corporation, and serving as the "homeowners' association". The failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association, which derives its authority from this Declaration and the Bylaws.

1.6. "Board" means the board of directors of the Association. During the Declarant Control Period, the Declarant shall maintain the sole right to appoint and remove directors of the Board.

1.7. "Bylaws" means the Bylaws of Founder's Parc Homeowners Association, Inc., which have been adopted by the Declarant and/or Board and is or shall be recorded in Tarrant County, Texas.

1.8. "City" means the City of Euless, Texas, in which the Property is located.

1.9. "Claims" means collectively, all claims, demands, suits, proceedings, actions, causes of action (whether civil, criminal, administrative or investigative and including, without limitation, causes of action in tort), losses, penalties, fines, damages, liabilities, obligations, costs, and expenses (including attorneys' fees and court costs) of any and every kind or character, known or unknown, including but not limited to, cost recovery, contribution and other claims.

1.10. "Common Area" means portions of real property and improvements thereon that are owned and/or maintained by the Association, as described in Article 4 below and which may be referenced in Appendixes attached hereto, and shall include, without limitation, any and all entryway features, masonry walls, mews fence with brick columns, retaining walls and ornamental metal handrails, perimeter decorative metal fencing, common areas described on any Plat of the Property, non-drainage related greenways and decorative water fountains, shade pavilions, park benches, private alleys, and private water wells. Notwithstanding anything to the contrary contained herein, in no event shall the Common Area include any portion of the Property to be maintained by the City, if applicable.

1.11. "Declarant" means CADG 901 Airport Freeway, LLC, a Texas limited liability company, which is developing the Property, or any party which acquires any portion of the Property for the purpose

of development and which is designated a Successor Declarant in accordance with Appendix B, Section B.6 hereof, or by any such successor and assign, in a recorded document.

1.12. "Declarant Control Period" means that period of time during which Declarant controls the operation and management of the Association, pursuant to Appendix B of this Declaration.

1.13. "Declaration" means this document, as it may be amended, modified and/or supplemented from time to time. In the event this Declaration contains a provision which is contrary to an applicable mandatory provision of the Texas Property Code, the Texas Property Code provision controls.

1.14. "Design Guidelines" means those certain initial design guidelines established for the Property hereby and attached hereto as Appendix D-1, as may be modified and/or amended by majority written consent of the ACC from time to time, together with the design guidelines and requirements as adopted by the City, as modified, amended and/or supplemented from time to time (the "City Design Guidelines") to the extent applicable to the Property, being the "Residential District" named therein, a copy of which is attached hereto as Appendix D-2.

1.15. "Detached Residence" means a single-family detached patio home Residence located on an individually-owned Lot.

1.16. "Detached Residence Lots" means the Lots on which a Detached Residence is or is to be constructed. Detached Residence Lots shall include both "Row Houses" (herein so called) and "Villas" (herein so called), and shall be designated as such in the City of Euless Zoning Ordinance No. 2072 (filed under Zoning Case No. 15-06-PD) approved on June 23, 2015.

1.17. "Development Period" means that certain fifty (50) year period beginning the date this Declaration is recorded, during which Declarant has certain rights pursuant to Appendix B hereto. The Development Period is for a term of years and does not require that Declarant own land described in Appendix A. Declarant may terminate the Development Period at any time by recording a notice of termination.

1.18. "Documents" means, singly or collectively as the case may be, this Declaration, the Plat, the Bylaws of the Association, the Association's Certificate of Formation 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. All Documents are to be recorded in every county in which all or a portion of the Property is located. The Documents are Dedicatory Instruments as defined in Texas Property Code Section 202. Resolutions which may be established by the Board shall be binding documents upon the Association so long as they are duly recorded in the minutes of the meeting of the Board of Directors and shall not be required to be recorded. The Board shall cause all Resolutions to be recorded in the minutes of the meeting and/or they shall be posted to the Association's website, if applicable, for review and access by all Owners' of record. The Certificate of Formation, Organizational Consent and Bylaws of the Association, which are part of the Documents, are attached hereto as Appendix F.

1.19. "Lot" means a portion of the Property intended for independent ownership, on which there is or will be constructed a Townhome or Detached Residence, as shown on the Plat. As a defined term, "Lot" does not refer to Common Areas, or areas owned by the City and to be maintained by the City even if platted and numbered as a lot. Where the context indicates or requires, "Lot" includes all

improvements thereon and any portion of a right-of-way that customarily is used exclusively by and in connection with the Lot.

1.20. "Majority" means more than half. A reference to "*a Majority of Owners*" in any Document or applicable law means "*Owners holding a majority of voting rights of all Lot Owners*," unless a different meaning is specified.

1.21. "Member" means a member of the Association, each Member being an Owner of a Lot, unless the context indicates that member means a member of the Board or a member of a committee of the Association. In the context of votes and decision-making, each Lot has only one membership, although it may be shared by co-owners of a Lot.

1.22. "Owner" means a holder of recorded fee simple title to a Lot. Declarant is the initial Owner of all Lots. Contract sellers and mortgagees who acquire title to a Lot through a deed in lieu of foreclosure or through judicial or non-judicial foreclosure are "*Owners*." Persons or entities having ownership interests merely as security for the performance of an obligation are not "*Owners*." Every Owner is a Member of the Association and membership is mandatory. A reference in any Document or applicable law to a percentage or share of Owners or Members means Owners of at least that percentage or share of vote of the Owners of Lots, unless a different meaning is specified. For example, "*a Majority of Owners*" means Owners of at least a majority of the votes of Owners of Lots.

1.23. "Plat" means all plats, singly and collectively, recorded in the Real Property Records of Tarrant County, Texas, and pertaining to the real property described in Appendix A of this Declaration or any real property subsequently annexed into the Property in accordance with the terms of this Declaration (including, by Declarant pursuant to its rights under Appendix B hereof), including all dedications, limitations, restrictions, easements, notes, and reservations shown on the plat(s), as may be amended from time to time. The plat of the Subdivision was or shall be recorded in the Plat Records, Tarrant County, Texas.

1.24. "Property" means all the land subject to this Declaration and all improvements, easements, rights, and appurtenances to the land. The Property is a Subdivision known as the "Founder's Parc". The Property is located on land described in Appendix A to this Declaration, and includes every Lot and any Common Area thereon, and may include Annexed Land (as defined in Appendix B) annexed into the Property subject to this Declaration by supplemental declaration filed by Declarant in accordance with Appendix B.

1.25. "Residence" means the improvement located on each Lot that is designed to be or appropriate for use as a single-family residence, together with any garage incorporated therein, whether or not such residence is actually occupied. Residence shall generally refer to any Townhome or Detached Residence.

1.26. "Resident" means an occupant of an Townhome or Detached Residence, regardless of whether the person owns the Lot.

1.27. "Rules" means rules and regulations of the Association adopted in accordance with the Documents or applicable law. The initial Rules may be adopted by Declarant for the benefit of the Association and Declarant may, from time to time, amend rules and regulations as it is deemed necessary.

1.28. "Townhome" means the attached single-family townhome Residence located on an individually-owned Lot.

1.29. "Townhome Building" means the structure containing multiple Townhomes.

1.30. "Townhome Lot" shall have the meaning ascribed to such term in Section 5.1 hereof.

ARTICLE 2

PROPERTY SUBJECT TO DOCUMENTS

2.1. PROPERTY. The real property described in Appendix A is held, transferred, sold, conveyed, leased, occupied, used, insured, and encumbered subject to the terms, covenants, conditions, restrictions, liens, and easements of this Declaration, including Declarant's representations and reservations in the attached Appendix B, which run with the Property and bind all parties having or acquiring any right, title, or interest in the Property, their heirs, successors, and assigns, and inure to the benefit of each Owner of the Property.

2.2. CITY ORDINANCE. The City may have ordinances pertaining to planned developments (herein referred to as the "City Ordinance(s)"). No amendment of the Documents or any act or decision of the Association may violate the requirements of any City Ordinance(s), which include, without limitation, the City Zoning Ordinance attached hereto as Appendix E and incorporated herein by reference. Should this Declaration differ with a City Ordinance, the City Ordinance shall prevail notwithstanding, if the restriction in this Declaration is more strict than that of the City Ordinance, then this Declaration shall prevail.

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. SUBJECT TO ALL OTHER DOCUMENTS. 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 be bound by all the Documents which are publicly recorded or which are made available to Owners by the Association, expressly including this publicly recorded Declaration.

2.5. PLAT DEDICATIONS, EASEMENTS & RESTRICTIONS. In addition to the easements and restrictions contained in this Declaration, the Property is subject to the dedications, limitations, notes, easements, restrictions, and reservations shown or cited on the Plat, which are incorporated herein by reference. 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 be bound by the Plat, and further agrees to maintain any easement that crosses his Lot and for which the Association does not have express responsibility.

2.6. STREETS WITHIN PROPERTY. Because streets, alleys, and cul-de-sacs within the Property (hereafter "Streets") are capable of being converted from publicly dedicated to privately owned, and vice versa, this Section addresses both conditions. If the Property has privately owned

Streets, the Streets are part of the Common Area which is governed by the Association. Streets dedicated for public use are part of the Common Area only to the extent they are not maintained or regulated by the City or Tarrant County, Texas. In no event shall streets that are maintained by the City be included in the Common Areas or Area of Common Responsibility. To the extent not prohibited by public law, the Association, acting through the Board, is specifically authorized to adopt, amend, repeal, and enforce Rules for use of the Streets - whether public or private - including but not limited to:

- a. Identification of vehicles used by Owners and Residents and their guests.
- b. Designation of speed limits and parking or no-parking areas.
- c. Limitations or prohibitions on curbside parking.
- d. Removal or prohibition of vehicles that violate applicable Rules.
- e. Fines for violations of applicable Rules.

ARTICLE 3

PROPERTY EASEMENTS AND RIGHTS

3.1. **GENERAL.** In addition to other easements and rights established by the Documents, the Property is subject to the easements and rights contained in this Article. No use shall be permitted on the Property which is not allowed under applicable public codes, ordinances and other laws either already adopted or as may be adopted by the City or other controlling public authorities. Each Owner, occupant or other user of any portion of the Property, shall at all times comply with this Declaration and all laws, ordinances, policies, rules, regulations and orders of all federal, state, county and municipal governments, and other agencies having jurisdictional control over the Property, specifically including, but not limited to, applicable zoning placed upon the Property, as they exist from time to time (collectively "Governmental Requirements"). IN SOME INSTANCES, REQUIREMENTS UNDER THE GOVERNMENTAL REQUIREMENTS MAY BE MORE OR LESS RESTRICTIVE THAN THE PROVISIONS OF THIS DECLARATION. IN THE EVENT A CONFLICT EXISTS BETWEEN ANY SUCH REQUIREMENTS UNDER ANY GOVERNMENTAL REQUIREMENT AND ANY REQUIREMENT OF THIS DECLARATION, THE MOST RESTRICTIVE REQUIREMENT SHALL PREVAIL, EXCEPT IN CIRCUMSTANCES WHERE COMPLIANCE WITH A MORE RESTRICTIVE PROVISION WOULD RESULT IN A VIOLATION OF MANDATORY APPLICABLE GOVERNMENTAL REQUIREMENTS, IN WHICH EVENT THOSE GOVERNMENTAL REQUIREMENTS SHALL APPLY. COMPLIANCE WITH MANDATORY GOVERNMENTAL REQUIREMENTS WILL NOT RESULT IN THE BREACH OF THIS DECLARATION EVEN THOUGH SUCH COMPLIANCE MAY RESULT IN NON-COMPLIANCE WITH PROVISIONS OF THIS DECLARATION. WHERE A GOVERNMENTAL REQUIREMENT DOES NOT CLEARLY CONFLICT WITH THE PROVISIONS OF THIS DECLARATION BUT PERMITS ACTION THAT IS DIFFERENT FROM THAT REQUIRED BY THIS DECLARATION, THE PROVISIONS THIS DECLARATION (IN ORDER OF PRIORITY) SHALL PREVAIL AND CONTROL. The Property and all Lots therein shall be developed in accordance with this Declaration, as this Declaration may be amended or modified from time to time as herein provided.

3.2. OWNER'S EASEMENT OF ENJOYMENT. Every Owner is granted a right and easement of enjoyment over the Common Areas and to use of improvements therein, subject to other rights and easements contained in the Documents. An Owner who does not occupy a Lot delegates this right of enjoyment to the Residents of his Lot. Notwithstanding the foregoing, if a portion of the Common Area, such as a recreational area, is designed for private use, the Association may temporarily reserve the use of such area for certain persons and purposes.

3.3. OWNER'S MAINTENANCE EASEMENT. Every Owner of a Townhome is granted an access easement over adjoining Lots, Common Areas, and Areas of Common Responsibility for the maintenance or reconstruction of his Townhome and other improvements on his Lot, provided exercise of the easement does not damage or materially interfere with the use of the adjoining Townhome, Common Area or Areas of Common Responsibility. Requests for entry to an adjoining Townhome or Common Area must be made to the Owner of the adjoining Townhome, or the Association in the case of Common Areas, in advance for a time reasonably convenient for the adjoining Owner, who may not unreasonably withhold consent. If an Owner damages an adjoining Townhome, Area of Common Responsibility, or Common Area in exercising this easement, the Owner is obligated to restore the damaged property to its original condition as existed prior to the Owner performing such maintenance or reconstruction work, at his expense, within a reasonable period of time.

3.4. TOWNHOME EASEMENT. Every Owner of a Townhome is granted a perpetual easement over, under, and through every other Lot that is part of the same Townhome Building in which his Townhome is located for the limited purpose of installing, maintaining, and replacing wires, cables, conduit, and pipes, that serve his Townhome, but only to the extent that use of this easement is reasonable and necessary. In the event of dispute, the Board is the arbiter of whether the anticipated use of this easement is reasonable and necessary. Reciprocally, the Owner of a Townhome that contains wire, cables, conduit, or pipes that serve one or more other Townhomes has a duty to refrain from interfering with or damaging those items. This easement and reciprocal responsibility anticipates that the electrical meters for all the Townhomes in one Townhome Building may be grouped at one end of the Townhome Building. It also anticipates that attic or roofline installations of wiring may be the most cost effective and least unsightly way of accommodating future needs for cable services.

3.5. OWNER'S INGRESS/EGRESS EASEMENT. Every Owner is granted a perpetual easement over the Streets within the Property, as may be reasonably required, for vehicular ingress to and egress from his Lot or Residence.

3.6. OWNER'S ENCROACHMENT EASEMENT. Every Owner is granted an easement for the existence and continuance of any encroachment by his Townhome on any adjoining Lot or Common Area now existing or which may come into existence hereafter, as a result of construction, repair, shifting, settlement, or movement of any portion of a Townhome Building, or as a result of condemnation or eminent domain proceedings, so that the encroachment may remain undisturbed so long as the improvement stands.

3.7. RIGHTS OF CITY. The City, including its agents and employees, has the right of immediate access to the Common Areas at all times if necessary for the welfare or protection of the public, to enforce City Ordinances, or for the preservation of public property. If the Association fails to maintain the Common Areas to a standard acceptable to the City, the City may give the Association a written demand for maintenance. If the Association fails or refuses to perform the maintenance within a

reasonable period of time after receiving the City's written demand (at least ninety (90) days), the City may maintain the Common Areas at the expense of the Association after giving written notice of its intent to do so to the Association. To fund or reimburse the City's cost of maintaining the Common Areas, the City may levy an Assessment against every Lot in the same manner as if the Association levied a Special Assessment against the Lots. The City may give its notices and demands to any officer, director, or agent of the Association, or alternatively, to each Owner of a Lot as shown on the City's tax rolls. The rights of the City under this Section are in addition to other rights and remedies provided by law.

3.8. 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 Townhome and yards - for the below-described purposes.

3.8.1. 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. The exercise of self-help remedies permitted by the Documents or by applicable law.
- g. To enforce any other provision of the Documents.
- h. To respond to emergencies.
- i. To grant easements to utility providers as may be necessary to install, maintain, and inspect utilities serving any portion of the Property.
- j. To perform any and all functions or duties of the Association as permitted or required by the Documents or by applicable law.

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

3.8.3. 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 written 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, which entry for such emergencies may be made without notice to an Owner.

3.9. UTILITY EASEMENT. The Association may grant permits, licenses, and easements over Common Areas for utilities, roads, and other purposes necessary for the proper operation of the Property. A company or entity, public or private, furnishing utility service to the Property, is granted an easement over the Property for ingress, egress, meter reading, installation, maintenance, repair, or replacement of utility lines and equipment, and to do anything else necessary to properly maintain and furnish utility service to the Property; provided, however, this easement may not be exercised without prior notice to the Board. Utilities may include, but are not limited to, water, sewer, trash removal, electricity, gas, telephone, master or cable television, and security.

3.10. SECURITY. The Association may, but is not obligated to, maintain or support certain activities within the Property designed, either directly or indirectly, to improve safety in or on the Property. Each Owner and Resident acknowledges and agrees, for himself and his guests, that Declarant, the Association, and their respective directors, officers, committees, agents, and employees are not providers, insurers, or guarantors of security within the Property. Each Owner and Resident acknowledges and accepts his sole responsibility to provide security for his own person and property, and assumes all risks for loss or damage to same. Each Owner and Resident further acknowledges that Declarant, the Association, and their respective directors, officers, committees, agents, and employees have made no representations or warranties, nor has the Owner or Resident relied on any representation or warranty, express or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire, burglar, and/or intrusion systems recommended or installed, or any security measures undertaken within the Property. Each Owner and Resident acknowledges and agrees that Declarant, the Association, and their respective directors, officers, committees, agents, and employees may not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

3.11. RISK. **Each Owner, Owners' immediate family, guests, agents, permittees, licensees and Residents shall use all Common Areas at his/her own risk. All Common Areas are unattended and unsupervised. Each Owner, Owners' immediate family, guests, agents, permittees, licensees and Residents is solely responsible for his/her own safety. The Association disclaims any and all liability or responsibility for injury or death occurring from use of the Common Areas. Each Owner shall be individually responsible and assume all risk of loss associated with its use of the Common Areas, and use by its family members and guests.** Neither the Association nor the Declarant, nor any managing agent engaged by the Association or Declarant, shall have any liability to any Owner or their family members or guests, or to any other Person, arising out of or in connection with the use, in any manner whatsoever, of the Common Area, or any improvements comprising a part thereof from time to time.

ARTICLE 4
COMMON AREA; AREAS OF COMMON RESPONSIBILITY (ALL LOTS)

4.1. OWNERSHIP. The designation of any portion of the Property as a Common Area is determined by the Plat and this Declaration, and not by the ownership of such portion of the Property. This Declaration contemplates that the Association will eventually hold title to every Common Area, facility, structure, improvement, system, or other property that are 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. The Common Area shall be maintained by the Association following completion of initial improvements thereon by Declarant, whether or not title to such Common Area is conveyed to the Association. All costs attributable to Common Areas, including maintenance, property taxes, Insurance, and enhancements, are automatically and perpetually 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. The Common Area shall include the "Detention/Retention Land," as such term is defined and as described in the Detention/Retention Easement and Maintenance Agreement dated on or about February 14, 2018, and recorded or to be recorded in the Official Public Records of Tarrant County, Texas (the "Detention/Retention Maintenance Agreement") to the extent the Association may be liable or responsible for maintenance of such "Detention/Retention Land" pursuant to the terms of the Detention/Retention Maintenance Agreement, and the Common Expenses shall include the Pro-Rata Share of Maintenance Costs (as such terms are defined in the Detention/Retention Maintenance Agreement) applicable to the Property under the terms of the Detention/Retention Maintenance Agreement.

4.2. AS IS CONDITION; RELEASE. EACH OWNER, RESIDENT, AND THEIR GUESTS ACCEPT THE CURRENT AND FUTURE CONDITION OF THE PROPERTY AND ALL IMPROVEMENTS CONSTRUCTED THEREON AS IS AND WITH ALL FAULTS. NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, IS MADE BY DECLARANT, THE ASSOCIATION OR ANY OF THEIR OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS AS TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON. EACH OWNER AND RESIDENT HEREBY RELEASE AND AGREES TO HOLD HARMLESS THE DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES (COLLECTIVELY, THE "RELEASED PARTIES"), FROM ANY CLAIM ARISING OUT OF OR IN CONNECTION WITH THE PROPERTY OR ANY IMPROVEMENTS THEREON, INCLUDING WITHOUT LIMITATION, ANY OF THE MATTERS DISCLOSED IN THIS ARTICLE 4, WHETHER BY AN OWNER, RESIDENT OR A THIRD PARTY, EVEN IF DUE TO THE NEGLIGENCE OF THE RELEASED PARTIES OR ANY ONE OF THEM. EACH OWNER AND RESIDENT FURTHER ACKNOWLEDGES THAT THE RELEASED PARTIES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS THE OWNER OR RESIDENT RELIED ON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON, AND ALL SUCH WARRANTIES ARE HEREBY WAIVED AND RELEASED BY EACH OWNER AND RESIDENT.

4.3. COMPONENTS OF COMMON AREA. 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 or portions of the Property owned and maintained by the City.
- b. Any area shown on the Plat as Common Area or an area to be maintained by the Association, including, without limitation, the visitor's parking lot to serve the Common Area within the Subdivision.
- c. The formal entrances to the Property, including (if any) the signage, landscaping, electrical and water installations, planter boxes and fencing related to the entrance.
- d. Any screening walls, fences, or berms along the side of the Property, including, without limitation within any "Wall & Wall Maintenance Easement" shown on the Plat. Any masonry walls or decorative metal fencing must be located within the two and one-half foot (2.5') wall maintenance easement described on the Plat of the Subdivision.
- e. Any landscape buffers, within the approximately ten foot (10') wide landscaping buffer or other similar areas shown on the Plat.
- f. Landscaping on any Street within or adjacent to the Property, to the extent it is not maintained by the City.
- g. Any property adjacent to the Subdivision, if the 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.
- h. Any modification, replacement, or addition to any of the above-described areas and improvements.
- i. Personal property owned by the Association, such as books and records, office equipment, and supplies.
- j. The Drainage Improvements (as defined in the Detention/Retention Maintenance Agreement) located within the Detention/Retention Land (as defined in the Detention/Retention Maintenance Agreement) if and to the extent same are to be maintained by the Association in accordance with the terms of the Detention/Retention Maintenance Agreement.

The Common Area of the Property as described in this Section 4.3 may not be modified or amended without the prior written consent of the City of Euless, Texas (the "City").

4.4 COMPONENTS OF AREAS OF COMMON RESPONSIBILITY- ALL LOTS. The Areas of Common Responsibility within the Property and applicable to all Lots consists of

the following components on or adjacent to the Property, even if located on a Lot or a public right-of-way:

4.4.1 Surface Water Drainage Systems. All aspects of surface water drainage on a Lot are maintained by the Association, including collection drains and drain systems notwithstanding, any surface water drainage, collection drains and drain systems that are privately owned or operated shall be excluded and shall be the sole responsibility of the Owner to maintain; and

4.4.2 Front Lawns (if any). All trees, shrubs and lawns on a Lot outside of fenced areas are maintained by the Association, including irrigation system and replacement of dead plants and vegetation. The foregoing applies only to the area outside of fenced in areas between the Residence within such Lot and the adjacent public Street. No synthetic turf of any kind is allowed in the front, back or side portions of any lawn.

4.5 INSURANCE FOR COMMON AREAS. The Association shall insure the Common Areas, and property owned by the Association, including, if any, records, furniture, fixtures, equipment, and supplies, in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insurable hazard. The Association is not required to insure any of Lot, Townhome, Detached Residence, automobiles, watercraft, furniture or other personal property located within a Residence or on any Common Area unless specifically set forth in this Agreement. The Association shall maintain a commercial general liability insurance policy on an occurrence-based form covering the Common Area for bodily injury and property damage. All insurance maintained by the Association shall be written by an insurer with an A.M. Best rating of A-VII or higher. The insurance policies required under this Section 4.55 or otherwise will provide for blanket waivers of subrogation for the benefit of Declarant, shall provide primary coverage, not secondary, and provide first dollar coverage. Additionally, the insurance policies under this paragraph shall provide that Declarant shall receive thirty-days written notice prior to cancellation of the policy and that Declarant shall permitted to pay any premiums to keep the Association's insurance policies in full force and effect. The Association shall cause Declarant to be named as an additional insured on all insurance required under this Section 4.5 or as otherwise set forth herein. In addition to the other indemnities herein and without limitation, if the Association fails to name Declarant as an additional insured as set forth herein, the Association shall hold harmless, defend and indemnify Declarant for any loss, claim, damage and/or lawsuit suffered by Declarant for the Association's failure described herein. To the extent of any conflict between this Section 4.5 and a provision in Article 14 as it relates to insurance for Common Areas, this Section 4.5 shall control.

ARTICLE 5

TOWNHOME LOTS, TOWNHOMES & AREA OF COMMON RESPONSIBILITY

5.1. TOWNHOME LOTS. The Property is platted into Lots, the boundaries of which are shown on the Plat, and which may not be obvious on visual inspection of the Property. Portions of the Lots on which Townhomes are located (the "Townhome Lot(s)") are designated by this Declaration to be Areas of Common Responsibility, and are burdened with easements for the use and benefit of the

Association, Owners, and Residents. Although the Property is platted into individually owned Townhome Lots, portions of the Townhome Lots are maintained by the Association.

NOTE TOWNHOME OWNERS: WHILE YOU OWN YOUR LOT AND TOWNHOME, PORTIONS ARE CONTROLLED AND MAINTAINED BY THE ASSOCIATION.

5.2. TOWNHOMES. Certain Lots, as shown on the Plat, are to be improved with a Townhome and Townhome Buildings. The Owner of a Townhome Lot on which a Townhome is constructed owns every component of the Townhome Lot and Townhome, including all the structural components and exterior features of the Townhome and is responsible for the maintenance of the Townhome and Townhome Lot, except for the Areas of Common Responsibility set forth in this Declaration.

5.3. AREA OF COMMON RESPONSIBILITY. Areas of Common Responsibility within a Townhome Lot (which are in addition to the Areas of Responsibility described in Section 4.4 hereof) to be maintained by the Association include the following:

5.3.1. Areas Relating to Townhomes. All portions of the Townhomes marked as an Area of Common Responsibility on Appendix C are to be maintained by the Association.

5.4. ALLOCATION OF INTERESTS. The interests allocated to each Townhome Lot are calculated by the following formulas.

5.4.1. Common Expense Liabilities. The percentage or share of liability for Common Expenses allocated to each Townhome Lot is uniform for all Townhome Lots, regardless of the value, size, or location of the Townhome Lot or Townhome.

5.4.2. Votes. The one vote appurtenant to each Townhome Lot is uniform and weighted equally with the vote for every other Townhome Lot, regardless of any other allocation appurtenant to the Townhome Lot.

ARTICLE 6
ARCHITECTURAL COVENANTS AND CONTROL

6.1. PURPOSE. Because all 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 the 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 Townhomes, Detached Residences, 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. **No exterior modification is allowed without the prior written consent of the Architectural Reviewer.** Due to the intent that Townhomes within a Townhome Building maintain uniformity of appearance, and for other reasons, the Owner of a

Detached Residence may be eligible for certain changes or enhancements not available to an Owner of Townhome.

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 plans and specifications for new Townhomes or Detached Residences to be constructed on vacant Lots. **During the Development Period, the Architectural Reviewer for plans and specifications for all Lots to be constructed 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 (as defined in Appendix B) to sell Townhomes or Detached Residences 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 time, but is not obligated to, delegate all or a portion of its reserved rights under this Article as the Architectural Reviewer to (1) an ACC (as defined in Section 6.3 hereof) 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.

6.2.3. Limits on Declarant's Liability. The Declarant has sole discretion with respect to taste, design, and all standards specified by this Article during the Development Period. The Declarant, and any delegate, officer, member, director, employee or other person or entity exercising Declarant's rights under this Article shall have no liability for its decisions made and in no event shall be responsible for: (1) errors in or omissions from the plans and specifications submitted, (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. By submitting any plan for approval, the submitting party expressly acknowledges that Declarant and/or the Architectural Reviewer are not engineers, architects, or builders for purposes of plan review, and that any approval or disapproval of any plans expressly excludes any opinion on the suitability of the plans on an engineering, architectural, or construction basis

NOTE TO TOWNHOME OWNERS: YOU CANNOT INDIVIDUALIZE THE OUTSIDE OF YOUR TOWNHOME. PLAN APPROVAL IS REQUIRED. No Plat or plans for Townhomes, Detached Residences or other improvements shall be submitted to the City or other applicable governmental authority for approval until such Plat and/or related construction plans have been approved in writing. Furthermore, no Townhome, Detached Residence, or other improvements shall be constructed on any Lot within the Property until plans therefore have been approved in writing by the Architectural Reviewer as provided in this Declaration; provided that the Townhome, Detached Residence, or other improvements in any event must comply with the requirements and restrictions set forth in this Declaration and the Design Guidelines established thereby.

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 or its Board (if not ACC has been established by the Board) will assume jurisdiction over architectural control and shall be the Architectural Reviewer for purposes hereunder.

6.3.1. ACC. After the period of Declarant control, 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. By submitting any plan for approval, the submitting party expressly acknowledges that the ACC and/or the Architectural Reviewer are not engineers, architects, or builders for purposes of plan review, and that any approval or disapproval of any plans expressly excludes any opinion on the suitability of the plans on an engineering, architectural, or construction basis.

6.4. PROHIBITION OF CONSTRUCTION, ALTERATION & IMPROVEMENT. Without the Architectural Reviewer's prior written approval, a person may not construct a Townhome or Detached Residence or make an addition, alteration, improvement, installation, modification, redecoration, or reconstruction of or to a Townhome or Detached Residence or any other part of the Property, if it will be visible from a Street, another Townhome or Detached Residence, 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. The review of plans pursuant to this Declaration may be subject to all review and approval procedures set forth in guidelines, restrictions and/or requirements of applicable zoning or otherwise established by the by the Architectural Reviewer in its review of plans pursuant hereto.

6.5. ARCHITECTURAL APPROVAL. To request architectural approval, an Owner must make written application and submit to the Architectural Reviewer two (2) identical sets of 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 have thirty (30) days to make a determination and shall 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 Association's files. If the application is returned to the Owner marked "More Information Required" the application review process is placed on hold and the burden to provide the information needed shall be solely upon the Owner. If within fifteen (15) days the Owner does not provide the information requested the Architectural Reviewer shall deny the application and return a letter of denial to the Owner. Owner will, at that time, be required to submit a new application for review and approval. **Builders are excluded from the thirty (30) day waiting period. All applications for new construction or builder plans shall be reviewed within seven (7) days of receipt (excluding weekends and holidays).**

6.5.1. No Verbal Approval. 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.

6.5.2. No Deemed Approval. The failure of the Architectural Reviewer to respond to an application submitted by an Owner may NOT be construed as approval of the application. Under no circumstance may approval of the Architectural Reviewer be deemed, implied, or presumed. *Builders who do not receive a response within seven (7) days may proceed with the building plan notwithstanding, the burden of responsibility to ensure the plans meet all applicable City requirements and the requirements as set forth in this Declaration and the Design Guidelines are the sole responsibility of the Builder.*

6.5.3. No Approval Required. Approval is not required for an Owner to remodel or repaint the interior of their Residence, provided the work does not impair the structural soundness of the Residence or Townhome Building.

6.5.4. 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.

6.5.5. Neighbor Input. The Architectural Reviewer may solicit comments on the application, including from Owners or Residents of Townhomes and Detached Residences 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 commenter in ruling on the application.

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

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 variance does not affect 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. PROHIBITION OF CONSTRUCTION, ALTERATION & IMPROVEMENT. Without the Architectural Reviewer's prior written approval, a person may not commence or continue any construction, alteration, addition, improvement, installation, modification, redecoration, or reconstruction of or to the Property, or do anything that affects the appearance, use, or structural integrity of the Property. The Architectural Reviewer has the right but not the duty to evaluate every aspect of construction and property use that may adversely affect the general value or appearance of the Property.

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 Subdivision. This Article and the Documents as a whole do not try to anticipate and address every creative interpretation of the restrictions. 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 Subdivision, 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 Areas and Areas of Common Responsibility.
- 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 Townhomes, Detached Residences, and Lots.
- f. Landscaping and maintenance of yards for Detached Residences and Townhomes. An Owner shall have no right to perform such activities in an Area of Common Responsibility.
- g. The occupancy and leasing of Townhomes or Detached Residences.
- h. Animals. Restrictions as to the type and number of household pets shall be strictly enforced. Dangerous animals or animals that pose a nuisance will require removal.
- i. Vehicles. Vehicle regulations shall be strictly enforced. Towing of any unauthorized vehicle will be enforced. The Association shall have the right to contact a towing company for any vehicle that blocks driveways, fire hydrants, is inoperable, or presents a safety hazard at any time.
- j. Disposition of trash and control of vermin, termites, and pests.
- k. Anything that interferes with maintenance of the Property, safety of the Owners, tenants, or guests, operation of the Association, administration of the Documents, or the quality of life for Residents.

7.5. ANIMALS. DOMESTIC ANIMALS ONLY. No wild animal, farm animal, animal, bird, fish, reptile, or insect of any kind may be kept, maintained, raised, or bred anywhere on the Property for a pet, commercial purpose or for food. Customary domesticated household pets only may be kept subject to the Rules. The Board may adopt, amend, and repeal Rules regulating the types, sizes, numbers, locations, and behavior of animals at the Property. The Board may require or effect the removal of any animal determined to be in violation of this Section or the Rules. Unless the Rules provide otherwise:

7.5.1. Number. No more than two (2) pets (total weight of both pets no greater than one hundred (100) pounds) may be maintained in each Townhome and without the express written consent of the Board, shall be cats or dogs only. Permission to maintain other types or additional numbers of household pets must be obtained in writing from the Board. Owners of Detached Residences may keep up to four (4) small to medium sized household pets. Large dogs over seventy-five (75) pounds each may be limited to two (2) in number per household at the sole discretion of the Board.

7.5.2. Disturbance. Pets must be kept in a manner that does not disturb the peaceful enjoyment of Residents of other Lots. No pet may be permitted to bark, howl, whine, screech, or make other loud noises for extended or repeated periods of time. Owner shall ensure that their pet(s) comply with these rules at all times. Pets must be kept on a leash when outside the Residence. The Board is the sole arbiter of what constitutes a threat or danger, disturbance or annoyance and may upon written notice require the immediate removal of the animal(s) should the Owner fail to be able to bring the animal into compliance with this Declaration or any rules and regulations promulgated hereunder. Any animal that is being abused or neglected will be turned into the local authorities for immediate action.

7.5.3. Indoors/Outdoors. *For Townhome Owners, a permitted pet must be maintained inside the Residence, and may not be kept on a patio or in a yard area. No pet is allowed on the Common Area unless carried or leashed.*

7.5.4. Pooper Scooper. All Owners and Residents are responsible for the removal of his pet's wastes from the Property. Unless the Rules provide otherwise, a Resident must prevent his pet from relieving itself on the Common Area, the Area of Common Responsibility, or the Lot of another Owner. The Association may levy fines up to \$300.00 per occurrence for any Owner who violates this section and does not comply with the rules as set forth herein.

7.5.5. Liability. An Owner is responsible for any property damage, injury, or disturbance caused or inflicted by an animal kept on the Lot. The Owner of a Lot on which an animal is kept is deemed to indemnify and to hold harmless the Board, the Association, and other Owners and Residents, from any loss, claim, or liability resulting from any action of the animal or arising by reason of keeping the animal on the Property.

7.6. 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 or Governmental Requirement. The Board has the sole authority to determine what constitutes an annoyance.

7.7. APPEARANCE. Both the Lot and the Residence must be maintained in a manner so as not to be unsightly when viewed from the Street or neighboring Lots or Common Areas. The Architectural Reviewer is the arbitrator of acceptable appearance standards.

7.8. ACCESSORY STRUCTURES AND SHEDS. Accessory structures and sheds - such as dog houses, gazebos, metal storage sheds, playhouses, play sets and greenhouses - are **not** allowed on any Townhome Lot. Owners of Detached Residences may have such structures notwithstanding, **prior written approval is required for all structures regardless of the kind or type and may be limited or denied if structure will not be concealed by a fence. The Architectural Reviewer shall have the sole authority with regard to size, height, placement and approval.** The Declarant during the Declarant Control Period may veto any decision of the Architectural Reviewer regarding acceptable or allowed accessory structures and sheds.

7.9. BARBECUE. Exterior fires are prohibited on the Property unless contained in commercial standard grilling device approved by the Board.

7.10. COLOR CHANGES. For Townhomes, the colors of Townhome Buildings, fences, exterior decorative items, and all other improvements on a Townhome Lot are subject to regulation and approval 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. A Resident may 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.

7.11. YARDS. This Section applies to both Townhome and Detached Residence yards. Each section that is specific to only one Lot type will be clearly identified for clarification purposes. All yards of any Lot visible from the Common Areas, adjacent Lots or any Street, and not part of the Areas of Common Responsibility shall be maintained by the Owner of such Lot in a neat and attractive manner that is consistent with the Subdivision and such Owner shall water his yard with the appropriate amounts of water needed to keep the yard healthy and alive. The Association shall consider water restrictions should any such restriction apply. **The Association shall be responsible for the routine maintenance of the front yards, flower beds, trees and shrubs as part of the Areas of Common Responsibility in accordance with Section 4.4 hereof, which shall include periodic trimming of trees and shrubs as well as the installation of annual or perennial flowers to the front yards of a Lot. The kind of annual or perennial flowers shall be determined by the Board of Directors who may rely on recommendations of the landscaper contracted to perform such duties.** An Owner shall not remove any landscape items or interfere with the maintenance and upkeep of their front yard by the Association. If an Owner desires to not have certain periodic color changes done to their front yard a written request must be submitted to the Board of Directors and Owner must provide specific details to the Board outlining the reasons why no such color changes are desired. The Board has the sole right to determine if no such color change shall take place. *If the Board of Directors or Architectural Reviewer perceives that the appearance of yards detracts from the overall appearance of the Property, the Board may limit the colors, numbers, sizes, or types of furnishings, plantings, and other items kept in the yard. A yard may never be used for storage. All sports or play items as well as barbeque grills or other items or structures must be stored out of view at all times when not in use. No basketball goals may be used without the express written permission of the Architectural Reviewer. No basketball goal may be mounted to the exterior of the Residence or placed as a permanent structure. Should a basketball goal be allowed it must be stored out of view when not in use and kept in good repair at all times. The basketball goal must never be placed on a sidewalk or in the street when in use or when being stored away. No synthetic turf of any kind is allowed in any portion of the front, rear or sides of any yard.* Owners of Detached Residences shall be required to obtain prior written approval from the Architectural Reviewer prior to making any major changes to their front or side yards which shall include the removal or addition of trees, landscape, yard art or ornaments, lights, or other.

7.12. DECLARANT PRIVILEGES. In connection with the development and marketing of the Property, Declarant has reserved a number of rights and privileges to use the Property in ways that are not available to other Owners and Residents, as provided in Appendix B of this Declaration. Declarant's exercise of a Development Period right that appears to violate a Rule or a use restriction of this Article does not constitute waiver or abandonment of the restriction by the Association.

7.13. DECORATION. Residents of Townhomes are prohibited from individualizing and decorating the exteriors of their Townhomes. What is appealing and attractive to one person, may be objectionable to another. For that reason, the Association prohibits exterior “decorations” by Owners without the prior written approval of the Architectural Reviewer. Examples of exterior decorations are windsocks, potted plants, and benches, name signs on tiles, hanging baskets, bird feeders, awnings, window sill birdfeeders, yard gnomes, and clay frogs. Residents of Detached Residences may decorate the outside of their Residences notwithstanding, the Architectural Reviewer shall have the sole discretion to determine what is acceptable or not and any holiday decorations may not be installed thirty (30) days before a holiday and must be removed within fifteen (15) days after the holiday.

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. DRIVEWAYS. The driveway portion of a Lot may not be used for any purpose that interferes with its ongoing use as a route of vehicular access to the garage. Without the Board’s prior approval, a driveway may not be used: (1) for storage purposes, including storage of boats, trailers (of any kind), sports vehicles of any kind, and inoperable vehicles; or (2) for any type of repair or restoration of vehicles. Barbeque grills must be removed when not in use. Basketball goals, if approved by written permission of the Architectural Reviewer, must be removed when not in use and may be stored by laying on its side in the rear fenced yard of the Lot when possible or upon written permission may be stored on its side at the side of a Townhome or Detached Residence.

7.16. FIRE SAFETY. No person may use, misuse, cover, disconnect, tamper with, or modify the fire and safety equipment of the Property which shall include the sprinkler heads and water lines in and above the ceilings of the Townhomes, or interfere with the maintenance and/or testing of same by persons authorized by the Association or by public officials.

7.17. GARAGES. Without the Board’s prior written approval, the original garage area of a Townhome or Detached Residence may not be enclosed or used for any purpose that prohibits the parking of two (2) standard-size operable vehicles therein. Residences in the Subdivision shall consist of front loading garages. Garage doors are to be kept closed at all times except when a vehicle is entering or leaving.

7.18. GUNS. Hunting and shooting are not permitted anywhere on or from the Property.

7.19. LANDSCAPING. *No person may perform landscaping, planting, or gardening on the Common Area or Areas of Common Responsibility, without the Board’s prior written authorization. No synthetic turf, flowers, or landscape is allowed in any portion of the front, rear or sides of any yard.*

7.20. LEASING. An Owner may lease his Residence on his Lot notwithstanding, the Board of Directors shall have the right to at any time and from time to time to promulgate rules that may restrict the number of homes any one Owner may lease or rent and may set a limit as to the total number of homes that can be leased within the entire community. Short term leases or rentals, bed and breakfast type leases or rentals including Airbnb, vacation rentals, or any other form of short-term leasing is strictly prohibited without the express written consent of the Board of Directors. The Board of Directors

shall consider on a case by case basis written requests for lease terms less than one (1) year. The standard lease should be not less than one (1) year in duration. Whether or not it is so stated in a lease, every lease is subject to the Documents and all Governmental Requirements. 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 or other Governmental Requirements 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 and/or any Governmental Requirements 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.

7.21. 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 areas within the community. The Board of Directors may adopt Rules and at any time and from time to time amend the Rules to limit, discourage, or prohibit noise-producing activities and items in the Residences and on the Common Areas or Area of Common Responsibility.

NOTE TO TOWNHOME OWNERS: TOWNHOMES ARE NOT SOUND PROOFED. BE A GOOD NEIGHBOR.

7.22. OCCUPANCY - NUMBERS. The Board may adopt Rules regarding the occupancy of Residences. If the Rules fail to establish occupancy standards, no more than one person per bedroom may occupy a Residence, subject to the exception for familial status. The Association's occupancy standard for Residents who qualify for familial status protection under the fair housing laws may not be more restrictive than the minimum (i.e., the fewest people per Townhome) permitted by the U. S. Department of Housing and Urban Development. Other than the living area of the Residence, no thing or structure on a Lot, such as the garage, may be occupied as a residence at any time by any person.

7.23. OCCUPANCY - TYPES. A person may not occupy a Residence if the person constitutes a direct threat to the health or safety of other persons, or if the person's occupancy would result in substantial physical damage to the property of others. This Section does not and may not be construed to create a duty for the Association or a selling Owner to investigate or screen purchasers or prospective purchasers of Residences. By owning or occupying a Residence, each person acknowledges that the Subdivision is subject to local, state, and federal fair housing laws and ordinances. Accordingly, this Section may not be used to discriminate against classes or categories of people.

7.24. RESIDENTIAL USE. The use of a Residence 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 Residence for personal business or professional pursuits provided that: (1) the uses are incidental to the use of the Residence as a residence; (2) the uses conform to applicable Governmental Requirements; (3) there is no external evidence of the uses; (4) the uses do not entail visits to the Residence 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 Residences or Common Areas.

7.25. SIGNS. No signs, including signs advertising the Residences for sale or lease, or unsightly objects may be erected, placed, or permitted to remain on the Property or to be visible from windows in the Residence without written authorization of the Board. If the Board authorizes signs, the Board's authorization may specify the location, nature, dimensions, number, and time period of any advertising sign. 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. One (1) Security sign per Residence shall be allowed in the front or back but, may not be more than 12" x 12" without prior written consent of the Architectural Reviewer. The Association may affect the immediate removal of any sign or object that violates this Section or which the Board deems inconsistent with neighborhood standards without liability for trespass or any other liability connected with the removal. **Notwithstanding the foregoing, if public law - such as Texas Property Code Section 202.009 and local ordinances - grants an Owner the right to place political signs on the Owner's Lot, the Association may not prohibit an Owner's exercise of such right. The Association may adopt and enforce Rules regulating every aspect of political signs on Owners' Lots to the extent not prohibited or protected by public law. Unless the Rules or public law provide otherwise (1) a political sign may not be displayed more than 90 days before or 10 days after an election to which the sign relates; (2) a political sign must be ground-mounted; (3) an Owner may not display more than one political sign for each candidate or ballot item; and (4) a political sign may not have any of the attributes itemized in Texas Property Code Section 202.009(c), to the extent that statute applies to the Lot.**

7.26. TOWNHOME STRUCTURAL INTEGRITY. No person may directly or indirectly impair the structural soundness or integrity of a Townhome Building or another Townhome, nor do any work or modification that will impair an easement or real property right.

7.27. TELEVISION. Each Resident of the Property will avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic, electronic, microwave, cable, or satellite reception on the Property. Antennas, satellite or microwave dishes, and receiving or transmitting towers that are visible from a Street or from another Lot are prohibited within the Property, except (1) reception-only antennas or satellite dishes designed to receive television broadcast signals, (2) antennas or satellite dishes that are one meter or less in diameter and designed to receive direct broadcast satellite service (DBS), or (3) antennas or satellite dishes that are one meter or less in diameter or diagonal measurement and designed to receive video programming services via multipoint distribution services (MDS) (collectively, the "Antenna") are permitted if located (a) inside the Residence (such as in an attic or garage) so as not to be visible from outside the Residence, (b) in a fenced yard, or (c) attached to or mounted on the rear wall of a Residence below the eaves. If an Owner determines that an Antenna cannot be located in compliance with the above guidelines without precluding reception of an acceptable quality signal, the Owner may install the Antenna in the least conspicuous location on the Lot or Residence thereon where an acceptable quality signal can be obtained. The Association may adopt reasonable Rules for the location, appearance, camouflaging, installation, maintenance, and use of the Antennas to the extent permitted by public law. An Owner must have written permission of the Architectural Reviewer to install any apparatus to the roof of the structure.

7.28. TRASH. Each 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 garage and may not be visible from a Street or another Residence.*

7.29. TOWNHOME VARIATIONS. Nothing in this Declaration may be construed to prevent the Architectural Reviewer from (1) establishing standards for one Townhome Building, type of Townhome Building, or phase in the Property that are different from the standards for other Townhome Buildings or phases, or (2) approving a system of controlled individualization of Townhome exteriors.

7.30. 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.

7.30.1. Parking in Street. Vehicles that are not prohibited below may park on public Streets only if the City allows curbside parking, and in designated parking areas, subject to the continuing right of the Association to adopt reasonable Rules if circumstances warrant; provided, however, parallel parking or parking of vehicles or vehicular equipment on any Streets located at or adjacent to the rear property line of a Lot or on any Streets with a width less than twenty-five feet (25') is expressly prohibited by this Declaration.

7.30.2. 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 anywhere on the Property - including overnight parking on Streets, driveways, and visitor parking spaces - if the vehicle is visible from a Street or from another Residence: mobile homes, motor homes, buses, all trailers (including, without limitation, boat and/or jet ski trailers), boats, inoperable vehicles, commercial truck cabs, tow trucks, trucks with tonnage over one ton, 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 Residence. Vehicles that transport inflammatory or explosive cargo are prohibited from the Property at all times. Small vehicles with advertising used by an Owner as their primary source of transportation may be allowed ONLY if the vehicle is parked in the driveway or garage at all times. At no time is an Owner to use his vehicle to solicit business within the community. Oversize work vehicles are prohibited. Small vehicles for fire or law enforcement are excluded from these restrictions.

7.31. WINDOW TREATMENTS. Each Townhome Building in the Subdivision is designed to have uniformity. Therefore, the color and condition of all windows panes, window screens, and window treatments must conform to the Building Standard (as defined in Section 14.5 below) of such Townhome Building. All window treatments within the Townhome Building, that are visible from

the Street or another Townhome, 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, window film, window screen, or window decoration that the Architectural Reviewer determines to be inappropriate, unattractive, or inconsistent with the Property's uniformity. The Architectural Reviewer may prohibit the use of certain colors or materials for window treatments if it deems it appropriate to do so.

NOTE TO TOWNHOME OWNERS: BEFORE YOU BUY THOSE WINDOW COVERINGS, GET ARCHITECTURAL APPROVAL.

7.32. FLAGS. Each Owner and Resident of the Subdivision has a right to fly the flag on his Lot. The United States flag ("Old Glory") and/or the Texas state flag ("Lone Star Flag"), and/or an official or replica flag of any branch of the United States armed forces, may be displayed in a respectful manner on each Lot, subject to reasonable standards adopted by the Association for the height, size, illumination, location, and number of flagpoles, all in compliance with section 202.012 of the Texas Property Code. All flag displays must comply with public flag laws. No other types of flags, pennants, banners, kites, or similar types of displays are permitted on a Lot if the display is visible from a Street or Common Area. Unless the Rules provide otherwise, a flag must be wall-mounted to the first-floor facade of the Residence, and no in-ground flag pole is permitted on a Lot.

ARTICLE 8
ASSOCIATION AND MEMBERSHIP
RIGHTS

8.1. ASSOCIATION. By acquiring an ownership interest in a Lot, a person is automatically and mandatorily a Member of the Association.

8.2. 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.*"

8.3. THE ASSOCIATION. The duties and powers of the Association are those set forth in the Documents, primarily the Bylaws, 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. Among its duties, the Association levies and collects Assessments, maintains the Common Areas and Areas of Common Responsibility, and pays the expenses of the Association, such as those described in Section 9.4 below. The Association comes into existence on the earlier of (1) filing of its Certificate of Formation of the Association with the Texas Secretary of State 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. Notwithstanding the foregoing, the Association may not be voluntarily dissolved without the prior written consent of the City.

8.4. GOVERNANCE. The Association will be governed by a Board of directors elected by the Members. Unless the Association's Bylaws or Certificate of Formation 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 Majority of Owners, or at a meeting of Members by affirmative vote of at least a Majority of Owners present at such meeting (subject to quorum requirements being met).

8.5. MEMBERSHIP. Each Owner and all successive Owners are mandatory Members of the Association, ownership of a Lot being the sole qualification for membership. 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, the co-owners shall combine their vote in such a way as they see fit, but there shall be no fractional votes and no more than one (1) vote with respect to any 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.

8.6. DECLARANT PROTECTION. Further, and without regard to whether or not the Declarant has been released from obligations and duties to the Association, during the Development Period or so long as the Declarant holds record title to at least one (1) Lot and holds same for sale in the ordinary course of business, neither the Association nor its Board, nor any member of the Association shall take any action that will impair or adversely affect the rights of the Declarant or cause the Declarant to suffer any financial, legal or other detriment, including but not limited to, any direct or indirect interference with the sale of Lots. In the event there is a breach of this Section, it is acknowledged that any monetary award which may be available would be an insufficient remedy and therefore, in addition to all other remedies, the Declarant shall be entitled to injunctive relief restraining the Association, its Board or any member of the Association from further breach of this Section.

8.7. VOTING. One vote is appurtenant to each Lot. The total number of votes equals the total number of Lots in the Property. If additional property is made subject to this Declaration, the total number of votes will be increased automatically by the number of additional Lots included in the property annexed into the Property subject to this Declaration. Each vote is uniform and equal to the vote appurtenant to every other Lot, except during the Declarant Control Period as permitted in Appendix B. Cumulative voting is not allowed. Votes may be cast by written proxy, according to the requirements of the Association's Bylaws.

8.8. VOTING BY CO-OWNERS. The one vote appurtenant to a Lot is not divisible. If only one of the multiple co-owners of a Lot is present at a meeting of the Association, that person may cast the vote allocated to the Lot. If more than one of the co-owners is present, the Lot's one vote may be cast with the co-owners' unanimous agreement. Co-owners are in unanimous agreement if one of the co-owners casts the vote and no other co-owner makes prompt protest to the person presiding over the meeting. Any co-owner of a Lot may vote by ballot or proxy, and may register protest to the casting of a vote by ballot or proxy by the other co-owners. If the person presiding over the meeting or balloting

receives evidence that the co-owners disagree on how the one appurtenant vote will be cast, the vote will not be counted.

8.9. BOOKS & RECORDS. The Association will maintain copies of the Documents and the Association's books, records, and financial statements. Books and records of the Association will be made available for inspection and copying pursuant to Section 209.005 of the Texas Property Code.

8.10. LIMITATION OF LIABILITY; INDEMNIFICATION; AND WAIVER OF SUBROGATION. No Declarant or managing agent of the Association, or their respective directors, officers, committee chairs, committee members, agents, members, employees, or representatives, or any member of the Board or the ACC or other officer, agent or representative of the Association (collectively, the "Leaders"), shall be personally liable for the debts, obligations or liabilities of the Association. The Leaders shall not be liable for any mistake of judgment, whether negligent or otherwise, except for their own individual willful misfeasance or malfeasance, misconduct, bad faith, intentional wrongful acts or as otherwise expressly provided in the Documents. The Leaders shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and THE ASSOCIATION INDEMNIFIES EVERY LEADER, AS A COMMON EXPENSE OF THE ASSOCIATION, AGAINST CLAIMS, EXPENSES, LOSS OR LIABILITIES (TO THE EXTENT NOT COVERED BY INSURANCE PROCEEDS) TO OTHERS BY ANY CONTRACT OR COMMITMENT, AND BY REASONS OF HAVING SERVED AS A LEADER, INCLUDING ATTORNEY'S FEES, REASONABLY INCURRED BY OR IMPOSED ON THE LEADER IN CONNECTION WITH ANY ACTION, CLAIM, SUIT, OR PROCEEDING TO WHICH THE LEADER IS A PARTY. 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 CLAIM OR LIABILITY ASSERTED AGAINST HIM AND INCURRED BY HIM IN THAT CAPACITY AND ARISING OUT OF THAT CAPACITY. ADDITIONALLY, THE ASSOCIATION MAY INDEMNIFY A PERSON WHO IS OR WAS AN EMPLOYEE, TRUSTEE, AGENT, OR ATTORNEY OF THE ASSOCIATION, AGAINST ANY CLAIM OR LIABILITY ASSERTED AGAINST HIM AND INCURRED BY HIM IN THAT CAPACITY AND ARISING OUT OF THAT CAPACITY. Any right to indemnification provided herein shall not be exclusive of any other rights to which a director, officer, agent, member, employee and/or representative, or former director, officer, agent, member, employee and/or representative, may be entitled. The Association shall have the right to purchase and maintain, as a Common Expense, directors', officers', and ACC members', insurance on behalf of any Person who is or was Leader against any liability asserted against any such Person and incurred by any such Person in such capacity as a director, officer, agent, member, employee and/or representative, or arising out of such Person's status as such. SEPARATE AND APART FROM ANY OTHER WAIVER OF SUBROGATION IN THIS DECLARATION, THE ASSOCIATION WAIVES ANY AND ALL RIGHTS OF SUBROGATION WHATSOEVER IT MAY HAVE AGAINST DECLARANT REGARDLESS OF FORM, AND TO THE EXTENT ANY THIRD-PARTY MAKES A CLAIM, SUIT, OR CAUSE OF ACTION AGAINST DECLARANT FOR OR ON BEHALF OF THE ASSOCIATION BY WAY OF A SUBROGATION RIGHT, THE

INDEMNITY PROVISIONS HEREIN APPLY TO ANY SUCH SUBROGATION CLAIM, SUIT, CAUSE OF ACTION, OR OTHERWISE.

8.11. OBLIGATIONS OF OWNERS. Without limiting the obligations of Owners under the Documents, each Owner has the following obligations:

8.11.1. 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 or written statement by the Association. **Payment of Assessments are NOT contingent upon the provision, existence, or construction of any common elements or amenity.**

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

8.11.3. Reimburse. 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.

8.11.4. Liability. Each Owner is liable to the Association for violations of the Documents by the Owner, a Resident of the Owner's 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.

8.12. HOME RESALES. This Section applies to every sale or conveyance of a Lot or an interest in a Lot by an Owner other than Declarant or a Builder:

8.12.1. Resale Certificate. An Owner intending to sell his Residence will notify the Association and will request a Resale Certificate (herein so called) from the Association. The Resale Certificate shall include such information as may be required under Section 207.003(b) of the Texas Property Code; provided, however, that the Association or its managing agent may and probably will charge a fee in connection with preparation of the Resale Certificate to cover its administrative costs or otherwise, which fee must be paid upon the earlier of (i) delivery of the Resale Certificate to an Owner, or (ii) the Owner's closing of the sale or transfer of his/her Residence. Declarant is exempt from any and all Resale Certificate fees.

8.12.2. No Right of First Refusal. The Association does not have a right of first refusal and may not compel a selling Owner to convey the Owner's Lot to the Association.

8.12.3. Working Capital Contribution. At time of transfer of a Lot by any owner (other than by Declarant), a "Working Capital Contribution" (herein so called) shall be paid to the Association in the amount equal to the greater of (i) Seven Hundred Fifty and No/100 Dollars (\$750.00) for each Townhome Lot and Five Hundred and No/100 Dollars (\$500.00) for each Detached Residence or (ii) one-third (1/3) of the then current annual Regular Assessment with respect to transfers from a non-Builder Owner to another Owner; provided, however that Declarant during the Development Period or, thereafter, the Board, may increase the Working Capital Contribution by an additional amount equal to fifty

percent (50%) of the Working Capital Contribution then required without joinder or consent of any Member or Owner. Working Capital Contributions shall be deposited in the Association's "Operating Fund" (herein so called). The Working Capital Contribution may be paid by the seller or buyer, and will be collected at closing of the transfer of a Lot, provided in no event shall any Working Capital Contribution be due or owing in connection with a transfer by any Builder or Declarant. If the Working Capital Contribution is not collected at closing, the buyer remains liable to the Association for the Working Capital Contribution until paid. The Working Capital Contribution is not refundable and may not be regarded as a prepayment of or credit against Regular Assessments or Special Assessments. Per the City's Ordinances, the Association shall have the right to the use of funds allocated to the Operating Fund for the maintenance and upkeep of any area of the grounds, Common Areas, Areas of Common Responsibility or any portion of the development, at any time and from time to time, as needed so long as the Association is the responsible party for said maintenance and upkeep. Notwithstanding the foregoing or anything to the contrary contained in this Declaration, a portion of all Working Capital Contributions made pursuant to this Section 8.12.3 collected from the transfer of a Townhome Lot in the greater of the amount of (i) Two Hundred Fifty and No/100 Dollars (\$250.00), or (ii) one third (1/3rd) of the Working Capital Contribution collected, shall be set aside in a separate Reserve Fund for the exclusive purpose of funding the cost and expense of satisfying the maintenance and/or repair obligations of the Association with respect to the Areas of Common Responsibility and Common Areas solely benefitting the Townhomes, or other Common Expenses of the Association exclusively attributable to the Townhomes and/or Townhome Lots.

8.12.4. Other Transfer-Related Fees. A number of independent fees may be charged in relation to the transfer of title to a Lot, including but not limited to fees for Resale Certificates, estoppel certificates, copies of Documents, compliance inspections, ownership record changes, and priority processing, provided the fees are customary in amount, kind, and number for the local marketplace are not refundable and may not be regarded as a prepayment of or credit against Regular Assessments or Special Assessments. The Board may, at its sole discretion, enter into a contract with a managing agent to oversee the daily operation and management of the Association. The managing agent may, and probably will, have fees, which will be charged to an Owner for the transfer of a significant estate or fee simple title to a Lot and the issuance of a Resale Certificate, which fees shall not exceed \$750.00 in the aggregate per Lot per transfer. The Association or its managing agent shall not be required to issue a Resale Certificate until payment for the cost thereof has been received by the Association or its managing agent. Transfer fees and fees for the issuance of a Resale Certificate shall in no event exceed the current annual rate of Regular Assessment applicable at the time of the transfer/sale for each Residence being conveyed and are not refundable and may not be regarded as a prepayment of or credit against regular or special assessments, and are in addition to the contribution to the Reserve Fund in Section 8.12.3 above. This Section does not obligate the Board or any third party to levy such fees. Transfer-related fees may and probably will be charged by the Association or by the Association's managing agent, provided there is no duplication. Transfer-related fees charged by or paid to a managing agent are not subject to the Association's Assessment Lien, and are not payable by the Association. Declarant is exempt from transfer related fees.

8.12.5. Information. Within thirty days after acquiring an interest in a Lot, an Owner will provide the Association with the following information: a copy of the settlement statement or deed by which Owner has title to the Lot; the Owner's email address (if any), U. S. postal address, and phone number; any mortgagee's name, address, and loan number; the name and phone number of any Resident other than the Owner; the name, address, and phone number of Owner's managing agent, if any.

ARTICLE 9

COVENANT FOR ASSESSMENTS

9.1. POWER TO ESTABLISH ASSESSMENTS AND PURPOSE OF ASSESSMENTS. The Association is empowered to establish and collect Assessments as provided in this Article 9 for the purpose of obtaining funds to maintain the Common Area and/or Areas of Common Responsibility, perform its other duties, and otherwise preserve and further the operation of the Property as a first-class, quality residential subdivision. The purposes for which Assessments may be used to fund the costs and expenses of the Association (the "Common Expenses") in performing or satisfying any right, duty or obligation of the Association hereunder or under any of the Documents, including, without limitation, maintaining, operating, managing, repairing, replacing or improving the Common Area, Areas of Common Responsibility or any improvements thereon; mowing grass and maintaining grades and signs; paying legal fees and expenses incurred in enforcing this Declaration; paying expenses incurred in collecting and administering Assessments; paying insurance premiums for liability and fidelity coverage for the ACC, the Board and the Association; paying operational and administrative expenses of the Association; and satisfying any indemnity obligation under the Association Documents. The Board may reject partial payments and demand payment in full of all amounts due and owing the Association. The Board is specifically authorized to establish a policy governing how payments are to be applied. The Association will use Assessments for the general purposes of preserving and enhancing the Property, and for the common benefit of Owners and Residents, including but not limited to maintenance of real and personal property, management and operation of the Association, and any expense reasonably related to the purposes for which the Property was developed. If made in good faith, the Board's decision with respect to the use of Assessments is final.

Notwithstanding the foregoing, the Association shall maintain the Common Areas and Areas of Common Responsibility in accordance with the standards and requirements established by the City under the City Design Guidelines or otherwise. This paragraph may not be modified or amendment without the express written consent of the City.

9.2. PERSONAL OBLIGATION. 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.

9.3. CONTROL FOR ASSESSMENT INCREASES. This Section of the Declaration may not be amended without the approval of Owners of at least two-thirds (2/3) of the Lots. In addition to other rights granted to Owners by this Declaration, Owners have the following powers and controls over the Association's budget:

9.3.1. Veto Increased Dues. At least 30 days prior to the effective date of an increase in Regular Assessments wherein the Regular Assessments due will increase more than fifty percent (50%) from the previous year's Regular Assessments the Board will notify an Owner of each Lot of the amount of, the budgetary basis for, and the effective date of the increase. The increase will automatically become effective unless Owners of at least a Majority of the Owners disapprove the increase by petition or at a meeting of the Association, subject to rights of the Board under Section 9.4.1 below. In that event, the last-approved budget will continue in effect until a revised budget is approved. Increases of fifty percent (50%) or less shall not require a vote of the Owners, and may be approved by Declarant during the Development Period or, thereafter, by the Board.

9.3.2. Veto Special Assessment. At least 30 days prior to the effective date of a Special Assessment, the Board will notify an Owner of each Lot of the amount of, the budgetary basis for, and the effective date of the Special Assessment. The Special Assessment will automatically become effective unless Owners of at least a Majority of the Owners (no less than 51%) disapprove the Special Assessment by petition or at a meeting of the Association.

9.4. TYPES OF ASSESSMENTS. There are six types of Assessments: Regular Assessments, Special Assessments, Insurance Assessments, Individual Assessments, and Deficiency Assessments. Regular Assessments shall be reoccurring Assessments payable as defined in this Section 9.4 and more particularly as described in Section 9.4.1 and 9.4.4 below.

9.4.1. Regular Assessments. Regular Assessments are based on the annual budget; provided, however, Builder's shall be obligated to pay annual Regular Assessments at a flat rate of One Thousand and No/100 Dollars (\$1,000.00) per year per Lot owned by such Builder (regardless of the type of Lot or any improvements thereon). 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. The Board shall have the right to determine a different schedule, notice of which shall be given by U.S. Mail to each Owner at least thirty (30) days prior to change.

The Regular Assessment for Townhomes shall be paid on a quarterly basis (unless the Board determines a different schedule) and has been set initially at monthly and has been set initially at ONE THOUSAND EIGHT HUNDRED AND NO/100 DOLLARS (\$1,800.00) per Lot per year. Assessments shall be due quarterly in increments of Four Hundred Fifty and No/100 Dollars (\$450.00) paid in advance per quarter on the first (1st) day of January, April, July, and October of each calendar year and shall be considered late if not received by the last day of the calendar month in which such payment is due.

Regular Assessments for the Row Houses included in the Detached Residences shall be paid on a quarterly basis (unless the Board determines a different schedule) and has been set initially at ONE THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$1,400.00) per Lot per year. Assessments shall be due quarterly in increments of Three Hundred Fifty and No/100 Dollar (\$350.00) paid in advance per quarter on the first (1st) day of January, April, July, and October of each calendar year and shall be considered late if not received by the last day of the calendar month in which such payment is due.

Regular Assessments for the Villas included in the Detached Residences shall be paid on a quarterly basis (unless the Board determines a different schedule) and has been set initially at ONE THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$1,400.00) per Lot per year. Assessments shall be due quarterly in increments of Three Hundred Fifty and No/100 Dollar (\$350.00) paid in advance per quarter on the first (1st) day of January, April, July, and October of each calendar year and shall be considered late if not received by the last day of the calendar month in which such payment is due.

If during the course of a year and thereafter 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 up to fifty percent (50%) without a vote of the Owners as set forth in Section 9.3.1 above. Notwithstanding the foregoing or the terms of Section 9.3.1 above, in the event that either (i) the Board determines that due to unusual circumstances the maximum annual Regular Assessment even as increased by fifty percent (50%) will be insufficient to enable the Association to pay the Common Expenses, or (ii) the Assessment increases resulting in an increase in excess of fifty percent (50%) above the previous year's Regular Assessment, then in such event, the Board shall have the right to increase the maximum annual Regular Assessment by the amount necessary to provide sufficient funds to cover the Common Expenses without the approval of the Members as provided herein; provided, however, the Board shall only be allowed to make one (1) such increase per calendar year pursuant to this Section 9.4.1 and the terms of Section 9.3.1 shall apply for any additional increases of the Regular Assessment in a calendar year. When the assessments collected for Townhomes is insufficient to cover the estimated costs for expenses specific to Townhome maintenance and upkeep, the Board shall have the right to increase the assessments specific to the Townhome units only. When the assessments are insufficient to cover the estimated costs of common expenses related to the Association's common expenses, the increase shall be borne by all Lot Owners.

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, including any private Streets, if applicable.
- b. Maintenance, repair, and replacement, as necessary, of the Area of Common Responsibility.
- c. Utilities billed to the Association.

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

9.4.2. Special Assessments. In addition to Regular Assessments, and subject to the Owners' control for certain 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 the Reserve Funds, if applicable. Special Assessments do not require the approval of the Owners, and may be levied by action taken by the Declarant during the Development Period and thereafter, by the Board; provided, however, Special Assessments that would result in levying of an amount in excess of fifty percent (50%) of the then annual Regular Assessment for each Lot being charged and for the following purposes must be approved by at least a Majority of the Owners:

- 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 capital improvements within the Property with a construction cost equal to or greater than \$20,000.00, but not replacement of existing 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.

9.4.3. Insurance Assessments. The Association's insurance premiums are Common Expenses that must be included in the Association's annual budget. Nevertheless,

the Board may levy an Insurance Assessment - separately from the Regular Assessment - to fund (1) insurance premiums, (2) insurance deductibles, and (3) expenses pertaining to the Fire Riser Closets and the fire sprinkler system for the Townhomes. If the Association levies an Insurance Assessment, the Association must disclose the Insurance Assessment in Resale Certificates prepared by the Association.

9.4.4. Individual Assessments. In addition to Regular Assessments, Special Assessments, and Insurance 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.

9.4.5. 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.

9.5. BASIS & RATE OF ASSESSMENTS. 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; subject, however, to Builder’s right to payment of Regular Assessment at the flat rate of One Thousand and No/100 Dollars (\$1,000.00) per year per Lot owned by such Builder (regardless of the type of Lot or any improvements thereon), and the exemption for Declarant provided below and in Appendix B.

9.6. DECLARANT AND BUILDER OBLIGATION. (a) Declarant’s obligation for an exemption from Assessments is described in Appendix B. Unless Appendix B creates an affirmative assessment obligation for Declarant, 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.

(b) Notwithstanding anything to the contrary contained in this Declaration, the Regular Assessment applicable to any Lot owned by a Builder shall be levied at the flat rate of One Thousand and No/100 Dollars (\$1,000.00) per year per Lot owned by such Builder (regardless of the type of Lot or any improvements thereon).

9.7. ANNUAL BUDGET. The Board will prepare and approve an estimated annual budget for each fiscal year. For each calendar year or a part thereof during the term of this Declaration and after recordation of the initial final Plat of any portion of the Property, the Board shall establish an estimated budget of the Common Expenses to be incurred by the Association for the forthcoming year in

performing and satisfying its rights, duties and obligations, which Common Expenses may include, without limitation, amounts due from Owners, and from and after the expiration of the Development Period, the budget adopted by the Board may include one or more line reserve funds (i.e. restricted, non-restricted, money-market, or investment accounts), which amounts budgeted for any reserve fund(s) shall be included in the Common Expenses. Based upon such budget, the Association shall then assess each Lot an annual fee which shall be paid by each Owner in advance in accordance with Section 9.4.1 hereof. The Association shall notify each Owner of the Regular Assessments for the ensuing year by December 31st of the preceding year, but failure to give such notice shall not relieve any Owner from its obligation to pay Assessments. Any Assessment not paid within the time allotted in Section 9.4.1 shall be delinquent and shall thereafter bear interest at the rate of twelve percent (12%) per annum or the maximum rate permitted by Applicable Law, whichever is less (the "Default Interest Rate") at the sole discretion of the Board. As to any partial year, Assessments on any Lot shall be appropriately prorated.

9.8. DUE DATE. **The Board may levy Regular Assessments on any periodic basis annually, quarterly, or monthly.** Regular Assessments are due on the first day of the period for which levied. Special Assessments, Insurance Assessments, Individual Assessments and Deficiency Assessments are due on the date stated in the notice of such 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.

9.9. ASSOCIATION'S RIGHT TO BORROW MONEY. The Association is granted the right to borrow money, subject to the consent of at least a Majority of Owners and 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.

9.10. 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 Applicable Law, the excess amount will be applied to the reduction of unpaid Special Assessments and Regular Assessments, or reimbursed to the Owner if those Assessments are paid in full.

ARTICLE 10 **ASSESSMENT LIEN**

10.1. 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 Assessment Lien (as defined below) on the Lot. Each Owner, and each prospective Owner, is placed on notice that

his title may be subject to the continuing Assessment Lien for Assessments attributable to a period prior to the date he purchased his Lot.

10.2. 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 Residence, 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.

10.3. 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.

10.4. 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.

10.5. POWER OF SALE. By accepting an interest in or title to a Lot, each Owner grants to the Association a private power of non-judicial sale in connection with the Association's 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.

10.6. FORECLOSURE OF LIEN. The Assessment Lien may be enforced by judicial or non-judicial foreclosure. A foreclosure must comply with the requirements of applicable law, such as Chapter 209 of the Texas Property Code. A non-judicial 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.

ARTICLE 11
EFFECT OF NONPAYMENT OF 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:

11.1. RESERVATION, SUBORDINATION, AND ENFORCEMENT OF ASSESSMENT LIEN. Declarant hereby reserves for the benefit of itself and the Association, a continuing contractual lien (the "Assessment Lien") against each Lot located on such Declarant's portion of the Property to secure payment of (1) the Assessments imposed hereunder and (2) payment of any amounts expended by such Declarant or the Association in performing a defaulting Owner's obligations as provided for in Section 4.3. THE OBLIGATION TO PAY ASSESSMENTS IN THE MANNER PROVIDED FOR IN THIS ARTICLE, TOGETHER WITH INTEREST FROM SUCH DUE DATE AT THE DEFAULT INTEREST RATE SET FORTH (IF APPLICABLE), THE CHARGES MADE AS AUTHORIZED IN THIS DECLARATION, ALL VIOLATION FINES AND THE COSTS OF COLLECTION, INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES, IS SECURED BY A CONTINUING CONTRACTUAL ASSESSMENT LIEN AND CHARGE ON THE LOT COVERED BY SUCH ASSESSMENT, WHICH SHALL BIND SUCH LOT AND THE OWNERS THEREOF AND THEIR HEIRS, SUCCESSORS, DEVISEES, PERSONAL REPRESENTATIVES AND ASSIGNEES. The continuing contractual Assessment Lien shall attach to the Lots as of the date of the recording of this Declaration in the Official Public Records of Tarrant County, Texas, and such Assessment Lien shall be superior to all other liens except as otherwise provided in this Declaration. Each Owner, by accepting conveyance of a Lot, shall be deemed to have agreed to pay the Assessments herein provided for and to the reservation of the Assessment Lien. The Assessment Lien shall be subordinate only to the liens of any valid first lien mortgage or deed of trust encumbering a particular Lot and the Assessment Lien established by the terms of this Declaration. Sale or transfer of any Lot shall not affect the Assessment Lien. However, the sale or transfer of any Lot pursuant to a first mortgage or deed of trust foreclosure (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall only extinguish the Assessment Lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability and the Assessment Lien for any Assessments thereafter becoming due. The Assessment Lien may be non-judicially foreclosed by power of sale in accordance with the provisions of Section 51.002 of the Texas Property Code (or any successor provision) or may be enforced judicially. Each Owner, by accepting conveyance of a Lot, expressly grants the Association a power of sale in connection with the foreclosure of the Assessment Lien. The Board is empowered to appoint a trustee, who may be a member of the Board, to exercise the powers of the Association to non-judicially foreclose the Assessments Lien in the manner provided for in Section 51.002 of the Texas Property Code (or any successor statute). The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. The rights and remedies set forth in this Declaration are subject to the Texas

Residential Property Owners Protection Act, as amended from time to time (Texas Property Code, Section 209.001 *et seq.*).

11.1.1. Notices of Delinquency or Payment. The Association, the Association's attorney or the Declarant may file notice (a "Notice of Unpaid Assessments") of any delinquency in payment of any Assessment in the Records of Tarrant County, Texas. THE ASSESSMENT LIEN MAY BE ENFORCED BY FORECLOSURE OF THE ASSESSMENT LIEN UPON THE DEFAULTING OWNER'S LOT BY THE ASSOCIATION SUBSEQUENT TO THE RECORDING OF THE NOTICE OF UNPAID ASSESSMENTS EITHER BY JUDICIAL FORECLOSURE OR BY NONJUDICIAL FORECLOSURE THROUGH A PUBLIC SALE IN LIKE MANNER AS A MORTGAGE ON REAL PROPERTY IN ACCORDANCE WITH THE TEXAS PROPERTY CODE, AS SUCH MAY BE REVISED, AMENDED, SUPPLEMENTED OR REPLACED FROM TIME TO TIME. Upon the timely curing of any default for which a notice was recorded by the Association, the Association, through its attorney, is hereby authorized to file of record a release of such notice upon payment by the defaulting Owner of a fee, to be determined by the Association but not to exceed the actual cost of preparing and filing a release. Upon request of any Owner, any title company on behalf of such Owner or any Owner's mortgagee, the Board, through its agents, may also issue certificates evidencing the status of payments of Assessments as to any particular Lot (i.e., whether they are current or delinquent and if delinquent, the amount thereof). The Association or its managing agent may impose a reasonable fee for furnishing such certificates or statements.

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

11.2. INTEREST. Delinquent Assessments are subject to interest from the due date until paid, at the Default Interest Rate.

11.3. LATE AND OTHER FEES. Delinquent Assessments are subject to late fees which shall be Twenty-Five and No/100 Dollars (\$25.00) per month for each month any portion of Assessments due are not paid and is payable to the Association. This amount may be reviewed and adjusted by the Board from time to time as needed to compensate the Association with any rise in costs and expenses associated with the collection of delinquencies to an account. Late fees will be assessed to the delinquent Owner's account. Bank fees for non-sufficient funds or for any other reason charged to the Association which is in relation to a payment received by an Owner and not honored by the Owner's bank or any other financial institution and/or source shall be charged back to the Owner's account for reimbursement to the Association.

11.4. COSTS OF COLLECTION. The Owner of a Lot against which Assessments are delinquent is liable for reimbursement of reasonable costs incurred to collect the delinquent Assessments, including attorney's fees and processing fees charged by the managing agent. The managing agent shall have the right to charge a monthly collection fee for each month an account is delinquent. Additional fees for costs involving the processing of demand letters and notice of intent of attorney referral shall apply and be in addition to the collection fee noted above; a fee of not less than Ten and No/100 dollars (\$10.00)

shall be charged for each demand letter or attorney referral letter prepared and processed. Other like notices requiring extra processing and handling which include but, are not limited to certified and/or return receipt mail processing shall also be billed back to the Owner's account for reimbursement to the Association or its managing agent. Collection fees and costs shall be added to the delinquent Owner's account.

11.5. ACCELERATION. If an Owner defaults in paying an Assessment that is payable in installments (payment plan), the Association may accelerate the remaining installments upon written notice to the defaulting Owner. The entire unpaid balance of the Assessment becomes due on the date stated in the notice. The Association is not required to offer an Owner who defaults on a payment plan the option of entering into a second or other payment plan for a minimum of two (2) years.

11.6. SUSPENSION OF USE AND VOTE. The Association may suspend the right of Owners and Residents to use Common Areas and common services (if any) during the period of delinquency, pursuant to the procedures established in the Bylaws. The Association may not suspend the right to vote appurtenant to the Lot to the extent such suspension would be prohibited under the Texas Residential Property Owners Protection Act, as amended from time to time (Texas Property Code, Section 209.001 *et seq.*). Suspension does not constitute a waiver or discharge of the Owner's obligation to pay Assessments. Further procedures for membership voting are located in Article 8 hereof or in the Bylaws.

11.7. 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 Assessment Lien.

11.8. 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.

11.9. FORECLOSURE OF ASSESSMENT LIEN. As provided by this Declaration, the Association may foreclose its lien against the Lot by judicial or non-judicial means.

11.10. 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.

11.11. CREDIT REPORTING. The Association through its Board, or any management agent of the Association, may report Owner delinquent in the payment of Assessments to any credit reporting agency.

ARTICLE 12 **ENFORCING THE DOCUMENTS**

12.1. NOTICE AND HEARING. Before the Association may exercise 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 this Declaration, the Bylaws and in Applicable Law, such as Chapter 209 of the Texas Property Code, as amended from time to time. 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. A minimum of one (1) notices of not less than ten (10) days shall be required for most violations except prior notice is not required with respect to entry onto a Lot by the Association to cure violations that are an emergency or hazardous in nature or pose a threat or nuisance to the Association or another Owner.

12.2. 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):

12.2.1. 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.

12.2.2. 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. Fines may be levied in increments or one-time fine notwithstanding, the minimum fine for any violation shall be \$50.00. After the third fine, the fine amount shall increase in increments of \$50.00 each week until the violation is remedied; the maximum fine amount not to exceed \$500.00 per violation occurrence. The Board may choose to levy a one-time fine in lieu of staged fining notwithstanding, the maximum one-time fine per violation occurrence shall be \$500.00.

12.2.3. 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, pursuant to the procedures as outlined in the Bylaws. A suspension does not constitute a waiver or discharge of the Owner's obligations under the Documents.

12.2.4. 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 at least one seventy-two (72) hour notice prior to 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 an eyesore to the Subdivision.

12.2.5. 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.

12.3. 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.

12.4. 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.

12.5. 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. At the Board's sole discretion, a fine may be levied against a renter or lessee other than the Owner however, should the renter or lessee fail to pay the fine within the time allotted, the Owner shall be responsible for the fine which shall be added to the Owner's account. 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 13

MAINTENANCE AND REPAIR OBLIGATIONS

13.1. OVERVIEW. Generally, the Association maintains the Common Areas and any Areas of Common Responsibility, and the Owner maintains his Lot. If an Owner fails to maintain his Lot, the Association may perform the work at the Owner's expense. However, this Declaration permits Owners to delegate some of their responsibilities to the Association. For example, during one span the Owners may want the Association to handle the periodic repainting of exterior trim on all the Townhomes, which otherwise is the responsibility of each Lot Owner. During the next period, the Owners may prefer to handle repainting on an individual basis. They have that option under this Declaration's concept of "Areas of Common Responsibility," as described below. A comprehensive view of the Maintenance Responsibility Chart is shown under Appendix C.

13.2. ASSOCIATION MAINTAINS. The Association's maintenance duties 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 Common Areas.

- a. The Common Areas.
- b. The Areas of Common Responsibility as designated hereunder with respect to all Lots or, with respect to Townhome Lots, on the Maintenance Chart attached herein as Appendix C, if any.
- c. Any real and personal property owned by the Association but which is not a Common Area, such as a Lot owned by the Association.
- d. Any property adjacent to the Subdivision 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.
- e. Any area, item, easement, or service - the maintenance of which is assigned to the Association by this Declaration or by the Plat.

The City or its lawful agents, after due notice to the Association and opportunity to cure, may maintain the Common Areas, landscape systems and any other features or elements that are required to be maintained by the Association and the Association fails to do so. The City or its lawful agents, after due notice to the Association and opportunity to cure, may also perform the responsibilities of the Association and its Board if the Association fails to do so in compliance with any provisions of the agreements, covenants or restrictions of the Association or of any applicable City codes or regulations. All costs incurred by the City in performing said responsibilities as addressed in this paragraph shall be the responsibility of the Association. The City may also avail itself of any other enforcement actions available to the City pursuant to state law or City codes or regulations, with regard to the items addressed in this paragraph. **THE ASSOCIATION AGREES TO INDEMNIFY AND HOLD THE CITY HARMLESS FROM ANY AND ALL COSTS, EXPENSES, SUITS, DEMANDS, LIABILITIES OR DAMAGES INCLUDING ATTORNEY FEES AND COSTS OF SUIT, INCURRED OR RESULTING FROM THE CITY'S MAINTENANCE OF THE COMMON AREAS AND/OR REMOVAL OF ANY LANDSCAPE SYSTEMS, FEATURES OR ELEMENTS THAT CEASE TO BE MAINTAINED BY THE ASSOCIATION.**

Declarant shall have no responsibility for maintenance, repair, replacement, or improvement of the Common Area or improvements therein or thereon, if any, after initial construction.

13.3. AREA OF COMMON RESPONSIBILITY. The Association, acting through its Members only, has the right but not the duty to designate, from time to time, portions of Lots or Townhomes as Areas of Common Responsibility to be treated, maintained, repaired, and/or replaced by the Association as a Common Expense. A designation applies to every Lot having the designated feature. The cost of maintaining components of Lots or Townhomes as Areas of Common Responsibility is added to the

annual budget and assessed uniformly against all Lots and/or Townhome Lots (as such Areas of Common Responsibility may apply to all Lots or as they may apply to Townhome Lots only) as a Regular Assessment, unless the Board determines such maintenance benefits some but not all Lots and thereby decides to assess the costs as Individual Assessments.

13.3.1. Change in Designation. The Association may, from time to time, change or eliminate the designation of components of Lots or Townhomes as Areas of Common Responsibility. Any such change must be approved in writing by Owners of a Majority of the Owners of Lots or Townhome Lots only (as applicable, as determined by whether all Lots or Townhome Lots only may include such Areas of Common Responsibility to be added or removed from such designation), or by affirmative vote of the majority of the Owners of Lots or Townhome Lots (as applicable, as determined by whether all Lots or Townhome Lots only may include such Areas of Common Responsibility to be added or removed from such designation) present at a meeting of the Members of the Association at which a quorum is present called for the purpose of changing the Area of Common Responsibility. Notwithstanding the foregoing or anything to the contrary contained herein, no change in the Areas of Common Responsibility during the Development Period shall be effective without the prior written consent of the Declarant, and Declarant may unilaterally change the Areas of Common Responsibility during the Development Period without the consent or joinder of the Members. Although the Maintenance Responsibility Chart is attached to this Declaration as Appendix C, it may be amended, restated and published as a separate instrument. The authority for amending it is contained in this Section.

Any amended or restated Maintenance Responsibility Chart must be (1) published and distributed to an Owner of each Townhome Lot, (2) reflected in the Association's annual budget and reserve funds.

13.3.2. Initial Designation. On the date of this Declaration, the initial designation of components of Townhome Lots and Townhomes as Areas of Common Responsibility is shown on Appendix C of this Declaration. The initial Designation of Areas of Common Responsibility for all Lots is set forth in Section 4.4 hereof.

13.4. ASSOCIATION'S INSPECTION OBLIGATION.

13.4.1. Contract for Services. In addition to the Association's general maintenance obligations set forth in this Declaration, the Association shall, at all times and part of its annual budget, contract with (subject to the limitations otherwise set forth in this Declaration) or otherwise retain the services of independent, qualified, licensed individuals or entities to provide the Association with inspection services for the Common Area and the Areas of Common Responsibility for which the Association is responsible.

13.4.2. Schedule of Inspections. Such inspections shall take place at least once every two (2) years. The inspectors shall provide written reports of their inspections to the Association promptly following completion thereof. The written reports shall identify any items of maintenance or repair that either require current action by the Association or will need further review and analysis. The Board shall report the contents of such written

reports to the Members of the Association at the next meeting of the Members following receipt of such written reports or as soon thereafter as reasonably practicable and shall include such written reports in the minutes of the Association. Subject to the provisions of the Declaration below, the Board shall promptly cause all matters identified as requiring attention to be maintained, repaired, or otherwise pursued in accordance with prudent business practices and the recommendations of the inspectors.

13.4.3. Notice to Declarant. During the Development Period, the Association shall, if requested by Declarant, deliver to Declarant ten (10) days advance written notice of all such inspections (and an opportunity to be present during such inspection, personally or through an agent) and shall provide Declarant (or its designee) with a copy of all written reports prepared by the inspectors.

13.5. 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 6 and the use restrictions of Article 7. When a designation between Townhomes or Detached Residences is necessary, the same will be clarified.

13.5.1. Townhome Building Repairs. Unless the Property was designed for diversity and exterior expressions of individuality, all Townhomes within the same Townhome Building will be maintained with an eye towards uniformity and architectural harmony. This Section is necessitated by periods during which the Association may be lax about enforcing architectural uniformity, or during periods in which the Area of Common Responsibility is limited.

a. The exterior of each Townhome must be maintained and repaired in a manner that is consistent for the entire Townhome Building of which it is part.

b. If an Owner desires to upgrade a component of the exterior, such as replacing aluminum windows with wood windows, the decision to change a standard component of the Townhome Building must be approved by the Owners of more than half the Townhomes in the Townhome Building, in addition to the Architectural Reviewer. Thereafter, the new Building Standard for such Townhome Building will apply to repairs or replacement of the component, as needed, on other Townhomes in such Townhome Building.

c. Unless a change of component has been approved, repairs, replacement, and additions to the exteriors of the Townhomes must conform to the original construction. For example, if the Townhome Building was constructed with bronze colored window frames, replacement windows with white frames may not be used unless white frames have been approved as the new standard for the Townhome Building. Similarly, the siding on one Townhome may not be replaced with wood, while another is replaced with vinyl, and a third is replaced with cement fiberboard.

d. Ideally, all the Townhome Buildings in the Property will have the same architectural requirements, without building-to-building individuality.

Nothing in this Section may be construed to prevent the Association from requiring uniform architectural standards for the entire Property. This Section may not be construed as authority for one Townhome Building to “do its own thing.”

13.5.2. Townhome Foundation. Each Owner of a Townhome constructed on a Lot is solely responsible for the maintenance and repair of the foundation on his Lot. However, if a licensed structural engineer determines that the failure to repair the foundation under one Townhome may adversely affect one or more other Townhomes in the Townhome Building, then the cost of the foundation repair will be divided by the number of Townhomes in the Townhome Building, and the Owner of each of those Townhomes will pay an equal share. If an Owner fails or refuses to pay his share of costs of repair of the foundation, the Owner advancing monies has a right to file a claim of lien for the monies 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.

13.5.3. Townhome Roofs. The Association shall maintain certain aspects of the Townhome Roof as set forth in the Maintenance Chart attached herein as Appendix C. Each Owner of a Townhome is solely responsible for the maintenance, replacement and upkeep of all components as listed under Owner Responsibility as set forth in the Maintenance Chart attached herein as Appendix C. However, if a roofing professional determines that the failure to repair the structural components of the roof of one Townhome may adversely affect one or more other Townhomes in the Townhome Building of which it is part, then the cost of the structural roof work will be divided by the number of Townhomes in such Townhome Building, and the Owner of each Townhome will pay an equal share. If an Owner fails or refuses to pay his share of costs of repair of the roof, the Owner advancing monies has a right to file a claim of lien for the monies 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. Should an Owner fail to maintain his Townhome and portions of the roof or roof attachments in a satisfactory manner and damages affect neighboring units, the Owner responsible may be held solely liable for the damages and repairs for the neighboring unit without the weight of the burden being divided by the number of Townhomes as set forth above. **The Association reserves the right to call out a roofing professional to inspect the damages and render an opinion as to the cause of any rooftop damages prior to initiating repairs. If the roofing professional finds that the cause of damages are the direct result of an Owners failure to maintain structural components of the roof as required within any section of this Declaration or if an Owner has installed an unauthorized apparatus of any kind which is determined to be the cause of any such damages, the Association shall provide to the Owner in writing a copy of the roofing professionals findings and the Owner shall be solely liable for the costs of all repairs to his unit or any neighboring units which may be affected.**

13.5.4. Townhome Cooperation. Each Owner of a Townhome will endeavor to cooperate with the Owners of the other Townhomes in the same Townhome Building to affect the purposes and intent of the two preceding sections on Townhome foundations and

Townhome roofs. If the Owners of Townhome Lots that share a Townhome Building cannot cooperate, they may ask the Association to coordinate the required repairs.

13.5.5. Townhome Maintenance. Each Owner, at the Owner's expense, must maintain all improvements on the Lot, including but not limited to the Townhome, fences, sidewalks, and driveways, except any area designated as an Area of Common Responsibility. 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 Subdivision. Specifically, each Owner must repair and replace worn, rotten, deteriorated, and unattractive materials with like materials and color, and must regularly repaint all painted surfaces.

13.5.6. 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.

13.5.7. 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, the Area of Common Responsibility, or the property of another Owner.

13.5.8. Owner's Obligations to Repair. Except for those portions of each Lot constituting the Areas of Common Responsibility, each Owner shall at his sole cost and expense, maintain and repair his Lot and the improvements situated thereon, keeping the same in good condition and repair at all times. In the event that any Owner shall fail to maintain and repair his Lot and such improvements as required hereunder, the Association, in addition to all other remedies available to it hereunder or by law, and without waiving any of said alternative remedies, shall have the right but not the obligation, subject to the notice and cure provisions, through its agents and employees, to enter upon said Lot and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon; and each Owner (by acceptance of a deed for his Lot) hereby covenants and agrees to repay to the Association the cost thereof immediately upon demand, and the failure of any such Owner to pay the same shall carry with it the same consequences as the failure to pay any assessments hereunder when due. Maintenance shall include the upkeep in good repair of all fences, exterior portions of the Residence including trim, gutters, garage door, windows, lawn, driveway and sidewalk; this list is not intended to be inclusive and other maintenance requirements are at the sole discretion of the Board.

13.6. 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.

13.7. WARRANTY CLAIMS. If the Owner is the beneficiary of a warranty against major structural defects of the Area of Common Responsibility, the Owner irrevocably appoints the Association, acting through the Board, as his attorney-in-fact to file, negotiate, receive, administer, and distribute the proceeds of any claim against the warranty that pertains to the Area of Common Responsibility.

13.8. TOWNHOME CONCRETE. Minor cracks in poured concrete, including foundations, garage floors, sidewalks, driveways, and patio slabs, are inevitable as a result of the natural movement of soil (expansion and contraction), shrinkage during the curing of the concrete, and settling of the Townhome Building. Such minor cracking is typically an aesthetic consideration without structural significance. The Association is not required to repair non-structural cracks in concrete components of the Area of Common Responsibility.

13.9. TOWNHOME SHEETROCK. Notwithstanding anything to the contrary in the Documents, the Association is not responsible for the repair and replacement of sheetrock in any Townhome, or for any surface treatments on the sheetrock, regardless of the source of damage and the availability of insurance. This provision is provided for the benefit of the Association and is warranted by the difficulty of scheduling interior sheetrock work and the possibility that the Owner may not be satisfied with the quality or appearance of spot repairs. If the Association receives insurance proceeds for sheetrock damage to a Townhome and chooses to not perform the repairs, the Owner of the damaged Townhome is entitled to the proceeds in exchange for identification of the damage and a release from future claims for the same damage.

13.10. MOLD. In the era in which this Declaration is written, the public and the insurance industry have a heightened awareness of and sensitivity to anything pertaining to mold. Because many insurance policies do not cover damages related to mold, Owners should be proactive in identifying and removing visible surface mold, and in identifying and repairing sources of water leaks; this is a mandatory requirement in the Townhome. To discourage mold in his Townhome or Detached Residence, each Resident should maintain an inside humidity level under sixty percent (60%). For more information about mold, the Owner should consult a reliable source, such as the U. S. Environmental Protection Agency.

13.11. PARTY WALLS. A Townhome wall located on or near the dividing line between two Townhome Lots and intended to benefit both Townhome Lots constitutes a "Party Wall" (herein so called) 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.

13.11.1. Encroachments & Easement. If the Party Wall is on one Townhome Lot or another due to an error in construction, the Party Wall is nevertheless deemed to be on the dividing line for purposes of this Section. Each Townhome sharing a Party Wall is subject to an easement for the existence and continuance of any encroachment by the Party

Wall as a result of construction, repair, shifting, settlement, or movement in any portion of the Party Wall, so that the encroachment may remain undisturbed as long as the Party Wall stands. Each Townhome Lot is subject to a reciprocal easement for the maintenance, repair, replacement, or reconstruction of the Party Wall.

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

13.11.3. Maintenance Costs. The Owners of the adjoining Townhome Lots share equally the costs of repair, reconstruction, or replacement of the Party Wall, 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 Party Wall, 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, the Owner advancing monies has a right to file a claim of lien for the monies 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.

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

ARTICLE 14 **INSURANCE**

14.1. GENERAL PROVISIONS. All insurance affecting the Property is governed by the provisions of this Article, with which the Owners and the Board will make every reasonable effort to comply. Insurance policies and bonds obtained and maintained by the Owners must be issued by responsible insurance companies authorized to do business in the State of Texas. Each insurance policy maintained by the Owner should contain a provision requiring the insurer to endeavor 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. All insurance policies obtained by the Association shall name the Declarant and any managing agent of the Association as "additional insured."

14.2. PROPERTY INSURANCE BY OWNER(S). To the extent it is reasonably available; the Owners will obtain property insurance for all improvements and property within a Residence or Lot owned by such Owner insurable by the Owner. This insurance must be in an amount sufficient to cover the replacement cost of any repair or reconstruction in event of damage or destruction from any insured hazard.

14.3. **INSURANCE RATIONALE.** Owners of Detached Residences are one-hundred percent (100%) responsible for obtaining and maintaining proper insurance coverage on their Residence. Policy should cover 100% replacement cost of structure as well as vehicles and personal property. The Association is not responsible for coverage of any type on Detached Residences. All Owners must insure their Residence and Lot to the extent necessary (1) to preserve the appearance of the Property, (2) to maintain the structural integrity of the Residence, (3) to maintain systems that serve the Residence, such as pest control tubing and fire safety sprinklers, HVAC systems, irrigation, and more. The Owner must insure all aspects of his Residence and its Lot and such Owner's personal property thereon and therein.

14.4. **TOWNHOME INSURANCE.** A Townhome development provides many complex issues and opportunities for insurance. There are valid reasons for having the individual Owners insure their own Townhomes. All Owners must insure their Townhome and Lot to the extent necessary (1) to preserve the appearance of the Property, (2) to maintain the structural integrity of the Townhome Building and the Townhomes therein, (3) to maintain systems that serve multiple Townhomes in a Townhome Building, such as pest control tubing and fire safety sprinklers, and (4) to maintain the perimeter shells of the Townhomes. The Owner must insure all aspects of his Townhome and its Lot and such Owner's personal property thereon and therein. In insuring the Townhome and Lot, the Owner may be guided by types of policies and coverage's customarily available for similar types of properties. As used in this Article, "Building Standard" refers to the typical Townhome for the Property, as originally constructed, and as modified over time by changes in replacement materials and systems that are typical for the market and era.

*14.4.1. Townhome Insured By Owner. As applicable towards the Owner's individual Townhome and Townhome Lot, each Owner will maintain property insurance on the following components of Townhome Building of which that Owner's Townhome is part, to the Building Standard. **The Association may carry insurance on certain exterior components of the Townhome which shall, in part, be governed by the Maintenance Chart set forth herein as Appendix C. The Association shall determine the extent of its responsibility for coverage and shall carry the required coverages for Townhomes accordingly. An Owner should check with the Association prior to obtaining coverage to determine what coverage the Association provides on behalf of the exterior portions of a Townhome.***

a. All structural components of the Townhome Building, such as foundations, load bearing walls, and roof trusses.

b. The exterior construction of the Townhome Building, such as the roof and roof stacks; exterior walls, windows, and doors; and roof top patios, balconies, and decks *notwithstanding, if the Association covers through a master policy any of the exterior portions as described herein the Owner may opt out of carrying such coverage however, an Owner shall be solely responsible for confirming all coverages carried by the Association, if any. An Owner shall be responsible for confirming the type of coverage which may be provided by the Association on an annual basis at least thirty (30) days prior to the renewal date of their personal policy. An Owner shall be responsible for obtaining coverage for any area of their Townhome, exterior or interior, that is NOT covered by the*

Association. The Association shall not be liable for any loss sustained by an Owner failing to follow the provisions as set forth in this section. Upon request the Association shall provide a copy of the policy which shall provide to the Owner a comprehensive look at the type of coverages provided by the Association, if any.

c. The Party Walls of the Townhome Building, from unfinished sheetrock on one side of the Party Wall, to unfinished sheetrock on the other side of the Party Wall.

d. The structural components of the floor/ceiling assemblies that partition the Townhome into levels or floors, including stairs connecting the floors.

e. Partition walls, countertops, cabinets, furr downs, interior doors, and fixtures within the Townhome.

f. Finish materials on walls, floors, and ceilings, such as carpet, paint, tile, mirror, and wallpaper.

g. Window treatments, lighting fixtures, tub enclosures, and decorative hardware.

h. Appliances and plumbing fixtures.

i. All utility systems and equipment serving the Townhome, including water heaters, air conditioning and heating equipment, electric wiring, ducts, and vents.

Each Owner and Resident is solely responsible for insuring his personal property in his Townhome and on the Property, including furnishings and vehicles. The Association strongly recommends that each Owner and Resident purchase and maintain insurance on his personal belongings.

14.4.2. Limitation of Liability. The Association shall not be liable: (i) for injury or damage to any person or property caused by the elements or by the Owner or Resident of any Townhome, or any other person or entity, or resulting from any utility, rain, snow or ice which may leak or flow from or over any portion of the Common Areas or Areas of Common Responsibility, or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder; or (ii) to any Owner or Resident of any Townhome for any damage or injury caused in whole or in part by the Association's failure to discharge its maintenance responsibilities hereunder, to the extent not covered by available insurance proceeds.

14.5. LIABILITY INSURANCE BY OWNER. Notwithstanding anything to the contrary in this Declaration, to the extent permitted by Applicable Law, each Owner is liable for damage to the Property caused by the Owner or by persons for whom the Owner is responsible. Each Owner is hereby required to obtain and maintain general liability insurance to cover this liability as well as occurrences within his Residence, in amounts sufficient to cover the Owner's liability for damage to the property of others in

the Property and to the Area of Common Responsibility, whether such damage is caused willfully and intentionally, or by omission or negligence.

14.6. OWNER'S GENERAL RESPONSIBILITY FOR INSURANCE. Each Owner, at his expense, will maintain all insurance coverages required of Owners by the Association pursuant to this Article. 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 Residence and his personal property in his Residence and on his Lot, including furnishings, vehicles, and stored items.

ARTICLE 15
RESERVED

ARTICLE 16
AMENDMENTS

16.1. CONSENTS REQUIRED. As permitted by this Declaration, certain amendments of this Declaration may be executed by Declarant alone, or by the Board alone without the consent or joinder of the Members. Amendment of the Maintenance Responsibility Chart, initially recorded as Appendix C of this Declaration, is subject to the terms of Section 13.3. To the extent required by the City, any proposed amendment which is for the purpose of either amending the provisions of this Declaration or the Associations agreements pertaining to the use, operation, maintenance and/or supervision of any facilities, structures, improvements, systems, Common Areas, private Streets or grounds that are the responsibility of the Association, the Association shall obtain prior written consent from the City.

16.2. METHOD OF AMENDMENT. 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, and a description of the effect of the proposed amendment.

16.3. EFFECTIVE. To be effective, an amendment 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 Declarant, so long as Declarant owns one (1) lot within the subdivision, or the directors and, if required, any mortgagees under a first lien mortgage or deed of trust encumbering a Lot; and (3) recorded in the Real Property Records of every county in which the Property is located, except as modified by the following section.

16.4. DECLARANT PROVISIONS. Declarant has an exclusive right to unilaterally amend this Declaration for the purposes stated in Appendix B. An amendment that may be executed by Declarant alone and 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.

16.5. ORDINANCE COMPLIANCE. When amending the Documents, the Association must consider the validity and enforceability of the amendment in light of current public law, including without limitation applicable zoning or other City requirements.

16.6. MERGER. Merger or consolidation of the Association with another association must be evidenced by an amendment to this Declaration. The amendment must be approved by Owners of at least a Majority of the Owners. Upon a merger or consolidation of the Association with another association, the property, rights, and obligations of another association may, by operation of law, be added to the properties, rights, and obligations of the Association as a surviving corporation pursuant to the merger. The surviving or consolidated association may administer the provisions of the Documents within the Property, together with the covenants and restrictions established upon any other property under its jurisdiction. No merger or consolidation, however, will affect a revocation, change, or addition to the covenants established by this Declaration within the Property.

16.7. TERMINATION. Termination of the terms of this Declaration is 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 eighty percent (80%) of the Lots. Any termination of the terms of this Declaration shall require the written approval of the City.

16.8. 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 17 **DISPUTE RESOLUTION**

17.1. AGREEMENT TO ENCOURAGE RESOLUTION OF DISPUTES WITHOUT LITIGATION

17.1.1. Bound Parties. Declarant, the Association and its officers, directors, and committee members, Owners, Residents, and all other parties subject to this Declaration ("Bound Party", or collectively, the "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless

and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 17.2 in a good faith effort to resolve such Claim.

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

- (i) Claims relating to the rights and/or duties of Declarant, the Association or an Owner under the Restrictions; or
- (ii) Claims relating to the design or construction of Improvements on the Common Areas or Lots, other than matters of aesthetic judgment under Article 11, which will not be subject to review.

17.1.3. Not Considered Claims. The following will not be considered “Claims” for purposes of this Article 17 unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 17.2:

- (i) any legal proceeding by the Association to collect assessments or other amounts due from any Owner;
- (ii) any legal proceeding by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association’s ability to enforce the provisions of this Restrictions;
- (iii) any legal proceeding which does not include Declarant or the Association as a party, if such action asserts a Claim which would constitute a cause of action independent of the Restrictions; and
- (iv) any action by the Association to enforce the Restrictions.

17.2. CLAIMS REGARDING COMMON AREAS.

17.2.1. Claim by the Association – Common Areas. The Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation or administrative proceedings: (i) in the name of or on behalf of any Lot Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section 17.1.2 above, relating to the design or construction of a Residence (whether one or more). In the event the Association or a Lot Owner asserts a Claim related to the Common Elements, as a precondition to providing the Notice defined in Section 17.3, initiating the mandatory dispute resolution procedures set forth in this Article 17, or taking any other action to prosecute a Claim related to the Common Areas, the Association or a Lot Owner, as applicable, must:

- (i) Independent Report on the Condition of the Common Areas. Obtain an independent third-party report (the “Common Area Report”) from a licensed professional engineer in the same area of engineering practice of which the engineer is qualified which: (A) identifies the Common Areas subject to the Claim including the present physical condition of the Common Areas; (B) describes any modification, maintenance, or repairs to the Common Areas performed by the Lot Owner(s) and/or the Association; (C) provides specific and detailed

recommendations regarding remediation and/or repair of the Common Areas subject to the Claim. For the purposes of this Section, an independent third-party report is a report obtained directly by the Association or a Lot Owner and paid for by the Association or a Lot Owner, as applicable, and not prepared by a person employed by or otherwise affiliated with the attorney or law firm that represents or will represent the Association or a Lot Owner in the Claim. As a precondition to providing the Notice described in Section 17.3, the Association or Lot Owner must provide at least ten (10) days prior written notice of the inspection to each party subject to a Claim which notice shall identify the independent third-party engaged to prepare the Common Area Report, the specific Common Areas to be inspected, and the date and time the inspection will occur. Each party subject to a Claim may attend the inspection, personally or through an agent. Upon completion, the Common Area Report shall be provided to each party subject to a claim. In addition, before providing the Notice described in Section 17.3, the Association or the Lot Owner, as applicable, shall have permitted each party subject to a Claim the right, for a period of ninety (90) days, to inspect and correct, any condition identified in the Common Area Report.

(ii) **Owner Meeting and Approval.** Obtain approval from Members holding eighty five percent (85%) of the votes in the Association to provide the Notice described in Section 17.3, initiate the mandatory dispute resolution procedures set forth in this Article 17, or take any other action to prosecute a Claim, which approval from Members must be obtained at a special meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder will be provided pursuant to the Bylaws but the notice must also include: (A) the nature of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (B) a copy of the Common Area Report; (C) a copy of any proposed engagement letter, with the terms of such engagement between the Association and an attorney to be engaged by the Association to assert or provide assistance with the claim (the "Engagement Letter"); (D) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which it may be liable if it is not the prevailing party or that the Association will be required, pursuant to the Engagement Letter or otherwise, to pay if the Association elects to not to proceed with the Claim; (E) a summary of the steps previously taken, and proposed to be taken, to resolve the Claim; (F) an estimate of the impact on the value of each Lot and Improvements if the Claim is prosecuted and an estimate of the impact on the value of each Lot and Improvements after resolution of the Claim; (G) an estimate of the impact on the marketability of each Lot and Improvements if the Claim is prosecuted and during prosecution of the Claim, and an estimate of the impact on the value of each Lot and Improvements during and after resolution of the Claim; (H) the manner in which the Association proposes to fund the cost of prosecuting the Claim; and (I) the impact on the finances of the Association, including the impact on present and projected reserves, in the event the Association is not the prevailing party. The notice required by this paragraph must be prepared and signed by a person other than, and not employed by or otherwise affiliated with, the attorney or law firm that represents or will represent the Association or Lot Owner,

as applicable, in the Claim. If the Claim is prosecuted by the Association, in the event Members approve providing the Notice described in Section 17.3, or taking any other action to prosecute a Claim, the Members holding a Majority of the votes in the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Claim.

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

17.3. NOTICE.

17.3.1. Notice Requirements for All Claims. The Bound Party asserting a Claim (“Claimant”) against another Bound Party (“Respondent”) must notify the Respondent in writing of the Claim (the “Notice”), stating plainly and concisely: (A) the nature of the Claim, including date, time, location, persons involved, and Respondent’s role in the Claim; (B) the basis of the Claim (i.e., the provision of the Restrictions or other authority out of which the Claim arises); (C) what Claimant wants Respondent to do or not do to resolve the Claim; and (D) that the Notice is given pursuant to this Section. All Bound Parties agree that the provisions of Chapter 27 of the Texas Property Code shall control any Claim, and they expressly adopt and incorporate the terms of Chapter 27 of the Texas Property Code as is full set forth herein. If the Claimant is the Association, prior to proceeding with negotiations under Section 17.4, the Association shall fully comply with provisions of Chapter 27 of the Texas Property Code, but for all other Claims, the time period for negotiation in Section 17.4 below, is equivalent to the sixty (60) day period under Section 27.004 of the Texas Property Code. If a Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with Section 17.4, to comply with the terms and provisions of Section 27.004 during such sixty (60) day period. Section 17.4 does not modify or extend the time period set forth in Section 27.004 of the Texas Property Code. Failure to comply with the time periods or actions specified in Section 27.004 shall affect a Claim and the Respondent shall have all rights and remedies under Chapter 27 of the Texas Property Code. The one hundred and twenty (120) day period for mediation set forth in Section 17.5 below, is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during negotiation. If the Claim is not resolved during negotiation, mediation pursuant to Section 17.5 is required without regard to the monetary amount of the Claim.

17.3.2. Special Notice for Association. If the Claimant is the Association, the Notice will also include: (A) a true and correct copy of the Common Area Report; (B) a copy of the Engagement Letter; (C) copies of all reports, studies, analyses, and recommendations obtained by the Association related to the Common Area which forms the basis of the Claim; (D) a true and correct copy of the special meeting notice provided to Members in accordance with Section 17.2.1(ii) above; and (E) and reasonable and credible evidence confirming that Members holding eighty-five percent (85%) of the votes in the Association approved providing the Notice. If the Claimant is the Association, providing the information identified in this Section 17.3(ii) is a condition precedent to the

assertion of any Claim. Should the Association fail to provide the information required by this Section 17.3(ii) to the Respondent, the Respondent shall be entitled to a temporary injunction enjoining the prosecution of the Claim until such time as the Association provides the information required by this Section 17.3(ii). Furthermore, should the Association fail to provide information required by this Section 17.3(ii) within one-hundred twenty (120) days after making a demand on the Respondent, the Association's Claim shall be dismissed with prejudice, and the Respondent may take such actions in law or in equity to confirm such dismissal.

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

17.5. MEDIATION. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator must have at least five (5) years of experience serving as a mediator and must have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent will submit the Claim to mediation in accordance with this Section 17.5.

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

17.7. BINDING ARBITRATION-CLAIMS. All Claims must be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this Section 17.7.

17.7.1. Governing Rules. If a Claim has not been resolved after Mediation as required by Section 17.5, the Claim will be resolved by binding arbitration in accordance with the terms of this Section 17.7 and the rules and procedures of the American Arbitration Association (“AAA”) or, if the AAA is unable or unwilling to act as the arbitrator, then the arbitration shall be conducted by another neutral reputable arbitration service selected by Respondent. Regardless of what entity or person is acting as the arbitrator, the arbitration shall be conducted in accordance with the AAA’s “Construction Industry Dispute Resolution Procedures” and, if they apply to the disagreement, the rules contained in the Supplementary Procedures for Consumer-Related Disputes. If such Rules have changed or been renamed by the time a disagreement arises, then the successor rules will apply. Also, despite the choice of rules governing the arbitration of any Claim, if the AAA has, by the time of Claim, identified different rules that would specifically apply to the Claim, then those rules will apply instead of the rules identified above. In the event of any inconsistency between any such applicable rules and this Section 17.7, this Section 17.7 will control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows:

(i) one arbitrator shall be selected by Respondent, in its sole and absolute discretion;

(ii) one arbitrator shall be selected by the Claimant, in its sole and absolute discretion; and

(iii) one arbitrator shall be selected by mutual agreement of the arbitrators having been selected by Respondent and the Claimant, in their sole and absolute discretion.

17.7.2. Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this Section 17.7 will limit the right of Claimant or Respondent, and Claimant and the Respondent will have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

17.7.3. Statute of Limitations. All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding under this Section 17.7, and to the fullest extent allowed under law, any action, lawsuit and/or claim whatsoever initiated by

the Association or its assigns, regardless of form, that arises from or relates to this Declaration, the Property, the Subdivision, the Improvements or otherwise is barred unless it is brought not later than two (2) years and one (1) day from the date the cause of action accrues.

17.7.4. Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with the applicable substantive law except as provided by this Section. The arbitrator may grant any remedy or relief that the arbitrator deem just and equitable and within the scope of this Section 17.7 but subject to Section 17.8 below (attorney's fees and costs may not be awarded); provided, however, that for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code. In all arbitration proceedings the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of federal or state law; or (iv) a cause of action or remedy not expressly provided under existing state or federal law or otherwise in accordance with the terms and conditions of this Declaration. In no event may an arbitrator award speculative, consequential, special, indirect, lost profit or punitive damages for any Claim. Notwithstanding anything else contained in this Declaration, no Claimant shall be entitled to an award in connection with a Claim related to or arising in connection with a violation of Applicable Law, and the arbitrator shall not provide an award, unless the arbitrator determines that such Claim was due to a material violation of any Applicable Law and that such material violation of Applicable Law creates an imminent threat to health and safety.

17.7.5. Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the Claim for arbitration by notice from either party to the other. Arbitration proceedings hereunder shall be conducted in the county where the Property is located. The arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and applicable law. The arbitrator shall have the power to award recovery of all costs and fees (including attorney's fees, administrative fees, and arbitrator's fees) to the prevailing party. Each party agrees to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. In no event shall any party discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

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

17.9. 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.

17.10. PERIOD OF LIMITATION.

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

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

17.11. APPROVAL & SETTLEMENT. The Association must levy a Special Assessment to fund the estimated costs of arbitration, including estimated attorney's fees, conducted pursuant to this Article 17 or any judicial action initiated by the Association. The Association may not use its annual operating income or reserve funds or savings to fund arbitration or litigation, unless the Association's annual budget or a savings account was established and funded from its inception as an arbitration and litigation reserve fund.

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

ARTICLE 18
GENERAL PROVISIONS

18.1. 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 time, of any governmental or quasi-governmental entity having jurisdiction over the Association or Property.

18.2. HIGHER AUTHORITY. 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.

18.3. 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. A minimum of one (1) notice informing an Owner of an existing violation (emergency violations excluded) will be required. Each notice shall provide the Owner not less than ten (10) days to cure the violation with the exception of self-help notices. If Owner does not cure the violation after one (1) notice is delivered, the Association shall proceed with a fine notice and subsequent fines or with self-help whichever the Association deems appropriate.

18.4. 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.

18.5. 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.

18.6. 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.

18.7. APPENDIXES. The following appendixes are attached to this Declaration and incorporated herein by reference:

- A – Description of Subject Land (Legal Description)
- B – Declarant Representations & Reservations
- C – Maintenance Responsibility chart
- D-1 – Design Guidelines adopted by ACC
- D-2 – City Design Guidelines
- E – City Zoning Ordinance
- F – Certificate of Formation, Organizational Consent and Bylaws of the Association

18.8. 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.

18.9. DURATION. Unless terminated or amended by Owners as permitted herein, the provisions of this Declaration shall run with and bind the Property, and will remain in effect initially for 25 years from the date this Declaration is recorded, and shall automatically renew without any action from the Association for successive ten (10) year periods to the extent permitted by law, unless previously terminated in accordance with Section 16.7 hereof.

[SIGNATURE PAGE FOLLOWS THIS PAGE]

SIGNED on this 26 day of February, 2018.

CADG 901 Airport Freeway, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company,
Its Sole Member

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

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

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

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 26 day of February, 2018 by Mehrdad Moayed, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Member of CADG 901 Airport Freeway, LLC, a Texas limited liability company on behalf of said company.



[Signature]
Notary Public, State of Texas

CONSENT AND SUBORDINATION OF LIENHOLDER

The undersigned, being the beneficiary under that certain [Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated May 17, 2016, executed by CADG 901 Airport Freeway, LLC, a Texas limited liability company (the "**Borrower**") and recorded on May 17, 2016, as D216103916, in the Official Public Records of Tarrant County, Texas, together with any modifications, supplements, restatements or amendments thereto, hereby consents to the Declaration of Covenants, Conditions and Restrictions for Founder's Parc (the "**Declaration**") to be applicable to the Property, in accordance with the terms thereof, and furthermore subordinates its lien rights and interests in and to the Property to the terms, provisions, covenants, conditions and restrictions under the Declaration so that foreclosure of its lien will not extinguish the terms, provisions, covenants, conditions and restrictions under the Declaration.

Liberty Bankers Life Insurance Company

By: *[Signature]*

Title: *President*

Name: *Bradford A. Phillips*

STATE OF TEXAS §
 §
COUNTY OF *DALLAS* §

BEFORE ME, the undersigned authority, on this day personally appeared Bradford A. Phillips, President of Liberty Bankers Life Insurance Company, an Oklahoma insurance company, known to me to be the person and officer 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 as the act and deed of said Liberty Bankers Life Insurance Company, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this *15th* day of *FEBRUARY*, 2018.



Barbara J. Erickson
Notary Public in and for the State of Texas

My Commission Expires: *10-26-19*

APPENDIX "A"
Legal description subject land
REAL PROPERTY LEGAL DESCRIPTION

[to be attached]

BEING a tract or parcel of land out of the A. J. Huitt Survey, Abstract 684, situated in the City of Euless, Tarrant County, Texas; that those tracts of land conveyed to CADG 901 Airport Freeway, LLC, County Clerk Instrument, Numbers D214219704, D214154503, D214140253 and D2154218862, Deed Records, Tarrant County Texas; also being that tract conveyed to the City of Euless, County Clerk Instrument Number D216094565, Official Public Records, Tarrant County, Texas; and being more particularly described as follows:

BEGINNING at a 5/8" iron rod found for corner in the east line of F. M. 157 (S. Industrial Boulevard a 100 foot public right-of-way), being the Northwest corner of Block A, Lot 3, of the First National Addition, an addition to the city of Euless, Tarrant County, Texas, according to the plat recorded in Volume 388-109, Page 22, Plat records, Tarrant County, Texas, and also being the most westerly southwest corner of said CADG 901 Airport Freeway, LLC, Instrument, No. 214219704;

THENCE North 01°28'30" West along said right-of-way a distance of 299.98 feet to a point for corner, being the southwest corner of the, Lot 1 Block A of Plaza on the Lake, as recorded in Volume 388-204, Page 74, of said Deed Records;

THENCE leaving said right-of-way and along the boundary line of said Plaza on the Lake the following calls:

North 88°21'43" East a distance of 161.93 feet to a point for corner;

North 01°02'40" West a distance of 90.39 feet to a point for corner, being in the south line of said CADG 901 Airport Freeway, LLC, tract Instrument, No. D215218862;

South 88°56'37" West along the south line of said CADG 901 Airport Freeway, LLC, tract Instrument, No. D215218862 a distance of 162.84 feet to a point for corner, said point being in the east line of said right-of-way and being the southwest corner of said CADG Airport Freeway. LLC, tract Instrument, No. D215218862;

THENCE North 01°25'43" West along said right-of-way a distance of 311.85 feet to a point for corner, being the northwest corner of said CADG 901 Airport Freeway, LLC, tract Instrument No. 215218862 and the southwest corner of said CADG 901 Airport Freeway, LLC, tract Instrument, No. D214154503;

THENCE North 01°26'17" West continuing along said right-of-way a distance of 345.95 feet to a point for corner being the northwest corner of said CADG 901 Airport Freeway, LLC, Instrument, No. D214154503 and in the south right-of-way line of Villa Drive;

THENCE North 89°05'30" East along the said south right-of-way line of Villa Drive a distance of 479.59 feet to a point for corner;

THENCE North 00°54'54" West a distance of 209.95 feet to a point for corner, said point being the northwest corner of said CADG 901 Airport Freeway, LLC, Instrument, No. 214140253, said point also being in the south line of a tract conveyed to H D Development Properties, LP, as recorded in Volume 13903, Page 558, Deed Records, Tarrant County, Texas;

THENCE along the property line of said CADG 901 Airport Freeway, LLC, Instrument, No. D214140253 the following calls:

North 89°06'17" East a distance of 344.11 feet to a point for corner, being the southeast corner of said Home Depot tract;

North 00°56'45" West a distance of 648.77 feet to a point for corner, being the northeast corner of said Home Depot tract and being in the south line of a tract conveyed by deed to Eules Ventures, Inc., as recorded by deed, County Clerk Instrument No. D214262201, Deed Records, Tarrant County, Texas;

North 89°01'45" East a distance of 171.28 feet to a point for corner, being the southeast corner of said Eules Venture tract;

North 00°46'59" West a distance of 389.78 feet to a point for corner, in the east line of a tract of land conveyed by deed to Akashamy Investments, LLC., Volume 12848, Page 121, Deed Records, Tarrant County, Texas, and being in the south line of Highway 183 (a variable width right-of-way);

North 89°27'10" East a distance of 109.50 feet to a point for corner, being the northwest corner of a tract of land conveyed by deed to Eules Animal Emergency, LLC., County Clerk Instrument No. 41584791, Deed Records, Tarrant County, Texas;

South 02°08'01" East a distance of 600.15 feet to a point for corner, being the southwest corner of said Eules Animal tract;

North 89°19'41" East a distance of 108.65 feet to a point for corner, being the southeast corner of said Eules Animal tract;

THENCE along the property line of said CADG 901 Airport Freeway, LLC, tract Instrument No. D215218862 the following calls:

North 02°16'55" West a distance of 161.52 feet to a point for corner, said point being the southwest corner of a tract of land conveyed by deed to Acme Brick Company, County Clerk No. D204162933, Deed Records, Tarrant County, Texas;

North 89°34'46" East a distance of 251.97 feet to a point for corner, being the southeast corner of said Acme Brick tract;

North 02°19'14" West a distance of 438.00 feet to a point for corner, being the northeast corner of said Acme Brick, said point also being in the south line of said Highway 183;

North 89°34'45" East a distance of 181.25 feet to a point for corner;

South 02°39'14" East along said highway 183 a distance of 200.04 feet to a point for corner, being the northwest corner of Park Crestmoor Addition, an addition to the City of Eules as recorded in Volume 388-7, Page 46, Plat Records, Tarrant County, Texas;

South 02°34'05" East along the west line of said Park Crestmoor Addition a distance of 1135.77 feet to a point for corner, said point being the northeast corner of said CADG 901 Airport Freeway, LLC, tract Instrument No. D214154503;

THENCE South 02°42'04" East along the west line of said Park Crestmoor Addition a distance of 326.47 feet to a point for corner, said point being the northeast corner of a tract of land conveyed to Drennan Commercial Group 2, LLC, as recorded in County Clerk Instrument Number D203042381, Deed Records, Tarrant County, Texas;

THENCE South 87°07'20" West along the north line of said Drennan Commercial Group 2, LLC tract and continuing along a tract of land conveyed to Nevada Land & Cattle Company, LLC, tract as recorded in Volume 13608, Page 442, Deed Records, Tarrant County, Texas a distance of 229.08 feet to a point for corner, said point being in the west line of said 50 foot Access Easement;

THENCE South 22°17'19" West along said 50 foot Access Easement a distance of 174.21 feet to a point for corner, said point being at the beginning of a tangent curve to the left whose chord bears South 00°01'50" East, 55.14 feet;

THENCE in a Southeasterly direction along said curve to the left having a central angle of 44°36'40", a radius of 72.64 feet, an arc length of 56.56 feet to a point for corner;

THENCE South 22°20'10" East a distance of 131.08 feet to a point for corner, said point being in the north right-of-way line of said West Euless Boulevard;

THENCE South 53°38'50" West along the north right-of-way line of said West Euless Boulevard a distance of 51.53 feet to a point for corner, said point being the west line of said 50 foot Access Easement;

THENCE North 22°20'10" West departing the north right-of-way line of said West Euless Boulevard and along the west line of said 50 foot Access Easement a distance of 102.93 feet to a point for corner;

THENCE South 87°46'09" West departing said 50 foot Access Easement a distance of 100.41 feet to a point for corner, said point being the northwest corner of a tract of land conveyed to Primary Holdings Ltd., as recorded in County Clerk No. D203042381, Deed Records, Tarrant County, Texas;

THENCE South 02°04'52" East along the west line of said Primary Holdings Ltd., tract a distance of 185.00 feet to a point for corner, said point being in the north right-of-way line of West Euless Boulevard (a variable width right-of-way);

THENCE South 53°54'05" West along the north right-of-way line of said West Euless Boulevard a distance of 717.03 feet to a point for corner, at the beginning of a curve to the right whose chord bears South 55°12'52" West, 110.19 feet;

THENCE continuing along the north right-of-way line of said West Euless Boulevard in a southwesterly direction along said curve to the right having a central angle of 2°16'00", a radius of 2785.45 feet, an arc length of 110.19 feet to a point for corner, said point being in the easterly right-of-way line of Del Paso Street;

THENCE along the easterly right-of-way line of said Del Paso Street the following calls;

THENCE North 33°59'37" West a distance of 110.87 feet to a point for corner, at the beginning of a curve to the left whose chord bears North 38°16'48" West, 100.29 feet,;

THENCE in a Northwesterly direction along said curve to the left having a central angle of 8°34'22", a radius of 670.92 feet, an arc length of 100.39 feet to a point for corner, said point being at the beginning of a reverse curve to the right whose chord bears North 34°49'03" West, 98.58 feet;

THENCE in a Northwesterly direction along said curve to the right having a central angle of 15°29'52", a radius of 365.55 feet, an arc length of 98.88 feet to a point for corner;

THENCE North $27^{\circ}04'07''$ West a distance of 64.11 feet to a point for corner;

THENCE South $88^{\circ}45'53''$ West departing the east corner and crossing said Del Paso Street a distance of 375.15 feet to the POINT OF BEGINNING and containing 57.238 acres of land, more or less.

APPENDIX "B"

DECLARANT REPRESENTATIONS & RESERVATIONS

B.1. GENERAL PROVISIONS.

B.1.1. Introduction. Declarant intends the Declaration to be perpetual and understands that provisions pertaining to the initial development, construction, marketing, and control of the Property will become obsolete when Declarant's role is complete. As a courtesy to future users of the Declaration, who may be frustrated by then-obsolete terms, Declarant is compiling the Declarant-related provisions in this Appendix.

B.1.2. General Reservation & Construction. Notwithstanding other provisions of the Documents to the contrary, nothing contained therein may be construed to, nor may any mortgagee, other Owner, or the Association, prevent or interfere with the rights contained in this 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. To the extent any proposed amendment is for the purpose of either amending the provisions of this Declaration or the Association's Agreements pertaining to the use, operation, maintenance and/or supervision of any facilities, structures, improvements, systems, Common Areas, private Streets or grounds that are the responsibility of the Association, prior written consent of the City may be required. The terms and provisions of this Appendix must be construed liberally to give effect to Declarant's intent to protect Declarant's interests in the Property.

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

B.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 Townhome or Detached Residence for resale or under contract to an Owner other than Declarant. As used in this Declaration, Builder does not refer to Declarant or to any home building or home marketing company that is an affiliate of Declarant.

b. "Declarant Control Period" means that period of time during which Declarant controls the operation of this Association. The duration of the Declarant Control Period will be from the date this Declaration is recorded for a maximum period not to exceed the earlier of:

(1) fifty (50) years from date this Declaration is recorded.

- (2) the date title to the Lots and all other portions of the Property has been conveyed to Owners other than Builders or Declarant.

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

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

B.2.1. Officers & Directors. During the Declarant Control Period, the Board may consist of a minimum of three (3) persons, and a maximum of five (5) persons. **During the Declarant Control Period, Declarant may appoint, remove, and replace any officer or director of the Association, none of whom need be Members or Owners, and each of whom is indemnified by the Association as a "Leader;" provided, however, that on or before the date which is the earlier of (i) one hundred twenty (120) days after Declarant has sold seventy five percent (75%) of the Lots that may be developed within the Property, or (ii) ten (10) years after the date of recordation of this Declaration, at least one-third (1/3) of the directors on the Board shall be elected by non-Declarant Owners.**

B.2.2. Weighted Votes. During the Declarant Control Period, the vote appurtenant to each Lot owned by Declarant is weighted twenty (20) 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 twenty (20) 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. In determining the number of Lots owned by the Declarant for the purpose of weighted voting hereunder, the total number of Lots covered by this Declaration, including all Lots annexed into the Property in accordance with the terms of this Declaration (including, by Declarant pursuant to its rights under Section B.7 of this Appendix B) shall be considered.

B.2.3. Budget Funding. The Declarant shall not be responsible or liable for any deficit in the Association's Budget or funds. The Declarant may, but is under no obligation to, subsidize any liabilities incurred by the Association, and the Declarant may, but is not obligated to, lend funds to the Association to enable it to defray its expenses, provided the terms of such loans are on reasonable market conditions at the time. Declarant is not responsible for funding any Reserve Fund and may, at its sole discretion, require the Association to use Reserve Funds or working capital funds collected under Section B.5 of this Appendix B when available to pay operating expenses prior to the Declarant funding any deficit.

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

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

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

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

B.2.8. Budget Control. During the Declarant Control Period, the right of Owners to veto Budget, Amendment to Budgets, Assessment increases or Special Assessments is not effective and may not be exercised.

B.2.9. Organizational Meeting. Within one hundred twenty (120) days after the end of the Declarant Control Period, or sooner at the Declarant's option, Declarant will call an organizational meeting of the Members of the Association for the purpose of electing, by vote of the Owners, directors to the Board. Written notice of the organizational meeting must be given to an Owner of each Lot at least ten (10) days but not more than sixty (60) days before the meeting. For the organizational meeting, Owners of ten percent (10%) of the Lots constitute a quorum. The directors elected at the organizational meeting will serve as the Board 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. At this transition meeting, the Declarant will transfer control over all utilities related to the Common Areas owned by the Association and Declarant will provide information to the Association, if not already done so, relating to the total costs to date related to the operation and maintenance of the Common Areas and Areas of Common Responsibility.

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

B.3.1. Changes in Development Plan. Declarant may modify the initial development plan to respond to perceived or actual changes and opportunities in the marketplace. Subject to approval by (1) a governmental entity, if applicable, and (2) the Owner of the land or Lots to which the change would directly apply (if other than Declarant), Declarant may (a) change the sizes, dimensions, and configurations of Lots and Streets; (b) change the minimum Townhome or Detached Residence size; (c) change the building setback requirements; and (d) eliminate or modify any other feature of the Property.

B.3.2. 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 homes, Lots, or other products located outside the Property.

B.3.3. Architectural Control. **During the Development Period, Declarant has the absolute right to serve as the Architectural Reviewer pursuant to Article 6.** Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights as Architectural Reviewer under Article 6 and this Appendix to (1) an ACC 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 is at all times subject to the unilateral rights of Declarant (1) to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated and (2) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason. Declarant also has the unilateral right to exercise architectural control over vacant Lots in the Property. **The Association, the Board of directors, nor a committee appointed by the Association or Board (no matter how the committee is named) may involve itself with the approval of new Residences and related improvements on vacant Lots.**

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

- c. To create Lots, easements, and Common Areas within the Property.
- d. To modify the designation of the Area of Common Responsibility.
- e. To subdivide, combine, or reconfigure Lots.
- f. To convert Lots into Common Areas and Common Areas back to Lots.
- g. To modify the construction and use restrictions of Article 7 of this Declaration.
- h. To merge the Association with another property owners association.
- i. To comply with the requirements of an underwriting lender, to bring any provisions of this Declaration into compliance with any applicable governmental statute, rule, regulation or judicial determination, or to satisfy the requirements of any local, state or federal governmental.
- 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.

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

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

B.3.7. Promotion. During the Development Period, Declarant reserves for itself an easement and right to place or install signs, banners, flags, display lighting, potted plants, exterior decorative items, seasonal decorations, temporary window treatments, and seasonal landscaping on the Property, including items and locations that are prohibited to other Owners and Residents, for purposes of promoting, identifying, and marketing the Property and/or Declarant's Residences, Lots, developments, or other products located outside the Property. Declarant reserves an easement and right to maintain, relocate, replace, or remove the same from time to time within the Property. Declarant also reserves the right to sponsor marketing events – such as open houses, MLS tours, and broker's parties – at the Property to promote the sale of Lots. During the Development Period, Declarant also reserves (1) the right to permit Builders to place signs and promotional materials on the Property and (2) the right to exempt Builders from the sign restriction in this Declaration.

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

B.3.9. Access. During the Development Period, Declarant has an easement and right of ingress and egress in and through the Property for purposes of constructing, maintaining, managing, and marketing the Property and the Property Subject to Annexation (as hereinafter defined), and for discharging Declarant's obligations under this Declaration.

Declarant also has the right to provide a reasonable means of access for the home buying public through any existing or future gate that restricts vehicular access to the Property in connection with the active marketing of Lots and Residences by Declarant or Builders, including the right to require that the gate be kept open during certain hours and/or on certain days. This provision may not be construed as an obligation or intent to gate the Property.

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

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

B.3.12. Land Transfers. During the Development Period, any transfer of an interest in the Property to or from Declarant is not subject to any transfer-related provision in the Documents, including without limitation on an obligation for transfer or Resale Certificate fees, and the transfer-related provisions of Article 8 of this Declaration. The application of this provision includes without limitation Declarant's Lot take-downs, Declarant's sale of Lots to Builders, and Declarant's sale of Lots to homebuyers.

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

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

a. The amount of the contribution to this fund will be an amount equal to the greater of (i) Seven Hundred Fifty and No/100 Dollars (\$750.00) for each Townhome Lot and Five Hundred and No/100 Dollars (\$500.00) for each Detached Residence or (ii) one-third (1/3) of the then current annual Regular Assessment with respect to transfers from a Builder to an Owner, from a non-Builder Owner to another Owner, or any transfer other than Declarant to Builder and will be collected on the closing of the sale of the Lot to any Owner other than transfers from Declarant to Builder or Declarant to any Party, or to a Declarant, a Successor Declarant, or Declarant-affiliate. Declarant during the Development Period or, thereafter, the Board may increase the amount of the contribution to be made by any Owner pursuant to this paragraph by an additional amount equal to fifty percent (50%) of the then current contribution required to be made without joinder or consent of any Member or Owner. Notwithstanding the foregoing or anything to the contrary contained in this Declaration, a portion of all contributions made pursuant to this Section B.5.a. collected from the transfer of a Townhome Lot in the greater of the amount of (i) Two Hundred Fifty and No/100 Dollars (\$250.00), or (ii) one third (1/3rd) of the contribution collected, shall be set aside in a separate reserve fund for the exclusive purpose of funding the cost and expense of satisfying the maintenance and/or repair obligations of the Association with respect to the Areas of Common Responsibility and Common Areas solely benefitting the Townhomes, or other Common Expenses of the Association exclusively attributable to the Townhomes and/or Townhome Lots.

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

d. Contributions to the fund are not advance payments of Regular Assessments or Special Assessments and are not refundable to the contributor by the Association or by Declarant. This may not be construed to prevent a selling Owner from negotiating reimbursement of the contribution from a purchaser.

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

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

B.7. Declarant's Right to Annex Adjacent Property. Declarant hereby reserves for itself and its affiliates and/or any of their respective successors and assigns the right to annex any real property

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

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

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

Annexed Land were originally included in this Declaration as part of the Initial Property, with the total number of Lots increased accordingly;

- (iv) That an Assessment Lien is therein created and reserved in favor of the Association to secure collection of the Assessments as provided in this Declaration, and as provided for, authorized or contemplated in the Supplemental Declaration, and setting forth the first year Maintenance Assessments and the amount of any other then applicable Assessments (if any) for the Lots within the Annexed Land being made subject to this Declaration; and
- (v) Such other provisions as the Declarant therein shall deem appropriate.

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

B.7.3. No Duty to Annex. Nothing herein contained shall establish any duty or obligation on the part of the Declarant or any Member to annex any property to this Declaration and no Owner of the property excluded from this Declaration shall have any right to have such property annexed thereto.

[End of Appendix B]

**APPENDIX “C”
MAINTENANCE RESPONSIBILITY CHART
TOWNHOMES**

“all aspects” includes maintenance, repair and replacement, as needed”

Component of Property	Area of Common Responsibility	Owner Responsibility
Roofs	Shingles, flashing, decking, felt/tarpaper and parapet	all other aspects, including roof top deck finished surface
Roof-mounted attachments	None	All aspects
Exterior vertical walls of Townhome Buildings, other exterior features of Townhome Buildings not specifically listed in chart	Outermost materials only, such as siding, stucco and brick, and any coatings or surface treatments on the material, such as paint or sealant	All other aspects, including wall cavities and insulation
Townhome Building foundations, patio slabs and A/C slabs	None	All aspects, including tolerance for minor cracks that are inevitable results of the natural movement of soil (expansion and contraction), shrinkage during the curing of the concrete and settling of the Townhome Building
Concrete driveways and sidewalks	All structural aspects	Routine cleaning and tolerance for minor cracks that are inevitable results of the natural expansion and contraction of soil, shrinkage during the curing of the concrete and settling of the Townhome Building
Retaining walls	All aspects	None
Displays of street numbers on exterior doors or Townhome Building surfaces	All aspects	None
Gutters and downspouts	All aspects	None
Grounds – outside the fenced yards (if any).	All aspects	None
Yard irrigation system (sprinkler)	All aspects	None
Exterior light fixtures on Townhome Buildings	None	All aspects

Component of Property	Area of Common Responsibility	Owner Responsibility
Garages	None	All aspects. Includes routine interior cleaning, interior wall and ceiling materials, garage door, pedestrian door, automatic garage door opener, remote controls, interior light fixture, interior electrical outlets.
Insulation and weather-stripping	None	All aspects
Chimneys and fireplaces	None	All aspects
Fences and gates around private Townhome yards (if any)	All aspects	None
Townhome interiors, including improvements, fixtures, partition walls and floors within Townhome	None	All aspects including but not limited to all electrical and plumbing components
Sheetrock in Townhomes (walls and ceilings) and treatments on walls	None	All aspects
Improvements and grounds in private patio/yards	None	All aspects
Exterior doors of Townhomes	None	All aspects of the garage door, and all aspects of other doors, including paint, door frame, door, glass panes, hardware, locks, peep-holes, thresholds, weather stripping and doorbells
Windows	Periodic exterior caulking in connection with exterior painting	All other aspects, including window frames, window sill flashings, window seals and sealants, screens, window locks, glass panes, glazing, interior caulking
Water, sewer, electrical lines and systems	None for lines and systems serving the Lots	All aspects of lines and systems serving the Lot
Heating and cooling systems and water heaters	None	All aspects
Intrusion alarms on doors/windows, smoke/heat detectors, monitoring equipment	None	All aspects

Component of Property	Area of Common Responsibility	Owner Responsibility
Cable for television or Internet	Standards for location and appearance of cable and/or conduit	All other aspects
Television Antennas and satellite dishes	Standards for location and appearance of exterior-mounted devices	All other aspects

Note 1: The components listed in the first column are applicable only if they exist, and may not be construed to create a requirement to have such a component.

Note 2: If the Owner is responsible for a component of the Townhome Building that is shared with one or more other Townhomes in the Townhome Building, such as roof trusses and the foundation, the responsibility is shared by the Owners of all the Townhomes in the Townhome Building. If the Owners of the Townhomes in the Townhome Building cannot agree on an equitable division of the costs based on the circumstances, the division will be equal among the Townhomes although one Townhome may be more affected than the others. If the Owners of the Townhomes cannot agree on any aspect of maintenance that requires their joint participation, the matter will be decided by a 3-person ad hoc committee appointed by the Board.

Note 3: If an Owner fails or refuses to perform necessary maintenance, repair, or replacement, the Association may perform the work after giving required notices to the Owner.

Note 4: This Maintenance Responsibility Chart may be revised by the Association at any time and from time to time at the sole discretion of the Declarant or a majority vote of the Board. A revised Chart must be recorded in the Real Property Records of Tarrant County, Texas. **Revisions to the Maintenance Chart must be provided to the Owners of Townhomes by delivering a copy of the revised Chart to such Owners by U.S. mail and if applicable, posted to the Association's website.**

APPENDIX "D-1"

**TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
FOUNDER'S PARC**

DESIGN GUIDELINES

**TOWNHOMES ARE EXCLUDED FROM APPENDIX "D-1" UNLESS
REFERENCE TO TOWNHOMES IS SPECIFICALLY MENTIONED**

PART ONE: LANDSCAPING, FENCES AND EXTERIOR ELEMENTS

SECTION 1.1 LANDSCAPING. This Section shall pertain to Townhomes and Detached Residences:

Upon completion of each Residence, each Residence must comply with the landscaping requirements of any applicable City of Euless ordinances and Association Rules. Notwithstanding compliance with the foregoing, the following landscape elements shall be installed prior to occupancy of the Residence:

- 1.1.1 Sod: Each Residence shall have full sod installed for the entire front and rear yard and a minimum of ten (10) feet back from the front wall face for each side yard, or to the side yard fence, whichever is greater.
- 1.1.2 Trees: A minimum of One (1) canopy tree with a caliper of at least four inches (4") measured at a point six inches (6") above ground level and 10 to 12 feet in height at the time of planting shall be placed in the front yard of each Lot. Each Owner of the Detached Residence Lots shall be responsible for maintenance and preservation of trees located on their property and shall promptly replace dead trees within thirty (30) days of loss occurrence when favorable planting weather exists or sixty (60) days unless otherwise noticed by the Architectural Reviewer or compliance division. *The City may have a tree ordinance or tree preservation ordinance in place. Owner should check with the City before removing or replacing a tree.* Owners of Townhomes shall promptly report any dead trees within five (5) days to the Association.
- 1.1.3 Shrubbery and Planting Beds: Each Residence shall have a minimum of eight (8) three (3) gallon shrubs and two (2) ten (10) gallon shrubs. A mulched planting bed; edging is preferred but, not mandatory. Owners of Detached Residence Lots shall be responsible for ensuring proper watering and care of the shrubs and planting bed. Owners of Townhomes shall promptly report any dead shrubbery within five (5) days to the Association.

SECTION 1.2 FENCES: Fence height for wood fences shall be a minimum of six feet (6') and maximum of eight feet (8'). Six feet shall be the standard height; eight-foot (8') fences will require the prior written approval of the Architectural Reviewer and shall be considered on a case by case basis; provided that Declarant shall not be required to obtain approval for any fence or masonry wall constructed by Declarant within the Subdivision. Rear yard fencing adjacent to any Common Areas located on any Lot shall be fifty percent (50%) or greater open construction using ornamental metal fenceings of the design depicted on the Iron Fence Detail attached hereto as Attachment 1.2.3.2. The perimeter wall of the Subdivision to be maintained by the Association as part of the Common Area and constructed within the Wall & Wall Maintenance Easements or within other Common Areas shown on the Plat shall be constructed and installed in accordance with the design depicted.

Fencing for Townhomes may be optional notwithstanding, if fencing for Townhomes is allowed or required by Declarant, the specifications shall be those as set forth in this Section.

- 1.2.1 Major thoroughfares and Corner Lots: Portions of a fence that face a major thoroughfare or street including corner Lots will be considered major thoroughfare fencing and shall be cedar wood with a cap, and stained with a Seal Rite Medium Brown. Steel posts with the smooth side of the fence always facing outward. See Exhibit Attachment 1.2.1.1 for more information. Fencing must be kept in good repair at all times. Broken or missing pickets or panels must be promptly repaired or replaced. All leaning or fallen panels must be up righted, repaired or replaced. No partial fencing is allowed without the prior written consent of the Architectural Reviewer. Fencing must be routinely stained and kept aesthetically pleasing at all times. All fencing shall be stained and preserved as follows:

Manufacturer: Seal Rite Medium Brown
(any other stain color must be approved in advance,
in writing, by the Architectural Reviewer prior to
use)

- 1.2.2 Standard Side and Rear Yard Fences – Interior Lots: For all interior lots which shall include any portion of a fence that is not visible from a major street or thoroughfare shall be cedar wood, with steel posts, and top rail. Fencing shall be board-on-board and all fences to have step ups and step downs to adjust for grade. See Exhibit Attachment 1.2.2.1. Fences shall be stained with the approved color from Section 1.2.1 above. Fencing must be kept in good repair at all times. Broken or missing pickets or panels must be promptly repaired or replaced. All leaning or fallen panels must be up righted, repaired or replaced. No partial fencing is allowed without the prior written consent of the Architectural Reviewer. Fencing must be routinely stained and kept aesthetically pleasing at all times.

SECTION 1.3 MAIL BOXES:

- 1.3.1 Mail boxes for all Residences shall be cluster boxes of a type and style approved for use by the U.S. Postal Service. Refer to Exhibit Attachment 1.3.1.

SECTION 1.4 FLAGS AND FLAGPOLES: This Section may be used as a standard approval base for both Townhomes and Detached Residences at the Architectural Reviewer's discretion:

- 1.4.1 The only flags which may be displayed are: (i) the flag of the United States of America; (ii) the flag of the State of Texas; and (iii) an official or replica flag of any branch of the United States armed forces and School Spirit flags. No other types of flags, pennants, banners, kits or similar types of displays are permitted on a Lot if the display is visible from a street or Common Properties.
- 1.4.2 The flag of the United States must be displayed in accordance with 4 U.S.C. Sections 5-10.
- 1.4.3 The flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code.
- 1.4.4 Any freestanding flagpole, or flagpole attached to a Residence, shall be constructed of permanent, long-lasting materials. The materials used for the flagpole shall be harmonious with the Residence, and must have a silver finish with a gold or silver ball at the top. The flagpole must not exceed three (3) inches in diameter. **Please note, Townhomes and detached homes may have limited front yard space not suitable for placement of a freestanding flagpole.**
- 1.4.5 The display of a flag, or the location and construction of the supporting flagpole, shall comply with applicable zoning ordinances, easements, and setbacks of record.
- 1.4.6 A displayed flag, and the flagpole on which it is flown, shall be maintained in good condition at all times. Any flag that is deteriorated must be replaced or removed. Any flagpole that is structurally unsafe or deteriorated shall be repaired, replaced, or removed.
- 1.4.7 Only one flagpole will be allowed per Lot. A flagpole can either be securely attached to the face of the Residence (no other structure) or be a freestanding flagpole. A flagpole attached to the Residence may not exceed 4 feet in length. A freestanding flagpole may not exceed 20 feet in height. Any freestanding flagpole must be located in either the front yard or backyard of a Lot, and there must be a distance of at least 5 feet between the flagpole and the property line.

- 1.4.8 Any flag flown or displayed on a freestanding flagpole may be no smaller than 3'x5' and no larger than 4'x6'.
- 1.4.9 Any flag flown or displayed on a flagpole attached to the Residence may be no larger than 3'x5'.
- 1.4.10 Any freestanding flagpole must be equipped to minimize halyard noise. The preferred method is through the use of an internal halyard system. Alternatively, swivel snap hooks must be covered or "Quiet Halyard" Flag snaps installed. Neighbor complaints of noisy halyards are a basis to have flagpole removed until Owner resolves the noise complaint.
- 1.4.11 The illumination of a flag is allowed so long as it does not create a disturbance to other residents in the community. Solar powered, pole mounted light fixtures are preferred as opposed to ground mounted light fixtures. Compliance with all municipal requirements for electrical ground mounted installations must be certified by Owner. Flag illumination may not shine into another Residence. Neighbor complaints regarding flag illumination are a basis to prohibit further illumination until Owner resolves complaint.
- 1.4.12 Flagpoles shall not be installed in Common Properties or any property maintained by the Association.
- 1.4.13 All freestanding flagpole installations must receive prior written approval of the Architectural Reviewer.

SECTION 1.5 RAIN BARRELS OR RAINWATER HARVESTING SYSTEMS. This Section may be used as a standard approval base for both Townhomes and Detached Residences at the Architectural Reviewer's discretion:

- 1.5.1 Rain barrels or rain water harvesting systems and related system components (collectively, "Rain Barrels") may only be installed after receiving the written approval of the Architectural Reviewer.
- 1.5.2 Rain Barrels may not be installed upon or within Common Properties.
- 1.5.3 *Under no circumstances shall Rain Barrels be installed or located in or on any area within a Lot that is in-between the front of the property owner's Residence and an adjoining or adjacent street.*
- 1.5.4 The rain barrel must be of color that is consistent with the color scheme of the property owner's Residence and may not contain or display any language or other content that is not typically displayed on such Rain Barrels as manufactured.
- 1.5.5 Rain Barrels may be located in the side-yard or back-yard of an owner's Residential Parcel so long as these may not be seen from a street, another Lot or any Common Properties.

- 1.5.6 In the event the installation of Rain Barrels in the side-yard or back-yard of an owner's property in compliance with paragraph 1.5.5 above is impossible, the Reviewing Body may impose limitations or further requirements regarding the size, number and screening of Rain Barrels with the objective of screening the Rain Barrels from public view to the greatest extent possible. The owner must have sufficient area on their Lot to accommodate the Rain Barrels.
- 1.5.7 Rain Barrels must be properly maintained at all times or removed by the owner.
- 1.5.8 Rain Barrels must be enclosed or covered.
- 1.5.9 Rain Barrels which are not properly maintained become unsightly or could serve as a breeding pool for mosquitoes must be removed by the owner from the Lot.

SECTION 1.6 RELIGIOUS DISPLAYS. Both Townhomes and Detached Residences apply:

- 1.6.1 An owner may display or affix on the entry to the Owner's or Resident's Residence one or more religious items, the display of which is motivated by the Owner's or Resident's sincere religious belief.
- 1.6.2 If displaying or affixing of a religious item on the entry to the Owner's or Resident's Residence violates any of the following covenants, the Association may remove the item displayed:
 - (1) threatens the public health or safety;
 - (2) violates a law;
 - (3) contains language, graphics, or any display that is patently offensive to a passerby;
 - (4) is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the Owner's or Resident's Residence; or
 - (5) individually or in combination with each other religious item displayed or affixed on the entry door or door frame has a total size of greater than 25 square inches
- 1.6.3 No Owner or Resident is authorized to use a material or color for an entry door or door frame of the Owner's or Resident's Residence or make an alteration to the entry door or door frame that is not authorized by the Association, Declaration or otherwise expressly approved by the Architectural Reviewer.

PART TWO: RESIDENCES

SECTION 2.1 ROOFS. This Section shall pertain to both Townhomes and Detached Residences unless stated otherwise:

- 2.1.1 Roof Pitch: Roof Pitch for Residences shall have a minimum of 6-in-12 slopes. Roof Pitch for porches and patios may have a lesser pitch but, shall be subject to approval of the Declarant or Architectural Reviewer.
- 2.1.2 Roofing Materials: Roofing materials shall be asphalt shingles with a minimum 30-year rated shingle having a minimum weight of 220 pounds per square (100 square feet) and have a weatherwood or gray color. Other roofing materials or colors shall not be used without written approval from the Architectural Control Committee.
- 2.1.3 Dormers & Above Roof Chimneys: Dormers and Chimney Chases, above roof structure and roofing materials, may be finished with an approved exterior grade siding material. All Fireplace flues shall be enclosed and finished; exposed pre-fabricated metal flue piping is prohibited.
- 2.1.4 Roof Pitch for primary room shall conform to the Sections 2.1.1, 2.1.2 and 2.1.3 above. Exemptions allowing lower pitch pans in areas around windows, covered porches and patios or certain Residence plans are allowed and will be reviewed for approval by the Architectural Reviewer on a case by case basis.

SECTION 2.2 CERTAIN ROOFING MATERIALS

- 2.2.1 Roofing shingles covered by this Section are exclusively those designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities (collectively, "Roofing Shingles").
- 2.2.2 Roofing Shingles allowed under this Section 2.2 shall:
 - (1) resemble the shingles used or otherwise authorized for use in the Subdivision and/or Property;
 - (2) be more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use in the Subdivision and/or Property.
 - (3) match the aesthetics of the property surrounding the property of the owner requesting permission to install the Roofing Shingles.
- 2.2.3 The owner requesting permission to install the Roofing Shingles will be solely responsible for accrediting, certifying and demonstrating to the Architectural Reviewer that the proposed installation is in full compliance with paragraphs a and b above. Owners of Townhomes should not attempt replacement of Roofing Shingles without the express written consent of the Architectural Reviewer.
- 2.2.4 Roofing Shingles shall be installed after receiving the written approval of the Architectural Reviewer.
- 2.2.5 Owners are hereby placed on notice that the installation of Roofing Materials may void or adversely other warranties.

SECTION 2.3 SOLAR PANELS. Installation of Solar Panels in a Townhome Residence may be more restrictive. If an Owner of a Residence installs a Solar Panel and it results in damage to the Roof in any way, Owner shall be held liable for the repair and / or replacement of the roof in and around the area affected. An Owner should consider carefully the installation of Solar Panels. Prior written approval of the Architectural Reviewer is required at all times for both Townhomes and Detached Residences. Damage to a roof whether Architectural Reviewer approved or not will be the sole responsibility of the Owner.

- 2.3.1 Solar energy devices, including any related equipment or system components (collectively, “Solar Panels”) may only be installed after receiving the written approval of the Architectural Control Committee.
- 2.3.2 Solar Panels may not be installed upon or within Common Properties or any area which is maintained by the Association.
- 2.3.3 Solar Panels may only be installed on designated locations on the roof of a Residence, on any structure allowed under any Association dedicatory instrument, or within any fenced rear-yard or fenced-in patio of the owner’s property, but only as allowed by the Architectural Reviewer. **Solar Panels may not be installed on the front elevation of the Residence.**
- 2.3.4 If located on the roof of a Residence, Solar Panels shall:
 - (1) not extend higher than or beyond the roofline;
 - (2) conform to the slope of the roof;
 - (3) have a top edge that is parallel to the roofline; and
 - (4) have a frame, support bracket, or wiring that is black or painted to match the color of the roof tiles or shingles of the roof. Piping must be painted to match the surface to which it is attached, i.e. the soffit and wall. Panels must blend with the color of the roof to the greatest extent possible.
- 2.3.5 If located in the fenced rear-yard or patio, Solar Panels shall not be taller than the fence line or visible from a Lot, Common Properties or street.
- 2.3.6 The Architectural Reviewer may deny a request for the installation of Solar Panels if it determines that the placement of the Solar Panels, as proposed by the property owner, will create an interference with the use and enjoyment of land of neighboring owners.
- 2.3.7 Owners are hereby placed on notice that the installation of Solar Panels may void or adversely affect roof warranties. Any installation of Solar Panels which voids material warranties is not permitted and will be cause for the Solar Panels to be removed by the owner.
- 2.3.8 Solar Panels must be properly maintained at all times or removed by the owner.

- 2.3.9 Solar Panels which become non-functioning or inoperable must be removed by the owner of the property.

SECTION 2.4 MINIMUM FLOOR AREA AND SETBACK RESTRICTIONS. This Section shall pertain to both Townhome and Detached Residences as described herein. Setback Restrictions, Lot size and depth, Minimum front and side yard, and other restrictions may exist in the City of Euless Zoning Ordinance No. 2072 (filed under Zoning Case No. 15-06-PD) approved on June 23, 2015 for Townhomes and/or Detached Residences. Builders must comply with these ordinances. In the event of a conflict, the higher standard shall prevail.

The total air-conditioned living area of the main residential structure of Detached Residences constructed on each Lot, as measured to the outside of exterior walls but exclusive of open porches, garages, patios and detached accessory buildings, shall be at least 1,500 square feet in accordance with the City of Euless Zoning and Subdivision Regulations and other applicable laws. The setback requirements are subject to the building line setbacks as outlined in Building Line Setbacks for the Subdivision.

The total air-conditioned living area of the main residential structure of Townhomes constructed on each Lot, as measured to the outside of exterior walls but exclusive of open porches, garages, patios and detached accessory buildings, shall be at least 1,500 square feet in accordance with the City of Euless Zoning and Subdivision Regulations and other applicable laws. The setback requirements are subject to the building line setbacks as outlined in Building Line Setbacks for Subdivision. Builders are responsible for ensuring all setbacks are met.

SECTION 2.5 EXTERIOR WALLS

- 2.5.1 Exterior Wall Materials: Exterior walls shall be a minimum of seventy-five percent (75%) brick and exterior-grade siding materials which may be cementitious siding such as stucco or hardy board or as approved by the Architectural Control Committee.

2.5.1.1 Front Walls: All front wall surfaces shall consist of a minimum of ninety percent (90%) stone or brick masonry veneers on all facades (area containing glass shall be included in the ninety percent calculation), or other materials as approved by the Architectural Control Committee. **Siding may be used for hidden or concealed wall surfaces not directly visible from the lot front property line.** Siding can be used in limited quantities for upper gable areas that would create a “brick-on-wood” condition. Approval of the use of this provision is at the sole discretion of the Architectural Reviewer and ordinances of the City of Euless.

2.5.1.2 Side and Rear Walls: Side and rear wall surfaces may be constructed using a mixture of brick and exterior-grade siding as required to comply with the minimum seventy-five percent (75%) brick or masonry overall requirement.

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

2.5.1.4 Required masonry percentages shall be calculated excluding exterior wall areas built on top of a roof.

SECTION 2.6 WINDOWS

2.6.1 Windows shall be constructed of vinyl, divided light on all front windows, divided light on all windows backing siding collectors, parks or open spaces. Reflective glass is prohibited. Other windows may be used at the sole discretion and approval of the Architectural Reviewer but, shall be subject to any City ordinance.

SECTION 2.7 GARAGE

2.7.1 Garage Doors shall be constructed of cedar or cedar clad and shall be kept in good repair at all times. No garage shall be used as living or business quarters at any time. Garage doors should be kept closed when not in use. Builders shall submit information on style and material along with building plans for approval by the Architectural Reviewer.

SECTION 2.8 ADDRESS BLOCKS

2.8.1 All address blocks shall be cast stone.

SECTION 2.9 ELEVATION AND BRICK USAGE

This Section is subject to the City of Euless Zoning Ordinance(s) which shall include Ordinance No. 2072 (filed under Zoning Case No. 15-06-PD) approved on June 23, 2015, attached hereto as Appendix E. If contradictions between this Section and the City of Euless Zoning Ordinance exist, the City of Euless Zoning Ordinance shall prevail unless this Section sets a higher or more strict standard. The higher standard shall prevail. See City of Euless Zoning Ordinance No. 2072 (filed under Zoning Case No. 15-06-PD) approved on June 23, 2015, attached as Appendix E.

Exhibits:

Exhibit Attachment 1.2.3.2 – Iron Fence Detail

Exhibit Attachment 1.2.1.1 – Major Thoroughfare Fence Detail

Exhibit Attachment 1.2.2.1 – Standard Fence Detail

Exhibit Attachment 1.3.1 – Cluster Mailbox Detail

APPENDIX "D-1"

**TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
FOUNDER'S PARC**

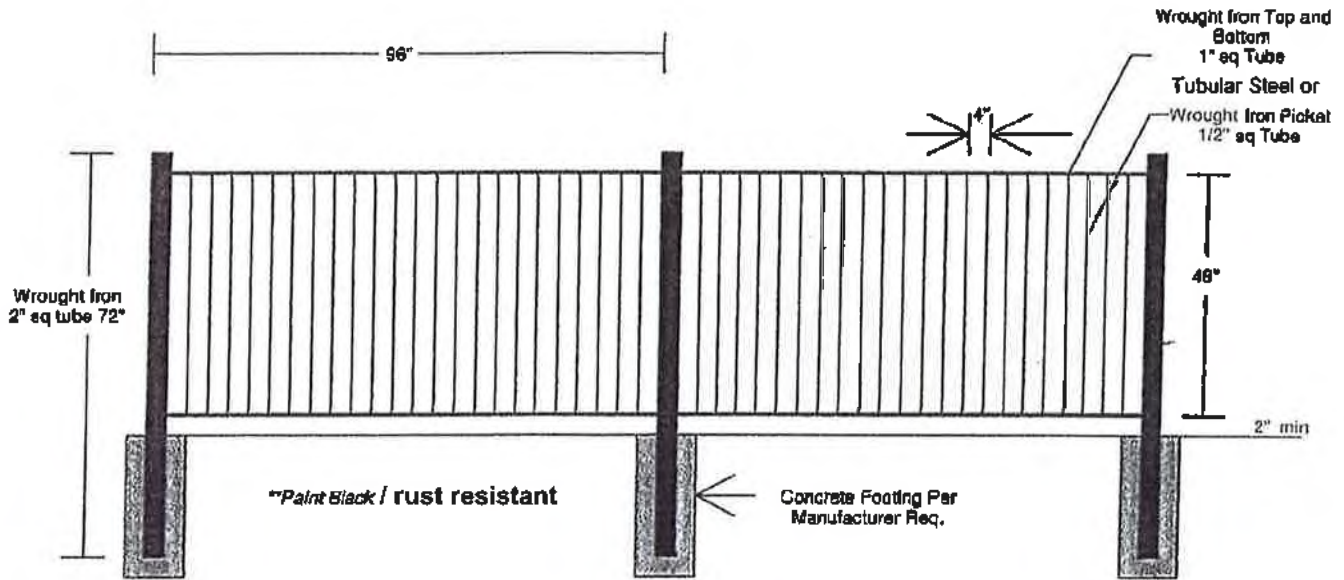
**Exhibit Attachment 1.2.3.2
Iron Fence Detail**

[see attached]

EXHIBIT ATTACHMENT 1.2.3.2

Sample of acceptable wrought iron or tubular steel fencing allowed.
Refer to the Design Guidelines for more information.

Iron Fence Detail



NO SCREENING OR SECONDARY FENCING SUCH AS DOG RUN ALLOWED WITHOUT THE PRIOR WRITTEN APPROVAL OF THE ARCHITECTURAL REVIEWER

Attachment: 1.2.3.2

APPENDIX "D-1"

**TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
FOUNDER'S PARC**

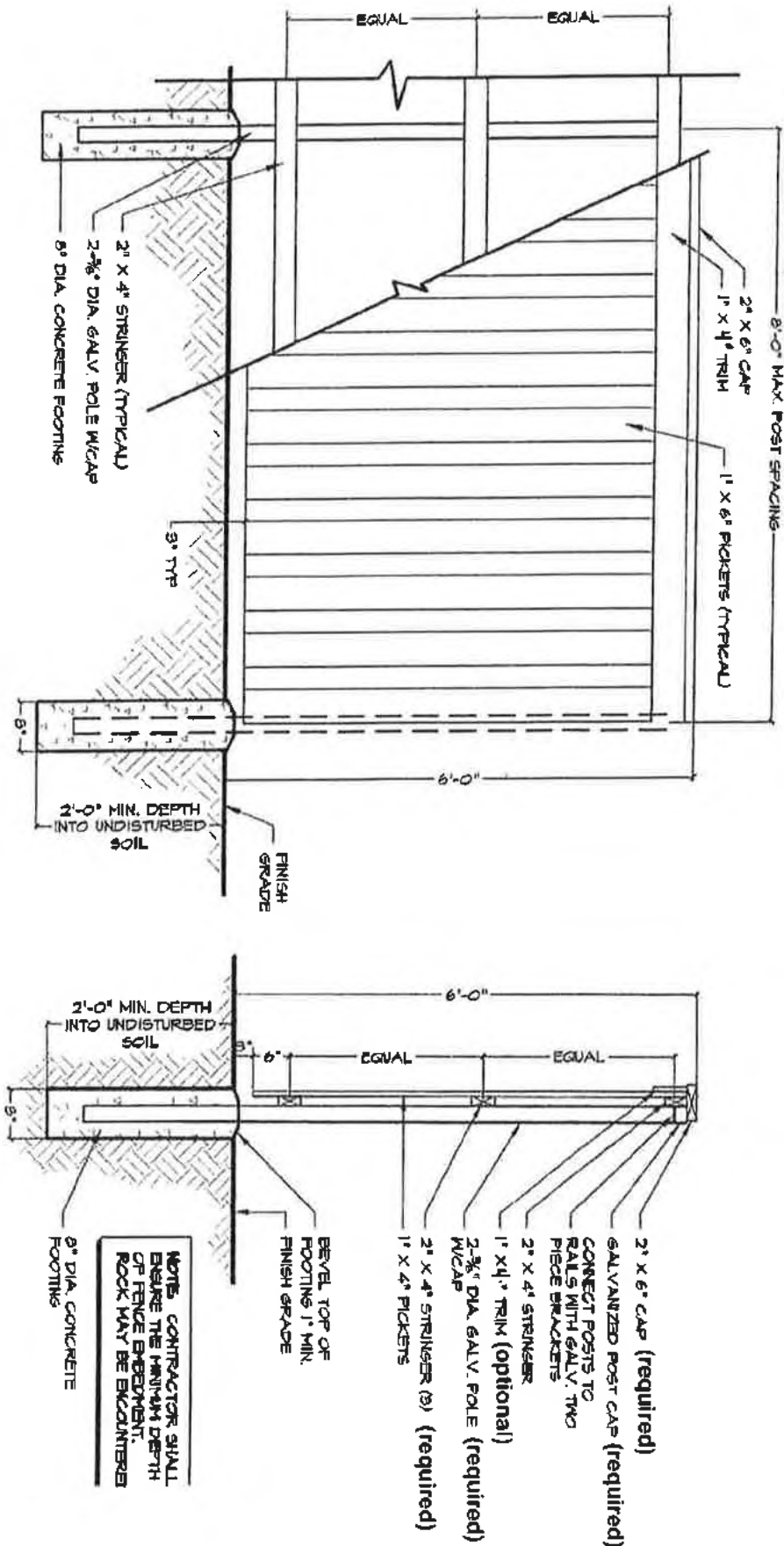
**Exhibit Attachment 1.2.1.1
Major Thoroughfare Fence Detail**

[see attached]

EXHIBIT ATTACHMENT 1.2.1.1

BOARD-ON-BOARD CONSTRUCTION CEDAR WOOD REQUIRED

Fence height shall be six feet (6')
Eight foot (8') fences allowed only upon written permission of the Architectural Reviewer



Any variation from the requirements stated in the Design Guidelines and/or this exhibit 1.2.1.1 shall require the prior written approval of the Architectural Reviewer

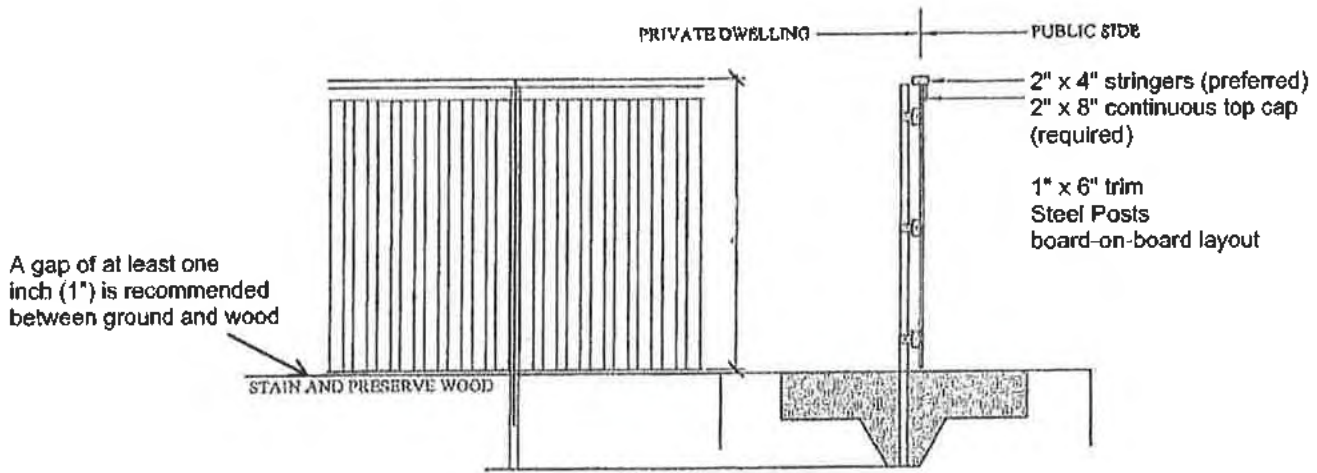
APPENDIX "D-1"

**TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
FOUNDER'S PARC**

**Exhibit Attachment 1.2.2.1
Standard Fence Detail**

[see attached]

FENCE EXHIBIT 1.2.2.1
CEDAR FENCING BOARD-ON-BOARD



Stain Color:
Manufacturer: Sherwin Williams **Color:** REFER TO SECTION 1.2.1 OF DESIGN GUIDELINES FOR APPROVED STAIN COLORS

Minimum Fence height shall be six feet (6'). Heights greater than six feet (6') require prior written approval of the ACC.

APPENDIX "D-1"

**TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
FOUNDER'S PARC**

**Exhibit Attachment 1.3.1
Cluster Mailbox Detail**

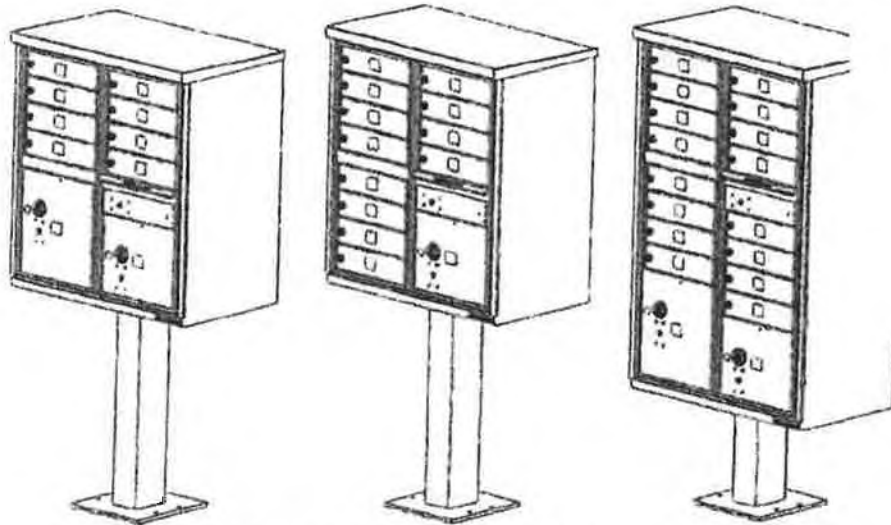
[see attached]

EXHIBIT ATTACHMENT 1.3.1

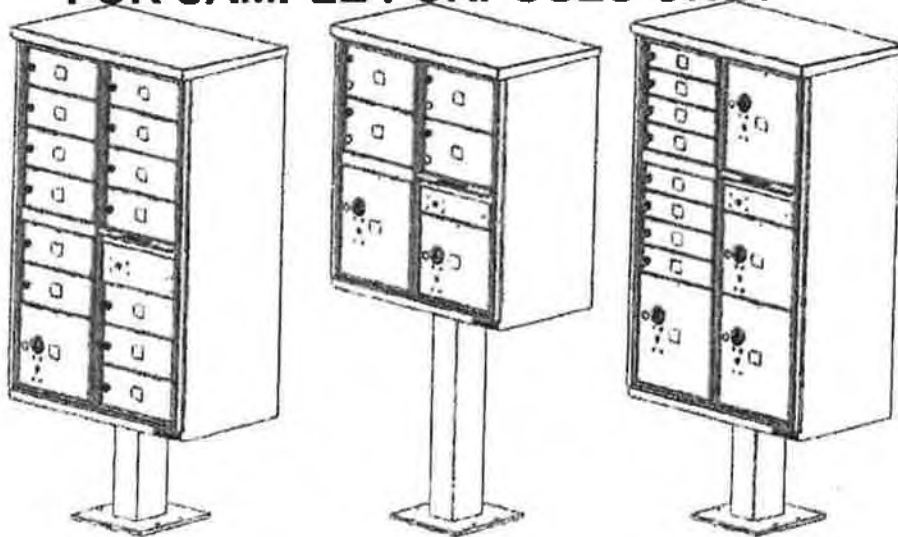
SAMPLE EXHIBIT - CLUSTER STYLE MAILBOXES

FINAL TYPE AND LOCATION OF CLUSTER MAILBOXES IS SUBJECT TO PRIOR WRITTEN APPROVAL OF THE ARCHITECTURAL REVIEWER, THE DECLARANT AND THE U.S. POSTAL SERVICE WHEN REQUIRED.

vital™ cluster box units
All Types - 1570 "F" Series



FOR SAMPLE PURPOSES ONLY



AF FLORENCE
manufacturing company
5935 Corporate Drive • Manhattan, KS 66503
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APPENDIX "D-2"

TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
FOUNDER'S PARC

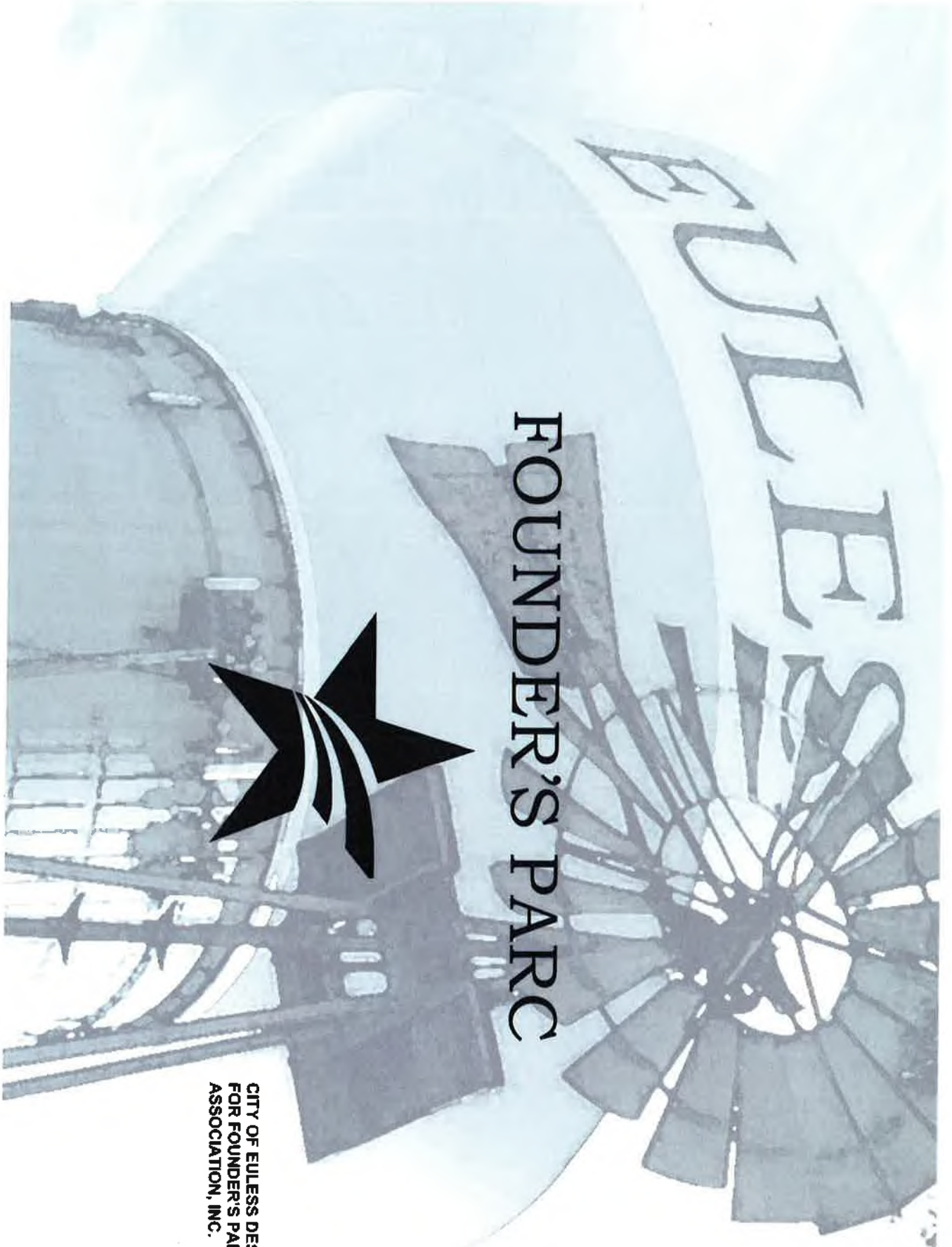
CITY DESIGN GUIDELINES

[see attached]

FOUNDER'S PARC



CITY OF EULESS DESIGN GUIDELINES
FOR FOUNDER'S PARC HOMEOWNERS
ASSOCIATION, INC.



FOUNDERS PARC MASTER DEVELOPER:



FIRST EDITION: _____

DRAFT ONE: NOVEMBER 22, 2016
DRAFT TWO: DECEMBER 21, 2016
DRAFT THREE: JANUARY 9, 2017
DRAFT FOUR: JANUARY 11, 2017

CENTURION AMERICAN DEVELOPMENT GROUP
1800 VALLEY VIEW LN #300
FARMERS BRANCH, TEXAS 75234
469-892-7200

DESIGN GUIDELINES PREPARED
BY:



G&A CONSULTANTS
111 HILLSIDE DR
LEWISVILLE, TEXAS 75057
972-436-9712



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SECTION 6: APPENDIX



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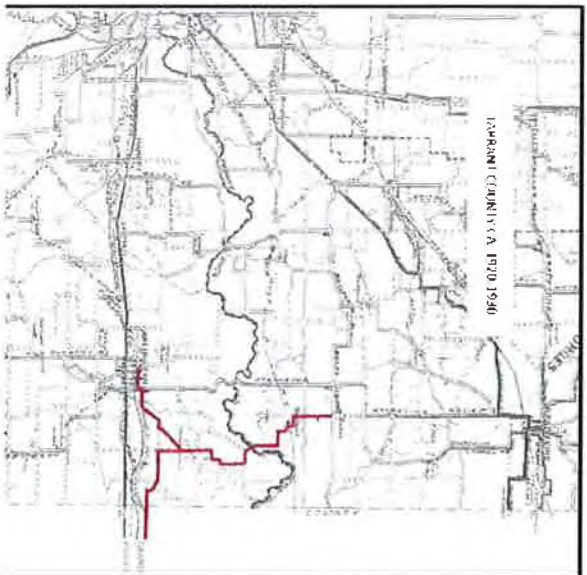
- 1.1 THEME AND CHARACTER
- 1.2 PURPOSE OF DESIGN GUIDELINES
- 1.3 OWNER'S ASSOCIATION AND ARCHITECTURAL REVIEW COMMITTEE



Elisha Adam and Julia Trigg Eulless



Eulless School, date unknown



Thriving lumber yard in the 1930's

Elisha Adam Eulless migrated from Tennessee to Texas in the 1870's, and quickly became the county constable. Eulless thrived as a corn and cotton farmer. In 1881 Eulless purchased 80 acres that contained a cotton gin and grange hall, which became the town's community center. Land around the Adam Eulless property began to develop and the area began to thrive economically. As a sign of appreciation the locals chose to name the settlement after the successful family.

Like most young towns Eulless wasn't without it's ups and downs. By the 1930's the town of Eulless experienced a steady population increase.

In 1932 Homer Fuller and his family built the first brick house in the area. That home now serves as an iconic museum full of the town's history. The architecture of this home serves as an example of typical masonry homes built in the 1930's time period.

The Founder's Parc development pulls architectural details from the Fuller house and other local structures from that time period to compose a 1930's vernacular architectural theme. The cohesive tan brick color and running bond patterns will help reinforce community features while staying true to the era.



1.1 THEME AND CHARACTER



The Founder's Parc development pulls architectural details from the Fuller house and other local structures from the 1930's vernacular architecture. The consistent use of brick and light colored accent stone will reinforce the architectural theme throughout the development.

Elements such as windows and porches are of high importance for cooling and social purposes. Masonry or stone chimneys are a key element to the 1930's vernacular theme.

1.1 THEME AND CHARACTER



Founder's Parc is a mixed-use development consisting of commercial, retail, restaurants, and a variety of housing options integrated with open space networks. The purpose of these design guidelines is to facilitate the growth and ensure the quality of character of Founder's Parc by establishing design requirements and criteria to ensure that the development is centered around a cohesive design theme. These design guidelines will assist property owners, developers, home builders, architects, engineers, landscape architects, planners, and other consultants by providing the framework and the design intent of the community so that the theme and style are consistent throughout.

Design Guidelines are established to provide a 'guide' to the look and feel of the community. This document is intended to provide a flexible framework that may need to be adjusted as needed in order to respond to variable market conditions or to evolve to other circumstances as this project is developed over a period of time.

Any guideline that is included herein is more strict than the approved PD Ordinance, the PD Ordinance 2072 shall control. The terms 'shall' or 'must' require compliance with the applicable regulations. The terms 'should', 'may' or 'encourage' indicate that the guideline is favorable but not required.



1.2 PURPOSE OF DESIGN GUIDELINES

Founder's Parc Homeowner's Association

There shall be one mandatory homeowner's association (HOA) for all the residential neighborhoods. The Founder's Parc Homeowner's Association will be required to manage and maintain the common areas and common improvements within the residential areas of the community. The association's responsibility will be outlined in the filed C&R's and shall at least include maintenance of entrance signs, screening walls, trails, and open spaces.

Founder's Parc Property Owner's Association

There shall be a mandatory property owner's association (POA) for the commercial areas within Founder's Parc. The Founder's Parc POA shall be required to manage and maintain the common areas and common improvements within the commercial areas. The association's responsibility will be outlined in the filed C&R's and shall at least include maintenance of ground signs, screening walls, trails, and open spaces.

Founder's Parc shall have two separate Architectural Review Committee's (ARC). One ARC shall be responsible for the oversight and review of residential development within the residential areas of Founder's Parc and the other ARC shall be responsible for the oversight and review of the commercial development of the commercial areas of Mercer Crossing.

Founder's Parc Residential ARC

This committee shall be established by the Founder's Parc Homeowner's Association as described in the Conditions, Covenants, and Restrictions (CC&R's) filed in the Real Property Records of Tarrant County. The purpose, administration and responsibilities of this committee will be described in detail in the CC&R's. The purpose of the Founder's Parc Residential ARC shall include the following:

- To ensure the Design Guidelines are being followed.
- To encourage the high-quality construction of residences.
- To oversee, review, and approve the exterior elevations and building materials consistent with the Design Guidelines.
- To preserve the common community areas and features within the Residential Areas.

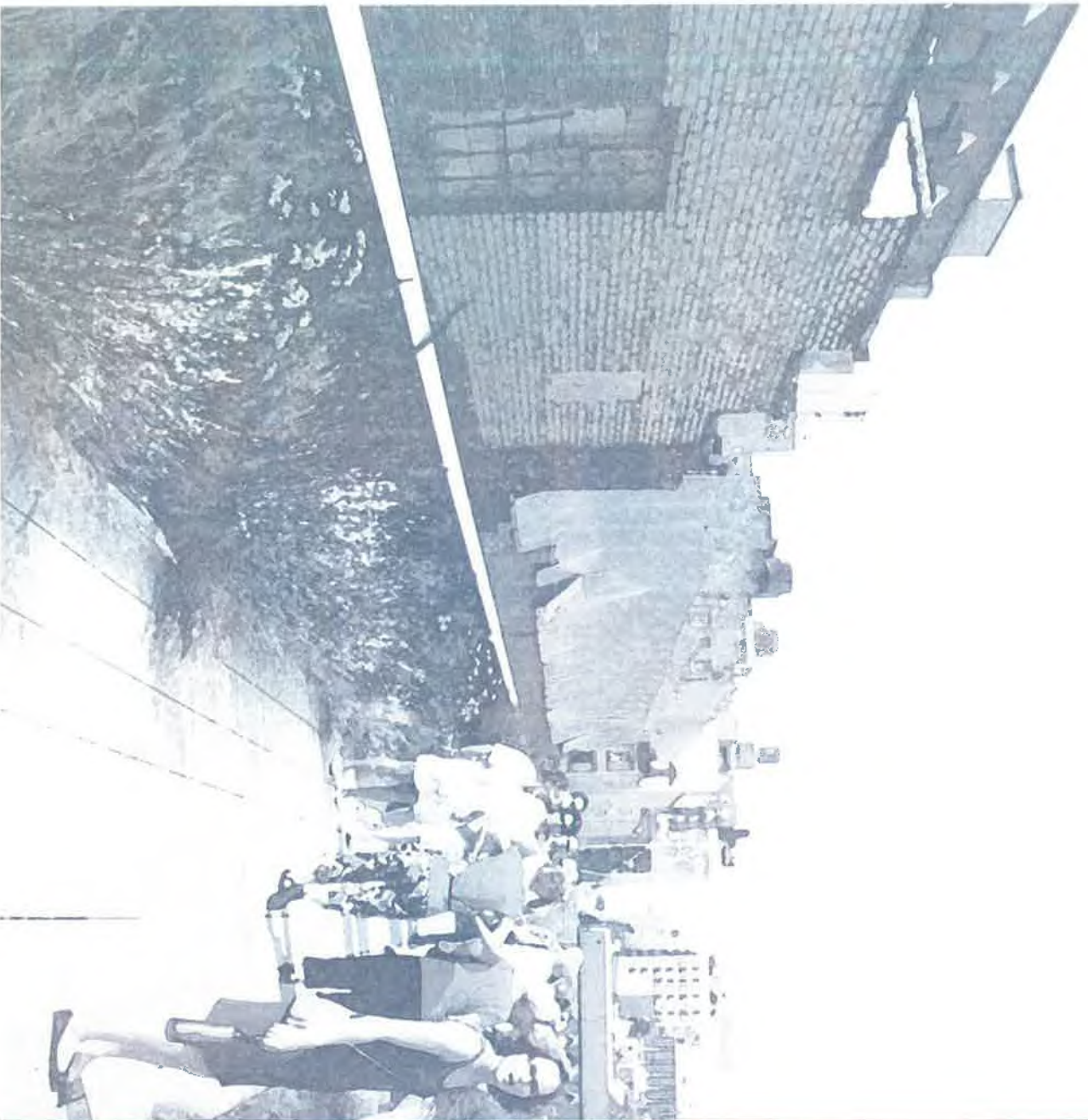
Founder's Parc Commercial ARC

This committee shall be established by the Founder's Parc Property Owner's Association as described in the Conditions, Covenants, and Restriction (CC&R's) file in the Real Property Records of Tarrant County. The purpose, administration, and responsibilities of this committee will be described in the detail in the CC&R's. The purpose of the Founder's Parc Commercial ARC shall include the following:

- To ensure the Design Guidelines are being followed as each commercial development is proposed.
- To encourage the construction of high-quality improvements within the Commercial Areas.
- To oversee, review, and approve building elevations, building materials, and site improvements consistent with the Design Guidelines.
- To preserve the common areas and features within the Commercial Areas.



1.3 OWNER'S ASSOCIATIONS AND ARC



SECTION 2
LAND USE

2.1 LAND USE PLAN

2.2 SUB-DISTRICT PLAN



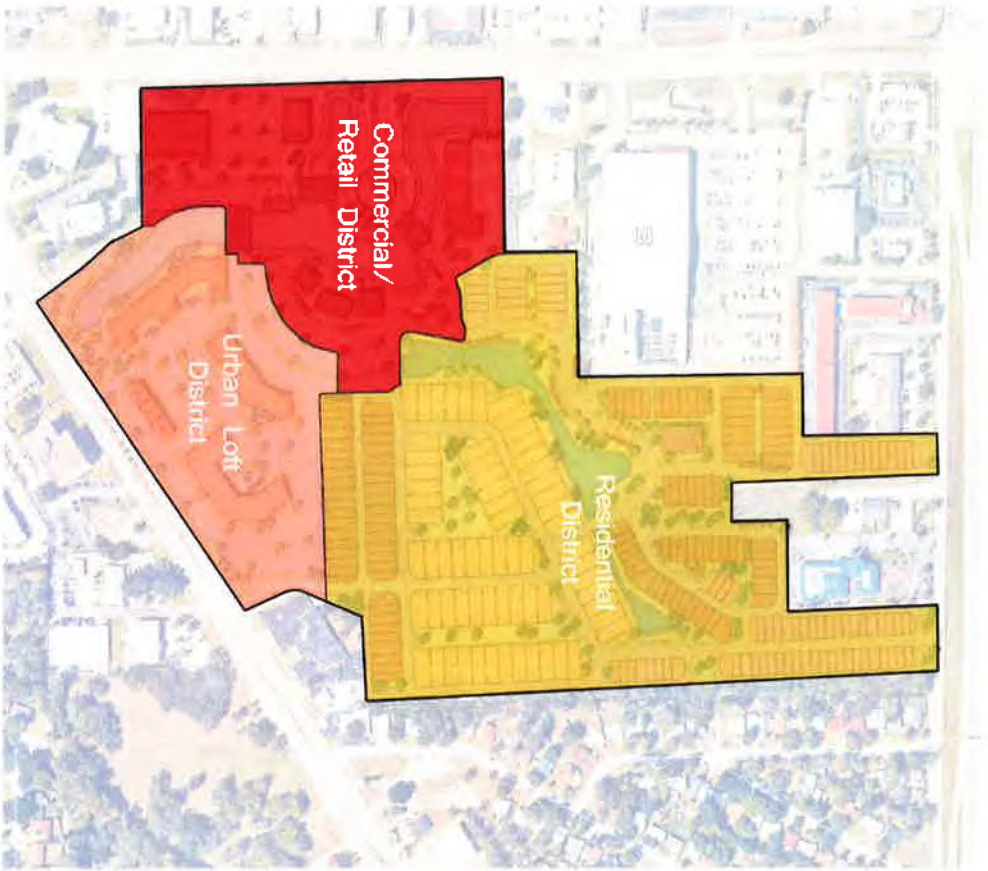
The Land Use Plan illustrates the development intent for Founder's Parc. Commercial and Retail uses are planned along Industrial Boulevard. Restaurants are centered around outdoor dining areas overlooking the water front. The water feature runs through the center of the development and creates a focal point for users to enjoy.

As the water way curves through the site, open space connections between the commercial and residential areas are enhanced to provide pedestrian connectivity. Pocket parks, mews, and greenways are interspersed throughout the community along the trails and walkways to provide an abundance of outdoor space.

The Eastern portion of the development is predominately residential this provides an appropriate transition to the existing neighborhood as well as ample housing options to support the community. The open space in these areas promotes social interaction and a healthy lifestyle. The amenity center is centrally located and provides a gathering place for all.



2.1 LAND USE PLAN



The Founder's Parc development consists of three main sub-districts. The following sections will describe in depth the design intent and community elements for each sub-district.

Residential District

This sub-district provides suitable housing for all types of residents. Villas, row homes, and townhomes are placed in such a way to promote a sense of community and enhance the social interaction.

Commercial/ Retail district

Restaurants and retail stores are located around the water feature to capitalize on the environment that it creates.

Urban Loft District

This unique mixed use sub-district encourages a lively atmosphere and creates a suitable balance between commercial and residential spaces.

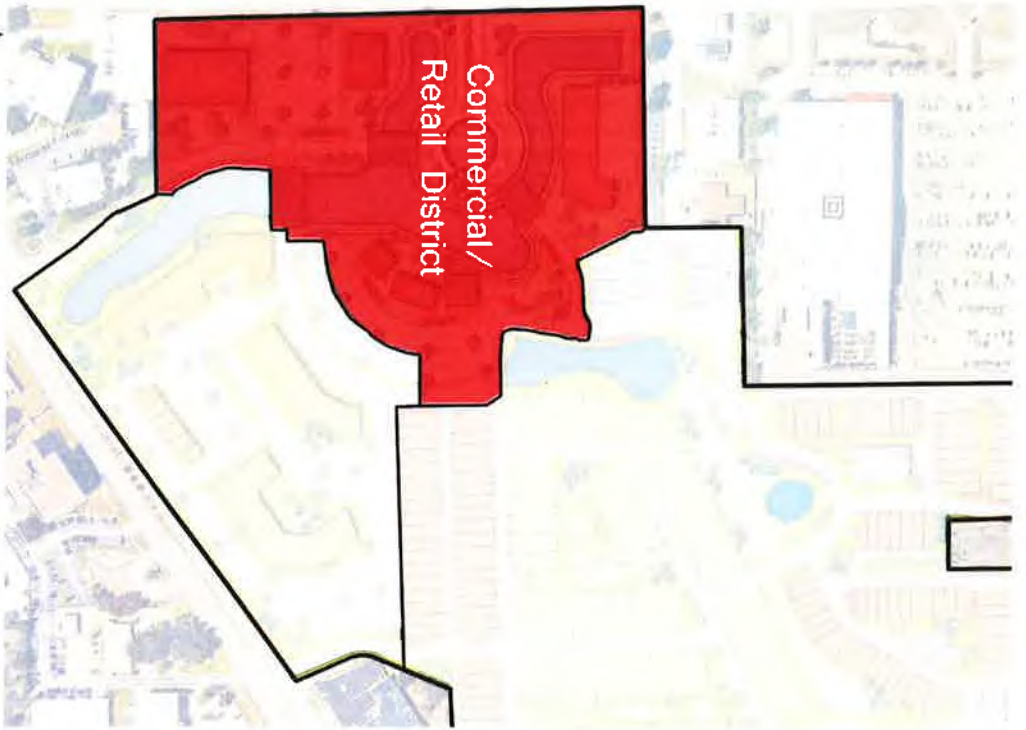
2.2 SUB-DISTRICT PLAN





SECTION 3 COMMERCIAL GUIDELINES

- 3.1 INTRODUCTION
- 3.2 ARCHITECTURAL
GUIDELINES
- 3.3 SITE DESIGN
- 3.4 OPEN SPACE
- 3.5 GROUND SIGNS
- 3.6 BUILDING SIGNS



The Founder's Parc commercial district, by virtue of its location, depth, width, size and visibility lends itself to a multi-use or mixed-use development pattern. It is envisioned that a variety of uses including retail and wholesale commercial, office, business and personal services, entertainment, educational developments and public art should be encouraged to occur in proximity to each other. Further it is intended that these uses possess site designs, architectural themes and overall spatial relationships that serve to complement and enhance the economic and aesthetic values of the State Highway 183, State Highway 10 and F.M. 157 area as a whole. The architectural style and quality of Founder's Parc will be an interesting and appropriate mix of high end elements and materials for the city of Euless.

3.1 INTRODUCTION



Buildings within the Urban Commerce District shall be architecturally compatible with the 1930's vernacular theme. Facades should be finished on each side of the building, using elements such as articulation, detailing, and other architectural features. The building plane should be articulated horizontally and/or vertically to avoid long expanses of exterior wall. Articulating roof lines can also help soften long building edges. Such elements can unify separate parts of the building, make the building human scaled, and provide a backdrop for building signage or graphics.



All of the facades shown to the left demonstrate the character needed to portray the 1930's vernacular theme. The roof variations, architectural details and materials work together to create an upscale retail center.



3.2 ARCHITECTURAL GUIDELINES



Parking lot designs shall be organized to provide a clear pedestrian connection to building entrances. Enhanced pavement is encouraged on drive aisles in front of building entrances and at pedestrian crossings to slow vehicular traffic.

Landscaping shall be incorporated within all parking areas with twenty or more spaces. Shrubs shall be used for screening around all perimeter parking areas. The highlighted area below is a prime example of such an area.



3.3 SITE DESIGN PARKING LOTS



Areas between buildings in the commercial setting should be treated as amenities, with planting areas, seating, lighting, and plenty of pedestrian access.



Dense, green shrubs like shown above should be used throughout the commercial district.



Enhanced paving adds an interest to the sidewalks and can be used to direct pedestrian traffic.



The street lights and hanging baskets give this plaza character and create a sense of place.

Landscaping for the Urban Commerce District shall include a wide variety of plants, trees, and shrubs that are consistent with the 1930's vernacular theme. While the different street types for Founder's Parc require street trees along the parkway, the use of landscape buffers may be appropriate if the buildings are not located directly on the street edge. To promote an organic feel, lifestyle shopping is encouraged. This type of area should include wide walkways broken up with landscape planters and beds.

Foundation landscaping is encouraged along the facade of large buildings to help soften the architecture and to enhance the look and feel. The use of either landscaped beds or planters is appropriate.



3.4 SITE DESIGN LANDSCAPE



Screening

Areas of the Urban Commerce District that are directly adjacent to residential neighborhoods may be screened by a combination of stone or masonry wall.

Service areas, such as dumpsters, shall be screened by a fence or wall of a maximum of 8' in height to minimize visibility.

The use of retaining walls may be necessary for grading purposes. If retaining walls are used, they shall be clad in a material that is consistent with the overall design theme.

Lighting

While site amenities are among the simplest enhancements to a development, they can go a long way towards conveying a specific design theme. Streamline amenities in Founder's Parc should be attractive, durable, and practical, as well as contributing to the overall 1930's era. All site amenities shall be cohesive and consistent in using all black metal, taking into account longterm maintenance.

In commercial areas, all lighting design standards must comply with City ordinances, as well as the approved PD zoning ordinance. In addition to streets lamps, all other commercial lighting should reinforce the 1930 vernacular theme by maintaining a subtle, natural appearance, without sacrificing safety.



3.4 SITE DESIGN SCREENING AND LIGHTING



Open lawns in commercial areas give children and parents a place to take a break from shopping.



This commercial open space is a great example of how all such spaces should be treated with in the Founder's Parc development.



This existing park in Eules, Midway Park, is a great example of how open space should be treated. There should also be a connection from any commercial space to any parks.



Foundation landscape and pedestrian sidewalks like shown above shall be provided throughout the commercial area of Founder's arc.

Parks and open space are key components of healthy communities, and that includes commercial areas. The landscape design should be inspired by the lush green gardens and open landscapes of old England, while featuring native plant species that will require less water and are suited for the North Texas climate. A complete list of appropriate plants that should be used in Founder's Parc can be found in the appendix, in addition to the city's approved plant list.



3.5 OPEN SPACE



Purpose

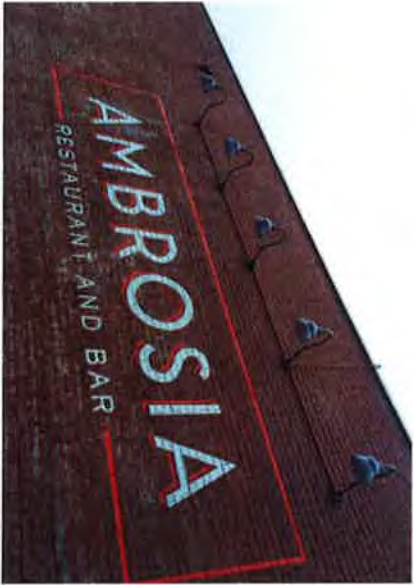
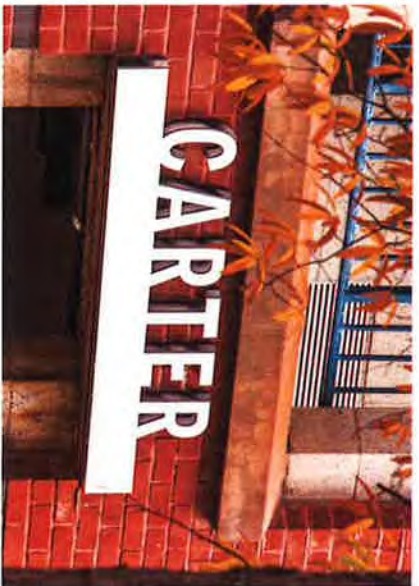
Tower and monument signs shall be used to identify the commercial district and businesses along SH 157 and SH 10 to passing motorists in order to promote business and create a distinct commercial or shopping district.

Requirements

- The signs shall be a tower feature or pylon structure with similar materials that are complimentary to the community theme. Architectural elements, such as a roof element, may be used to reinforce the design theme.
- The signs shall be used for multi-tenant or single-tenant identification of the businesses within the commercial areas.
- The multi-tenant panels shall be white text/business logos and a black background. They shall be internally illuminated.
- Enhanced landscaping is required surrounding the sign structure.
- The maximum height of a monument sign along State Highway 10 or Farm-to-Market 157 shall be 40'.
- The maximum height of a monument sign along Villa Drive, Park Drive or Del Paso Street shall be 8'.
- The maximum height of a tower sign shall be 40'.
- The signs may include the name of the shopping center. For example, The Shoppes at Founder's Parc.
- The sign shall be owned and maintained by the Property Owner's Association



3.6 GROUND SIGNS



Purpose

Wall signs are mounted to the exterior of the building and used to identify a tenant. Wall signs may also be used as building identification such as building name, building number, or street address.

Requirements

- Building identification wall signs shall be used to identify buildings in a multi-building complex or a single building with multi-tenant interior access only.
- There may be one building identification wall sign on each street frontage.
- Wall signs that are not used for building identification shall be used to identify a business or tenant and may have one sign per street frontage, except for multi-tenant exterior access buildings may have one sign per tenant.
- Walls signs, including Building Identification Wall Signs, shall be internally or externally illuminated.



3.6 BUILDING SIGNS

WALL SIGNS



Purpose

A directory sign identifies various tenants within a building for patrons to navigate to their destination.

Requirements

- The sign may be located on the exterior of the building, preferably at entrances, with one sign on each street frontage.
- The building that the directory sign is used shall be a multi-tenant interior access building.
- The sign shall be attached to the building wall.
- The sign shall be externally illuminated.



3.6 BUILDING SIGNS
DIRECTORY SIGNS



Purpose

These signs shall identify the business for which they are used. Canopies or Awnings are usually placed over windows or doorways to create a distinct entry.

Requirements

- The awning lettering may only be located on the vertical hanging fabric with 6" letter height.
- Canopy lettering shall be attached above the canopy structure or within the face of the canopy structure. In each instance, the lettering shall not exceed 18" in height.
- The signs may be internally or externally illuminated.



3.6 BUILDING SIGNS
AWNING SIGNS



Hangin^g Signs

Purpose

Hangin^g signs facilitate pedestrian navigation along storefront walkways and entrances. These signs embody the community theme and provide architectural interest to buildings.

Requirements

- The signs may be suspended from above underneath a canopy or ceiling.
- The signs shall be located at building entrances or a corner of the building where two or more sidewalks come together.
- The sign area of a hangin^g sign may be 16 square feet per face for a one-story building or forty square feet per face for a building of two stories or more.
- Letterin^g shall be 18".
- The signs may be internally or externally illuminated.

Window Signs

Purpose

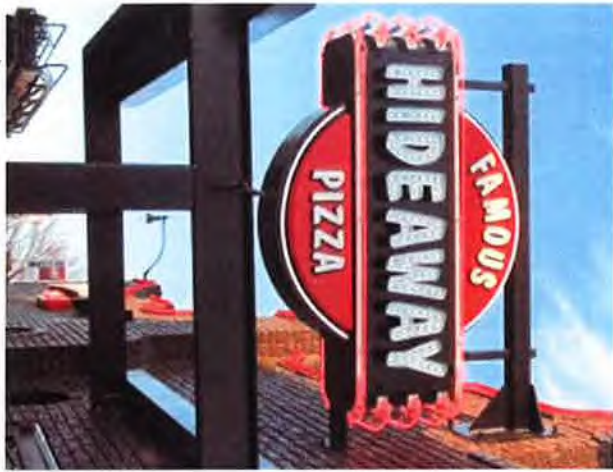
Window signs are used in storefront windows to attract business from the street. They can also be used in a multi-story building to identify the tenants on the upper floors.

Requirements

- Window signs may be permanent signs or temporary.
- These sign area shall be limited to a maximum of 40% of the glass area per opening.



3.6 BUILDING SIGNS HANGING AND WINDOW SIGNS



Purpose

A blade sign is similar to a hanging sign that is perpendicularly attached to the exterior wall of a building. This sign also provides architectural interest to the building.

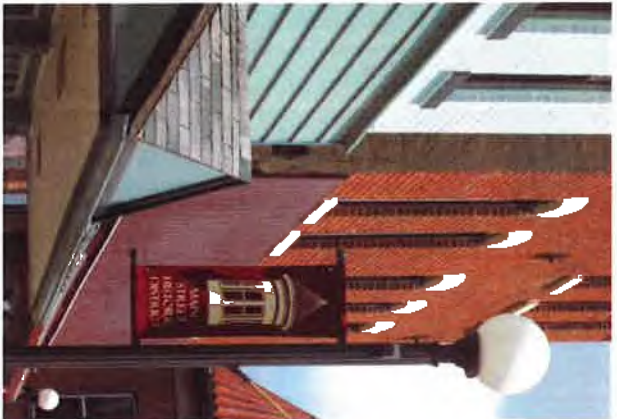
Requirements

- There may be one blade sign per street frontage.
- The signs shall be internally illuminated. Either the whole sign case may be internally illuminated or the lettering may be individually internally illuminated channel letters.
- The maximum sign lettering shall be 18”.



3.6 BUILDING SIGNS

BLADE SIGNS



Purpose

Banner signs are typically temporary and used to identify events or tenants within the commercial areas.

Requirements

- Banner signs shall be made of suitable material to withstand weather.
- There shall be prints/letters/images on both sides of the banner sign.
- Banner signs may be attached to light poles and buildings.
- These signs shall be supported by projecting poles at the top and bottom of the sign to withstand movement caused by wind.
- Banner signs shall not be illuminated.
- The sign face area for banner signs shall not exceed 16 square feet.



3.6 BUILDING SIGNS

BANNER SIGNS



SECTION 4
RESIDENTIAL
GUIDELINES

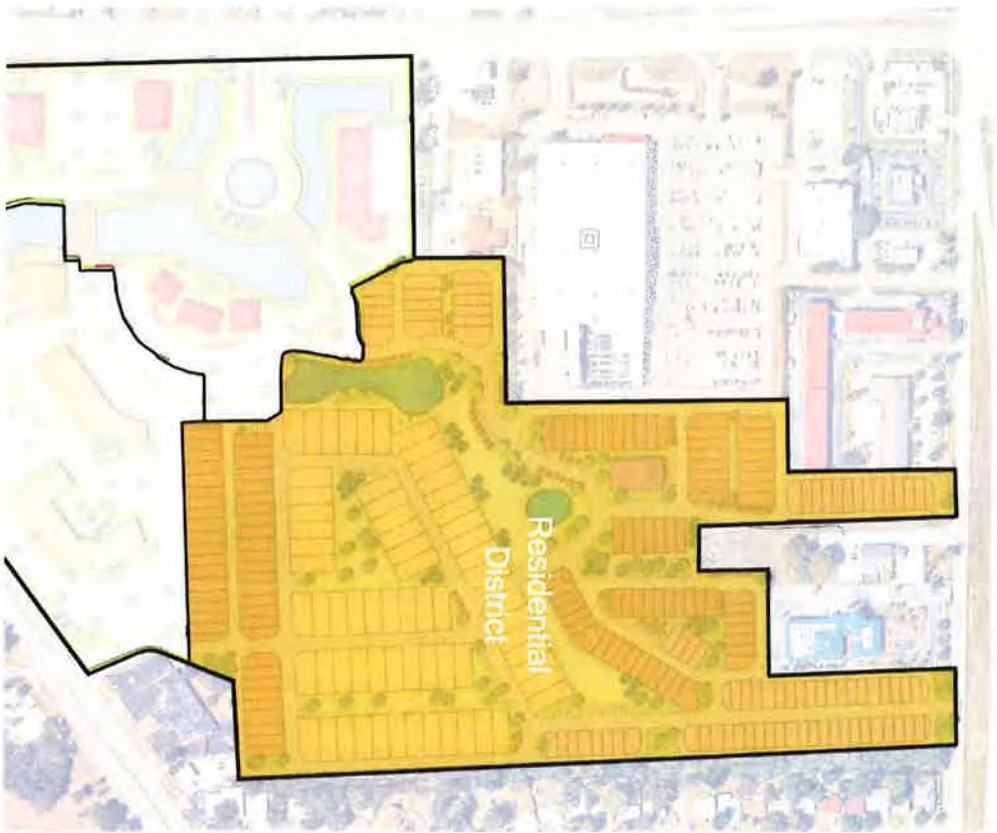
4.1 INTRODUCTION

4.2 ARCHITECTURAL
GUIDELINES

4.3 HOME TYPES

4.4 LOT LANDSCAPING

4.5 OPEN SPACE



The Residential District provides suitable areas for the development of residential housing in the form of single family detached (villas), townhomes, row houses and townhomes.

Included in this district are several amenities that give the area a sense of community. Common courtyards, pedestrian friendly streetscapes, and the amenity center all not only increase the aesthetic value, but also create a space that homeowners will enjoy spending time at.

In order to establish unity within the development there are a few guidelines that shall apply to all forms of residential housing where applicable, but are subject to approval by the ACC. Those are as follows:

- Cedar or cedar overlay garage doors
- House number shall be visible on the front and back of the house, and the back shall be above any garage
- Minimum 6' cedar fence with cap on steel post (smooth side out), and must provide a gate on the street or driveway side to provide access
- Roofs shall consist of 30 year shingles and roof pitches are to be a minimum of 6:12, with varying pitches for architectural detail.



4.1 INTRODUCTION



4.2 ARCHITECTURAL GUIDELINES
VILLAS

VILLAS



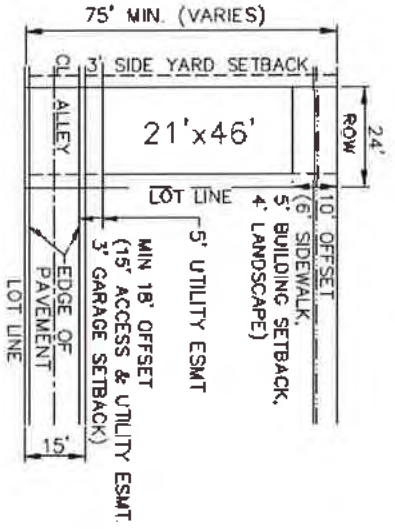
4.2 ARCHITECTURAL GUIDELINES

TOWNHOMES



4.2 ARCHITECTURAL GUIDELINES

ROW HOMES



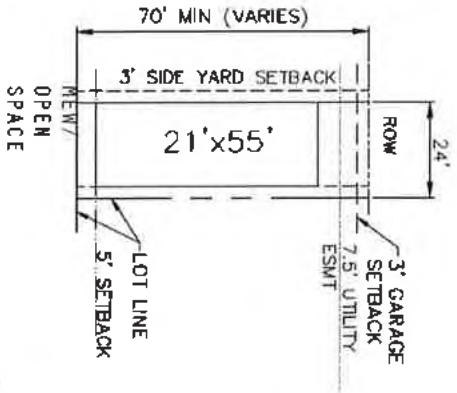
These models serve as a representation of the relationship between the houses and the lots with in the Founder's Parc development. Please refer to the top left for exact dimension of each lot on the following pages.

The development district standards for row homes are as follows:

- Lot area: 1680 SF
- Lot width: 34 FT
- Lot depth: 70 FT
- Minimum SF of unit: 1500 SF
- Front Yard Setback: 5 Ft
- Minimum two story



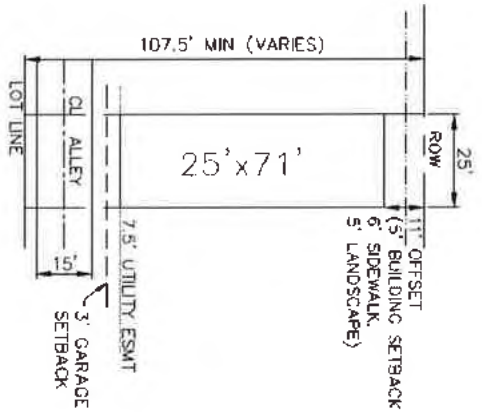
4.3 HOME TYPES PRIVATE ALLEY 46' ROW HOMES



- The development district standards for row homes are as follows:
- Lot area: 1680 SF
 - Lot width: 24 FT
 - Lot depth: 70 FT
 - Minimum SF of unit: 1500 SF
 - Front Yard Setback: 5 Ft
 - Minimum two story



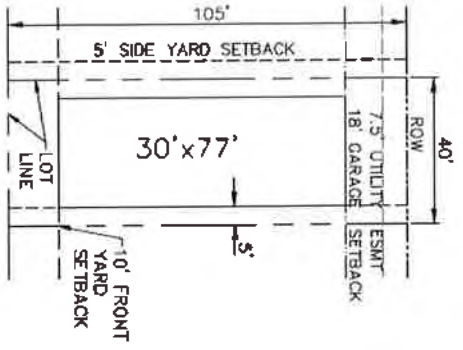
4.3 HOME TYPES
55' ROW HOMES



- The development district standards for townhomes are as follows:
- Lot area: 2125 SF
 - Lot width: 25 FT
 - Lot depth: 85 FT
 - Minimum SF of unit: 1500 SF
 - Front Yard Setback: 5 Ft
 - Minimum two story



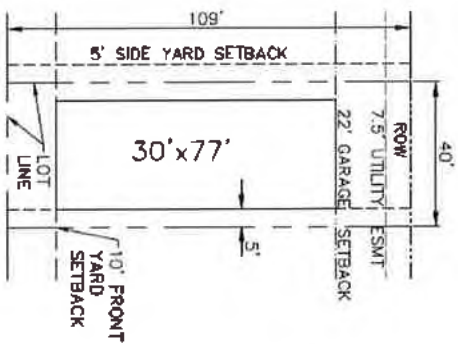
4.3 HOME TYPES
71' TOWNHOMES



- The development district standards for villas are as follows:
- Lot area: 4200 SF
 - Lot width: 40 FT
 - Lot depth: 105 FT
 - Minimum SF of unit: 1500 SF
 - Front Yard Setback: 10 Ft
 - Minimum one story



4.3 HOME TYPES
77' VILLAS ADJACENT TO ALLEY



- The development district standards for villas are as follows:
- Lot area: 4200 SF
 - Lot width: 40 FT
 - Lot depth: 109 FT
 - Minimum SF of unit: 1500 SF
 - Front Yard Setback: 10 Ft
 - Minimum one story

The homeowner has the option to chose a 30 foot product and that option can be oriented in one of two ways. Option one (shown below) has a 5 foot set back on each side. The other option (not shown) is zero lot line and a 10 foot set back on the other side.



4.3 HOME TYPES

77' VILLAS



Any mews within the Founder's Parc development should be treated as shown above. Foundation landscape shall flow seamlessly into the courtyard.



Where lots are too small for trees, street trees may account for those lot requirements. The above architecture does not apply, but the lot landscaping is a prime example for the row homes.



The villas in Founder's Parc shall comply with the requirements listed in the 2072 Ordinance and the approved plant list.



This home shows lot required trees in the front yard, and meets the requirement for shrubs. This home is larger than the villas in Founder's Parc, but the landscape requirements are the same.

Landscaping shall be provided in accordance with Article VII of the City of Eules Unified Development Code with the following exceptions:

- One Street tree per lot is allowed and may be counted toward the two required front yard trees.
- Required trees must be three inches in caliper when planted.
- Two ornamental trees may substitute for one canopy tree.
- One approved existing tree measuring six inches in caliper and fifteen feet in height may substitute of two required trees.
- Two of the following design standards must also be incorporated:

- Enhanced vehicular pavement
- One from below must be included
 - Enhanced perimeter pavement
 - Permeable enhanced pavement (brick, stamped concrete, or pavers)
 - Pedestrian facilities (benches, fountains, plazas, ect)
 - Foundation planting strip (may include containers)
 - Embedded crosswalk safety lighting



4.4 LOT LANDSCAPING



Open space with in the residential district consists of shared courtyards, streetscapes, parks, and areas near the amenity center. The use of native plants listed in appendix shall be used throughout the district.



4.5 OPEN SPACE



SECTION 6
URBAN LOFT
GUIDELINES

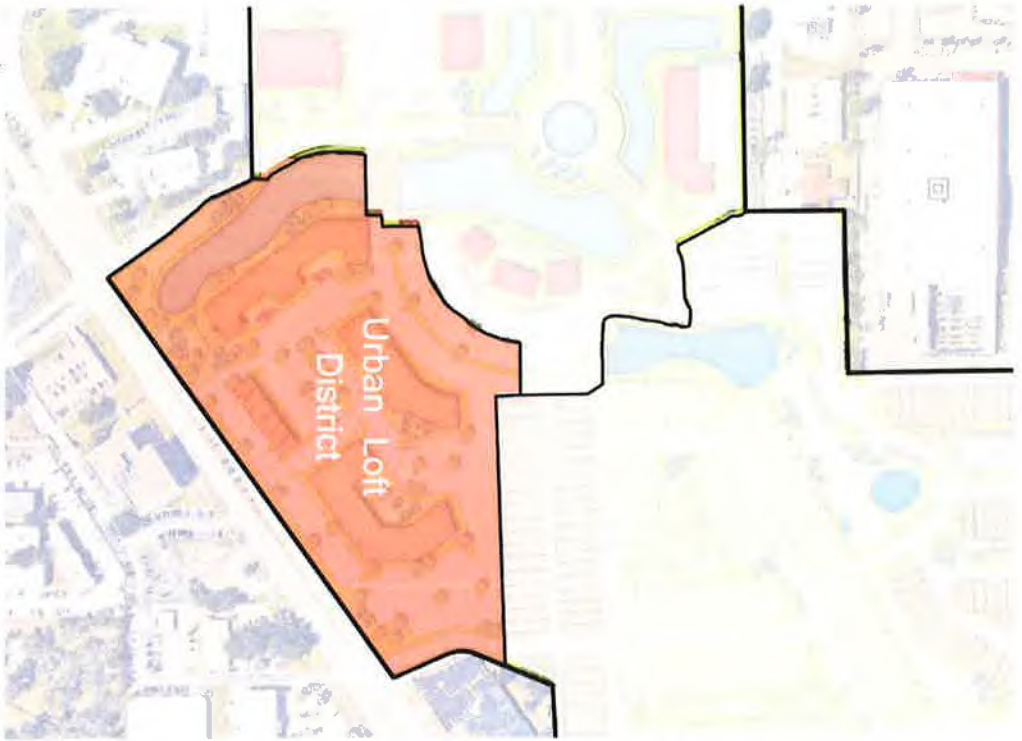
5.1 INTRODUCTION

5.2 ARCHITECTURAL
GUIDELINES

5.3 PARKING AREAS

5.4 SITE LANDSCAPING

5.5 OPEN SPACE



The purpose of the Urban lofts district is to provide areas for the development of urban residential structures at densities of up to 65 units per gross acre within a walkable setting.

Exterior shall consist of 90 percent masonry veneers on all facades, not including interior courtyards. This requirement may be met using a combination of stucco, stone, brick, split face block, cultured stone, or other approved material.

5.1 INTRODUCTION



Where possible, multi-family buildings shall be oriented along public streets so as to create a pleasant walking environment along public streets. Primary entrances should be architecturally significant and separate in height from the remainder of the property.

In the Urban Loft district flat roof, gabled roofs, or hipped roofs are allowed. Gabled roofs or hipped roofs shall have a minimum pitch of 5:12. If the roof is visible from the street, roof materials shall be architectural grade asphalt shingles, or better, such as tile, slate or standing seam metal roof.

Windows shall be single hung, double hung, triple hung, or casement.

Other architectural features that should be used to reinforce the architectural theme include:

- Awning or Canopy at front entrances
- Decorative railings on balconies
- Shutters on primary frontage windows
- Architectural accent lighting

5.2 ARCHITECTURAL GUIDELINES





Parking requirements may be met by on-site parking spaces, garage spaces, or nearby on-street parking spaces located within 1000 FT of a building.

Garage parking may be located attached to residential structures or in detached garages or carports or in structured parking garage.

Private garages may be designed with a minimal garage parking space.

Tandem parking spaces, exclusive of on-street parallel parking, meeting a minimum dimension of 9 feet by 18 feet can be counted towards the minimum parking requirement.

Landscape shall be applied to any parking islands with in the urban loft area and style should follow those used throughout the development. For a complete list of plants, please see the attached appendix.



5.3 PARKING AREAS



Foundation plantings enhance the aesthetics, make the building more welcoming, and therefore should be applied to the urban loft district. Where perimeter landscaping is used the recommended width is 15 feet. The use of container plantings also helps extenuate any entrances with in the development.

Parking screening shall be used and must be maintained at a maximum of 2 feet. This not only screen unwanted views but also provides additional motorist safety.

Canopy and ornamental trees shall be incorporated throughout the district to give the area necessary curb appeal and protection from the elements. A complete list of approved plants can be found in the appendix.



5.4 SITE LANDSCAPING



The above image an example of a more intimate setting that may be provided with in the urban loft courtyards.



Any interior courtyards in the urban lofts district shall be treated as the above image with lush vegetation and pedestrian access.



Although this courtyard provides the necessary components it lacks architectural sophistication.

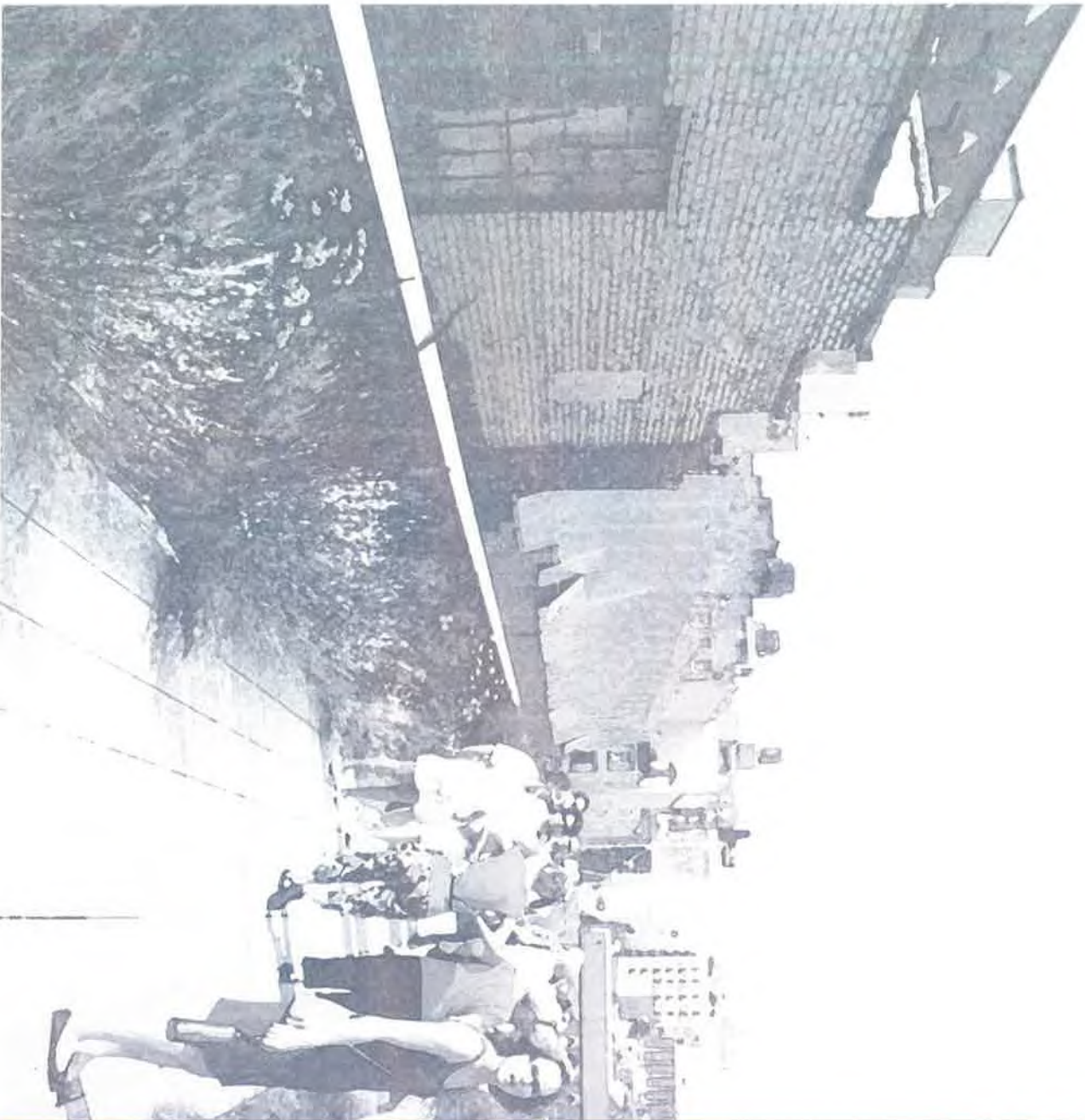


Although the architecture does not match, the open space is the ideal look for such space within Founder's Parc.

The Urban Loft open space is composed of shared courtyards and plazas. These areas shall be treated as amenities and provide the necessary elements to attract users. Adequate seating and lighting shall be provided to enhance the look and feel of the spaces. These components should be cohesive in nature and be complimented with appropriate landscaping.



5.5 OPEN SPACE



SECTION 6
APPENDIX



Red Oak
Quercus buckleyi



Chinese Pistache
Pistacia chinensis



Caddo Maple
Acer saccharum



Chinquapin Oak
Quercus muhlenbergii



Cedar Elm
Ulmus crassifolia



Live Oak
Quercus virginia



Lacebark Elm
Ulmus parvifolia



Bald Cypress
Taxodium distichum



Crepe Myrtle
Lagerströmia indica - all varieties



Magnolia
Magnolia grandiflora



Virex
Virex angust-castrus





Taylor Juniper
Juniperus virginiana 'Taylor'



Skyrocket Juniper
Juniperus scopulorum 'Skyrocket'



Dwarf Wax Myrtle
Myrica cerifera



Indian Hawthorn
Raphirolepis indica





Liriope
Liriope gigantea



Purple Pixie Fringe Flower
Loropetalum chinense





Gulf Muhly
Muhlenbergia capillaris



Dwarf Maiden Grass
Miscanthus sinensis



Mexican Feather Grass
Nassella tenuissima



Little Bluestem
Schizachyrium scoparium



Inland Sea Oats
Chaetochloa latifolia



APPENDIX "E"

**TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
FOUNDER'S PARC**

**CITY OF EULESS ZONING ORDINANCE NO. 2072
(filed under Zoning Case No. 15-06-PD) approved on June 23, 2015
[see attached]**

ORDINANCE NO. 2072

AN ORDINANCE AMENDING CHAPTER 84 OF THE CODE OF ORDINANCES, IDENTIFIED AS THE UNIFIED DEVELOPMENT CODE OF THE CITY OF EULESS, TEXAS; AMENDING THE CITY OF EULESS ZONING DISTRICT MAP ON 56.884 ACRES WITHIN THE A. J. HUITT SURVEY, ABSTRACT NO. 684 FROM PLANNED DEVELOPMENT (PD), COMMUNITY BUSINESS DISTRICT (C-2); AND TEXAS HIGHWAY 10 MULTI-USE DISTRICT (TX-10) TO PLANNED DEVELOPMENT (PD) ZONING DISTRICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR VIOLATIONS; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Planning and Zoning Commission has conducted a public hearing on June 2, 2015, in conjunction with Zoning Case No. 15-06-PD, and has rendered a recommendation to the City Council with respect to the case; and

WHEREAS, the City Council has conducted a public hearing on June 23, 2015, considered the recommendation of the Planning and Zoning Commission, and has determined that the proposed change is in the best interest of the general welfare of the City of Euless;

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

SECTION 1.

The official zoning district map of the City of Euless, Texas, being a part of Chapter 84 of the Code of Ordinances, be amended to read so that the zoning district classification of 56.884 acres out of the A. J. Huitt Survey, Abstract No. 684 from Planned Development (PD), Community Business District (C-2); and Texas Highway 10 Multi-use District to Planned Development (PD) zoning district as described herein and on the Attached "Exhibit A." Said property described above shall be subject to all the safeguards and conditions set forth on said "Exhibit A" or stipulated herein. Said "Exhibit A" shall be applicable only to the property described herein.

SECTION 2.

SEVERABILITY CLAUSE. It is hereby declared to be the intention of the City Council of the City of Euless that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase.

SECTION 3.

PENALTY FOR VIOLATION. Any person, firm, or corporation violating any of the terms and provisions of this ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in accordance with Chapter 1, "General Provisions," Section 1-12, "General Penalty," Euless Code of Ordinances. Each such violation shall be deemed a separate offense and shall be punishable as such hereunder.

SECTION 4.

SAVINGS CLAUSE. All rights and remedies of the City of Euless are expressly saved as to any and all violations of the provisions of the Euless Unified Development Code applicable to the Property that have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

SECTION 5.


PUBLICATION. The caption, penalty clause, and effective date clause of this ordinance shall be published in a newspaper of general circulation in the City of Euless, in compliance with the provisions of Article II, Section 12 of the Euless City Charter.

SECTION 6.


EFFECTIVE DATE. This ordinance shall be in full force and effect from and after its passage, as provided by the Euless City Charter and the laws of the State of Texas.

PRESENTED AND APPROVED ON FIRST AND FINAL READING at a regular meeting of the Euless City Council on June 23, 2015, by a vote of 6 ayes, 0 nays, and 0 abstentions.

APPROVED:


Linda Martin, Mayor

ATTEST:


Kim Sutter, TRMC, City Secretary

APPROVED AS TO FORM:


Wayne K. Olson, City Attorney

EXHIBIT A

MID-TOWN EULESS 60

A Planned Development District

in the

CITY OF EULESS, TEXAS

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Section 1 – Legal Description

FIELD NOTES FOR 56.884 ACRES

BEING a tract or parcel of land out of the A. J. Huitt Survey, Abstract 684, situated in the City of Euless, Tarrant, County, Texas; that those tracts of land conveyed to CADG 901 Airport Freeway, LLC, County Clerk Instrument, Numbers 214219704, 214154503, 214140253, to Shridharni Suresh, County Clerk Instrument, Number 214280676, Enconserv, LLC., County Clerk Instrument Number 213222021, G8 Opportunity Fund I, LCC., County Clerk Instruments Numbers 210155644 and 210155645, and Primary Holdings, LTD., County Clerk Instrument Number 20304238, Deed Records, Tarrant County Texas; and being more particularly described as follows:

BEGINNING at a 5/8" iron rod found for corner in the east line of F. M. 157 (S. Industrial Boulevard a 100 foot public right-of-way), being the Northwest corner of Tract-A, of the first National Addition, an addition to the city of Euless, Tarrant County, Texas, according to the plat recorded in Volume 388-109, Page 22, Plat records, Tarrant County, Texas, and also being the most westerly southwest corner of said CADG 901 Airport Freeway, LLC, Instrument, No. 214219704;

THENCE North 01°29'37" West along said right-of-way a distance of 300.02 feet to a point for corner, bringing the southwest corner of the, Lot 1 Block A of Plaza on the Lake, as recorded in Volume 388-204, Page 74, of said Deed Records;

THENCE leaving said right-of-way and along the boundary line of said Plaza on the Lake the following calls:

North 88°23'07" East a distance of 162.14 feet to a point for corner;

North 01°02'40" West a distance of 90.39 feet to a point for corner, being in the south line of said Enconserv tract;

South 88°56'37" West a distance of 162.84 feet to a point for corner, being in the east line of said right-of-way and being the southwest corner of said Enconserv tract;

Thence North 01°25'43" West along said right-of-way a distance of 311.85 feet to a point for corner, being the northwest corner of said Enconserv tract and the southwest corner of said CADG 901 Airport Freeway, LLC, tract Instrument, No. 214154503;

THENCE North 01°26'17" West continuing along said right-of-way a distance of 345.95 feet to a point for corner being the northwest corner of said CADG 901 Airport Freeway, LLC, Instrument, No. 214154503 and in the south right-of-way line of Villa Drive;

THENCE North 89°05'30" East along the said south right-of-way line of villa drive a distance of 479.59 feet to a point for corner;

THENCE North 00°54'54" West crossing said villa drive a distance of 209.95 feet to a

point for corner, being a corner of said CADG 901 Airport Freeway, LLC, Instrument, No. 214140253, being the northwest corner of Lot 3, Villa West Second Inst., as recorded by plat in the Plat Records, Tarrant County, Texas, and being in the south line of a tract conveyed to Home Depot USA, Inc. as recorded by deed, Deed Records, Tarrant County, Texas;

THENCE along the property line of said CADG 901 Airport Freeway, LLC, Instrument, No. 214140253 the following calls:

North 89°06'17" East a distance of 344.11 feet to a point for corner, being the southeast corner of said Home Depot tract;

North 00°56'45" West a distance of 648.77 feet to a point for corner, being the northeast corner of said Home Depot tract and being in the south line of a tract conveyed by deed to Eules Ventures, Inc., as recorded by deed, County Clerk Instrument No. 214262201, Deed Records, Tarrant County, Texas;

North 89°01'45" East a distance of 171.28 feet to a point for corner, being the southeast corner of said Eules venture tract;

North 00°46'59" West a distance of 389.78 feet to a point for corner, in the east line of a tract of land conveyed by deed to Akashamy Investments, LLC., Volume 12848, Page 121, Deed Records, Tarrant County, Texas, and being in the south line of Highway 183 (a variable width right-of-way);

North 89°27'10" East a distance of 109.50 feet to a point for corner, being the northwest corner of a tract of land conveyed by deed to Eules Animal Emergency, LLC., County Clerk Instrument No. 41584791, Deed Records, Tarrant County, Texas;

South 02°08'01" East a distance of 600.15 feet to a point for corner, being the southwest corner of said Eules Animal tract;

North 89°19'41" East a distance of 108.65 feet to a point for corner, being the southeast corner of said Eules Animal tract, and being in the west line of a tract of land conveyed by deed to Shridharani Suresh, County Clerk No. 214280676, Deed Records, Tarrant County, Texas;

THENCE along the property line of said Suresh tract the following calls:

North 02°16'55" West a distance of 161.52 feet to a point for corner, being the southwest corner of a tract of land conveyed by deed to Acme Brick Company, County Clerk No. 204162933, Deed Records, Tarrant County, Texas;

North 89°34'46" East a distance of 251.97 feet to a point for corner, being the southeast corner of said Acme Brick tract;

North 02°19'14" West a distance of 438.00 feet to a point for corner, being the northeast

corner of said Acme Brick, being in the south line of said Highway 183;

North 89°34'45" East a distance of 181.25 feet to a point for corner;

South 02°39'14" East along said highway 183 a distance of 200.04 feet to a point for corner, being the northwest corner of Park Crestmoor Addition, an addition to the City of Euless a recorded in Volume 388-7, Page 46, Plat Records, Tarrant County, Texas;

South 02°34'05" East along the west line of said Park Crestwood Addition a distance of 1135.77 feet to a point for corner;

South 03°17'57" East continuing along the west line of said Park Crestwood Addition a distance of 332.29 feet to a point for corner, being the southeast corner of said Suresh tract and the northeast corner of a tract of land conveyed to G8 Opportunity, Fund I, LLC., as recorded by deed, County Clerk Instrument No. 210155644, Deed Records, Tarrant County, Texas;

THENCE South 87°07'20" West a distance of 284.24 feet to a point for corner, being in the west right-of-way line of Park Drive (a 50 foot right-of-way);

THENCE South 22°16'30" West along said Park Drive a distance of 150.74 feet to a point for corner, at the beginning of a curve to the left whose chord bears South 00°12'26" East, 93.79 feet;

THENCE continuing along said Park Drive in a Southerly direction along said curve to the left having a central angle of 44°57'52", a radius of 122.64 feet, and an arc length of 96.25 feet to a point for corner;

THENCE South 21°08'47" East continuing along said Park Drive a distance of 33.43 feet to a point for corner, said corner being the northeast corner of a tract of land conveyed to Pride'n Texas Land, LTD. As recorded by deed, County Clerk Instrument No. 23042381, Deed Records Tarrant County, Texas;

THENCE South 87°46'09" West a distance of 102.05 feet to a point for corner, being in the east line of said CADG 901 Airport Freeway, LLC, Instrument, No. 214219704;

THENCE South 02°19'22" East a distance of 185.00 feet to a point for corner, in the north right-of-way line of West Euless Boulevard (a variable width right-of-way);

THENCE South 53°54'05" West along the north right-of-way line of said West Euless Boulevard a distance of 717.03 feet to a point for corner, at the beginning of a curve to the right whose chord bears South 55°12'52" West, 110.19 feet;

THENCE continuing along the north right-of-way line of said West Euless Boulevard in a Southwesterly direction along said curve to the right having a central angle of 2°16'00", a radius of 2785.45 feet, and an arc length of 110.19 feet to a point for corner;

THENCE North 33°59'37" West a distance of 110.87 feet to a point for corner, being in the west right-of-way of Del Paso Street at the beginning of a curve to the left whose chord bears North 38°16'48" West, 100.29 feet,;

THENCE in a Northwesterly direction along said Del Paso Street right-of way and along said curve to the left having a central angle of 8°34'22", a radius of 670.92 feet, and an arc length of 100.39 feet to a point for corner;

THENCE in a Northwesterly direction along said curve to the right having a central angle of 15°29'52", a radius of 365.55 feet, and an arc length of 98.88 feet to a point for corner;

THENCE North 27°04'07" West continuing along said Del Paso Street right-of-way a distance of 64.11 feet to a point for corner;

THENCE South 88°45'53" West a distance of 375.15 feet to the POINT OF BEGINNING and containing 56.884 acres of land, more or less.

Section 2

Statement of Intent and Purpose for Mid-Town Eules 60

The Mid-Town Eules 60 Planned Development District (hereinafter the "District") is intended to promote the creation of mixed-use development consisting of commercial and/or retail, restaurants, various types of residential housing, senior housing and open spaces. The District is designed to encourage and permit a wide range of integrated land uses within a framework of public drives. The intent is to accommodate a range of compatible land uses, mixing employment opportunities with housing, retail, and service uses. The District emphasizes control over the scale and urban form of each building, such as building setback, size, and height as well as the relationship of development to the street, street landscaping, and other characteristics. Mid-Town Eules 60 enhanced architectural design elements will be portrayed throughout the District. Chain retailers and restaurants will incorporate the paving, lighting, landscape, and site furnishings found throughout Mid-Town Eules 60. The consistency of elements will enhance and epitomize the overall character of the development.

The purpose of the residential component is to provide suitable areas for the development of residential housing in the form of urban residential units. The development will be designed in an architecturally unified manner and provide adequate vehicular parking and circulation needs for both vehicular and pedestrian means of travel.

These Mid-Town Eules 60 Planned Development District Standards (hereinafter the "PD Standards") included as Section III define the regulations applicable to new development within the District including its sub-districts, park area, and wetlands preserve area. The PD Standards are intended to ensure the provision of a quality planned development over time.

Mid-Town Eules 60 is envisioned to be a contemporary mixed use development comprised of a pedestrian oriented residential and commercial community which provides traditional destination retail and restaurants. In this fashion, Mid-Town Eules 60 enhances community opportunities for the City while at the same time enabling the City to serve regional needs.

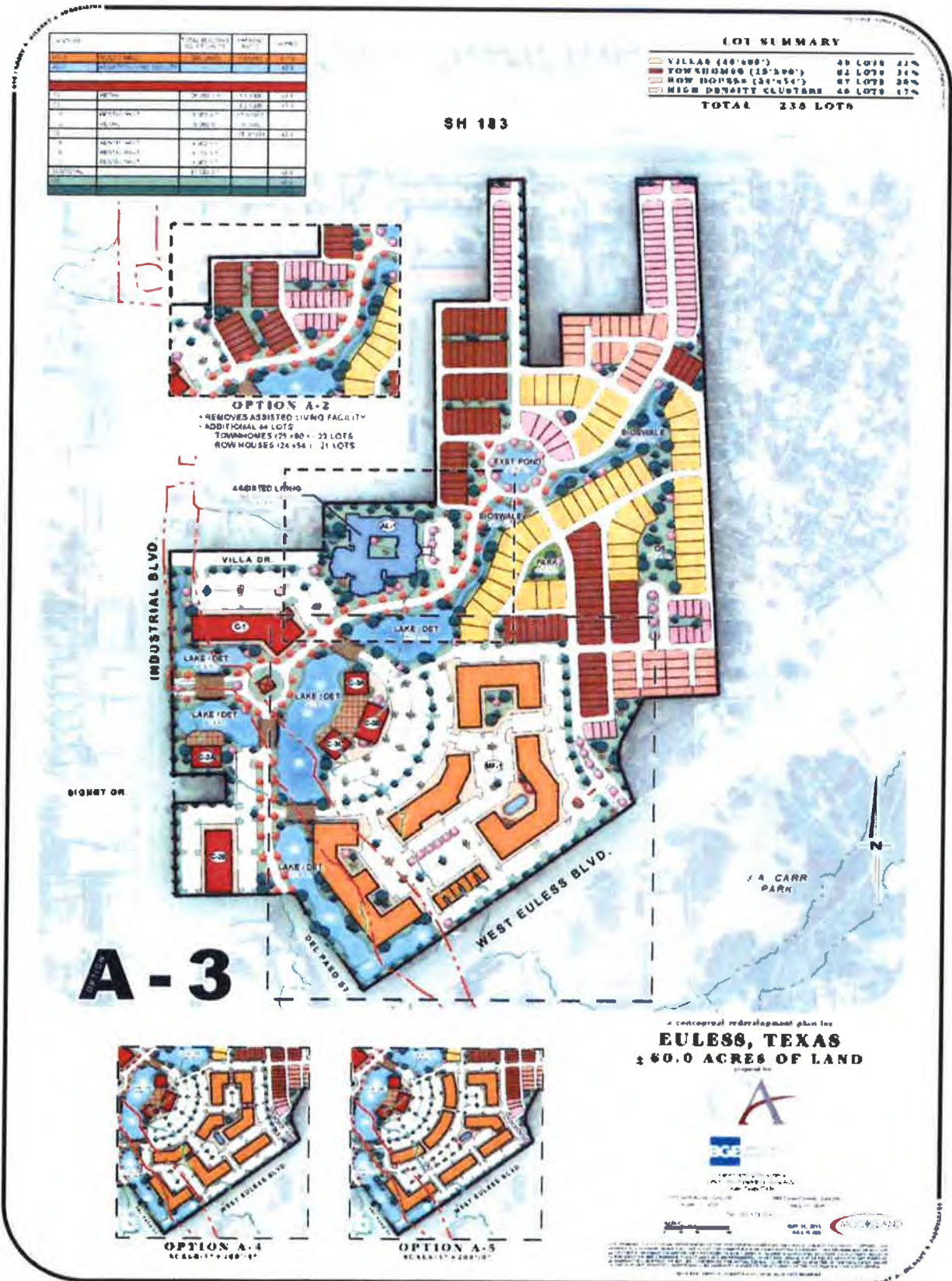
Section 3
**Development Standards
for
Mid-Town Euless 60**

1 Mid-Town Euless 60 Development Plan

- 1.1 **General.** The Mid-Town Euless 60 Development Plan, attached to these PD Standards as Exhibit "A" and incorporated herein, delineates the boundaries of the planned development district. The Mid-Town Euless 60 Development Plan includes the following elements:
 - 1.1.1 **Boundary and sub-district Map; and**
 - 1.1.2 **Mid-Town Euless 60 Commercial/Retail sub-district shall consist of Tract 1; and**
 - 1.1.3 **Mid-Town Euless 60 Residential sub-district shall consist of Tract 2; and**
 - 1.1.4 **Mid-Town Euless 60 Urban lofts sub-district shall consist of Tract 3.**

- 1.2 **Conformance with Mid-Town Euless 60 Development Plan.** Development of a sub-district or tract within the Property must generally comply with the Mid-Town Euless 60 Land Use Plan attached hereto.

EXHIBIT 'A'



Applicability and Rules of Construction

- 2.1 **Applicability.** The requirements of these PD Standards are mandatory and all development on land located within the boundaries of the Mid-Town Eules 60 Planned Development District must adhere to the rules and regulations set forth herein. Prior to development within the district, the requirements of development approval process contained in the Unified Development Code, must be satisfied.
- 2.2 **Rules of Construction.** Except as provided by these PD Standards, development within the Mid-Town Eules 60 Planned Development District is governed by all applicable City regulations. In the event of any conflict or inconsistency between these PD Standards and the applicable City regulations, the terms and provisions of these PD Standards shall control. In the event a development standard or regulation is not addressed herein, the standards of Chapter 84 "Unified Development Code" and other City regulations apply. Local building codes, life safety codes, and all applicable Federal, State and Local regulations take precedence where any standard requires or recommends actions that are in conflict with such codes and regulations.

3. Creation of Sub-districts

- 3.1 **Creation of sub-districts.** The following sub-districts are established within the Mid-Town Eules 60 Planned Development District:
 - 3.1.1 Mid-Town Eules 60 Commercial/Retail sub-district shall consist of Tract 1; and
 - 3.1.2 Mid-Town Eules 60 Residential sub-district shall consist of Tract 2; and
 - 3.1.3 Mid-Town Eules 60 Urban lofts sub-district shall consist of Tract 3.
- 3.2 **Boundaries of Sub-districts.** The boundaries of each sub-district are as shown on the Mid-Town Eules 60 Sub-district map. Property within each sub-district shall conform to the regulations to the Sub-district.
- 3.3 **Streets & Alleys:**
 - 3.3.1 Public streets may have a minimum width of thirty-one (31) feet and a maximum width of thirty-three (33) feet for collector type streets.
 - 3.3.2 **Alley Widths:**
 - 3.3.2.1 Maximum width shall be twenty-four (24) feet; Alleys that are designated as 24' shall permit adjacent units to be addressed from the alley's right-of-way.
 - 3.3.2.2 Where residential units are separated by an alley, the minimum alley width shall be twenty (20) feet.

- 3.3.2.3 Where residential units are single loaded, the alley width may have a minimum width of fifteen (15) feet.
- 3.3.2.4 Alleys shall have a minimum twenty-five (25) foot radius on build out.
- 3.3.2.4 All units adjacent to an alley shall have their address numbers displayed in a manner that clearly identifies each unit.
- 3.3.2.5 All units shall provide a seven and a half (7.5') foot utility easement at building rear to carry franchise utilities. Modification of these easements may be modified by the City Manager or their designee based on franchise utility agreement.
- 3.3.2.6 Public utilities may be placed within the public right-of-way within parkway/sidewalk areas as long as appropriate spacing is allowed.

3.3.3 Sidewalks:

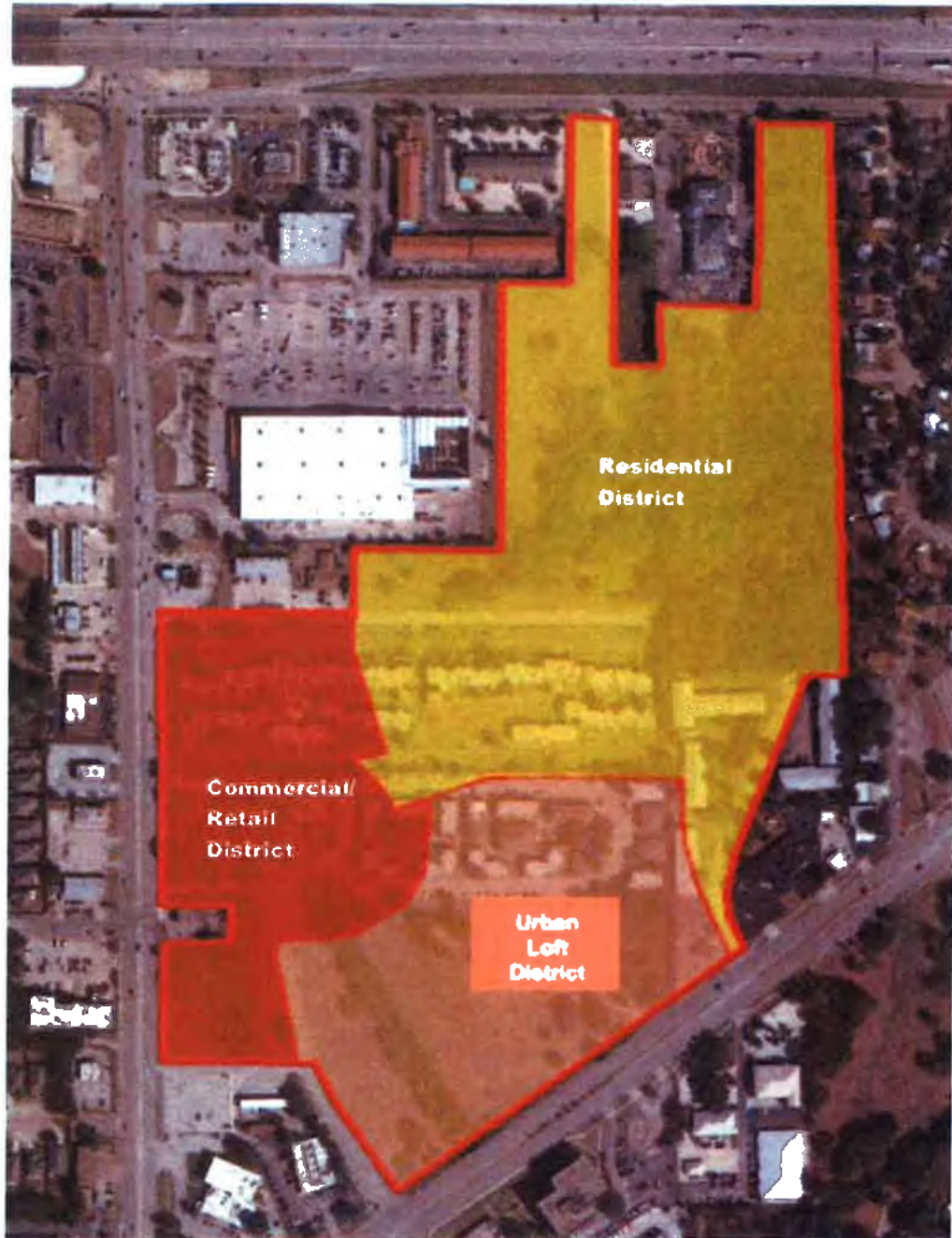
- 3.3.3.1 A minimum sidewalk width of 6' is established throughout the project with the following exceptions:

- 3.3.3.1.1 Along a publicly platted alley that meets all City standards for a fire lane and is restricted from on-street parking, no sidewalk is required. These alleyways are to serve as vehicle-access only to the residential garages in the adjacent properties.

- 3.3.3.1.2 For alley-only served residential properties, a 6' sidewalk will be provided within the adjacent mews (public open space) and/or bioswale green space feature as provided.

- 3.4 Land Use Plan. The Mid-Town Eules 60 tract map is attached to these PD standards as Exhibit "B".

EXHIBIT B



EULESS ZONING

May 27, 2015

4. Permitted Uses

4.1 Land Uses. Only uses listed in the Permitted Use Table below are permitted in the Mid-Town Eules 60. If there is a question as to whether an unlisted use is permitted, the Director of Planning shall make a determination whether the use is permitted or prohibited. The letter "P" in the district column opposite the listed permitted use means that the use is permitted as a use of right in that sub-district, subject to compliance with the requirements specified in the Special Conditions column. The letter "S" in the district column opposite the listed use means that the use is permitted in that sub-district subject to a Specific Use Permit approved by the City Council of the City of Eules.

4.2 Permitted Use Table.

SIC CODE	Permitted Primary Uses	Sub-Districts			Parking Group (schedule below)	Special Condition (Conditions listed in Sec 84-85 Eules UDC)
		Commercial/Retail	Residential	Urban Lofts		
	AGRICULTURAL ACTIVITIES					
0752	Kennels and pounds	S			8	y
13**	Oil and Gas Extraction 1	P	P	P		y
	RESIDENTIAL ACCOMMODATIONS					
****	Single Family Dwellings (Detached)		P	P	3	l, aj
****	Single Family Dwellings (Attached)		P	P	3	w, aj
****	Limited Access (gated) Developments		P	S		ag
****	Home Occupations		P	P		n
7011	Hotels and Motels (limited service) 2	S		S	1	ad
7011	Hotels and Motels (full service) 3	P		S	1	ad
8361	Senior Citizens Assisted Living	S	S	S	1	

SIC CODE	Permitted Primary Uses	Sub-Districts			Parking Group (schedule below)	Special Condition (Conditions listed in Sec 84-85 Unless UDC)
		Commercial/Retail	Residential	Urban Lofts		
****	Urban lofts dwellings			P	2	
	INSTITUTIONAL AND EDUCATION FACILITIES					
****	Accessory Residential with Educational Facilities	S			2	
805*	Nursing and Personal Care Facilities	S			22	
8062	Hospitals	S			22	
8211	Elementary Schools (Private)	S			19	
8211	Elementary Schools (Public)	S			19	
8211	Middle or Junior High Schools (Private)	S			18	
8211	Middle or Junior High Schools (Public)	S			18	
8211	Secondary or Senior High Schools (Private)	S			17	
8211	Secondary or Senior High Schools (Public)	S			17	
8221	Colleges or Universities (Public or Private)	S			16	d
8231	Libraries and Information Centers	P			7	
824*	Vocational and Correspondence Schools	S			16	
8351	Day Care and Nursery Facilities (more than five children)	S			20	h
8351	Day Care and Nursery Facilities (five or fewer children)	P			20	h,n
8412	Museums, Galleries	P			9	
8422	Botanical Gardens	P			9	
86**	Nonprofit Private Membership Organizations	S			8	

SIC CODE	Permitted Primary Uses	Sub-Districts			Parking Group (schedule below)	Special Condition (Conditions listed in Sec 84-85 Unless UDC)
		Commercial/Retail	Residential	Urban Lofts		
91**	Federal, State, and Local Government Uses	S			8	
	PUBLIC UTILITY AND COMMUNICATION FACILITIES					
48**	Antennas less than 35 feet high	S				ai
48**	Antennas less than 60 feet high	S				ai
48**	Telecommunications Facilities and Broadcast Stations (manned)	S			8	
48**	Telecommunications Facilities and Broadcast Stations (unmanned) (with screening)	S				
4899	Satellite Reception Dishes (<= 3 ft. dia.)	P	S	S		s
4899	Satellite Reception Dishes (> 3 ft. dia.)	S				s
4939	Utility Transmission Facilities (High Voltage, Petroleum, etc.)	S				q
4941	Private Lift Stations	S				
4941	Water Storage, Control, and Pumping Facilities	S				q
****	Recycling collections centers	S				
	OFFICE USES					
60**	Banks, Depository Institutions except Drive Through	P			8	
60**	Drive Through Banks, Depository Institutions	S			8+27	
62**	Security Brokers and Commodity Brokers	P			8	
64**	Insurance Agencies	P			8	
65**	Real Estate Agencies	P			8	
807*	Medical and Dental Laboratories	P			6	

SIC CODE	Permitted Primary Uses	Sub-Districts			Parking Group (schedule below)	Special Condition (Conditions listed in Sec 84-85 Euless UDC)
		Commercial/Retail	Residential	Urban Lofts		
808*	Outpatient Care Facilities	P			6	
80**	Health-Related Professional Services (other than below)	P			6	
81**	Legally-Related Professional Services	P			8	
871*	Design-Related Professional Services	P			8	
872*	Financially-Related Professional Services	P			8	
	RETAIL TRADE					
****	Temporary Retail Uses	P			6	
5211	Lumber, Building Materials (indoor only)	P			9	
5231	Paint, Glass and Wallpaper Stores	P			6	
5251	Hardware Stores (under 5,000 SF gsf)	P				
5251	Hardware Stores (over 5,000 SF gsf)	P			6	
5261	Lawn and Garden Centers	S			6	z
53**	General Merchandise Stores	P			6	
54**	Food Stores (over 5,000 SF gsa)	P			6	
54**	Grocery Store with accessory **** 4	P			6	
54**	Food Stores (under 5,000 SF gsa)	P				
5531	Auto and Home Supply Stores (indoor only)	P			6	
5541	Gasoline Sales/Convenience Stores	P			21	
56**	Apparel and Accessory Stores (< 5,000 sf gfa)	P				
56**	Apparel and Accessory Stores (> 5,000 sf gfa)	P			6	
57**	Furniture and Home Furnishings Stores	P			9	

SIC CODE	Permitted Primary Uses	Sub-Districts			Parking Group (schedule below)	Special Condition (Conditions listed in Sec 84-85 Eunless UDC)
		Commercial/Retail	Residential	Urban Lofts		
5812	Eating Establishments (with ancillary dedicated curbside pickup)	P			5	j, ab
5812	Eating Establishments (drive through)	P			5 + 28	j, ab 4 2.1.2
5812	Eating Establishments (except drive through)	P			5	j, ab
5812	Drinking establishments	S				ab
5812	Microbrewery	S				ab
5812	Food Caterers (Commercial)	P			8	
5812	Food Caterers (Retail)	P			8	
5912	Drug Stores and Proprietary Stores (excluding Novelty Stores)	P			6	x
5921	Beer and Wine Stores only	S			6	
5932	Consignment and Antique Stores/Dealers (indoor sales only)	P			6	
5941	Sporting Goods Stores and Bicycle Shops	P			6	
5942	Book Stores (general)	P			6	
5943	Stationery Stores	P			6	
5944	Jewelry Stores	P			6	
5945	Hobby, Toy, and Game Shops (< 5000 sf gfa)	P				
5945	Hobby, Toy, and Game Shops (> 5000 sf gfa)	P			6	
5946	Camera and Photographic Supply Stores	P			6	
5947	Gift and Souvenir Shops (excluding Novelty Shops)	P			6	
5948	Luggage and Leather Goods Stores	P			6	
5949	Sewing, Needlework and Piece Goods-Retail	P			6	
5992	Florists	P			6	
5994	News Dealers	P			6	

SIC CODE	Permitted Primary Uses	Sub-Districts			Parking Group (schedule below)	Special Condition (Conditions listed in Sec 84-85 Eules UDC)
		Commercial/Retail	Residential	Urban Lofts		
5995	Optical Goods Stores	P			6	
5999	Miscellaneous Retail Stores, Not Elsewhere Classified	S			6	
	Pet Store (veterinary services and pet hotel may occupy up to 40% of space)	P				
	PERSONAL SERVICES					
4119	Park and Ride Commuting Facilities	P				
472*	Travel Agents	P			8	
7212	Garment Pressing and Agents for Laundry or Dry Cleaning	P			8	
7221	Photographic Studios, Portrait	P			8	
7231	Beauty Shops	P			8	
7241	Barber Shops	P			8	
7251	Shoe Repair and Shine Shops	P			8	
7299	Miscellaneous Personal Services, Not Elsewhere Classified	S			8	
7631	Watch, Clock, and Jewelry Repair	P			6	
	BUSINESS SERVICES					
7311	Advertising Agencies	P			8	
7312	Outside Advertising Services (other than below)	P			8	
7312	Outside Advertising Services (office facilities only)	P			8	
732*	Consumer Credit Reporting and Collection Agencies	S			8	
736*	Personnel Supply Services	P			8	
7378	Computer Maintenance and Repair	P			8	
737*	Computer and Data Processing Services	P			8	
7389	Trading Stamp Services	P			8	

SIC CODE	Permitted Primary Uses	Sub-Districts			Parking Group (schedule below)	Special Condition (Conditions listed in Sec 84-85 Euleless UDC)
		Commercial/Retail	Residential	Urban Lofts		
7389	Miscellaneous business services	S				
7629	Electronic Equipment Repair	P			8	
87**	Management, Engineering, Accounting, Consulting, or Public Relations	P			8	
	AUTOMOTIVE AND REPAIR SERVICES					
7514	Passenger Car Rental (with on-site vehicle storage)	S			15	
7521	Parking Structures (commercial)	S				
7549	Automotive Lubrication Service	S			9	c, u
	AMUSEMENT AND RECREATIONAL SERVICES					
781*	Motion Picture Production	P			10	
782*	Motion Picture Distribution	P			10	
7832	Motion Picture Theaters (general)	P			23	
7841	Video Rental	P			6	
7911	Dance Halls and Clubs	S			8	
7911	Dance Studios and Schools	S			8	
792*	Theatrical Producers, Bands, and Entertainers (Agents)	P			8	
793*	Bowling Centers	P			26	
7991	Health Clubs or Fitness Centers	P			5	
7993	Coin Operated Amusement Devices and Arcades	S			6	ac
7997	Membership Sports and Recreation Clubs	P			6	
7999	Pool Halls and Billiards Parlors	S			26	
7999	Swimming Pools (Private Residential)		P	P		v
7999	Swimming Pools (Private Non-Residential)	P				v

SIC CODE	Permitted Primary Uses	Sub-Districts			Parking Group (schedule below)	Special Condition (Conditions listed in Sec 84-85 Eules UDC)
		Commercial/Retail	Residential	Urban Lofts		
7999	Amusement Services, Not Elsewhere Classified	S			6	
	TRANSPORTATION FACILITIES					
46**	Pipelines	S			12	
480*	Communication	P				
9221	Police Station	S			6	
9224	Fire Station	S			8	
<p>¹ All uses must conform to Chapter 40 Eules Code of Ordinances</p> <p>² Extended stay hotels are not permitted in this planned development district.</p> <p>³ A "Full Service" hotel offers sleeping accommodations along with full food and beverage service for three meals per day, meeting space and other guest amenities. Rooms in a full service hotel may be suites, each with a parlor and a sleeping room, separated by a floor to ceiling partition.</p> <p>⁴ Grocery Stores with accessory uses shall be defined as any food store over 50,000 square feet selling dry goods, groceries, convenience and specialty foods, beer, wine, and similar consumer goods which have ancillary uses which may include gasoline fuel sales; accessory car wash; café with curbside pick-up or "food on the run" sales models and open air vending which is the sale of any merchandise or goods from an outdoor location upon privately-owned property not within any permanent building or structure designed for the sale of such goods. The term open air vending shall specifically include the sale of merchandise from "tents" or "kiosks" owned, permitted and operated by the primary grocery store.</p>						

Parking Group Schedule

Group	Minimum Number of Off-Street Parking Spaces
1	1 per unit
2	1.6 per unit
3	2 per unit
4	1 per 50 sq. ft. of gross floor area plus 12
5	1 per 100 sq. ft. of gross floor area
6	1 per 200 sq. ft. of gross floor area
7	1 per 250 sq. ft. of gross floor area
8	1 per 300 sq. ft. of gross floor area
9	1 per 400 sq. ft. of gross floor area
10	1 per 500 sq. ft. of gross floor area
11	1 per 600 sq. ft. of gross floor area
12	1 per 800 sq. ft. of gross floor area
13	1 per 1,000 sq. ft. of gross floor area
14	1 per 1,000 sq. ft. of gross site area
15	1 per 1,500 sq. ft. of gross site area
16	1 per 3 students
17	1 per 5 students
18	1 per 15 students
19	1 per 25 students
20	1 per employee on largest shift
21	1 per bay or pump island
22	1 per 4 beds
23	1 per 4 seats
24	1 per 6 machines
25	5 per hole
26	5 per alley or table
27	3 queuing spaces per bay or stall
28	5 queuing spaces per bay or stall

4.2.1 Permitted Use Table Special Conditions. Special Conditions referenced in the Permitted Use Table above shall be in accordance with the Special Conditions set forth in Section 84-85 of the City of Euless Unified Development Code.

4.2.1.2 Eating Establishments (drive through) are only permitted within Tract 1:

On no greater than five (5) lots contained within Tract 1;

This requirement may be waived if the City Manager or their designee determines the drive through portion is incidental and accessory to the primary use as a restaurant and finds that given the characteristics, design and functionality of the site, on- and off-site pedestrian and vehicular traffic safety and congestion would be adequately provided for, with a standalone, single user building gross floor area over 5,000 sq. ft.;

5. Development Standards for the Mid-Town Euless 60 Commercial/Retail Sub-district.

5.1 Purpose. The Mid-Town Euless 60 Commercial/Retail Sub-district, by virtue of its location, depth, width, size and visibility lends itself to a multi-use or mixed-use development pattern. It is envisioned that a variety of uses including retail and wholesale commercial, office, business and personal services, entertainment, educational developments and public art should be encouraged to occur in proximity to each other. Further, it is intended that these uses possess site designs, architectural themes and overall spatial relationships that serve to complement and enhance the economic and aesthetic value of the State Highway 183, State Highway 10 and F.M. 157 area as a whole. The architectural style and quality of Mid-Town Euless 60 will be an interesting and appropriate mix of high end elements and materials creating a unique and unified environment intended to be a major attraction for the City of Euless. For purposes of applying the development standards herein, the Commercial/ Retail Sub-district is identified as Tract 1.

5.1.1 The base zoning for the Mid-Town Euless 60 Commercial/Retail Sub-district shall be "TX-10" in accordance with the City of Euless Unified Development Code.

5.1.2 In the event a development standard or regulation is not addressed herein, the standards of TX-10 apply.

5.2 District development standards.

5.2.1 Minimum lot area: 22,500 Square feet, except for common area lots for

which there is no minimum lot area.

5.2.2 Minimum lot width: 130 Feet

5.2.3 Minimum front yard: 20 Feet

5.2.4 Minimum side yard: 0 feet from nonresidential, 20 feet from residential.

5.2.5 Minimum rear yard: No minimum when contiguous to another nonresidential use. Equal to the height of structure within fifty (50) feet of the Residential Sub-district.

5.2.6 Maximum lot coverage: 90 percent

5.2.7 Maximum structure height: None

5.2.8 Utility services: All utility services shall be buried.

5.2.9 Utility Location: All utilities to be located at the rear of the lots except as conflicted with an alley-platted lot that faces or backs to a mew/open space/bioswale. All units shall provide a seven and a half (7.5') foot utility easement at building rear to carry franchise utilities. Modification of these easements may be modified by the City Manager or their designee based on franchise utility agreement.

5.3 Minimum exterior façade:

5.3.1 Non Residential:

5.3.1.1 100 percent masonry veneers on all façades. This requirement may be met using a combination of stucco, stone, brick, split face block or cultured stone (area containing glass shall be included in the 100 percent calculation). Masonry includes standard brick, manufactured stone, tilt wall, split face concrete masonry units and similar approved materials. Glazed and/or painted common smooth-face concrete masonry units may not constitute more than 25% of the area comprised of concrete masonry units or tilt walls.

5.3.2 Landscaping: Shall conform to Article VII, City of Euless Unified Development Code, landscape design requirements with the additional following conditions:

5.3.2.1 Minimum Landscape Edge - ten (10) feet (exclusive of R.O.W.).

5.3.2.2 Required trees must be three (3) inches caliper when planted.

5.3.2.3 Two (2) ornamental trees may substitute for one (1) canopy tree.

5.3.2.4 An approved existing tree with six (6) inch diameter plus 15 feet

tall may substitute for two required trees.

- 5.3.2.5 Two design standards must also be incorporated:
Enhanced vehicular pavement (brick, stamped concrete, or pavers) and

Choose one from below must be included:

Enhanced perimeter landscape edge (15 feet);

OR Permeable enhanced pavement (includes pavers with grass);

OR Pedestrian facilities, (i.e. plazas, fountains, lakes, benches, etc.);

OR Foundation planting strip (may include containers).

5.3.3 Parking lot landscaping:

- 5.3.3.1 Any parking area of 20 or more spaces shall have interior landscaping.

- 5.3.3.2 Shrubs along parking areas must be maintained at a maximum height of 24 inches.

- 5.3.3.3 Required trees must be three inches caliper when planted.

- 5.3.3.4 One space per each 20 shall be landscaped:

5.3.3.4.1 May be all groundcover or turf if island contains a tree.

5.3.3.4.2 Two shrubs may be substituted for each 10 SF of groundcover or turf.

5.3.4 Screening: Shall conform to Article VII of the City of Euless Unified Development Code screening requirements.

- 5.3.4.1 The solid masonry screening wall may use any of the materials described in the minimum exterior facade section. Masonry walls may be thin wall construction or pre-fabricated, pre-cast masonry wall sections as approved by the Building Official.

- 5.3.4.2 All service corridors and loading areas shall be screened.

- 5.3.4.3 Open storage permitted in buildable area if screened on all sides with a fence or wall as required by Article VII of the City of Euless Unified Development Code.

5.3.4.4 The Screen Walls/Fences requirement within the Mid-Town Eules 60 Planned Development may be waived by the City Manager or designee where the Developer successfully demonstrates that such screening will prohibit the natural pedestrian access between the mixture of uses desired.

5.4. Site plan approval: Site plan approval shall be required as per Article VIII of the City of Eules Unified Development Code. Site plan submittal shall include color elevations.

5.5. Off-street parking shall conform to TX-10.

5.6. Parking lot design shall conform to TX-10.

5.7. Pedestrian circulation shall conform to TX-10.

5.8. Signs in nonresidential areas:

5.8.1 Signs in nonresidential areas shall conform to the Article VI of the City of Eules Unified Development Code except as otherwise permitted in these development standards. The signs will be complementary to the building architecture through use of like building materials, colors, and design elements. The signs will be complementary to the building architecture through use of like building materials, colors, and design elements. A Unified Sign Development Plan in accordance with Section 84-232 (96) will be developed to manage development-wide sign types and placement.

5.8.2 Monument signs shall be permitted as follows. A maximum of two monument signs shall be permitted per platted lot, limited to one sign per street frontage, as provided below:

5.8.2.1 Monument Signs adjacent to Villa Drive, Park Drive and Del Paso Street:

Single Tenant Monument Sign

<u>Maximum size</u>	<u>Minimum setback from property line</u>
3'6"x8'	0'

Multi-Tenant Monument Sign

<u>Maximum size</u>	<u>Minimum setback from property line</u>
4.5'x8'	0'

5.8.2.2 Monument Signs adjacent to State Highway 10 or Farm-to-Market 157:

Single Tenant Monument Sign

<u>Maximum size</u>	<u>Minimum setback from property line</u>
6'x10'	0'

Signs will not be permitted within any platted or dedicated easement except with the written approval of the city manager or their designee. Measurement of sign height will be determined from the top of the sign's structural foundation.

- 5.9 **Lighting:** Lighting shall conform to the Article V of the City of Euless Unified Development Code, Section 84-201 (i). The lighting program and standards will be varied due to scale, location, use, and function. Street lighting, parking lights, lifestyle center parking lights, bridge lights, pedestrian scale light standards, period lights thru the residential sections will all be consistent in character, color, materials thru-out the Euless MidTown 60 development. All street light lamps will be a consistent metal halite.
- 5.10 Parking lot lighting used in this district must complement the overall project architecture. The maximum height for parking light standards shall be 40 feet.
- 5.11. **Special Exceptions:** Exceptions to these development standards may be granted through the procedures provided for by the City of Euless Unified Development Code.

6. Development Standards for Mid-Town Euless 60 Residential Sub-district.

- 6.1 The purpose of the Residential Sub-district is to provide suitable areas for the development of residential housing in the form of single family detached (villas), single family attached (duplex and cluster homes), row houses and townhomes. For purposes of applying the development standards herein the entire Residential Sub-district is identified as Tract 2. Any fee simple residential housing may be located anywhere within Tract 2 in accordance with the approved Concept Plan.
- 6.2 Permitted primary uses. Uses permitted shall be in accordance with the Permitted Use Table in Section 4.12 herein.
- 6.3 District development standards.
 - 6.3.1 **Minimum lot area:**
 - 6.3.1.1 Villas shall have a minimum of 4200 SF.
 - 6.3.1.2 Row Houses and Cluster Houses shall have a minimum of 1680 SF.
 - 6.3.1.3 Townhomes shall have a minimum of 2125 SF
 - 6.3.2 **Minimum lot width:**
 - 6.3.2.1 Villas: forty (40) feet
 - 6.3.2.2 Cluster Homes: twenty-four (24) feet

- 6.3.2.3 Row Houses: twenty-four (24) feet
- 6.3.2.4 Townhomes: twenty-five (25) feet
- 6.3.3 Minimum lot depth:
 - 6.3.3.1 Villas: one hundred-five (105) feet
 - 6.3.3.2 Cluster Homes: seventy (70) feet
 - 6.3.3.3 Row Houses: seventy (70) feet
 - 6.3.3.4 Townhomes: eighty-five (85) feet
- 6.3.4 Maximum building coverage: 100 percent of lot width excluding required side yard setbacks.
- 6.3.5 Minimum square footage per dwelling unit:
 - 6.3.5.1 Villas: 1500 SF
 - 6.3.5.2 Cluster Homes: 1500 SF
 - 6.3.5.3 Row Houses: 1500 SF
 - 6.3.5.4 Townhomes: 1500 SF
- 6.3.6 Minimum front yard setback:
 - 6.3.6.1 Villas: ten (10) feet.
 - 6.3.6.1 Cluster Homes, Row Houses and Townhomes: five (5) feet.
- 6.3.7 Minimum side yard setback:
 - 6.3.7.1 For Villas, Cluster and Row Homes, one side yard may be reduced down to zero if the other side yard has a minimum of three (3) feet. A minimum three (3) foot maintenance easement shall be required on the lot adjacent to the reduced side yard.
 - 6.3.7.2 Seven and a half (7.5) feet adjacent to public streets on corner lots.
- 6.3.8 Minimum rear yard: zero (0) feet, (see 6.3.12.2 for minimum garage setback)
- 6.3.9 Maximum building coverage: 100 percent of lot area excluding required setbacks.

6.3.10 Minimum number of stories:

6.3.10.1 Villas and Cluster Homes: one (1) story

6.3.10.2 Row Houses and Townhomes: two (2) stories

6.3.11 Maximum structure height: forty-two (42) feet as measured from the front door threshold.

6.3.12 Minimum off-street parking:

6.3.12.1 Per Article V of the City of Eules Unified Development Code.

6.3.12.2 A two car garage shall be provided for all neighborhood residential. A twenty-two (22) foot front setback is required for front facing entry garages. For garages fronting on alleys, for buildings with common wall construction there shall be a three (3) foot minimum setback to the alley pavement. For Villa product structures, an eighteen (18) foot minimum setback from the garage to the alley pavement is required.

6.3.13 Shared walls for attached residential housing:

6.3.13.1 Walls for Cluster Homes may be shared with zero (0) foot setbacks.

6.3.14 Primary Access: If the primary access to the unit is from the alley, a clear pathway shall be provided either through a portal or doorway to the rear of the unit other than the garage doorway for emergency access.

6.3.15 Exterior construction: 90 percent masonry veneers on all façades. This requirement may be met using a combination of stone and/or brick (area containing glass shall be included in the 90 percent calculation).

6.3.16 Signs: Article VI of the City of Eules Unified Development Code regarding signage shall apply to this planned development district.

6.3.17 Utility services: All utility services shall be buried. Easements shall be placed according to Section 3.3.2.5 of this Ordinance.

6.3.18 Site plan approval: Site plan approval is required pursuant to Article VIII of the City of Eules Unified Development Code. Site plan submittal shall include color elevations.

6.3.19 Landscaping and screening: Landscaping and screening shall be provided in accordance with Article VII of the City of Eules Unified Development

Code with the following exceptions:

6.3.19.1 One (1) street tree per lot is allowed and may be counted toward the two required front yard trees.

6.3.19.2 Required trees must be three (3) inches in caliper when planted.

6.3.19.3 Two (2) ornamental trees may substitute for one (1) canopy tree.

6.3.19.4 One (1) approved existing tree measuring six (6) inches in caliper and fifteen (15) feet in height may substitute for two (2) required trees.

6.3.19.5 Two design standards must also be incorporated:

Enhanced vehicular pavement (brick, stamped concrete, or pavers) and

Choose one from below must be included:

Enhanced perimeter landscape edge (15 feet)

OR permeable enhanced pavement (includes pavers with grass)

OR pedestrian facilities, (i.e. plazas, fountains, lakes, benches, etc.)

OR foundation planting strip (may include containers)

OR embedded crosswalk safety lighting

6.3.20 Open Space: All open space requirements shall be met through the dedication of land to the Public Improvement District. Each unit shall be located within eight hundred (800) feet of accessible open space (i.e. pockets parks, bio-swale and lake areas).

6.3.21 Interior Design Features: The residential homes to be constructed in Mid Town Euless will incorporate interior quality design features such as hardwood cabinetry, natural stone countertops with undermount sinks, tile flooring, crown molding, and other similar interior design elements. These elements will, in turn, help to enhance the overall feel of the development.

7. Development Standards for the Mid-Town Euless 60 Urban lofts Sub-district.

7.1 Urban lofts Sub-district. The purpose of this Urban lofts Sub-district is to provide suitable areas for the development of urban lofts residential structures at densities of up to 65 units per gross acre. For purposes of applying the development standards herein the Urban Lofts Sub-district is identified as Tract 3.

- 7.2 Maximum density: 65 dwellings units per gross acre within the entire Urban lofts tract.
- 7.3 Minimum building setbacks from public right-of-way line: 20 feet along West Eules Boulevard for all structures. Roof, columns, balcony and porch overhangs, fireplaces and window boxes may extend into the building setback. A maximum encroachment of five (5) feet into the front setback shall be allowed.
- 7.4 Minimum building setback from other property lines: 5 feet.
- 7.5 Minimum interior building spacing: 20 feet between buildings or less as permitted by Building Code.
- 7.6 Maximum number of units per dwelling by type: Three bedroom units may not exceed 5% of the total units.
- 7.7 Minimum floor area per unit type: One bedroom: 600 square feet; Two bedroom: 800 square feet; Three bedroom: 1,125 square feet
- 7.8 Maximum Structure Height: 4 stories or a maximum of 65 feet as measured to the midpoint of the pitched roof. Architectural projections above the 65 foot level may be allowed however these may not exceed 75 feet in height. Parking structures have no maximum height; however, they shall not be visible from public right-of-way.
- 7.9 Minimum parking requirements: 1.6 parking spaces per unit.
- 7.10 Additional Parking Regulations:
- 7.10.1 Parking requirements may be met by onsite parking spaces, garage spaces, or nearby on-street parking spaces located within 1000 feet of a building.
- 7.10.2 Garage parking may be located attached to residential structures or in detached garages or carports or in structured parking garage. Carports or garages shall be architecturally compatible with the main structures in the project.
- 7.10.3 Private garages shall be designed with a minimum garage parking space measuring 12 feet by 20 feet in size. A minimum door width of 9 feet shall be provided.
- 7.10.4 Tandem parking spaces, exclusive of on-street parallel parking, meeting a minimum dimension of 9 feet x 18 feet can be counted towards the minimum parking requirement.
- 7.11 Exterior Construction: 90 percent masonry veneers on all exterior façades of buildings, not including interior courtyards, shall be provided. This requirement may be met using a combination of stucco, stone, brick, split face block, cultured stone, or other city approved material (area containing glass shall be included in

the 90 percent calculation).

7.12 Architectural Features:

7.12.1 Primary Building Structures and Accessory Structures

- 7.12.1.1 Building Orientation. Where possible, buildings shall be oriented along public streets so as to create a pleasant walking environment along public sidewalks.
- 7.12.1.2 Buildings should incorporate a front yard transitional space between the adjacent street(s) and the building(s). This may include a landscape front yard and/or landscape entry court.
- 7.12.1.3 Parking garage entries must not dominate the streetscape. They should be designed and sited to complement the pedestrian entry.
- 7.12.1.4 Primary entrance should be architecturally significant and separate in height from the remainder of the property.
- 7.12.1.5 Carport columns must match the primary building material, if visible from the public right-of-way.
- 7.12.1.6 Building garages or parking decks may have up to two entrances on each street façade.
- 7.12.1.7 Dumpsters must be accessed from the alley, parking lot, or parking structure/garage and must be concealed by a masonry wall.
- 7.12.1.8 Any ancillary building or outbuilding fronting the street must match the primary building in design and materials.

7.12.2 Required Architectural Features

- 7.12.2.1 Flat roof, gabled roofs, or hipped roofs are allowed. Gabled roofs or hipped roofs shall have a minimum pitch of 5:12.
- 7.12.2.2 Elevators are required in a four story or higher building
- 7.12.2.3 Stairways should be concealed from the street and be placed within the building footprint, although stairs and corridors may be exposed to ambient weather. Pedestrian entrances shall be accessible from the street.
- 7.12.2.4 If the roof is visible from the street, roof material shall use architectural grade asphalt shingles, or better, such as

tile, state or standing seam metal roof.

- 7.12.2.5 HVAC units and utility meters shall be concealed from the public right-of-way, and shall be placed at the rear of the building or screened by landscaping and/or masonry wall. HVAC units may be placed on the roof.
- 7.12.2.6 If brick is used as a building material, the brick shall course exactly to the top and bottom of all wall openings. A soldier course or other masonry header shall be placed above windows and doors on the street façade.
- 7.12.2.7 If bay windows are used on the street façade, they shall be trimmed with a vertical jamb casing which extends from the window sash to the corner of the bay. Bay windows shall extend to the ground or be supported by visible brackets or bracing.
- 7.12.2.8 Windows shall be single hung, double hung, triple hung, or casement.
- 7.12.2.9 Flush mounted windows are prohibited. Windows are to be placed on each wall elevation with a wall to window ratio which meets the light and air requirements of the code.
- 7.12.2.10 If shutters are used, they shall be one-half the width of, and the same height as the associated window. All shutters shall be louvered, paneled, or constructed of boards as appropriate to the style of the building. Shutters do not need to be operable.
- 7.12.2.11 Casings shall never be narrower than 3 ½ inch except on masonry walls. Brick shall never be visible between a door or window and its casing. Head casing shall be equal to or wider than the jamb casing.
- 7.12.2.12 Gutters, if visible, shall be copper, galvanized steel, aluminum or painted if exposed.
- 7.12.2.13 If dormers are used, they shall not use siding as jamb material. Dormer jamb material should be a solid casing assembly from the window to the corner of the dormer wall.
- 7.12.2.14 The body of a single-window dormer shall be vertically proportioned or square.
- 7.12.2.15 If chimneys are visible, they shall be sheathed in brick, stucco, or cementitious siding and shall have a projecting

cap.

7.12.2.16 Posts exposed on the street wall shall be no less than 6 inch by 6 inch in cross section.

7.12.2.17 If there are columns at the front façade, column bases shall not protrude beyond the bottom edge of the porch, stoop, or patio flooring.

7.12.3 Optional Architectural Features

7.12.3.1 Each structure must use at least 4 of the following features.

1. Canopy at the front entrance.
2. Balconies on a least 25% of the units facing the street.
3. Decorative railings on balconies.
4. Window awnings on 25% of the windows facing the street.
5. If brick or stucco is used, a stone base below the first floor windows.
6. Upgrading the roof material to tile, slate, or simulated tile or simulated slate.
7. Decorative trim at eave or soffit.
8. Decorative roof finials or ornamentation on the parapet.
9. Trim at windows and doors of the street façade.
10. Arched window head or heads (depending on architectural style) on street façade.
11. Elevators in building three stories or less in height.
12. Shutters on all primary frontage windows.
13. Shutters on all primate frontage windows.
14. Architectural accent lighting.

7.13 Site Plan Approval: Site plan approval is required pursuant to Article VIII of the City of Euless Unified Development Code. Site plan submittal shall include color elevations.

7.14 Landscaping: Landscaping shall be provided as required under Article VII of the City of Euless Unified Development Code with the following exceptions:

7.14.1 Required trees must be three (3) inches in caliper when planted.

7.14.2 Two (2) ornamental trees may substitute for one required canopy tree.

7.14.3 An approved existing tree six (6) inches in caliper and fifteen (15) feet in height may substitute for two (2) required trees.

7.14.4 Surface parking lot landscaping must be provided as follows:

- 7.14.4.1 Shrubs along parking areas must be maintained at a maximum height of twenty-four (24) inches.
- 7.14.4.2 Required trees must be three (3) inched in caliper when planted.
- 7.14.4.3 There shall be one (1) landscape island provided per twenty (20) parking spaces.
- 7.14.4.4 The landscape island may consist of groundcover or turf provided at least one tree is planted within the landscape island
- 7.14.4.5 Two (2) shrubs may be substituted for each ten (10) square feet of groundcover or turf.
- 7.14.4.6 Two design standards must also be incorporated:
Enhanced vehicular pavement (brick, stamped concrete, or pavers) and one from below must be included:

Enhanced perimeter landscape edge (15 feet);

OR permeable enhanced pavement (includes pavers with grass);

OR pedestrian facilities, (plazas, fountains, lakes, benches, etc.);

OR foundation planting strip (may include containers);

OR embedded crosswalk safety lighting.

7.15 Open Space: All open space requirements shall be met through the dedication of land to the Public Improvement District.

Exhibit 'C'- COMMERCIAL/RETAIL



Exhibit 'C' – RESIDENTIAL

Villas



Cluster/Row Homes



Rowhomes



Townhomes



Exhibit 'C' – URBAN LOFTS



8. Signs, Site Lighting, and other Street related signage (see Article VI of the City of Euless Unified Development Code.)

- 8.1. All signs within the development shall be required to have individual sign permits in accordance with the Article VI of the City of Euless Unified Development Code.
- 8.2. The exception to Chapter 84, Article VI of the City of Euless Unified Development Code is that signs may be located anywhere within the Building Setback along Private Streets, however, they cannot be located within any visibility triangles. Signs may be located within the Building Setbacks along Public Streets as long as they are not located within any visibility triangles or interfere with a public sidewalk route.
- 8.3. Blade Signs. Blade Signs are allowed, but may not exceed 15 SF., and may not project out from the face of the building more than five (5) feet. The use of a Blade Sign does not prohibit a tenant from also being on a Business Center, Ground or General Sign.
- 8.4. Signs and lights intended to be displayed on light poles. The architectural style of the signs and banners will be tastefully designed and selected as a distinctive, uniform, period style to compliment the architectural style of the center. Street banners size is subject to the approval of the City of Euless.

9. Landscaping and Screening

- 9.1. Requirements for landscaping and screening are per an approved Landscape Plan specific to the project site to be reviewed as part of the Site Plan Review process.
 - 9.1.1. The Landscape Plan shall be prepared by a Licensed Professional Landscape Architect and provide an appropriate amount of trees and shrubbery to provide visual screening and areas of shade, appropriate to the urban residential setting. Due to the nature of the urban residential site, street trees located within public rights-of-way will provide the majority of perimeter landscaping treatment. These street trees shall be shown on a Landscape Plan prepared by a Licensed Landscape Architect and maybe reviewed as part of a Planned Development. Foundation plantings along the base of buildings may be used to supplement the street trees. Efforts shall be made to use to utilize, where applicable, native species including trees, shrubs, groundcovers and ornamental plantings.
 - 9.1.2. All required landscaping shall be irrigated by an underground irrigation system approved and permitted by the Planning and Development Department. The subsequent design of the irrigation system shall incorporate best practices for low water use to include drip irrigation and smart controllers. Landscaping shall not be placed or located to obstruct any emergency equipment such as fire hydrants and sprinkler system connections, nor shall landscaping be placed in a manner to obstruct emergency ingress/egress access to the building. All required landscaping shall be maintained in a neat and orderly manner at all times. This shall

include mowing, edging, pruning, fertilizing, watering, weeding, and other such activities common to the maintenance of landscaping.

9.1.3. A landscape screen, wall or fence may be incorporated onto the site design. A masonry screen, wall or fence must conform to Section 84-336 of the City of Euless Unified Development Code. The wall or fence may be constructed totally of masonry material or may include a combination of ornamental iron with masonry columns as approved on the site plan. No fence, screen, wall or visual barrier shall be located or placed where it obstructs the vision of motor vehicle drivers approaching any street, intersection. At all street intersections, clear vision shall be maintained across the lot for a distance of 25 feet back from the property corner along both streets. A fence permit shall be required from the Planning and Development department.

9.1.4. Parking lots and vehicular use areas. A minimum amount of the total area of all vehicular use areas shall be devoted to landscaped islands, peninsulas or medians.

9.1.4.1 Street yard area. The minimum total area in such islands, peninsulas and medians in the street yard shall be 90 square feet for each 15 parking spaces. Landscape islands, peninsulas and medians located in the street yard may be included in calculating the minimum required landscape in the street yard.

9.1.4.2 Non-street yard area. The minimum total area in such islands, peninsulas and medians in the non-street yard shall be 60 square feet for each 15 parking spaces.

9.1.4.3 Distribution of landscape islands, medians, and peninsulas. The number, size, and shape of islands, peninsulas, and medians, in both street and non-street yards shall be at the discretion of the applicant. All required islands, peninsulas and medians shall be more or less evenly distributed throughout such parking areas, respectively; however, the distribution and location of landscaped islands, peninsulas, and medians may be adjusted to accommodate existing trees or other natural features so long as the total area requirements for landscaped islands, peninsulas, and medians for the respective parking areas above is satisfied.

9.2 Open Storage. Open storage and use areas may be located on site but must be located more than 50 feet from other residential development, shall be located behind building lines and shall be screened in accordance with Section 84-336(b)(2) of the City of Euless Unified Development Code unless the screen is visible from public street, in which case that portion of the screen visible to the street shall be a landscape screen or masonry in accordance with Section 84-336(b)(4) of the City of Euless Unified Development Code.

10. Procedure

- 10.1 Site Plan. Prior to the city's issuance of construction and/or building permits, a site plan must be approved by the City's Planning and Zoning Commission and the City Council in accordance with the City's Unified Development Code.
- 10.2 Amendment of Site Plan. At any time following the approval of a site plan and before the lapse of such approval, the property owner(s) may request an amendment. Amendments shall be classified as major and minor. Minor amendments shall include corrections of distances and dimensions, adjustments of building configuration and placement, realignment of drives and aisles, layout of parking, adjustments to open space, landscaping, and screening, changes to utilities and service locations, and other development aspects which do not substantially change the original plan. Any increase of building height or proximity to an adjacent (offsite) single-family detached residential use shall not be considered a minor amendment. If the original site plan was approved administratively or the amendment constitutes a minor amendment, the Director of Planning may approve or disapprove the minor amendment. Disapproval may be appealed to the Planning & Zoning Commission and the City Council. All other amendments shall be referred to the Planning & Zoning Commission and City Council.
- 10.3 Amendment of this Planned Development District. Amendment of any portion of this Planned Development District shall require only the petition of the owner of the portion of the Property subject to the respective amendment to the Planning and Zoning Commission and City Council and shall not require the consent of any other property owner within the Property. For purposes of satisfying the notice requirements under State law and the City of Euless Unified Development Code, notice need only be sent to the owners of property within 200 feet of the portion of the Property subject to a change.

APPENDIX "F"

**TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
FOUNDER'S PARC**

Certificate of Formation, Organizational Consent and Bylaws of the Association

[see attached]

Form 202
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
FAX: 512/463-5709
Filing Fee: \$25



**Certificate of Formation
Nonprofit Corporation**

Filed in the Office of the
Secretary of State of Texas
Filing #: 802672013 03/13/2017
Document #: 721360540002
Image Generated Electronically
for Web Filing

Article 1 - Corporate Name

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

Founder's Parc Homeowners Association, Inc.

Article 2 – Registered Agent and Registered Office

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

OR

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

Name:

Mehrdad Moayed

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

Street Address:

1800 Valley View Lane, Suite 300 Farmers Branch TX 75234

Consent of Registered Agent

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

OR

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

Article 3 - Management

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

OR

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

Director 1: **Mehrdad Moayed** Title: **Director**

Address: **1800 Valley View Lane, Suite 300 Farmers Branch TX, USA 75234**

Director 2: **Dustin Warren** Title: **Director**

Address: **1800 Valley View Lane, Suite 300 Farmers Branch TX, USA 75234**

Director 3: **Brock Babb** Title: **Director**

Address: **1800 Valley View Lane, Suite 300 Farmers Branch TX, USA 75234**

Article 4 - Organization Structure

A. The corporation will have members.

or

B. The corporation will not have members.

Article 5 - Purpose

The corporation is organized for the following purpose or purposes:

Homeowners Association

Supplemental Provisions / Information

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

Effectiveness of Filing

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

OR

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

Organizer

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

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

Execution

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

Mehrdad Moayed

Signature of organizer.

FILING OFFICE COPY

CONSENT OF DIRECTORS IN LIEU OF ORGANIZATIONAL MEETING

FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.

**CONSENT OF DIRECTORS IN LIEU OF
ORGANIZATIONAL MEETING
OF
FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.**

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

1. DIRECTORS

RESOLVED, that each of the undersigned, being all of the directors of the Association, as named in its Certificate of Formation filed with the Secretary of State of the State of Texas on March 13, 2017, does hereby accept appointment to such office and does hereby agree to serve as a director of the Association until the first annual meeting of the members and until said director's successor or successors have been duly elected and qualified or until his or her earlier death, resignation, retirement, disqualification or removal from office.

2. BYLAWS

RESOLVED, that the form of bylaws are approved and adopted as the Bylaws of the Association, and the Secretary of the Association is instructed to insert the original thereof in the minute book of the Association.

3. OFFICERS

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

Mehrdad Moayedi	-	President
Dustin Warren	-	Vice President
Brock Babb	-	Secretary and Treasurer

4. REGISTERED OFFICE; REGISTERED AGENT

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

5. BOOKS AND RECORDS

RESOLVED, that the Secretary of the Association be and hereby is authorized and directed to procure all necessary books and records of the Association.

6. ORGANIZATIONAL EXPENSES

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

7. CORPORATE SEAL

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

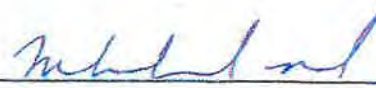
8. DEPOSITORY RESOLUTIONS

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

Mehrdad Moayedi, President and Director
Ron Corcoran, Essex Association Management, LP
Anna Corcoran, Essex Association Management, L.P.

BE IT FURTHER RESOLVED, that the Bank is hereby authorized to honor any and all withdrawal items against the Association's funds, although payable to the officer or agent signing or countersigning the same and whether presented for encashment or for credit to the personal account of such officer or agent or any other person, and said Bank need make no inquiry concerning such items and/or the disposition of the money, items, or credit given therefor.

IN WITNESS WHEREOF, the undersigned have executed this instrument as of and effective the 13th day of March, 2017.



Mehrdad Moayedi, Director



Brock Babb, Director



Dustin Warren, Director

BYLAWS

FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.

**BYLAWS
OF
FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
INTRODUCTION**

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

The Association is organized to be a nonprofit corporation.

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

**ARTICLE II
DEFINITIONS**

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

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

Section 2.2. Association. "Association" shall mean and refer to Founder's Parc Homeowners Association, Inc., a Texas non-profit corporation.

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

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

Section 2.5. Association Rules. "Association Rules" shall mean the rules and regulations initially adopted by the Declarant and thereafter, the Board pursuant to the Declaration, as the same may be amended from time to time, including, without limitation, the Records Production Copying Policy, the Alternative Payment Schedule Policy, the Collections Policy, the Notice and Fining Policy, and the E-mail Registration Policy attached hereto.

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

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

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

Section 2.9. Declarant. “Declarant” shall mean CADG 901 Airport Freeway, LLC, a Texas limited liability company, and its duly authorized representatives or their successors or assigns; provided that any assignment of the rights of Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder.

Section 2.10. Declaration. “Declaration” shall mean the “Declaration of Covenants, Conditions and Restrictions for Founder’s Parc”, recorded in the Official Public Records of Tarrant County, Texas, as the same may be amended from time to time.

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

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

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

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

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

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

Unless otherwise defined in these Bylaws or the context otherwise requires, each term used in these Bylaws with its initial letter capitalized which has been specifically defined in the

Declaration and not otherwise specifically defined in this Article II shall have the same meaning herein as given to such term in the Declaration.

ARTICLE III MEETING OF MEMBERS

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

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

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

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

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

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

Section 3.7. Proxies. Votes may be cast in person or by written proxy or ballot. To be valid, each proxy must: (i) be signed and dated by a Member or his attorney-in-fact; (ii) identify the Lot to which the vote is appurtenant; (iii) name the person or title (such as “presiding officer”) in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the secretary, to the person presiding over the Association meeting for which the proxy is designated, or to a person or company designated by the Board. Proxies that are not signed will not be counted and proxies signed but unmarked will be counted for quorum only. If an Owner or authorized Proxy holder marks dual areas or the intention of the Owner or Authorized Proxy holder cannot be identified the Proxy will be counted for quorum only. Unless the proxy specifies a shorter or longer time, it terminates eleven (11) months after the date of its execution. Perpetual or self-renewing proxies are permitted, provided they are revocable. To revoke a proxy, the granting Member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled is valid when the meeting reconvenes. A proxy may be delivered by fax. However, a proxy received by fax may not be counted to make or break a tie-vote unless: (a) the proxy has been acknowledged or sworn to by the Member, before and certified by an officer authorized to take acknowledgments and oaths; or (b) the Association also receives the original proxy within five (5) days after the vote.

Section 3.8. Conduct of Meetings. The president, or any person designated by the Board, presides over meetings of the Association. The secretary keeps, or causes to be kept, the minutes of the meeting which should record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. Votes should be tallied by tellers appointed by the person presiding over the meeting or the Managing Agent. Disruptive or contentious behavior from a Board Member, Committee Member, or Owner will not be tolerated. Person(s) conducting themselves in this manner should be asked to promptly leave the meeting.

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

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

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

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

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

ARTICLE IV BOARD OF DIRECTORS

Section 4.1. Authority; Number of Directors.

(a) The affairs of the Association shall be governed by a Board of Directors. The number of Directors shall be fixed by the Board of Directors from time to time, without joinder or consent of any Members. The initial Directors shall be three (3) in number and shall be those Directors named in the Certificate of Formation. The Board of Directors may be increased to up to five (5) persons by action of Declarant during the Development Period, and thereafter by the Board, without joinder or consent of any Members. Any increase or decrease in the number of Board Members should correspond with an annual meeting or a special meeting called for this purpose. The initial Directors shall serve until their successors are elected and qualified. Except as is provided in the Declaration and in Sections 4.1(b) and 4.1(c) below, **Declarant shall have the absolute right to appoint and remove members of the Board of Directors during for as long as Declarant owns any Lot affected by the Declaration.**

(b) From and after the first annual meeting of Members and until the date (the "75% Transition Date") which is the earlier of (i) one hundred-twenty (120) days after seventy-five (75%) of the Lots have been sold to non-Declarant Owners, or (ii) ten (10) years from the date on which the Declaration is recorded in the Official Public Records of Tarrant County, Texas, the Board of Directors shall consist of three (3) persons appointed by Declarant who need not be Members of the Association. On and after the 75% Transition Date, the Board of Directors shall include two (2) persons appointed by Declarant and one (1) person elected by a majority vote of Class A Members ("Non-Declarant Director") at such meeting at which quorum is present,

which Non-Declarant Member shall serve for a period which is the shorter of one (1) year, or until the next annual meeting of the Members at which the Non-Declarant Member (or replacement thereof) shall be elected. The Non-Declarant Director shall be elected at the first annual meeting (or special meeting called for such purpose by the President of the Association) of Members held on or after the Transition Date. On and after the date on which the last Lot is sold to a non-Declarant Owner (the "**Declarant Turnover Date**"), the President of the Association will call a meeting of the Members of the Association where the Members will elect one (1) Director for a three (3) year term, and two (2) Directors for a two (2) year term. In the event the board is increased to five (5) members, the terms shall be staggered as follows: two (2) Directors for a three (3) year term, two (2) Directors for a two (2) year term, and one (1) Director for a one (1) year term. The members obtaining the most votes will serve the longer terms. Upon expiration of the term of a Director elected by the Members pursuant to this Section 4.1(b), his or her successors shall serve terms of two (2) years. A Director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed. The Board of Directors shall have the power and authority when it is deemed in the best interest of the Association to change or alter the terms of office which shall be done by Board resolution notwithstanding, terms must remain staggered for the purpose of continuity.

(c) Each Director, other than Directors appointed by Declarant, shall be a Member and resident or the spouse of a Member or resident notwithstanding, a Member and their Spouse may not serve on the Board at the same time. In the case of corporate or partnership ownership of a Lot, a duly authorized agent or representative of the corporate or partnership Owner. The corporate, or partnership Owner shall be designated as the Director in all correspondence or other documentation setting forth the names of the Directors.

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

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

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

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

Section 4.4. Removal of Directors for Cause. If a Director breaches such Director's duties hereunder or violates the terms of the Declaration, the Certificate, the Association Rules or these Bylaws, such Director may be removed by Declarant unless Declarant no longer has the right to appoint and remove Directors in accordance with Section 4.1 of these Bylaws, and then by a majority vote of the remaining Directors after Declarant's right to appoint and remove Directors has expired. The Founder's Parc Homeowners Association expects all Board Members to conduct themselves in a professional manner; any Member who causes contention, sews

discord, or otherwise interrupts, causes or impedes the Board's ability to conduct business of the Association should be removed by the remaining Board Members. No Director shall have any voting rights nor may such Director participate in any meeting of the Board of Directors at any time that such Director is delinquent in the payment of any Assessments or other charges owed to the Association.

Section 4.5. Vacancies on Board of Directors. At such time as Declarant's right to appoint and remove Directors has expired or been terminated, if the office of any elected Director shall become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Directors, at a special meeting duly called for this purpose, shall choose a successor who shall fill the unexpired term of the directorship being vacated. If there is a deadlock in the voting for a successor by the remaining Directors, the one Director with the longest continuous term on the Board shall select the successor. At the expiration of the term of his position on the Board of Directors, the successor Director shall be re-elected or his successor shall be elected in accordance with these Bylaws.

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

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

ARTICLE V MEETINGS OF DIRECTORS

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

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

Section 5.3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the

Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

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

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

ARTICLE VI POWERS AND DUTIES OF THE BOARD

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

- (a) adopt and publish the Association Rules, including regulations governing the use of the Association Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) to the maximum extent permitted under applicable law, suspend the voting rights of a Member and right of a Member to use of the Association Property during any period in which such Member shall be in default in the payment of any Assessment levied by the Association, or after notice and hearing, for any period during which an infraction of the Association Rules by such Member exists;
- (c) exercise for the Association all powers, duties and authority vested in or related to the Association and not reserved to the membership by other provisions of the Association Restrictions;
- (d) to enter into any contract or agreement with a municipal agency or utility company to provide electric utility service to all or any portion of the Property;
- (e) declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;
- (f) employ such employees as they deem necessary, and to prescribe their duties;
- (g) as more fully provided in the Declaration, to:

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

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

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

(i) procure and maintain adequate liability and hazard insurance on property owned by the Association;

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

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

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

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

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

ARTICLE VII OFFICERS AND THEIR DUTIES

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

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

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

Section 7.4. Special Appointments. The Board may establish committees or elect such other officers as the affairs of the Association may require, each of whom shall hold office for

such period, have such authority, and perform such duties as the Board may, from time to time, determine.

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

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

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

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

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

(b) **Vice President.** The Vice President or Vice Presidents (including, without limitation, Executive Vice Presidents and Senior Vice Presidents), if any, shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated by the President or the Board. In the absence of the President for any reason the Vice President shall assume the duties and office of President until the President is able to return and conduct the responsibilities of his or her office.

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

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

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

presented to the membership at its regular meeting, and cause to be delivered a copy of each to the Members.

ARTICLE VIII OTHER COMMITTEES OF THE BOARD OF DIRECTORS

The Board may, by resolution adopted by affirmative vote of a majority of the number of Directors fixed by these Bylaws, designate two or more Directors (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose; provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board of Directors and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board. Notwithstanding the foregoing or anything to the contrary contained herein, the Architectural Control Committee shall be established by Declarant and comprised of members appointed by Declarant until such time as the appointing Declarant either relinquishes such power by written notice to the Board, or no longer owns any Lot in accordance with Section 3.2 of the Declaration, as amended from time to time. After the Declarant Control Period the Board shall appoint all Members of the Architectural Control Committee. At any time and from time to time the Board may appoint or remove members of the Architectural Review Committee and may increase or decrease the number of Members of the Committee which shall be accomplished by Resolution of the Board.

ARTICLE IX BOOKS AND RECORDS

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

ARTICLE X ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Assessments which are secured by a continuing lien upon the property against which the Assessments are made. Assessments shall be due and payable in accordance with the Declaration. Payment of assessments is both a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Lot. Failure to pay assessments shall result in the diligent pursuit of collections by the Association. **Failure of any Board or Committee Member to pay assessments when due is grounds for removal as a Director, Member, or Officer.**

ARTICLE XI CORPORATE SEAL

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

**ARTICLE XII
DECLARANT PROVISIONS**

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

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

**ARTICLE XIII
AMENDMENTS**

Section 13.1. These Bylaws may be amended, (i) on or before the Declarant Turnover Date, by unilateral vote or written consent of Declarant, and thereafter (ii) by a majority vote or written consent of a majority of the Directors on the Board of Directors of the Association.

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

**ARTICLE XIV
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

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

**ARTICLE XV
MISCELLANEOUS**

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

I, the undersigned, being the Secretary of FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC. does hereby certify that the foregoing are the Bylaws of said non-profit corporation, as adopted by the Association's Board of Directors pursuant to a Unanimous Consent of Directors In lieu of Organizational Meeting of the Corporation dated to be effective as of March 13, 2017.



Brock Babb, Secretary

I, Brock Babb, as Secretary of Founder's Parc Homeowners Association, Inc., a non-profit corporation organized and existing under the laws of the State of Texas do hereby certify the following:

The policies attached as outlined below represent true and correct copies of the Policies adopted by the Board of Directors on behalf of the Association. I do hereby certify the required approval has been obtained from the Board of Directors.

- Schedule 1 – Records Production, Copying, and Retention Policy
- Schedule 2 – Alternative Payment Plan Policy
- Schedule 3 – Notice and Fining Policy
- Schedule 4 – Collections Policy
- Schedule 5 – E-mail Registration Policy

RESOLVED: That Brock Babb, Secretary of Founder's Parc Homeowners Association, Inc., is empowered and authorized to execute and deliver this Certification on behalf of the Association.

IN WITNESS WHEREOF, the undersigned has affixed his/her signature this 13th day of March, 2017.



Brock Babb, Secretary

SCHEDULE 1

FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.

RECORDS PRODUCTION, COPYING, AND RETENTION POLICY

SCHEDULE 1

FOR BYLAWS OF FOUNDER'S PARC HOMEOWNERS ASSOCIATION INC.

Records Production, Copying, and Retention Policy

WHEREAS, the Board of Directors (the "Board") of Founder's Parc Homeowners Association Inc. (the "Association") wishes to adopt reasonable guidelines to establish Records Production, Copying, and Retention Policy for the Association; and

WHEREAS, the Board wishes to adopt these reasonable guidelines in compliance with Section 209.005 of the Texas Property Code ("Section 209.005") regarding Owner access to Association documents and records ("Records"); and

WHEREAS, the Board intends to file these guidelines with the Bylaws for Founder's Parc in the real property records of each county in which the subdivision is located, in compliance with Section 209.005 of the Texas Property Code; and

WHEREAS, this policy may be amended at any time and from time to time by the Declarant during the Declarant Control Period and thereafter by the Board of Directors by Resolution to comport with industry standards, to amend or revise provisions of the policy as may be deemed necessary and in the best interest of the Association. Any amendment or revision shall be mailed to each homeowner and a copy placed on the Association's website if applicable; and

NOW, THEREFORE, IT IS RESOLVED that the following guidelines for Records Production and Copying are established by the Board:

1. Association Records shall be reasonably available to every owner. An owner may also provide access to Records to any other person (such as an attorney, CPA or agent) they designate in writing as their proxy for this purpose. To ensure a written proxy is actually from the owner, the owner must include a copy of his/her photo ID or have the proxy notarized.
2. An owner, or their proxy as described in section 1, must submit a written request for access to or copies of Records. The letter must:
 - a. be sent by certified mail to the Association's address as reflected in its most recent Management Certificate filed in the County public records; and
 - b. contain sufficient detail to identify the specific Records being requested; and
 - c. indicate whether the owner or proxy would like to inspect the Records before possibly obtaining copies or if the specified Records should be forwarded. If forwarded, the letter must indicate the format, delivery method and address:
 - i. format: electronic files, compact disk or paper copies
 - ii. delivery method: email, certified mail or pick-up
3. Within ten (10) business days of receipt of the request specified in section 2 above, the Association shall provide:
 - a. the requested Records, if copies were requested and any required advance payment had been made; or

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- b. a written notice that the Records are available and offer dates and times when the Records may be inspected by the owner or their proxy during normal business hours at the office of the Association; or
 - c. a written notice that the requested Records are available for delivery once a payment of the cost to produce the records is made and stating the cost thereof; or
 - d. a written notice that a request for delivery does not contain sufficient information to specify the Records desired, the format, the delivery method and the delivery address; or
 - e. a written notice that the requested Records cannot be produced within ten (10) business days but will be available within fifteen (15) additional business days from the date of the notice and payment of the cost to produce the records is made and stating the cost thereof.
4. The following Association Records are not available for inspection by owners or their proxies:
- a. the financial records associated with an individual owner; and
 - b. deed restriction violation details for an individual owner; and
 - c. personal information, including contact information other than an address for an individual owner; and
 - d. attorney files and records in the possession of the attorney; and
 - e. attorney-client privileged information in the possession of the Association.

The information in a, b and c above will be released if the Association receives express written approval from the owner whose records are the subject of the request for inspection.

5. Association Records may be maintained in paper format or in an electronic format. If a request is made to inspect Records and certain Records are maintained in electronic format, the owner or their proxy will be given access to equipment to view the electronic records. Association shall not be required to transfer such electronic records to paper format unless the owner or their proxy agrees to pay the cost of producing such copies.
6. If an owner or their proxy inspecting Records requests copies of certain Records during the inspection, Association shall provide them promptly, if possible, but no later than ten (10) business days after the inspection or payment of costs, whichever is later.
7. The owner is responsible for all costs associated with a request under this Policy, including but not limited to copies, postage, supplies, labor, overhead and third party fees (such as archive document retrieval fees from off-site storage locations) as listed below: (Please go to the Attorney General web-site for current charges) <https://texasattorneygeneral.gov/og/charges-for-public-information>
8. Any costs associated with a Records request must be paid in advance of delivery by the owner or their proxy. An owner who makes a request for Records and subsequently declines to accept delivery will be liable for payment of all costs under this Policy.

SCHEDULE 1

9. On a case-by-case basis, in the absolute discretion of the Association, and with concurrence of the owner, the Association may agree to invoice the cost of the Records request to the owner's account. Owner agrees to pay the total amount invoiced within thirty (30) days after the date a statement is mailed to the Owner. Any unpaid balance will accrue interest as an assessment as allowed under the Declarations.
10. On a case-by-case basis where an owner request for Records is deemed to be minimal, the Association or its managing agent reserves the right to waive notice under section 2 and/or fees under section 4.
11. All costs associated with fulfilling the request under this Policy will be paid by the Association's Managing Agent. All fees paid to the Association under this Policy will be reimbursed to the Association's Managing Agent or paid directly to the Association's Managing Agent.

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

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

- (A) Diskette--\$1.00;
- (B) Data cartridge--actual cost;
- (C) Rewritable CD (CD-RW)--\$1.00;
- (D) Non-rewritable CD (CD-R)--\$1.00;
- (E) Digital video disc (DVD)--\$3.00;
- (F) JAZ drive, Thumb Drive, or other external hard drive --actual cost;
- (G) Other electronic media--actual cost;
- (H) All other mediums for copying data not provided herein --- actual cost;
- (I) Oversize paper copy or specialty paper (e.g.: 11 inches by 17 inches, greenbar, bluebar)--\$.50 per page;

3. **Labor charge for programming.** If a particular request requires the services of a programmer in order to execute an existing program or to create a new program so that requested information may be accessed and copied, the Association may charge a reasonable fee for the location of the Property for the programmer's time.

SCHEDULE 1

4. Labor charge for locating, compiling, manipulating data, and reproducing public information.

(A) The charge for labor costs incurred in processing a request for public information is \$15 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

(B) A labor charge shall not be billed in connection with complying with requests that are for 50 or fewer pages of paper records.

5. Labor charge for third parties. A labor charge shall not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested information to determine whether the Association will raise any exceptions to disclosure of the requested information under applicable law.

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

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

8. Payment. The Association that accepts payment by credit card for copies of public information and that is charged a "transaction fee" by the credit card company may recover that fee. The Association may require advance payment of the charges in this Policy. The Association will provide an invoice to the Owner within 30 days after delivering the requested information. In the event the invoiced amount is less than the pre-paid amount, the Association will refund the excess amount to the Owner within 30 days after the invoice is sent to the Owner. If the actual cost invoiced is greater than the pre-paid amount, the Owner will pay such excess within 30 days of receipt of the invoice. In the event such excess is not paid by the owner timely, the Association may add such unpaid amounts to the Owner's assessment account.

9. Savings Clause. This Policy is subject to periodic reevaluation and update. Notwithstanding anything to the contrary, the Association will not in any event be entitled to receive or collect the charges in this Policy in amounts greater than the maximum allowed by applicable law. In the event the Association receives amounts charged which are in excess of the maximum charges permitted by law, the excess amount will be returned to the Owner.

RECORDS RETENTION

The Record Retention Policy of Founder's Parc Homeowners Association ensures that necessary records and documents are adequately protected and maintained and that records that are no longer needed or are of no value are discarded at the proper time.

1. Policy. This Policy represents the Association's policy regarding the retention and disposal of records and the retention and disposal of electronic documents.

SCHEDULE 1

2. Administration. The Record Retention Schedule herein is approved as the initial maintenance, retention and disposal schedule for physical records of the Association and the retention and disposal of electronic documents. The Board or Secretary of the Association ("Administrator") is the officer in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed. The Administrator is also authorized to: make modifications to the Record Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and includes the appropriate document and record categories for the Corporation; monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

3. Suspension of Record Disposal In Event of Litigation or Claims. In the event the Association is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator will take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

4. Applicability. This Policy applies to all physical records generated in the course of the Association's operation, including both original documents and reproductions. It also applies to the electronic documents described above.

Record Retention Schedule

The Record Retention Schedule is organized as follows:

SECTION TOPIC

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Electronic Documents
- E. Payroll Documents
- F. Personnel Records
- G. Property Records
- H. Tax Records

The following are the Association's retention periods. These apply to both physical and electronic documents. If no physical copy of an electronic document is retained, the means to 'read' the electronic document must also be retained. If a record does not fall within the following categories, Board approval must be obtained to dispose of such record.

A. ACCOUNTING AND FINANCE

Record Type

Accounts Payable & Accounts Receivable ledgers and schedules **7 years**

SCHEDULE 1

Annual Audit Reports and Financial Statements	7 years
Annual Audit Records, including work papers and other documents that relate to the audit	7 years after completion of audit
Bank Statements and Canceled Checks Employee Expense Reports	7 years
General Ledgers	7 years
Notes Receivable ledgers and schedules Investment Records	Permanent

B. CONTRACTS

<u>Record Type</u>	<u>Retention Period</u>
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation)	4 years after expiration or termination

C. ASSOCIATION RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Corporate Records (unless otherwise specifically addressed in this Policy - Governing Documents, Dedicatory Instruments, minute books, signed minutes of the Board and all committees, corporate seals, annual corporate reports)	Permanent
Licenses and Permits	Permanent
Account records of current owners	5 years

D. ELECTRONIC DOCUMENTS

1. **Electronic Mail:** Not all email needs to be retained, depending on the subject matter.
 - All e-mail—from internal or external sources—is to be deleted after 12 months.
 - Staff will strive to keep all but an insignificant minority of their e-mail related to business issues.
 - The Corporation's business-related email should be downloaded to a service center or user directory on the server, when determined by the Board.
 - Staff will not store or transfer the Corporation's related e-mail on non-work-related computers except as necessary or appropriate for the Corporation's purposes.
 - Staff will take care not to send confidential/proprietary information to outside sources.
2. **Electronic Documents:** Retention depends on the subject matter and follows D.1 above

SCHEDULE 1

E. PAYROLL DOCUMENTS

<u>Record Type</u>	<u>Retention Period</u>
Employee Deduction Authorizations	4 years after termination
Payroll Deductions	Termination + 7 years
W-2 and W-4 Forms	Termination + 7 years
Garnishments, Assignments, Attachments	Termination + 7 years
Payroll Registers (gross and net)	7 years
Time Cards/Sheets	2 years
Unclaimed Wage Records	6 years

F. PERSONNEL RECORDS

<u>Record Type</u>	<u>Retention</u>
EEO- I /EEO-2 - Employer Information Reports	2 years after superseded or filing (whichever is longer)
Employee Earnings Records	Separation + 7 years
Employee Handbooks	1 copy kept permanently
Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training and qualification records)	6 years after separation
Employment Contracts — Individual	7 years after separation
Employment Records - Correspondence with Employment Agencies and Advertisements for Job Openings	3 years from date of hiring
Employment Records - All Non-Hired Applicants (including all applications and resumes - whether solicited or unsolicited, results of post-offer, pre-employment physicals, results of background investigations, if any, related correspondence)	2-4 years (4 years if file contains any correspondence which might be construed as an offer)
Job Descriptions	3 years after
Record Retention Policy	

SCHEDULE 1

<u>Record Type</u>	<u>Retention Period</u>
Personnel Count Records	3 years
Forms 1-9	3 years after hiring, or 1 year after separation if later

G. PROPERTY RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent
Property Insurance Policies	Permanent

H. TAX RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Tax-Exemption Documents and Related Correspondence	Permanent
IRS Rulings	Permanent
Tax Bills, Receipts, Statements	7 years
Tax Returns - Income, Franchise, Property	Permanent
Tax Workpaper Packages - Originals	7 years
Annual Information Returns - Federal and State	Permanent
IRS or other Government Audit Records	Permanent
All other Tax Records	7 years

SCHEDULE 2

FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.

ALTERNATIVE PAYMENT PLAN POLICY

SCHEDULE 2

FOR BYLAWS OF FOUNDER'S PARC HOMEOWNERS ASSOCIATION INC.

Alternative Payment Schedule Guidelines for Certain Assessments

WHEREAS, the Board of Directors (the "Board") of Founder's Parc Homeowners Association Inc. (the "Association") wishes to adopt reasonable guidelines to establish an alternative payment schedule by which an owner may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association; and

WHEREAS, the Board wishes to adopt these reasonable guidelines in compliance with Section 209.0062 of the Texas Property Code; and

WHEREAS, the Board intends to file these guidelines with the Bylaws for Founder's Parc in the real property records of each county in which the subdivision is located, in compliance with Section 209.0062 of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED that the following guidelines are established by the Board:

1. Upon the request of a delinquent owner, the Association shall enter into an alternative payment schedule with such owner, subject to the following guidelines:
 - a. An Alternative Payment Schedule is only available to owners who have delinquent regular assessments, special assessments or any other amount owed to the Association.
 - b. An Alternative Payment Schedule will not be made available in the following cases: (1) to owners who have failed to honor the terms of a previous Alternative Payment Schedule during the two years following the owner's default of such previous Alternative Payment Schedule; (2) to owners who have failed to request an Alternative Payment Schedule prior to the 30-day deadline to cure the delinquency as set forth in the Association's letter sent pursuant to Tex. Prop. Code § 209.0064(b); and/or (3) to owners who have entered into an Alternative Payment Schedule within the previous 12 months. Notwithstanding the foregoing, the Board has discretion to allow any owner to enter into an Alternative Payment Schedule.
 - c. During the course of an Alternative Payment Schedule, additional monetary penalties shall not be charged against an owner so long as the owner timely performs all obligations under the Alternative Payment Schedule and does not default. However, the Association or its Managing Agent may charge reasonable costs for administering the Alternative Payment Schedule ("Administrative Costs") and, if interest is allowed under the Declaration, then interest will continue to accrue during the term of the Alternative Payment Schedule. The Association may provide an estimate of the amount of interest that will accrue during the term of the Alternative Payment

SCHEDULE 2

Schedule. Fees or Administrative Costs owed to the Managing Agent may not be waived or reduced by the Board of Directors without the prior written consent of the Agent.

- d. The total of all proposed payments in an Alternative Payment Schedule must equal the sum of the current delinquent balance, the estimated interest, and any Administrative Costs; and may include any assessments that will accrue during the term of the Payment Plan.
- e. All payments under an Alternative Payment Schedule shall be due and tendered to the Association by the dates specified in the Alternative Payment Schedule, and shall be made by cashier's checks or money orders.
- f. The minimum term for an Alternative Payment Schedule is 3 months from the date of the owner's request for an Alternative Payment Schedule. The Association is not required to allow an Alternative Payment Schedule for any amount that extends more than 18 months from the date of the owner's request for an Alternative Payment Plan.
- g. Any owner may submit to the Board a request for an Alternative Payment Schedule that does not meet the foregoing guidelines, along with any other information he/she believes the Board should consider along with such request (e.g. evidence of financial hardship). The Board, in its sole discretion, may approve or disapprove such a request for a non-conforming Alternative Payment Schedule. An owner who is not eligible for an Alternative Payment Schedule may still request an Alternative Payment Schedule, and the Board, in its sole discretion, may accept or reject such a request.
- h. Default
 1. The following shall result in an immediate default of an Alternative Payment Schedule:
 - i. The owner's failure to timely tender and deliver any payment when due under the Alternative Payment Schedule;
 - ii. The owner's failure to tender any payment in the full amount and form (e.g., cashier's check or money order) as specified in the Alternative Payment Schedule; or
 - iii. The owner's failure to timely comply with any other requirement or obligation set forth in the Alternative Payment Plan.
 2. Any owner who defaults under an Alternative Payment Schedule shall remain in default until his/her entire account balance is brought current.

SCHEDULE 2

3. The Association is not required to provide notice of any default.
4. Owners are not entitled to any opportunity to cure a default.
5. While an owner is in default under an Alternative Payment Schedule, the owner's payments need not be applied to the owner's debt in the order of priority set forth in Tex. Prop. Code § 209.0063(a). But, in applying a payment made while the owner is in default, a fine assessed by the Association may not be given priority over any other amount owed to the Association.
6. The failure by the Association to exercise any rights or options shall not constitute a waiver thereof or the waiver of the right to exercise such right or option in the future.
 - i. All other terms of an Alternative Payment Schedule are at the discretion of the Board.
 - j. This Alternative Payment Plan Policy may be amended at any time and from time to time by the Declarant during the Declarant Control Period and thereafter by the Board of Directors. Any amendment or rescission to any portion of this policy will require a copy be mailed to each homeowner and a copy posted to the Association's website, if applicable.

SCHEDULE 3

FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.

NOTICE AND FINING POLICY

SCHEDULE 3

FOR BYLAWS OF FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.

NOTICE AND FINING POLICY

The Board of Directors (the "Board") of Founder's Parc Homeowners Association, Inc. wishes to adopt reasonable guidelines to establish a Notice and Fining Policy; and

Whereas, the Board intends to file this policy with the Bylaws for Founder's Parc, Tarrant County, Texas, in the real property records of each county in which the subdivision is located; and

Now Therefore, it is Resolved, that the following Notice and Fining Policy is established by the Board:

The following Notice and Fining Policy shall supplement the enforcement rules found in the Declaration or Bylaws and any amendment thereto for the enforcement of the Association's Governing Documents (to include the CC&R's, Amendments, By-Laws, and Rules & Regulations).

This policy shall supplement the provisions set forth in the Declaration and is subject to amendment by the Declarant or Board at any time and from time to time at their sole discretion. Should there be a conflict between the Declaration and this Notice and Fining Policy, the higher standard shall prevail. The amending of this policy shall not require the consent or joinder of the Members nor shall an amendment of the Bylaws be required. The Board may, by Resolution, amend this Notice and Fining Policy at any time and from time to time as deemed necessary and appropriate, notwithstanding, any amendment shall be posted to the HOA's website, if applicable, and a copy shall be mailed to each Owner via regular U.S. mail.

- 1. Violation Notice (Warning):** Homeowners will be notified when a violation occurs. A minimum of one (1) notice of not less than ten (10) days each will be required except in the case of emergencies where it can reasonably be assumed that the safety, health, welfare and protection of the Owner, a neighbor or neighborhood, or the community in part or as a whole is at risk or recurring violations within a six (6) month period. Violations which present hazards for residents, are damaging property, creating an ongoing nuisance or can be considered an emergency requiring immediate correction shall be subject to self-help actions by the Association as described in the Declaration of Covenants, Conditions and Restrictions (the "CCR's") should Owner fail to cure the violation. Self Help actions considered an emergency requiring immediate attention will be addressed within seventy-two (72) hours or less by the Association. A notice in the case of an emergency may be delivered by hand, electronic mail, or U.S. mail. Any costs for initiating Self Help to cure a violation including the costs of postage and handling shall be assessed to the Owner's account. *****The Association may, but is not obligated, to provide more than one (1) initial notice of violation. Should additional violation notices be sent, each notice shall allow a period of not more than ten (10) days in***

*which to correct the violation. ***

2. **Notice of Assessment of Fine (Hearing Notice):** If after the initial notice (or subsequent notices if given) the violation continues, the Owner will be notified that a fine will be levied against his/her account, *This notice shall be mailed certified U.S. mail* and shall be the initial "Fine Warning" notice which shall include the amount of the fine to be levied and shall contain verbiage pursuant to Chapter 209.006 and 209.007 of the Texas Property Code as amended from time to time regarding an Owner's right to request a hearing before a committee (or the Board in the absence of a committee). Upon levying of a fine to an Owner's account a Notice of Fine shall be sent to the Owner by Certified and Regular U.S. mail and shall follow the outline as shown in the Fine Schedule below.

Notice must describe the violation or property damage that is the basis for the fine for such violation, and state any amount due the Association from the Owner and Owner shall be given a reasonable time to cure the violation. Owner shall have thirty (30) days to request a hearing in writing from the date of notice. If the Owner does not request a hearing within that time frame the fines shall commence. If a hearing is requested the Association or its Managing Agent shall set the hearing within thirty (30) days of receipt of the written request and the Owner shall be notified in writing of the hearing date, time and place not less than ten (10) days prior to the date of the hearing. The Board or Owner may request a postponement, and if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. If the Hearing is to be held before a Committee appointed by the Board, the Owner shall have the right to appeal to the Board of Directors should the Owner disagree with the Committee's decision. Notice of an Appeal Hearing before the Board of Directors must be submitted by the Owner in writing. An Owner is liable to the Association for certain charges, including reimbursement of attorney's fees which may be incurred by the Association.

3. **"Damage Assessment":** Violations that result in property damage or cause the Association to incur cleanup or other costs will result in a "Special Individual Assessment" on the homeowner's account. Non-payment of this type of assessment may result in additional fees, and collection actions as allowed by law. Any attorney fees or other costs incurred by the Association will be assessed to the Owner's account. Notices for Special Individual Assessment shall follow the same protocol for Fine Warning Notices sent in Section 2 above unless the Declaration requires a different notification process. If conflicts on notification exist, the Declaration shall prevail. The Association shall deliver to the Owner a statement of account identifying the Special Individual Assessment due which Owner shall pay upon receipt of statement. Failure to pay any Special Individual Assessment by an Owner shall be subject to collection the same as any other Assessment.
4. **Suit and Board Discretion:** 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 legal proceeding, the Association will give the defaulting party reasonable notice and an opportunity to cure the violation. 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.

FINE SCHEDULE

The costs of curing or abating a violation are at the expense of the Owner or other person responsible for the violation. At the Board's sole discretion, a fine may be levied against a renter or lessee other than the Owner however, should the renter or lessee fail to pay the fine within the time allotted, the Owner shall be responsible for the fine which shall be added to the Owner's account.

First, Second, and Third fines shall require a notice to the Owner advising a fine is being levied and the number of days the Owner has to cure the violation. The fine notice shall contain the minimum verbiage as required by the Texas State Property Code or the Declaration and Bylaws and must advise the Owner of his/her right to request a hearing pursuant to Section 209.006 and 209.007 of the Texas Property Code. Additionally, notices prior to levying a fine shall notify Owners serving in active military of their rights under Chapter 209 of the Texas Property Code wherein active military personnel may have special rights of relief related to enforcement actions under federal law, including Service members Civil Relief Act (50 U.S.C. app. Section 501 et seq.), if the Owner is serving on active military duty. Fine Notices shall be mailed certified and regular U.S. mail.

The table below is intended to establish a base fining structure. The Board shall have the right to instruct or adopt a different fining structure so long as the fines imposed do not exceed the maximum fine limit of \$500.00 set forth in the Declaration per violation occurrence. Fines for some violations such as recurring violations or serious violations which endanger persons or property may have a different fine structure. Fines may be assessed based on the severity of a violation or for continual or recurring violations within a six month period. Fines may be levied in lump sum or increments at the sole discretion of the Board. Each day the violation continues to exist shall constitute a separate violation.

An Owner who continually violates the Association's Declaration, Rules and Regulations or Bylaws, or who damages Association property may be assessed greater fines which may include a one-time fine up to the maximum fine amount at the sole discretion of the Board so long as the fine amounts levied are commensurate to the violation or the history of recurring violations recorded against an Owner.

- 1st Fine:** First fine for a violation not cured by the Owner after the initial fine warning notice has been given shall not be less than \$50.00, then;
- 2nd Fine:** After a minimum of not less than five (5) or more than ten (10) days the Board, its Managing Agent, or any person designated by the Board or Managing Agent shall inspect the Owner's property for compliance. If the violation remains, a letter shall be sent to the violating Owner advising that a second fine in the amount of \$75.00 shall be assessed to the Owner's account, then;
- 3rd Fine:** After a minimum of not less than five (5) or more than ten (10) additional

days, the Board, its Managing Agent, or any person designated by the Board or Managing Agent shall inspect the Owner's property for compliance. If the violation remains, a letter shall be sent to the violating Owner advising that a third fine in the amount of \$100.00 shall be assessed to the Owner's account.

4th & After: If compliance is not met after the end of a minimum of five (5) days from the date the third fine letter is sent, the Owner will receive one (1) final notice advising that fines shall escalate at the rate of \$50.00 for every week in which the violation remains until the maximum fine amount is reached at which time the violation process shall start over and shall be treated as a recurring violation subject to additional fines as outlined in this section so long as the violation remains. Each day the violation continues to exist shall constitute a separate violation.

4. *The maximum fine amount is based on a per violation occurrence and can be assessed each time a violation occurs whether or not it is the same or similar kind or whether it is a recurring violation. Recurring violations or violations that cause damage or harm may be treated as those considered to be of greater severity by the Board or its Managing Agent.*

If at any time the Owner submits a written request for a hearing, all fines shall be suspended until after the hearing. If the Association has a Managing Agent, notice shall be served through the Managing Agent who shall set the hearing date, time, and place and shall notify the Owner via U.S. mail. The Board may appoint a Hearing Committee who shall oversee the first hearing and who shall render a decision based upon the facts and/or testimonies provided. The Hearing Committee shall render their findings and subsequent results from the hearing in writing no more than ten (10) days from the date of the hearing and the Managing Agent shall notify the Owner via U.S. mail of the decision.

The Association or its Managing Agent shall immediately proceed and comply with any instructions and/or findings. If the Hearing Committee rules in favor of the Association, all fines or other violation actions suspended pending the hearing outcome may resume unless the Hearing Committee instructs otherwise. If the Hearing Committee rules in favor of the Owner, all violation actions shall cease and no further fines shall be assessed unless and until the Hearing Committee provides instruction. The Hearing Committee must note in their findings and provide direction to the Managing Agent as to whether any fine(s) previously assessed to the Owners account will be upheld or waived. **If the hearing is held by a committee appointed by the Board, the Owner shall have the right to appeal the decision of the committee to the Board of Directors and the decision of the Board of Directors shall be final.** If the hearing is held by the Board of Directors in the absence of a committee, the decision of the Board of Directors is final.

Note: All fines are subject to collections and will be collected in the same manner as are the association dues.

SCHEDULE 4
FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.
COLLECTIONS POLICY

SCHEDULE 4

FOR BYLAWS OF FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.

Policies and Procedures for the collection of Assessments and other charges of the Association

Founder's Parc Homeowners Association, Inc. (the "Association") has adopted the following policies and procedures for the collection of assessments and other charges of the Association. The policies and procedures detailed herein will be implemented on behalf of the Board of Directors by its Managing Agent (the "Management Company") as agent for the Association unless otherwise stated.

Obligation to Pay Assessments. Membership in the Association is mandatory pursuant to the terms and conditions of the Declaration. A property owner is legally obligated to pay the Assessments to the Association even if the Association's facilities or amenities are not used by the property owner. The property owner may not withhold assessment payments even if the association is not providing maintenance or other services mandated by the Association's governing documents.

Due Dates. Assessments are due quarterly on the 1st day of January, April, July, and October of each calendar year and are delinquent if not paid by last day of the month in which they are due. Should the Board choose a different pay schedule or due date the delinquency date will be set forth based on the schedule or due date.

Invoices. The association may, but shall not be required to, invoice a property owner as a condition to an owner's obligation to pay assessment or other charges of the Association. As a matter of course, assessments are invoiced by statements. **Non-receipt of an invoice (statement) shall in no way relieve the property owner of the obligation to pay the amount due by the due date.** Property owners who do not receive their invoice (statement) are responsible for contacting the Management Company prior to the due date to request a replacement. Property owners are responsible for notifying the Management Company of their mailing address at the time of acquiring property ownership and any subsequent mailing address change thereafter.

Written Notice of Delinquency. Subsequent to an Owner becoming delinquent, and prior to referring the account to the Association's legal counsel for collection, the Association will send written notice of the delinquency to the Owner via certified mail (the "**Delinquency Notice or sometimes known as 30 Day Demand Letter**"). The Delinquency Notice shall: (i) detail each delinquent amount and the total amount owed; (ii) describe the options the Owner has to avoid having the account referred to the Association's legal counsel, including the availability of a payment plan, and (iii) provide the Owner a period of at least thirty (30) days to cure the delinquency before further collection action is taken. The Managing Agent shall be entitled to a fee for each written notice of delinquency issued.

SCHEDULE 4

Late Payment Charges and Collection Fees.

Late Charges. In the event any assessment, or any portion thereof, is not paid in full by the Delinquency Date, late charges in an amount up to \$25.00 shall be assessed against the Owner's account each month and every month until the assessment is paid in full. Such late charge, as and when levied, is secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments. The Board may, in its sole discretion, waive the collection of any late charge; provided, however, that the waiver of any late charge shall not constitute a waiver of the Board's right to collect any or late charges or any other charges in the future.

Collection Fees. In the event any assessment, or any portion thereof, is not paid in full by the Delinquency Date, collection fees shall be assessed against the Owner's account each month and every month until the assessment is paid in full. Collection fees are charges by the managing agent for the collection of delinquent accounts and may not be waived by the Board without the consent of the managing agent. Such collection fee, as and when levied, is secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments. Managing Agent may and probably will have additional fees related to collection efforts performed on a delinquent account which may include but, are not limited to demand letter fees and payment plan set up and monitoring fees. These fees shall be assessed against the Owner's account. Such collection fees, as and when levied, is secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments. Payment of collection fees may be subject to further guidelines or restrictions as they may be set forth in the management contract between the Association and Managing Agent.

Return Payment Charges. A non-negotiable fee equal to the amount of charge levied by the Bank to the Association will be assessed to the property owner for any payment processed that is not honored by a bank or financial institution for any reason including but not limited to insufficient funds notwithstanding, the minimum such charge shall be \$25.00. Such return payment charge shall be due and payable immediately upon demand. Any applicable late payment charges, which would have been assessed if the payment had not been made, may also be applied to the property owner's account. The payment of the outstanding account balance may be required to be paid with a money order or cashier's check. Personal checks will not be accepted to satisfy an outstanding account balance when an insufficient fund check makes up a portion of the balance.

Referral of Delinquent Accounts to Lien Services or Collection Agencies

Collection Agencies. In the event an account has not been paid in full following thirty (30) days from the date Delinquency Notice was mailed to the Owner, the Association's agent may refer the account to a collection agency for collection, including reporting delinquent account to any credit bureau or other agency providing credit histories to authorized entities. All costs incurred by the Association for using the services of a collection agency, or administering the referral and handling of the account to a collection agency, are deemed costs of collection of the Association. Such costs of collection, when incurred by the Association and added to an Owner's account, are secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments.

SCHEDULE 4

Referral of Delinquent Accounts to Attorneys

Remedies and Legal Actions. If an Owner fails to cure the delinquency within the thirty (30) day period stated in the Delinquency Notice, the Association may, at its discretion and when it chooses, refer the delinquency to legal counsel for the Association. Any attorney's fees and related charges incurred by virtue of legal action taken will become part of the Owner's assessment obligation and may be collected as such as provided herein. Upon direction of the Board or the Association's agent, legal counsel for the Association may pursue any and all available legal remedies with regard to the delinquencies referred to it including, but not limited to, the following:

Notice Letter. The initial correspondence to a delinquent Owner from the Attorney.

Notice of Lien. If an Owner fails to cure the delinquency indicated in the Notice Letter, upon being requested to do so by the Board and/or Management, counsel may prepare and record in the Official Public Records of Tarrant County, a written notice of assessment lien (referred to as the "Notice of Lien") against the Lot. A copy of the Notice of Lien will be sent to the Owner, together with an additional demand for payment in full of all amounts then outstanding.

Foreclosure. In the event that the Owner fails to cure the delinquency, the Board may direct legal counsel to pursue foreclosure of the lien. In any foreclosure proceedings, the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees.

Expedited Foreclosure Pursuant to Rules 735 & 736 of the Texas Rules of Civil Procedure. The Board may decide to foreclose its lien by exercising its power of sale granted by the Declaration. In such event, counsel may commence expedited foreclosure lawsuit under Rules 735 and 736 of the Texas Rules of Civil Procedure ("Expedited Foreclosure"). Upon receipt from the Court of an order authorizing foreclosure of the Lot, counsel may post the Lot at the Tarrant County Courthouse for a foreclosure sale. The Association shall have the power to bid on the Owner's Lot and improvements at foreclosure and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. The Association may institute, a personal judgment suit against the former Owner for any deficiency resulting from the Association's foreclosure of its assessment lien.

Judicial Foreclosure. The Association may file suit for judicial foreclosure ("Judicial Foreclosure") of the assessment lien, which suit may also seek a personal money judgment. Upon receipt from the Court of an order foreclosing the Association's assessment lien against the Lot, the sheriff or constable may post the Lot for sheriff's sale. The Association shall have the power to bid on the Owner's Lot and improvements at foreclosure and to acquire, hold, lease, mortgage, convey or otherwise deal with the same.

Lienholder Notification. In pursuing Expedited Foreclosure or Judicial Foreclosure, the Association shall provide the 61-day notice letter to inferior lienholders pursuant to Section 209.0091 of the Texas Property Code.

Lawsuit for Money Judgment. The Association may file suit for a money judgment in any court of competent jurisdiction.

Bankruptcy. Upon notification of a petition in bankruptcy, the Association may refer the account to legal counsel.

SCHEDULE 4

Rights Not Exclusive. All rights and remedies provided in this Policy and herein above are cumulative and not exclusive of any other rights or remedies that may be available to the Association, whether provided by law, equity, and the Association's governing documents or otherwise. In order to expedite the resolution of a delinquent account, the Board may, at any time, compromise or waive the payment of interest, late charges, handling charges, collection costs other than collection fees, unless approved by the managing agent, legal fees or any other application charge.

Use of Regular Mail / Certified Mail. In the event the Association shall send a delinquency notice or demand notice to a property owner by regular mail, certified or certified, return receipt requested, the association will use the property address unless the owner has contacted the Association or its Managing Agent and has provided updated mailing address information. Once the notice(s) have been placed in a U.S. mail receptacle or given to a U.S. postal representative, the notice will be considered to have been duly delivered. It is the sole responsibility of the owner to provide and maintain up to date mailing address information with the Association and/or its Managing Agent.

Waivers. The Association may grant a waiver of any provision herein upon petition in writing by a property owner showing a personal hardship. Such relief granted a property owner shall be appropriately documented in the files with the person representing the Association granting the relief and the conditions of the relief. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances. **The Association reserves the right to consider each petition or make its determination regarding referral to an attorney or a third party collection service on a case by case basis.** Costs owed to the Managing Agent for their efforts in the processing, handling and collections of an account cannot be waived by the Association without the written consent of the Managing Agent.

Effective Date and Enforcement. The foregoing collection procedure has been adopted by the association and is effective as of the date recorded.

Nothing specified in this document shall require the Association to take specific actions. The foregoing collection procedures have been adopted by the Association and are effective as of the date recorded. Nothing specified in this document shall require the Association to take specific actions. The foregoing collection procedures is a directive by the Board of the Association to the Management Company and is intended to be a guide to collection of Assessments owed to the Association. The Board of the Association may at any time revise the foregoing collection procedure and may at any time direct the Management Company to proceed differently with collection of an individual account based on circumstances applicable to that account and advice and guidance from the Management Company or the Association's attorney. ***Failure by the Management Company or the Board of the Association to follow the foregoing collection procedure shall not in any way affect the property owner's obligation to pay all Assessments when due, along with all applicable late payment charges and costs of collection.*** To obtain any information regarding this collection procedure or to obtain the most up-to-date collection procedure, a property owner should contact the Management Company. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability

SCHEDULE 4

of any other provision, and this Policy shall be enforced as if such provision did not exist. Furthermore, in the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law. In the event any provision of this Policy conflicts with the Declaration, the Declaration controls.

Ownership Records. All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner or a Lot for which assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Policy until such time as there is actual receipt by the Association of written notification from the Owner of any change in the identity or status of such Owner or its address or both.

Notification of Owner's Representative. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interest in a Lot have been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Policy will be deemed full and effective for all purposes if given to such Representative or agent.

In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Policy shall be enforced as if such provision did not exist. Furthermore, in the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law. In the event any provision of this Policy conflicts with the Declaration, the Declaration controls.

[1] A Statement of Account and / or a delinquency notice will not be sent in cases whereby the Management Company has received notice of a property owner bankruptcy filed in the U.S. Bankruptcy Court, a Notice of Foreclosure on the owner's property or when an active payment plan is in place and being paid as agreed.

[2] The Management Company will continue to post assessments and applicable late payment penalties to the account. The attorney or lien service may, however, have other charges not reflected on the account or may have entered into payment arrangements not reflected on the account. The Management Company will adjust the account as instructed by the attorney or lien service as notified or at the time of closure.

SCHEDULE 5

FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.

E-MAIL REGISTRATION POLICY

SCHEDULE 5
FOR
BYLAWS OF
FOUNDER'S PARC HOMEOWNERS ASSOCIATION, INC.
EMAIL REGISTRATION POLICY

WHEREAS, the Board of Directors (the "Board") of Founder's Parc Homeowners Association, Inc. (the "Association") wishes to adopt reasonable guidelines to establish an E-mail Policy by which an owner may register his e-mail address to facilitate proper notice of annual and special meetings; and

WHEREAS, the Board wishes to adopt this E-mail Registration Policy in compliance with Section 209.0051(e) of the Texas Property Code; and

WHEREAS, the Board intends to file these guidelines with the Bylaws for Founder's Parc, Tarrant County, Texas in the real property records of each county in which the subdivision is located; and

NOW THEREFORE, IT IS RESOLVED that the following guidelines are established by the Board:

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for Founder's Parc Homeowners Association recorded or to be recorded in the Official Public Records of Tarrant County, Texas, as the same may be amended from time to time.

Purpose. The purpose of this Email Registration Policy is to facilitate proper notice of annual and special meetings of members of the Association pursuant to Section 209.0051(e) of the Texas Property Code.

Email Registration. Should the owner wish to receive any and all email notifications of annual and special meetings of members of the Association, it is the owner's sole responsibility to register his/her email address with the Association and to continue to keep the registered email address updated and current with the Association. In order to register an email address, the owner must provide their name, address, phone number and email address through the method provided on the Association's website, if any, and/or to the official contact information provided by the Association for the community manager.

Failure to Register. An owner may not receive email notification or communication of annual or special meetings of members of the Association should the owner fail to register his/her email address with the Association and/or properly and timely maintain an accurate email address with the Association. Correspondence to the Association and/or Association manager from an email address or by any method other than the method described in Paragraph No. 2 above will not be considered sufficient to register such email address with the Association.

Amendment. The Association may, from time to time, modify, amend, or supplement this Policy or any other rules regarding email registration. A copy of any amendment or rescission of this policy will be mailed to all homeowners and a copy placed on the Association's website, if applicable.

MARY LOUISE GARCIA

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

ESSEX ASSOCIATION MANAGEMENT LP
1512 CRESCENT DR STE 112
CARROLLTON, TX 75006

Submitter: ESSEX ASSOCIATION
MANAGEMENT LP

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 2/26/2018 1:24 PM

Instrument #: D218040460

OPR 242 PGS \$976.00

By: _____

Mary Louise Garcia

D218040460

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.