

#116 REUNION GA #101000678/CW
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DECLARATION OF COVENANTS AND RESTRICTIONS

FOR

MARINE CREEK RANCH

THIS DECLARATION OF COVENANTS AND RESTRICTIONS (this "**Declaration**") is entered into as of October 20, 2003, by M & C DEVELOPMENT, LTD., a Texas limited partnership ("**Declarant**"); HAYCO REALTY, LTD., a Texas limited partnership ("**Hayco**"); and ARCADIA LAND PARTNERS 19, LTD., a Texas limited partnership ("**Arcadia**").

INTRODUCTORY STATEMENT

A. Declarant, Hayco and Arcadia own certain tracts of land situated in the City of Fort Worth, Tarrant County, Texas, as more particularly described on Exhibit "A" attached hereto and made a part hereof (such tracts of land, together with additions thereto as may be made subject to the terms of this Declaration by any Supplemental Declaration of Covenants executed and filed, from time to time, by Declarant in the Deed Records of Tarrant County, Texas, are herein collectively called the "**Properties**"). Declarant, Hayco and Arcadia desire to create on the Properties a residential community with residential lots, open spaces and other common facilities for the benefit of the Owners, as hereinafter defined.

B. Declarant, Hayco and Arcadia desire to provide for the efficient preservation of the values and amenities within the Properties and for the maintenance of said open spaces and other common facilities. To this end, Declarant, Hayco and Arcadia desire to impose upon the Properties the covenants, conditions, restrictions, easements, charges and liens contained in this Declaration and to create a non-profit corporation to which would be delegated and assigned the powers of maintaining and administering the community properties and facilities in accordance with the terms of this Declaration.

C. Declarant has caused or will cause to be incorporated under the Non-Profit Corporation Act of the State of Texas (the "**Act**") a non-profit corporation named **Marine Creek Ranch Homeowners Association, Inc.** (the "**Association**").

NOW, THEREFORE, Declarant, Hayco and Arcadia hereby adopt, establish and impose upon the Properties, and declare that the Properties shall be held, transferred, sold, conveyed, mortgaged, occupied and enjoyed, subject to the following covenants, restrictions, easements, conditions, stipulations, and reservations (collectively, the "**Covenants**"). The Covenants are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Properties. The Covenants shall run with the Properties and shall be binding upon all parties having or acquiring any right, title or interest therein, or any part thereof, and shall, subject to the

limitations provided in this Declaration, inure to the benefit of Declarant, the Association, each Owner and the Owners' heirs, grantees, distributees, legal representatives, successors and assigns.

DECLARATION

ARTICLE I

DEFINITIONS

The following words when used in this Declaration shall have the following meanings:

"ACC" means the Architectural Control Committee appointed by the Board in accordance with the provisions of Article IX hereof.

"Assessments" shall mean and refer to the regular annual assessments, the special assessments and the default assessments provided in Section 4.1 hereof.

"Association" shall mean and refer to Marine Creek Ranch Homeowners Association, Inc., a Texas non-profit corporation.

"Board" shall mean the Board of Directors.

"Common Properties" shall mean and refer to all real property (including easements and improvements) owned or held by the Association for the common use and enjoyment of the Owners. The Common Properties to be owned by the Association at the time of conveyance of the first Dwelling Unit shall include the tracts or parcels of land described on Exhibit "B" attached hereto, together with any and all improvements constructed thereon.

"Declarant" shall mean and refer to M & C Development, Ltd., a Texas limited partnership, and its successors and assigns, if (a) such successor or assignee should acquire an unplatted portion of the Properties from M & C Development, Ltd. for the purpose of development and (b) such successor or assignee shall receive by assignment from M & C Development, Ltd. all or a portion of its rights hereunder as such Declarant, by an instrument expressly assigning such rights as Declarant to such successor or assignee.

"Dwelling Unit" shall mean and refer to any building or portion of a building situated upon the Properties which is designed and intended for use and occupancy as a residence by a single person, a couple, a family or a permitted family size group of persons.

"Eligible Insurers" is defined in Article VII.

"Eligible Mortgagees" is defined in Article VII.

"Heights Subdivision" shall mean Blocks 4, 5, 6, 7, 8 and 9 of Marine Creek Ranch Section One, a subdivision of the City of Fort Worth, Texas, Tarrant County, which constitutes a portion of the Properties.

"Homestead Subdivision" shall mean Blocks 1, 2 and 3 of Marine Creek Ranch Section One, a subdivision of the City of Fort Worth, Texas, Tarrant County, which constitutes a portion of the Properties.

"Institutional Mortgage" shall mean a mortgage or deed of trust creating a first lien on a Lot which is held by a third party institutional lender.

"Lot" shall mean, with respect to any Properties for which a subdivision map has been recorded in the map or plat records of Tarrant County, Texas, each lot shown on such recorded subdivision map which is or is to be improved with a residential dwelling. With respect to any Properties owned by Declarant which have not been legally subdivided by the recordation of a subdivision map or plat, "Lot" shall mean each one of the maximum number of residential lots permitted within such Properties owned by Declarant, according to the City of Fort Worth zoning ordinances from time to time affecting such Properties (each Lot defined in the immediately preceding sentence and owned by Declarant is hereinafter sometimes called an "Unplatted Lot").

"Maintenance Fund" is defined in Section 4.2.

"Member" shall mean and refer to each Owner as provided herein in Article II.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot but, notwithstanding any applicable theory of mortgages or other security devices, shall not mean or refer to any mortgagee or trustee under a mortgage or deed of trust unless and until such mortgagee or trustee has acquired title pursuant to foreclosure or any conveyance in lieu of foreclosure. Declarant shall be deemed an Owner of each Lot owned by Declarant, including without limitation, each Unplatted Lot.

"Properties" shall have the meaning given to it in Paragraph A of the Introductory Statement above.

"Resident" shall mean and refer to each person (not otherwise an Owner or Member) authorized by an Owner to reside within such Owner's Dwelling Unit.

"Two-Thirds Member Vote By Class" shall mean the approval of two-thirds (2/3) of each class of Members, as described in Section 2.3 hereof, entitled to vote who either (i) are voting in person or by proxy at a meeting duly called for this purpose and at which the necessary quorum exists, or (ii) execute a written consent in lieu of a meeting for such purpose.

"Two-Thirds Member Vote" shall mean the approval of two-thirds (2/3) of all Members (regardless of class) entitled to vote who either (i) are voting in person or by proxy at a meeting duly called for this purpose and at which the necessary quorum exists, or (ii) execute a written consent in lieu of a meeting for such purpose.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION; ADDITIONS TO THE PROPERTIES

2.1 Membership. Each and every Owner shall automatically be and must remain a Member of the Association, subject to the terms of this Declaration, the Articles of Incorporation and the Bylaws of the Association and the Association's rules and regulations. Membership of an Owner in the Association shall be appurtenant to and may not be separated from the interest of such Owner in and to a Lot. Ownership of a Lot shall be the sole qualification for being a Member; provided, however a Member's privileges in the Common Properties may be regulated or suspended as provided in this Declaration, the Bylaws of the Association and/or the Association's rules and regulations. Any person or entity that holds an interest in and to a Lot merely as security for the performance of an obligation shall not be a Member until such time as the holder or its successor acquires title to the Lot through foreclosure or conveyance in lieu thereof.

2.2 Transfer. Membership of an Owner in the Association may not be severed from or in any way transferred, pledged, mortgaged or alienated except upon the sale or assignment of said Owner's interest in a Lot and then only to the purchaser or assignee as the new Owner thereof. Such membership shall not be severed by the encumbrance by an Owner of a Lot. Any attempt to make a prohibited severance, transfer, pledge, mortgage or alienation shall be void and of no further force or effect. Owners shall notify the Association of any transfer of the fee title to a Lot. Such transfer shall automatically operate to transfer the membership to the new Owner of the transferred Lot. In the event an Owner should fail or refuse to provide written evidence of transfer of the membership in the Association registered in such Owner's name to the transferee of such Owner's interest in a Lot, the Association shall have the right to record the transfer upon the books and records of the Association.

2.3 Classes of Membership. The Association shall have two classes of voting membership:

CLASS A. Class A Members shall be all Members with the exception of Declarant. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among

themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot.

CLASS B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each Lot owned by the Class B Member. However, at such times as the total number of Lots owned by the Class A Members equals or exceeds three (3) times the total number of Lots owned by the Class B Member, the Class B Member shall, during the time such equality or excess continues, be entitled to only one (1) vote for every Lot owned by it. Unless Additional Property is subjected to the terms of this Declaration in accordance with the provisions of Section 2.4, from and after July 31, 2005 (as subsequently amended, the "**Voting Conversion Date**"), the Class B Member shall only be entitled to one (1) vote for each Lot owned by it regardless of the number of Lots owned by the Class B Member at such time. In the event Additional Properties are subjected to this Declaration in accordance with Section 2.4, then the Supplemental Declaration, as hereinafter defined, annexing such Additional Properties shall designate a new Voting Conversion Date, which shall be the date Declarant estimates that the Class A Members will own seventy-five percent (75 %) of all Lots then subject to this Declaration, as supplemented by the Supplemental Declaration.

2.4 Additions to the Properties. Additional tracts of land, together with the improvements situated thereon, may become subject to this Declaration and added to the Properties in any of the following manners.

(a) Declarant may, without the consent of any Owner and at its sole option, at any time and from time to time within twelve (12) years from the date of recordation of this Declaration, add to the Properties and to the concept of this Declaration, all or a portion of the real estate described on Exhibit "C" attached hereto and made a part hereof for all purposes (collectively, the "**Additional Property**"), by filing of record one or more Supplemental Declarations of Covenants, Conditions and Restrictions, which shall extend the coverage and/or concept of the covenants, conditions and restrictions of this Declaration to such additional property. Declarant hereby covenants that it will not add any of the Additional Property unless FHA and VA determine that such addition is in accordance with the general plan heretofore approved by them. The determination described in the preceding sentence shall not be required of FHA or VA in the event no Eligible Mortgagees or Eligible Insurers exist. Any such Supplemental Declaration may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the Additional Property and as are consistent with the concept of this Declaration. In no event, however, shall such Supplemental Declaration modify or add to the covenants established by this Declaration for the Properties existing prior to the filing of any such Supplemental Declaration unless such modifications and additions are approved by a Two-Thirds Member Vote. Declarant may subject Additional Properties to the terms of this Declaration even though at the time such addition is made Declarant is not the Owner of any portion of the Properties. Each Supplemental Declaration shall designate

the number of separate plots or tracts comprising the Additional Property which are to constitute lots, and each such separate plot or tract shall constitute a "Lot" within the meaning of this Declaration. All or any part of the Additional Property and improvements located thereon owned by Declarant or any interest held by Declarant in the Properties may be conveyed, transferred or assigned to the Association and designated as Common Properties by the Declarant at its sole discretion and without the approval, assent or vote of the Association or of its Members; provided that any property so conveyed shall be free and clear of any and all mechanics' and materialmen's liens and that all taxes and governmental assessments against any such property which are then due and payable shall have been paid prior to the date of such conveyance. Notwithstanding any other provision hereof, nothing contained herein shall be deemed to require Declarant to add any Additional Property to the Properties. Moreover, Declarant reserves the right to subject any Additional Property or any part thereof to the plan or one or more separate declarations of covenants, conditions and restriction which subjects said real property to the functions, powers and jurisdiction of an association or other entity with powers and obligations similar to the Association and which may or may not be subject to the provisions of this Declaration.

(b) The annexations of Additional Property authorized by this Declaration shall be accomplished by executing and filing of record in the office of the County Clerk of Tarrant County, Texas, a Supplemental Declaration or similar instrument, with respect to any Additional Property which shall extend the plan of this Declaration to such real property. Any such Supplemental Declaration contemplated above may contain such additions, deletions and/or modifications of the covenants, conditions, restrictions, easements, liens and charges contained in this Declaration as may be necessary to reflect the different character, if any, of such Additional Property and as are substantially consistent with the plan of this Declaration. In no event, however, shall any such Supplemental Declaration, or any merger or consolidation revoke, modify or add to the covenants, conditions, restrictions, easements, liens or charges established by this Declaration, as same relate to and affect that portion of the Properties previously subject to this Declaration. Further, the method of determining Assessments for the Additional Property shall not result in an Assessment substantially less than that affecting the Properties unless such Additional Property and the Owners thereof do not enjoy substantially all of the benefits enjoyed by Owners of other Properties previously subject to this Declaration. Any annexation, merger or consolidation made pursuant to this Declaration, when made, shall automatically extend the functions, powers and jurisdiction of the Association to the real property so added. Upon the filing of any Supplemental Declaration, each Owner of a Lot within the portion of the Additional Property added to the Properties (other than Declarant) shall become a Class A Member, as herein defined, and shall become liable for assessments as provided for herein. Declarant shall continue to be the Class B Member with the number of votes per Lot (including any new Lots added pursuant to a Supplemental Declaration) as provided for in this Article II.

(c) Upon approval by a Two-Thirds Member Vote, the owner of any property who desires to add it to the concept of this Declaration and to subject it to the jurisdiction of the Association, may file of record a Supplemental Declaration of Covenants, Conditions and Restrictions as described in paragraph (a) of this Article. Any additions made pursuant to paragraphs (a), (b) or (c) of this Section 2.3, when made, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added. Upon acceptance in writing by the Association following approval by a Two-Thirds Class Member Vote, any person may convey, transfer or assign real property, improvements located thereon or an interest therein to the Association and designate the same as Common Properties.

(d) Declarant or the Association, upon approval by a Two-Thirds Member Vote, shall have the right and option to cause the Association to merge or consolidate with any similar association or associations. Upon a merger or consolidation of the Association with another association, the properties, rights and obligations of the Association, may, by operation of law or otherwise, be transferred to the surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law or otherwise, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions, restrictions, easements, liens and charges established by this Association within the Properties, together with the Covenants established upon any other real property as one plan.

ARTICLE III

PROPERTY RIGHTS IN THE COMMON PROPERTIES

3.1 Members' Easements of Enjoyment. Subject to the provisions of Section 3.3 of this Article, every Member and every Resident shall have a right and easement of use and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to every Lot; PROVIDED, HOWEVER, such easement shall not give such person the right to make alterations, additions or improvements to the Common Properties.

3.2. Title to the Common Properties. The Declarant shall convey the fee simple title to the Common Properties to the Association, or in the case where easements constitute part of the Common Properties, Declarant shall assign and transfer the beneficial interest in such easements to the Association, in each case free and clear of all encumbrances and liens other than the lien of current taxes and assessments not in default and utility easements and mineral interests outstanding and of record in Tarrant County, Texas, prior to the date of the conveyance of the first Lot to an Owner.

3.3. Extent of Members' Easement. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to prescribe regulations governing the use, operation and maintenance of the Common Properties (including limiting the number of guests of Members);

(b) Following the approval by a Two-Thirds Member Vote by Class of Class A Members only, the right of the Association, in accordance with its Articles, to borrow money for the purpose of improving the Common Properties and facilities and in aid thereof to mortgage the Common Properties;

(c) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against foreclosure;

(d) The right of the Association, as provided in its Bylaws, to suspend the voting rights of any Member and to suspend the right of any individual to use any of the Common Properties for any period during which any assessment against a Lot owned by such Member or resided upon by such individual remains unpaid, and for any period not to exceed sixty (60) days for an infraction of its rules and regulations;

(e) The right of the Association to charge reasonable admission and other fees for the use of recreational facilities on the Common Properties; and

(f) Following approval by a Two-Thirds Member Vote, the right of the Association to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility for such purposes and upon such conditions as the Board of Directors of the Association may determine.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 Creation of the Lien and Personal Obligation for Assessments. Declarant, for each Lot owned by it within the Properties, hereby covenants and agrees, and each purchaser of a Lot (by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance), for each Lot owned by any such Owner, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Association: (a) annual assessments or charges, to be paid in installments as the Board of Directors of the Association may elect, (b) special assessments for capital expenditures, such assessments to be fixed, established and collected from time to time as hereinafter provided, and (c) default assessments which may be assessed against an individual Owner to reimburse the Association for extra maintenance and repair costs incurred as

a result of the willful or negligent acts or omissions of such Owner, his family, agents, guests and invitees, such default assessments to be fixed, established and collected from time to time as hereinafter provided. The regular annual assessments, special assessments and default assessments, together with such interest thereon and costs of collection thereof as hereinafter provided (collectively "Assessments"), shall be a charge and continuing lien upon each Lot against which each such Assessment is made. Each such Assessment, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such Lot at the time when the Assessment became due. The annual assessments shall be payable in monthly, quarterly or annual installments as determined from time to time by the Board.

4.2 Purpose of Assessments; Maintenance Fund. The Assessments levied by the Association shall be used (i) for the purposes of promoting the recreation, health, safety and welfare of the residents of the Properties, and in particular for the improvement and maintenance of private roadways, jogging paths, walkways, subdivision entrance features, recreation and landscaped areas or other properties, services and facilities devoted to this purpose and directly related to the use and enjoyment of the Common Properties including, but not limited to, the payment of taxes on and insurance in connection with the Common Properties and the repair, replacement and additions thereto; (ii) for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of, the Common Properties; (iii) for carrying out the duties of the Board of Directors of the Association as set forth in Article V hereafter, including, but not limited to, the payment by the Association of all assessments and charges payable in connection with sewer, water and garbage pickup services and the installation and maintenance of lighting (if any) for the Common Properties; (iv) for paying the cost of maintenance of any monument sign for the Properties; and (v) for carrying out the purposes of the Association as stated in its Articles of Incorporation. The Association shall establish and maintain an adequate maintenance fund (the "Maintenance Fund") for the periodic maintenance of the Common Properties. The regular annual assessments, payable on an installment basis provided in this Article IV, collected by the Association shall constitute the maintenance fund for the Common Properties. The Board may at any time ratably increase or decrease the assessment installment payments in accordance with this Declaration to such level as shall be reasonably necessary in the judgment of the Board to cover obligations of the Association under this Declaration, including maintenance of reasonable cash reserves. The Board is obligated to maintain assessments at a level sufficient to enable payment of all costs which are the Association's obligation.

4.3 Basis and Amount of Assessments.

(a) Until the year beginning January 1, 2005, the maximum annual assessment shall be Three Hundred Sixty and No/100 Dollars (\$360.00) for each Lot not owned by Declarant, and an amount equal to not more than twenty-five percent (25%) of such annual amount for each Lot owned by Declarant at the time of each such annual assessment. The Board of Directors may fix the annual assessment at any amount less than such maximum.

(b) Commencing with the year beginning January 1, 2005, and each year thereafter, the Board of Directors may set the amount of the maximum annual assessment for the following year for each Lot, provided that the maximum annual assessment may not be increased more than ten percent (10%) above the maximum annual assessment for the previous year without a vote of the membership taken in accordance with the provisions of Section 4.3(c). The maximum assessment for each Lot owned by Declarant, at the time of annual assessment, shall be an amount equal to twenty-five percent (25%) of the maximum amount assessed against each Lot owned by Members other than Declarant, unless a Lot owned by Declarant is improved with a residential structure that is occupied, in which event the maximum assessment for such Lot shall be an amount equal to the maximum amount assessed against each Lot owned by other Members. Notwithstanding the preceding provisions in this Section 4.3(b), if (i) Declarant is, at the time such annual assessment is made, entitled to three (3) votes for every Lot owned by Declarant pursuant to Section 2.3 and (ii) the maximum annual assessments payable by Owners (excluding Declarant) for such period are not sufficient to fully pay the costs and expenses of the Association for such period, Declarant shall pay such deficit as the costs and expenses creating such deficit become due and payable.

(c) Provided that the Board has received approval by a Two-Thirds Member Vote By Class, the maximum annual assessment for the following year for each Lot may exceed the maximum amounts set forth in Section 4.3(a) or (b) above.

4.4 Special Assessments for Capital Improvements. In addition to the annual Assessments authorized by Section 4.3 above, the Association may levy in any Assessment year a special Assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the costs of any construction or reconstruction, unexpected repair or replacement of any capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto; PROVIDED THAT any such Assessment for capital improvements shall have been approved by a Two-Thirds Member Vote By Class.

4.5 Uniform Rate of Assessment Within Classes of Members. In recognition of the fact that while Declarant is the Owner of Lots the benefit Declarant receives from such Lots will be proportionately less than other Owners, the regular annual and special Assessments for Lots owned by Declarant and on which no Dwelling Unit is constructed shall be fixed at twenty-five percent (25%) of the Assessments for all other Lots. Except as provided in this Section 4.5 and Section 4.3, and until such time as Additional Properties are subjected to this Declaration in accordance with Section 2.4, the regular annual and special Assessments shall be fixed at a uniform rate for all Lots. Since Additional Properties subjected to this Declaration, like the Properties originally covered by this Declaration, may involve common areas that disproportionately benefit the Lots within the particular development phase in which they are located, the Board may create different classes of Owners for purposes of determining Assessments, based on the Board's determination of the benefits to be received by each such class from certain Common Properties. Except as provided above with respect to the Declarant, within any such class created by the Board the Assessments shall be uniform.

4.6 Date of Commencement of Assessments; Due Date. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following conveyance of the Common Properties to the Association and shall be payable in advance in monthly, quarterly or annual installments (as determined from time to time by the Board), on the first day of each such installment period. The first annual assessment shall be made for the balance of the calendar year in which it is levied. The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessments provided for in Section 4.3 as the remaining number of months in that year bear to twelve. The first annual assessment shall be due and payable in as many installments as there are installment payment dates remaining in the first year. The same pro rata reduction in the amount of the assessment shall apply to the first annual assessment levied against any Lot which is hereafter added to the Lots now subject to assessment at a time other than the beginning of any assessment period. The due date or dates, if it is to be paid in installments, of any special assessment under Section 4.4 or of any default assessment under Section 4.1, shall be fixed in the respective resolution authorizing such assessment. Notwithstanding anything contained to the contrary in this Section, it is hereby understood that the Board of Directors of the Association shall have the right to establish a payment date that is different from the payment date provided herein.

4.7 Duties of the Board with Respect to Assessments.

(a) The Board shall fix the date of commencement and the amount of the Assessment against each Lot for each Assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

(b) Written notice of the Assessment shall thereupon be delivered or mailed to every Owner subject thereto.

(c) The Board shall upon demand at any time furnish to any Owner liable for each Assessment a certificate in writing signed by an officer of the Association, setting forth whether such Assessment has been paid. Each such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificates.

4.8 Effect of Non-Payment of Assessment: Personal Obligation of the Owner; Lien and Remedies of Association.

(a) If any Assessment or any part thereof is not paid on the date(s) when due (being the dates specified by the Board pursuant to Section 4.7), then the unpaid amount of such Assessment shall become delinquent and shall, together with such interest thereon and the costs of collection thereof as hereinafter provided, be a continuing lien (the "Lien") on the Lot of the non-paying

Owner which shall bind such Lot in the hands of the then Owner, his heirs, executors, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such Assessment, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. Any assumption of the obligation to pay an Assessment by a successor in title shall not relieve the prior Owner of his personal obligation to pay such Assessment. The Lien for unpaid Assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the Assessments provided herein by non-use of the Common Properties or abandonment of his Lot.

(b) In furtherance of the Lien provided in Section 4.8(a), and to secure the full and timely payment of all Assessments and other amounts payable by each Owner hereunder, each Owner, by his acceptance of a deed or other conveyance of the Lot and regardless of whether or not such deed or other conveyance expressly contains such a provision, does hereby grant and convey unto Declarant, in trust as Trustee (the "Trustee"), for the benefit of the Association, the Lot owned by such Owner, subject to all easements and other encumbrances affecting such Lot; provided, that each such grant shall be subordinated to the lien of any mortgage or deed of trust only to the extent provided in Section 4.9; and for these purposes the provisions of this Section 4.8(b) shall be deemed to have created a deed of trust (the "Deed of Trust") covering all of the Lots with a power of sale granted to the Trustee in accordance with the provisions of Chapter 51 of the Texas Property Code (the "Code") and as it may be amended from time to time. The Deed of Trust created hereby shall be upon the same terms and conditions, and shall provide to the Association all of the rights, benefits and privileges, of the Deed of Trust promulgated by the State Bar of Texas for use by lawyers designated as Form No. 2402, and all amendments, modifications and substitutions thereof, which form is hereby incorporated by reference for all purposes hereof. The Association, acting through its president, shall have the right in its sole discretion at any time, and from time to time, to appoint in writing a substitute or successor trustee who shall succeed to all rights and responsibilities of the then acting Trustee.

(c) Without limitation of the remedies available to the Association and to the other Owners upon the occurrence of a default by any Owner in the payment of any Assessment or other amount due and payable hereunder, the Association may, at its election and by and through the Trustee, sell or offer for sale the Lot owned by the defaulting Owner to the highest bidder for cash at public auction in accordance with the provisions of the Code. The Association may, at its option, accomplish such foreclosure sale in such manner as permitted or required by the Code or by any other present or subsequent laws relating to the same. After the sale of any Lot in accordance with the provisions of this Section 4.8(c), the Owner of such Lot shall be divested of any and all interests and claims thereto, and the proceeds of any such sale shall be applied in the following order of priority: (i) to the payment of the costs and expenses of taking possession of the Lot, (ii) to the payment of reasonable Trustee's fees, (iii) to the payment of costs of advertisement and sale, (iv) to the payment of all unpaid Assessments and other amounts payable by such Owner to the Association hereunder, and (v) to the defaulting Owner or to any other party entitled thereto. The Association shall have the right to become the purchaser at the sale of any Lot

pursuant to the Deed of Trust and shall have the right to be credited on the amount of its bid therefor all of the Assessments due and owing by the defaulting Owner to the Association as of the date of such sale.

(d) If any Assessment or part thereof is not paid within thirty (30) days after the delinquency date, the unpaid amount of such Assessment shall bear interest from the date of delinquency at the maximum legal rate of interest, and the Association may, at its election, bring an action at law against the Owner personally obligated to pay the same in order to enforce payment and/or to foreclose the lien against the property subject thereto, and there shall be added to the amount of such Assessment the costs of preparing and filing the complaint (including reasonable attorneys' fees) in such action, and in the event a judgment is obtained such judgment shall include interest on the Assessment as above provided and a reasonable attorneys' fee to be fixed by the court, together with the costs of the action.

4.9 Subordination of the Lien to Mortgages. The lien securing the payment of the Assessments and other obligations provided for herein shall be superior to any and all other charges, liens or encumbrances which may hereafter in any manner arise or be imposed upon any Lot whether arising from or imposed by judgment or decree or by any agreement, contract, mortgage or other instrument, except for:

(a) bona fide first mortgage or deed of trust liens for purchase money and/or home improvement purposes placed upon a Lot, including without limitation Institutional Mortgages and Eligible Mortgages, in which event the Association's lien shall automatically become subordinate and inferior to such first lien,

(b) liens for taxes or other public charges as are by applicable law made superior to the Association's lien; and

(c) such other liens about which the Board may, in the exercise of its reasonable discretion, elect to voluntarily subordinate the Association's lien;

provided however, such subordination shall apply only to the Assessments which have been due and payable prior to the foreclosure sale (whether public or private) of such Lot pursuant to the terms and conditions of any such first mortgage or deed of trust or tax lien. Such sale shall not relieve such Lot from liability for the amount of any Assessment thereafter becoming due nor from the Lien of any such subsequent Assessment. Such subordination shall not apply where the first mortgage or deed of trust or tax lien is used as a device, scheme or artifice to evade the obligation to pay Assessments and/or to hinder the Association in performing its functions hereunder.

4.10 Exempt Property. The following property subject to this Declaration shall be exempted from the Assessments, charge and lien created herein:

(a) All properties dedicated to and accepted by the local public authority and devoted to public use.

(b) All Common Properties.

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

ARTICLE V

GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS OF THE ASSOCIATION

5.1 Powers and Duties.

(a) The Board, for the benefit of the Properties and the Owners, shall provide, and shall pay for out of the Maintenance Fund or other Assessments, to the extent appropriate, the following:

(i) Care, preservation and maintenance of the Common Properties, including without limitation, the purchase and upkeep of any desired personal property used in connection with the maintenance of the Common Properties; maintenance of grounds, including care and replacement of trees, shrubs and grass, lighting systems and any installed sprinkler systems on the Common Properties; the maintenance of all entry monuments; and payment of utility usage charges and taxes, assessments and other charges properly assessed against the Common Properties; PROVIDED, HOWEVER, in the event the need for maintenance or repair is caused through the willful or negligent act of any Owner, his family, or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the Assessment attributable to such Owner's Lot.

(ii) The services of a person or firm to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by the manager.

(iii) Legal and accounting services.

(iv) If deemed appropriate by the Board, a policy or policies of insurance insuring the Association and the Board against any liability to the public or to the Owners (and/or invitees, guests or tenants), incident to the operation of the Association, in an amount not less than \$1,000,000 combined single limit coverage; which policy or policies shall contain an endorsement providing that the rights of the named insureds shall not be prejudiced with respect to actions against other named insureds.

(v) Workers' compensation insurance to the extent necessary to comply with any applicable laws.

(vi) Such fidelity bonds as the Board may determine to be advisable.

(vii) Any other materials, supplies, insurance, furniture, labor, services, maintenance, repairs, taxes or assessments (including taxes or assessments assessed against an individual Owner) which the Board is required to obtain or pay for pursuant to the terms of this Declaration or by law or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of this Declaration.

(b) The Board shall have the following additional rights, powers and duties:

(i) To execute all replats of the Properties and to execute all declarations of ownership for tax assessment purposes with regard to the Common Properties on behalf of all Owners.

(ii) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit.

(iii) To enter into contracts, maintain one or more bank accounts (granting authority as the Board shall desire to one or more persons to sign checks), and, generally, to have all the powers necessary or incidental to the operation and manage of the Association.

(iv) To protect or defend the Common Properties from loss or damage by suit or otherwise, and to provide adequate reserves for replacements.

(v) To make reasonable rules and regulations for the maintenance and protection of the Common Properties, and to amend them from time to time, provided that any rule or regulation may be amended or repealed by an instrument in writing signed by a majority of the Members, or, with respect to a rule applicable to less than all of the Properties, by the Members owning Lots in the portions affected.

(vi) To make available to each Owner, upon written request within sixty days after the end of each year, an annual report.

(vii) To adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property, and if proceeds are insufficient to repair damage or replace lost property, to assess the Members in proportionate amounts to cover the deficiency.

(viii) To enforce the provisions of this Declaration and any rules made hereunder and to enjoin and seek damages from any Owner for violation of such provision or rules.

5.2 Board Powers, Exclusive. The Board shall have the exclusive right to contract for all goods, services, and insurance, payment for which is to be made from the Maintenance Fund or other Assessments and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

ARTICLE VI

EASEMENTS

6.1 Easement Reserved for the Association. Full rights of ingress and egress shall be had by the Association at all times over and upon each Lot and the Properties for the carrying out by the Association of its rights, functions, duties and obligations hereunder; provided, that any such entry by the Association upon any Lot shall be made with as minimum inconvenience to the Owner as practical, and any damage caused thereby shall be repaired by the Association at the expense of the Maintenance Fund.

6.2 Rights Reserved to Municipal Authorities and Utility Companies. Full rights of ingress and egress shall be had by Declarant and Arcadia, any municipal authority having jurisdiction over the Properties, and any utility company which provides utilities to the Properties, at all times over any dedicated easement for the installation, operation, maintenance, repair or removal of any utility, together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility. All claims for damages (other than those resulting from gross negligence or willful misconduct) arising out of the construction, maintenance and repair of utilities or on account of temporary or other inconvenience caused thereby against the Declarant, Arcadia, any utility company or municipality, or any of their respective agents or servants are hereby waived by each Owner and the Association.

6.3 Easements for Encroachment. There shall be reciprocal appurtenant easements for encroachment as between each Lot and such portion or portions of the Common Properties adjacent thereto or as between adjacent Lots due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than two (2) feet, as measured from any point

on the common boundary between each Lot and the adjacent portion of the Common Properties or as between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, Resident, tenant, or the Association.

ARTICLE VII

RIGHTS OF CERTAIN MORTGAGEES AND MORTGAGE INSURERS

The provisions within this Article are for the primary benefit of:

(a) the owners and holders of Institutional Mortgages which are required to satisfy the applicable requirements of FHA, VA, FNMA, FMLMC and other similar governmental, quasi-governmental and nationally recognized public and/or private sources of end financing (such mortgagees sometimes collectively referred to herein as "**Eligible Mortgagees**" and their mortgages referred to as "**Eligible Mortgages**"); and

(b) the insurers, guarantors, participants and subsidizers of the Eligible Mortgages, sometimes collectively referred to herein as the "**Eligible Insurers.**"

To the extent applicable, necessary or proper, the provisions of this Article VII apply not only to this Declaration but also to the Articles of Incorporation and By-Laws of the Association. This Article is supplemental to, and not in substitution of, any other provisions of this Declaration, the Articles of Incorporation and By-Laws, but in the event of ambiguity or conflict, this Article shall control.

7.1 Notices of Action. An Eligible Mortgagee or Eligible Insurer who provides written request to the Association (such request to state the name and address of such holder, insurer or guarantor and a reasonable description of the Dwelling Unit covered by the Eligible Mortgage) will be entitled to receive timely written notice of:

(a) any proposed termination of the Association;

(b) any condemnation loss or any casualty loss which affects a material portion of the Properties or which materially affects any Dwelling Unit on which there is an Eligible Mortgage held, insured or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;

(c) any delinquency in the payment of Assessments or charges owed by an Owner of a Dwelling Unit subject to the Eligible Mortgage of such Eligible Mortgagee or Eligible Insurer, where such delinquency has continued for a period of sixty (60) days;

(d) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; or

(e) any proposed action which would require the consent of the Eligible Mortgagees as required hereinbelow.

7.2 Inspection of Books. The Association shall have current copies of the Declaration, Articles of Incorporation, Bylaws, rules and regulations, books, records and financial statements available for inspection by Owners and by Eligible Mortgagees and Eligible Insurers during normal business hours or under other reasonable circumstances.

7.3 Financial Statements. The Association shall provide any Eligible Mortgagee or Eligible Insurer which submits a written request with a copy of an annual financial statement within ninety (90) days following the end of each fiscal year of the Association. Such financial statement shall be audited by an independent certified public accountant, at the expense of the Association, if any Eligible Mortgagee or Eligible Insurer submits a written request for it.

7.4 Enforcement. The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors and may be enforced by any of them by any available means, at law, or in equity.

7.5 Attendance at Meetings. Any authorized representative(s) of an Eligible Mortgagee or Eligible Insurer may attend and address any meeting of the Association which an Owner may attend.

ARTICLE VIII

PROTECTIVE COVENANTS

8.1 Residential Purpose Only. Each Lot and Dwelling Unit shall be used exclusively for single-family residential purposes only. No building or structure intended for or adapted to business purposes, and no apartment house, double house, lodging house, rooming house, hospital, sanatorium or doctor's office, or other multiple-family dwelling shall be erected, placed, permitted or maintained on any Lot, or on any part thereof. No improvement or structure whatever, other than a private Dwelling Unit, patio walls, swimming pool, and customary outbuildings, garage or guest house may be erected, placed or maintained on any Lot. All parking spaces shall be used exclusively for the parking of passenger automobiles, except as expressly permitted in Section 8.6.

8.2 Rubbish, Etc. No Lot shall be used in whole or in part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the

occupants of the surrounding property. No weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon the Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon.

8.3 Animals. No animals, reptiles, livestock, poultry or birds of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept in reasonable numbers, provided that they are not kept, bred or maintained for any commercial purpose. Horses, reptiles, ponies, goats, sheep, hogs, pigs, monkeys, chickens, ducks, peacocks, pigeons, and Guinea fowl shall not be deemed as household pets and are expressly prohibited. Notwithstanding the foregoing, however, no individual dogs or other animals deemed by the Board in its sole discretion to be dangerous to persons or other animals shall be raised, bred or kept on any Lot.

8.4 Development Activity. Notwithstanding any other provision herein, Declarant and its successors and assigns shall be entitled to conduct on the Properties all activities normally associated with and convenient to the development of the Properties and the construction and sale of Lots within the Properties.

8.5 Signs and Picketing. No sign or emblem of any kind may be kept or placed upon any Lot or mounted, painted or attached to any Dwelling Unit, fence or other improvement upon such Lot so as to be visible from public view except the following:

(a) For Sale Signs. An Owner may erect one (1) sign on his Lot, not exceeding 2' x 3' in area, fastened only to a stake in the ground and extending not more than three (3) feet above the surface of such Lot advertising the property for sale.

(b) Declarant's Signs. Declarant may erect and maintain a sign or signs deemed reasonable and necessary for the construction, development, operation, promotion and sale of the Lots.

(c) Builders' Signs. Any Dwelling Unit builder may utilize one professional sign (of not more than five (5) square feet in size) per Lot for advertising and sales promotion of such Dwelling Unit.

(d) Political Signs. Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, provided that such signs shall not be erected more than ninety (90) days in advance of the election to which they pertain and shall be removed within fifteen (15) days after such election.

8.6 Campers, Trucks, Boats and Recreational Vehicles. No campers, commercial vans, commercial pickup trucks, boats, boat trailers, recreational vehicles and other types of non-passenger vehicles, equipment, implements or accessories may be kept on any Lot unless the same

are fully enclosed within the garage located on such Lot and/or said vehicles and accessories are screened from view by a screening structure or fencing approved by the ACC (as provided in Article IX hereof), and such vehicles and accessories are in an operable condition. The ACC, as designated in this Declaration, shall have the absolute authority to determine from time to time whether a vehicle and/or accessory is operable and adequately screened from public view. Upon an adverse determination by said ACC, the vehicle and/or accessory shall be removed and/or otherwise brought into compliance with this paragraph. The provisions of this Section 8.6 shall not apply to construction vehicles and trailers parked on a Lot during the construction of the original Dwelling Unit on such Lot.

8.7 Commercial or Institutional Use. Without the prior written consent of the ACC, no Lot, and no building erected or maintained on any Lot, shall be used for manufacturing, industrial, business, commercial, institutional or other non-residential purposes.

8.8 Building Standards; Masonry Exteriors and Roof Pitch. No building shall be erected or maintained on any Lot unless it complies with all applicable governmental requirements, including any applicable building codes and ordinances. At least fifty percent (50%) of the surface area of all Dwelling Unit exterior elevations shall be constructed of brick, natural or cultured stone, or similar masonry product approved by the ACC. Architectural formed concrete treatments around windows and doorways shall constitute an approved "masonry product" for purposes of determining whether the fifty percent (50%) requirement in the preceding sentence has been satisfied. With the exception of roofs over dormers, bay windows and porches, the finished exterior roofs of all Dwelling Units shall have a minimum pitch of 6:12.

8.9 Detached Buildings. No detached accessory buildings, including, but not limited to, detached garages and storage buildings, shall be erected, placed or constructed upon any Lot without the prior consent of the ACC.

8.10 Fences. All Lots on which a Dwelling Unit is constructed must have rear and side yard fencing installed and maintained. No fence or wall of any kind shall be erected, maintained, or altered on any Lot without the prior written approval of the ACC of plans and specifications for such fences and walls. No fence shall be constructed in violation of any applicable ordinances, laws, rules, regulations, or the provisions of the Plat.

Fences and screening may also be used within a Lot to define private spaces or to attract or to divert attention to or from particular views. Certain objects which may be fenced or screened include: (1) free standing utility apparatus, e.g. transformers, switching equipment, etc.; (2) exterior, ground level machinery, e.g. heating and air conditioning equipment; (3) outside storage and service areas for equipment and supplies; and (4) refuse containers and related storage areas. Acceptable methods of screening are as follows: (i) Earth banks and berms which shall have a maximum slope of 2:1 and be covered with plant material as approved by the ACC; (ii) landscaping planting screens, hedges, etc.; (iii) masonry walls or other materials which would be compatible with the approved retaining walls; (iv) decorative iron as approved by the ACC; or (v)

fencing as approved by the ACC. All fence plans must be submitted to and approved by the ACC prior to construction.

General guidelines for fences shall include: (1) no woven metal or chain link fences will be allowed except as approved by the ACC as small area pet enclosure (i.e. dog run), such pet enclosures to be screened by privacy fencing from direct view from the street as well as other fencing and/or plant materials as may be required and approved by the ACC; (2) have wooden or steel poles or posts; (3) minimum six (6) feet and a maximum eight (8) feet above grade in height; (4) have slats at least $\frac{3}{4}$ inch thick and measuring between three and one-half (3 1/2) inches and six (6) inches wide, which are installed vertically only (not horizontally or diagonally); (5) be installed with the smooth surface side facing the street ("good-side-out") on side Lot lines of all corner Lots, such that no vertical fence posts or horizontal supports are visible from the street on the side of such corner Lots; and (6) other than with a neutral (clear) stain, shall not be painted or stained on any surface which is visible from the ground level of any street or adjoining Lot. Vinyl fencing shall not be permitted except as approved in advance by the ACC.

The provisions of this Section 8.10 shall not be applicable to the construction or erection of any fence, wall or hedge on the Common Properties.

8.11 Antennae, Satellite Dishes and Solar Collectors. No Owner may erect or maintain a television or radio receiving or transmitting antenna, satellite dish or similar implement or apparatus, or solar collector panels or equipment upon any Lot unless (a) such apparatus is erected and maintained in such a way that it is screened from public view at a point in the center of the public street right-of-way directly in front of the Dwelling Unit erected on such Lot, and (b) the Owner has received the prior written approval from the ACC to the size, location and screening of such apparatus.

8.12 Chimneys. All fireplace flues and smoke stacks (other than spark arrestors) shall be completely enclosed and concealed from public view in finished chimneys constructed of materials architecturally compatible with the principal finish material of the exterior walls of the Dwelling Unit or as otherwise approved in writing by the ACC.

8.13 Clothes Hanging Devices. Exterior clothes hanging devices shall not be permitted unless completely screened from public view.

8.14 Window Treatment. No aluminum foil, reflective film, signs or similar treatment shall be placed on windows or glass doors. Mini-blinds may be placed in window openings only if the color is white, tan or cream or otherwise has been approved in advance by the ACC.

8.15 Garages; Driveway Parking. No Dwelling Unit shall be constructed unless a garage is also constructed and maintained on that Lot large enough to accommodate at a minimum two (2) full size automobiles. Open carports are not permitted. In the Homestead Subdivision, garages with entrances directly facing the street shall be equipped with an electrical or mechanical garage

door opener/closer that can be opened and closed remotely from a device located in a vehicle outside the garage. All garages must have garage doors harmonious in quality and color with the exterior of the Dwelling Unit. In the case of Dwelling Units located in the Homestead Subdivision which have front entry garages, vehicles of the Owner or Resident and their respective families shall not be parked on a regular basis in the driveway providing access between the street and the garage. Vehicles continuously parked in the driveway for more than seven (7) days shall be deemed in violation of this covenant. In the case of Dwelling Units located outside the Homestead Subdivision, operational, licensed vehicles with current inspection stickers may be parked in driveways without restrictions as to duration.

8.16 Temporary Structures. No temporary structure of any kind shall be erected or placed upon any Lot. No trailer, mobile, modular or prefabricated home, tent, shack, barn or any other structure or building, other than the residential structure to be built thereon, shall be placed on any Lot, either temporarily or permanently, and no residence, house, garage or other structure appurtenant thereto, shall be moved upon any Lot from another location; except, however, that Declarant reserves the exclusive right to erect, place and maintain, and to permit homebuilders and Owners to erect, place and maintain such facilities in and upon the Properties as in its sole discretion may be deemed necessary or convenient during the period of and in connection with the sales of Lots, construction and selling of residential structures and constructing other improvements on the Properties. Such facilities may include, but not necessarily be limited to, a temporary office building, storage area, signs, portable toilet facilities and sales office. Declarant and builders of residential structures on Lots shall also have the temporary right to use a residence situated on an Lot as a temporary office or model home during the period of and in connection with construction and sales or leasing operations on the Properties, but in no event shall a homebuilder have such right for a period in excess of one (1) year from the date of substantial completion (as defined by the American Institute of Architects) of his last residential structure on the Properties.

8.17 Trash Receptacles and Collection. All trash receptacles shall be screened by fences or shrubbery so as not to be generally visible by the public, unless otherwise approved by the ACC in writing. Each and every Owner shall observe and comply with any and all regulations or requirements promulgated by the City of Fort Worth, Texas, and/or the Association, in connection with the storage and removal of trash and garbage. All Lots shall at all times be kept in a healthful, sanitary and attractive condition. No Lot shall be used or maintained as a dumping ground for garbage, trash, junk or other waste matter. All trash, garbage, or waste matter shall be kept in adequate containers which shall be constructed of metal, plastic or masonry materials, with tightly-fitting lids, and which shall be maintained in a clean and sanitary condition. No Lot shall be used for open storage of any materials whatsoever, except that new building materials used in the construction of improvements erected on any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without unreasonable delay, until completion of the improvements, after which these materials shall either be removed from the Lot, or stored in a suitable enclosure on the Lot. No garbage, trash, debris, or other waste matter of any kind shall be burned on any Lot.

8.18 Recreations Equipment: Swimming Pools and Spas. Recreational and playground equipment shall be placed or installed only upon the rear of a Lot as approved by the ACC. Basketball goals may be placed adjacent to the driveway if the backboards are installed behind the front building line and are constructed of a clear plexiglass as approved by the ACC. No above-ground swimming pools shall be allowed. Plans for proposed swimming pools, hot tubs, surrounding decks, fencing and screening must be submitted for approval before any clearing, grading or construction is commenced. All swimming pools and hot tubs must be fenced in accordance with the applicable City of Fort Worth Ordinance

8.19 Truck Weight Limit. Except for trucks parked on a Lot or the immediately adjacent public street during construction of the original Dwelling Unit on a Lot, trucks with tonnage in excess of one ton shall not be permitted to park overnight on the streets, driveways or otherwise within the Properties.

8.20 Utilities.

(a) Dwelling Units shall be connected to the water and sewer lines as soon as practicable after same are available at the Lot line. No privy, cesspool or septic tank shall be placed or maintained upon or in any Lot. The installation and use of any propane, butane, LP Gas or other gas tank, bottle or cylinder of any type, shall require the prior written approval of the ACC.

(b) All telephone, electric, cable or other service lines shall be installed underground and shall meet all requirements of the City of Fort Worth, Texas.

(c) A general utility plan for the construction and installation of all utility and other services, including, but not limited to, water, sanitary sewer, storm sewer, electric, telephone, cable and gas services must be submitted to the ACC for approval prior to installation.

8.21 Paint. All painted improvements and other painted structures on each Lot shall be repainted by the Owner thereof at his sole cost and expense as often as is reasonably necessary to ensure the attractiveness and aesthetic quality of such Lot or Dwelling Unit. The approval of the ACC otherwise required for improvements under Article IX, shall not be required for such repainting so long as neither the color scheme nor the arrangement of the colors of any improvements, nor the color of any paint thereon is altered.

8.22 Landscaping. No construction or alteration of any Dwelling Unit shall take place without the prior written approval by the ACC of plans and specifications for the landscaping to accompany the construction or alteration. A written plan of landscaping must be submitted to the ACC prior to installation of any materials and the plan shall include a drawing to show location and description of all "hardscape" items such as fences, walls, rocks and so forth. A typical landscape plan may be submitted to the ACC in lieu of an individual plan for each Lot. Owner shall be required to sod the front yard and all side yards which are visible from a street with a permanent, heat tolerant grass (i.e. Bermuda, St. Augustine, or other grass approved by the ACC). Ground cover composed of living material such as ivy or asiatic jasmine may be allowed if approved by the ACC. No tree having a diameter of three (3) inches or more (measured from a point two (2) feet above ground level) shall be removed from any Lot unless either the removal is in conformity with approved landscaping plans and specifications submitted pursuant to the provisions of Section 9.01 below or the tree obstructs the placement of a house or poses a threat to the integrity of the Dwelling Unit foundation. The landscape plan for all Lots in the Homestead Subdivision must (a) include the addition of at least two 2 inch minimum caliper red oak trees in the front yard, (b) comply with the other shrub, planting and landscaping requirements described on Exhibit "D" attached hereto and (c) for those Lots situated in the Homestead Subdivision which have a side yard abutting a residential street, include two additional 2 inch minimum caliper red oak trees in such side yard. The landscape plan for all Lots not situated in the Homestead Subdivision must (x) include the addition of at least one 3 inch minimum caliper red oak tree in the front yard, (b) comply with the other shrub, planting and landscaping requirements described on Exhibit "D" attached hereto and (c) if such Lots have a side yard abutting a residential street, include two 2 inch minimum caliper red oak trees in such side yard. All trees, shrubs, plantings and other landscaping features required by this Section 8.22 shall be maintained following installation so as to continually comply with this Section 8.22.

No "desert style" landscaping, rock covered yards, or other stone yard cover will be allowed.

Landscaping shall be completed in accordance with approved plans not later than sixty (60) days after: (1) final inspection by the City of Fort Worth, Texas building inspector and/or the Tarrant County building inspector as may be applicable, or (2) occupancy of a Dwelling Unit, whichever is earlier. In the case of existing homes, proposed changes and additions in landscaping must be submitted for approval by the ACC in the same detail as new construction. Once the plans have been approved by the ACC, a time frame for completion of the approved changes shall be agreed upon between the ACC and the Owner.

The homebuilder of a Dwelling Unit shall be responsible for providing and installing landscaping as required in this covenant as a part of its contract with the homebuyer. Notwithstanding the preceding sentence, should the homebuilder not complete the proper landscaping before the closing of the sale of the Dwelling Unit to the homebuyer, the Owner shall be responsible for completing landscaping according to this provision.

8.23 Erosion Control. No activity which may create erosion or siltation problems shall be undertaken on any Lot without the prior written approval of the ACC of plans and specifications for the prevention and control of erosion or siltation. The ACC may, as a condition of approval of the plans and specifications, require the use of certain means of preventing and controlling erosion or siltation. These means may include (by way of example and not of limitation) physical devices for controlling the run-off and drainage of water, special precautions in grading and otherwise changing the landscaping of a Lot. Guidelines for the prevention and control of erosion and siltation may be included in the Design Guidelines promulgated by the ACC.

8.24 Mailboxes. Mailboxes complying with the United States Postal Service requirements for size, type and location shall be grouped in pairs using cedar posts situated on alternating property lines between Lots.

8.25 Construction Work. Except in an emergency, or when other unusual circumstances exist as determined by the ACC, outside construction work or noisy interior construction work shall be permitted only after 7:00 A.M. and before 9:00 P.M.

ARTICLE IX

ARCHITECTURAL CONTROL

9.01 Architectural Control Committee. To control and preserve the architectural and aesthetic appearance of the Properties and anything contained in the foregoing Article VIII to the contrary notwithstanding, no erection of buildings or exterior additions or alterations to any building situated upon the Properties, nor erection of or changes to or additions in fences, major landscaping features, hedges, walls and other structures, nor construction of any swimming pools or other improvements, shall be commenced, erected and maintained until the following have occurred in order to assure compliance with the requirements of this Declaration and any design guidelines ("**Design Guidelines**") as may be published by the ACC from time to time: (1) a preliminary sketch showing basic plan and general specifications of same shall have been submitted and approved by an Architectural Control Committee (the "**ACC**") appointed by the Board, and (2) the final plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design, appearance, and location in relation to surrounding structures and topography by the ACC or by the Board. A copy of the approved plans and drawings shall be furnished by each Owner to the ACC and retained by the ACC. In the event the ACC or the Board fails to approve or disapprove such design and location within thirty (30) days after the said plans and specifications have been submitted to it, approval shall be deemed to have been granted by the ACC. The ACC may impose and collect a reasonable and appropriate fee to cover the cost of review of plans and of inspections performed pursuant to this Article IX. The fee shall be established from time to time by the ACC and published in the Design Guidelines. Commercial homebuilders with contracts to purchase multiple Lots from Declarant may make a single submission to the ACC containing plans and specifications (including descriptions of alternative

exterior materials and elevations) for the various models or types of Dwelling Units such homebuilder anticipates constructing (the "**Generic Plans**"). Once the Generic Plans are approved by the ACC in accordance with this Article IX, such homebuilder may construct a Dwelling Unit in accordance with the Generic Plans without obtaining further approval from the ACC; provided, such homebuilder must submit to the ACC for prior approval any material deviations from, or additions to, the plans, specifications, materials or elevations previously approved as part of the Generic Plans. Unless landscaping plans are submitted to the ACC as part of such homebuilder's Generic Plans, individual landscaping plans for each Dwelling Unit must be submitted to the ACC for approval in accordance with this Article IX.

9.02 Design Guidelines. The ACC is authorized and empowered to consider all aspects of dwelling construction, construction of other improvements and the location, quality and quantity of landscaping on the Lots, and may disapprove aspects thereof which may, in the reasonable opinion of the ACC, adversely affect the living enjoyment of one or more Owners or the general value of the Properties. Also, the ACC is permitted to consider technological advances in design and materials and such comparable or alternative techniques, methods or materials may or may not be permitted, in accordance with the reasonable opinion of the ACC. The ACC may, from time to time, publish and promulgate Design Guidelines which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration. The Design Guidelines shall supplement this Declaration and are incorporated herein by reference. The ACC shall have the authority to make final decisions in interpreting the general intent, effect and purpose of this Declaration. It is the intent of Declarant that this Declaration and any Design Guidelines issued by the ACC promote harmonious design throughout the Properties. However, approval of the plans and specifications by the ACC and compliance with the Design Guidelines does not insure compliance with the building code and other restrictions imposed by applicable governmental authorities.

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

9.04 Limitation on Liability. Neither Declarant, the Association, the ACC, nor the officers, directors, members, employees and agents of any of them, shall be liable in damages to anyone submitting plans, specifications or requests for variances to any of them for approval, or to any Owner by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans, specifications or variance request. Every person who submits any such items and every Owner agrees that he will not bring any action or suit against Declarant, the Association, the ACC, the Board, or the officers, directors, members, employees or agents of any of them, to recover any such damages and hereby releases and quitclaims all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given. Plans and specifications submitted are not approved for engineering or structural design or adequacy or materials, and by approving such plans and specifications neither the ACC, the members of the ACC, the Declarant nor the Association assumes liability or responsibility therefor, nor for any defect in any improvements constructed from such plans and specifications.

ARTICLE X

MAINTENANCE OF LOTS AND DWELLING UNITS BY OWNERS

10.1 Duty of Maintenance. The Owner of each Lot shall, at his sole cost and expense, keep his Lot and Dwelling Unit in a well-maintained, safe, clean and attractive condition at all times. Such maintenance includes, but is not limited to, the following:

- (a) Prompt removal of all litter, trash, refuse and waste;
- (b) Mowing grass on a regular basis;
- (c) Tree and shrub pruning;
- (d) Adequately watering landscaped areas;
- (e) Keeping exterior lighting and maintenance facilities in working order;
- (f) Keeping lawn, garden and landscaped areas alive, free of weeds, and attractive;
- (g) Keeping parking areas, driveways and roads in good repair;
- (h) Complying with all government health and police requirements;
- (i) Repair of exterior damages to improvements; and

- (j) Cleaning of abutting waterways and landscaped areas lying between public right-of-way lines and the Owner's Lot unless such streets, waterways or landscaped areas are expressly designated to be Common Properties maintained by applicable governmental authorities or the Association.

10.2 Enforcement. If, in the opinion of the Association, any Owner has failed in any of the foregoing duties or responsibilities, then the Association may give such Owner written notice of such failure and such Owner must within ten (10) days after receiving such notice, perform the care or make arrangements with the Association for making the repairs and maintenance required.

Should any such Owner fail to fulfill this duty and responsibility within such period, then the Association, through its authorized agent or agents, shall have the right and power to enter onto the premises and perform such care and maintenance without any liability for damages for wrongful entry, trespass or otherwise to any person. The Owner of any Lot on which such work is performed shall be liable for the cost of such work (such costs constituting a default assessment as specified in Section 4.1 hereof) and shall promptly reimburse the Association for such cost. If such Owner shall fail to reimburse the Association within thirty (30) days after receipt of a statement for such work from the Association, the said indebtedness shall be a debt of said Owner, and shall constitute a lien against the Lot on which said work was performed. Such lien shall have the same attributes as the lien for Assessments as set forth in this Declaration, and the Association shall have identical powers and rights in all respects, including but not limited to the right of foreclosure.

ARTICLE XI

GENERAL PROVISIONS

11.1 Power of Attorney. Each and every Owner and Member hereby makes, constitutes and appoints Declarant as his/her true and lawful attorney-in-fact, coupled with an interest and irrevocable, for him/her and in his/her name, place and stead and for his/her use and benefit, to do the following; PROVIDED, HOWEVER, to the extent this Declaration requires the consent or approval of a certain number of the Members as a condition to such action, such consent or approval has been obtained:

(a) to exercise, do or perform any act, right, power, duty or obligation whatsoever in connection with, arising out of, or relating to any matter whatsoever involving this Declaration and the Properties;

(b) to sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the terms within this Declaration, or any part hereof, with such clause(s), recital(s), covenant(s), agreement(s) and restriction(s) as Declarant shall deem necessary, proper and expedient under the circumstances and conditions as may be then existing; and

(c) to sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the subdivision plat(s) of the Properties, or any part thereof, with any easements and rights-of-way to be therein contained as the Declarant shall deem necessary, proper and expedient under the conditions as may then be existing.

The rights, powers and authority of said attorney-in-fact to exercise any and all of the rights and powers herein granted shall commence and be in full force upon recordation of this Declaration in the Tarrant County Clerk's Office and shall remain in full force and effect thereafter until all Lots owned by Declarant have been sold and conveyed by Declarant to Class A Members.

11.2 Duration. This Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for an original fifty (50) year term expiring on the fiftieth (50th) anniversary of the date of recordation of this Declaration, after which time this Declaration shall be automatically extended for successive periods of ten (10) years unless an instrument is signed by the Owners of at least fifty-one percent (51 %) of all Lots within the Properties and recorded in the Deed Records of Tarrant County, Texas, which contains and sets forth an agreement to abolish this Declaration; provided, however, no such agreement (where approved by less than seventy-five percent (75 %) of the Owners of all Lots within the Properties) to abolish shall be effective unless made and recorded one (1) year in advance of the effective date of such abolishment.

11.3 Amendments. This Declaration is expressly subject to change, modification and/or deletion by means of amendment at any time and from time to time as provided herein. This Declaration may be amended and/or changed in part as follows:

(a) In response to any governmental or quasi-governmental suggestion, guideline, checklist, requisite or requirement, particularly with respect to those entities or agencies directly or indirectly involved in, or having an impact on, mortgage financing, mortgage insurance and/or reinsurance, Declarant shall have the complete and unrestricted right and privilege to amend, change, revise, modify or delete portions of this Declaration, and each and every Owner and Member specifically and affirmatively authorizes and empowers Declarant, utilizing the attorney-in-fact status set forth in Section 11.1 above, to undertake, complete and consummate any and all such amendments, changes, revisions, modifications or deletions as Declarant (in their sole and absolute discretion) shall deem reasonable and appropriate.

(b) In accordance with Section 2.4 hereof.

(c) With the written consent of a Two-Thirds Members Vote By Class.

Any and all amendments shall be recorded in the Office of the County Clerk of Tarrant County, Texas.

11.4 Enforcement. Each Owner of each Lot shall be deemed, and held responsible and liable for the acts, conduct and omission of each and every Resident, Member, guest and invitee affiliated with such Lot, and such liability and responsibility of each Owner shall be joint and several with their Resident(s), Member(s), guests and invitees. The lien created hereby on each Lot shall extend to, cover and secure the proper payment and performance by each and every Resident, Member, guest and invitee affiliated with each Owner. Unless otherwise prohibited or modified by law, all parents shall be liable for any and all personal injuries and property damage proximately caused by the conduct of their children (under the age of 18 years) within the Properties to the same extent as if the parent was directly responsible for the action of their child.

Enforcement of this Declaration may be initiated by any proceeding at law or in equity against any person or persons violating or attempting to violate them, whether the relief sought is an injunction or recovery of damages, or both, or enforcement of any lien created by this Declaration, but failure by the Association or any Owner to enforce any Covenant herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association, each Owner and the City of Fort Worth, Texas are each specifically authorized (but not obligated) to enforce this Declaration. With respect to any litigation hereunder, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, from the non-prevailing party.

11.5 Validity. Violation of or failure to comply with this Declaration shall not affect the validity of any mortgage, bona fide lien or other similar security instrument which may then be existing on any Lot. Invalidation of any one or more of the provisions of this Declaration, or any portions thereof, by a judgment or court order shall not affect any of the other provisions or covenants herein contained, which shall remain in full force and effect. In the event any portion of this Declaration conflicts with mandatory provisions of any ordinance or regulation promulgated by the City of Fort Worth, Texas (including, without limitation, the Comprehensive Zoning Ordinance), then such municipal requirement shall control.

11.6 Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration. Words of any gender used herein shall be held and construed to include any other gender, and words in the singular shall be held to include the plural and vice versa, unless the context requires otherwise. Examples, illustrations, scenarios and hypothetical situations mentioned herein shall not constitute an exclusive, exhaustive or limiting list of what can or cannot be done.

11.7 Registration with the Association. Each and every Owner, Member and Resident shall have an affirmative duty and obligation to originally provide, and thereafter revise and update, within fifteen (15) days after a material change has occurred, the following information: (a) the full name and address of each Owner, Member and Resident, (b) the business address, occupation and telephone numbers of each Resident; (c) the description and license plate number of each automobile owned or used by a Resident and brought within the Properties; and (d) such other information as may be reasonably requested from time to time by the Association. In the event any Owner, Member or Resident fails, neglects or refuses to so provide, revise and update such information, then the Association may, but is not required to, use whatever means it deems

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reasonable and appropriate to obtain such information and the offending Owner, Member and Resident shall become automatically jointly and severally liable to promptly reimburse the Association for all reasonable costs and expenses incurred in so doing.

11.8 Notices to Resident/Member/Owner. Any notice required to be given to any Resident, Member or Owner under the provisions of this Declaration shall be deemed to have been properly delivered when (i) deposited in the United States Mail, postage prepaid, addressed to the last known address of the person who appears as the Resident, Member or Owner on the records of the Association at the time of such mailing, or (ii) delivered by hand or by messenger to the last known address of such person within the Properties.

11.9 Notices to Mortgagees. The holder(s) of a mortgage may be furnished with written notification from the Association of any default by the respective mortgagor/Member/Owner in the performance of such mortgagor's/Member's/Owner's obligation(s) as established by this Declaration, provided that the Association has been theretofore furnished, in writing, with the correct name and address of such mortgage holder(s) and a request to receive such notification and a reasonable supply of self-addressed, stamped envelopes.

11.10 Disputes. Matters of dispute or disagreement between Owners, Residents or Members with respect to interpretation or application of the provisions of this Declaration or the Association Bylaws, shall be determined by the Board. These determinations (absent arbitrary and capricious conduct or gross negligence) shall be final and binding upon all Owners, Residents and Members.

11.11 HUD/VA Approval. Notwithstanding anything to the contrary contained in this Declaration, as long as Declarant retains a disproportionate voting right as the Class B Member and any Eligible Mortgagee holds an Eligible Mortgage encumbering a Lot, the following actions shall require the prior approval of HUD or VA: (a) annexation of Additional Properties to become a portion of the Properties, (b) amendment of the Articles of Incorporation or By-Laws of the Association or amendment of this Declaration, (c) mortgaging or dedication of Common Properties, (d) merger or consolidation of the Association with another homeowners association, or (e) dissolution of the Association.

11.12 Indemnification and Hold Harmless. The Association shall indemnify every officer and director against any and all expenses, including counsel fees reasonably incurred by or imposed upon any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being, or having been, an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misconduct, fraud or bad faith. The officers and directors 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 shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for in this

Declaration shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund the indemnification obligations identified in this Section.

11.13. Insurance.

(a) At all times during the term of this Declaration, the Association, its successors and assigns, shall be required to keep all improvements located on the Common Properties fully insured by a reputable insurance company authorized to transact business in the State of Texas with (i) fire, vandalism, malicious mischief and extended coverage insurance in an amount adequate to cover the cost or replacement of such improvements in the event of loss of any and/or all of such improvements, fixtures and contents thereof; and (ii) public liability insurance in such amounts as shall be determined by the Board of Directors as appropriate for the Common Properties.

(b) Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board of its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty.

(c) Any damage or destruction shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least a Two-Thirds Member Vote agree otherwise. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then such 60-day period shall be extended until such information shall be made available; provided, however, such extension shall not exceed one hundred and twenty (120) days. No Eligible Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

(d) If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the Association's Members, levy a Special Assessment. Additional Assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited for the benefit of the Association.

(e) In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative

improvements are authorized, then in that event the property shall be restored to its natural state and maintained in an undeveloped, neat and attractive condition.

(f) The deductible for any casualty insurance policy carried by the Association shall, in the event of damage or destruction, be paid by the Association, subject to the Association's right to seek reimbursement from the persons who may be responsible for the damage or destruction of the Common Properties.

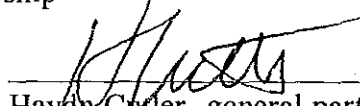
(g) In addition to the coverage described hereinabove, the Association shall obtain such additional amounts and types of insurance as may be required from time to time, by either the Veterans Administration or Federal Housing Administration, their successors and assigns, for similar type residential subdivision communities.

EXECUTED AND DELIVERED AS OF THE DATE FIRST ABOVE WRITTEN.

DECLARANT:

M & C DEVELOPMENT, LTD., a Texas limited partnership

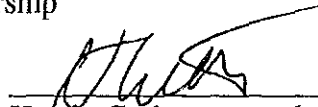
By:


Hayden Cutler, general partner

HAYCO:

HAYCO REALTY, LTD., a Texas limited partnership

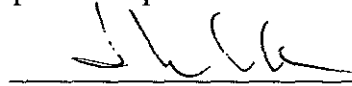
By:


Hayden Cutler, general partner

ARCADIA:

ARCADIA LAND PARTNERS 19, LTD., a Texas limited partnership

By:


its general partner

By:


President

THE STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on the 22 day of OCTOBER, 2003, by Haydn Cutler, General Partner of M & C DEVELOPMENT, LTD., a Texas limited partnership, on behalf of such limited partnership.

Rita A Singleton
Notary Public in and for the State of Texas

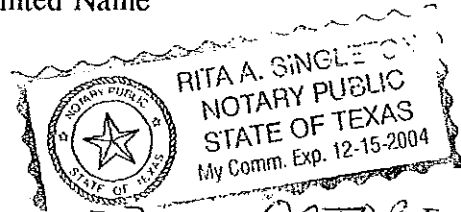
My Commission Expires:

12/15/04

RITA A SINGLETON
Printed Name

THE STATE OF TEXAS

COUNTY OF TARRANT



This instrument was acknowledged before me on the 22 day of OCTOBER, 2003, by Haydn Cutler, General Partner of HAYCO REALTY, LTD., a Texas limited partnership, on behalf of such limited partnership.

Rita A. Singleton
Notary Public in and for the State of Texas

My Commission Expires:

12/15/04

RITA A. SINGLETON
Printed Name

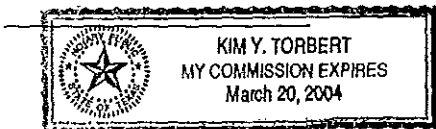
THE STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me on the 27th day of October, 2003, by John Hodge, the President of Arcadia Realty, Inc., the General Partner of ARCADIA LAND PARTNERS 19, LTD., a Texas limited partnership, on behalf of such limited partnership.

Kim Y. Torbert
Notary Public in and for the State of Texas

My Commission Expires:



KIM Y. TORBERT
Printed Name

EXHIBIT "A"

Legal Description of the Properties

[WILL INCLUDE ARCADIA PROPERTY AND PHASE 1 DEVELOPMENT]

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EXHIBIT 'A'

OWNER'S CERTIFICATE

STATE OF TEXAS
COUNTY OF TARRANT

WHEREAS ARCADIA REALTY CORP., is the owner of a tract of land situated in the J. Bowman Survey, Abstract No. 29 and the William Doshier Survey, Abstract No. 417, City of Fort Worth, Tarrant County, Texas, being that same tract of land as described in deed to Arcadia Realty Corp., recorded in Volume 15994, Page 493 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

BEGINNING at a "PK" nail found in the called centerline of Ten Mile Bridge Road (County Road No. 4030, R.O.W. Varies) at the most westerly corner of the final plat of Marine Creek Ranch, an addition to the City of Fort Worth, Tarrant County, Texas as recorded in Cabinet A, Slide of the Plat Records of Tarrant County, Texas and the most southerly corner of said Arcadia Realty Corp. tract;

THENCE N 62°27'18" W, along the called centerline of said Ten Mile Bridge Road and the southwesterly line of said Arcadia Realty Corp. tract, at a distance of 136.56 feet passing a 5/8" rebar found, said point being 0.4 feet to the northeast of line, continuing a total distance of 150.00 feet to a "PK" nail with a shiner found in the westerly line of Bowman-Roberts Road (R.O.W. varies);

THENCE N 32°42'30" W, along the southwesterly line of said Bowman-Roberts Road and said Arcadia Realty Corp. tract, at a distance of 37.09 feet passing a boat spike found, said point being 0.2 feet to the southwest of line, at distance of 461.55 feet passing a 1/2" rebar found, said point 1.0 feet to the southwest of line, at a distance of 487.17 feet passing a boat spike found, said point being 1.0 feet to the southwest of line, continuing a total distance of 1258.31 feet to an angle point in the westerly line of said Bowman-Roberts Road and said Arcadia Realty Corp. tract, from which a 1/2" rebar capped found bears S 73°40'47" W, 7.67 feet;

THENCE N 00°49'21" E, along the westerly line of said Bowman-Roberts Road and said Arcadia Realty Corp. tract, a distance of 671.55 feet to a 3/4" rebar with a red plastic cap stamped "RUSS & PAPE" found at the northwest corner of said Arcadia Realty Corp. tract, from which a "PK" nail found bears N 00°49'21" E, 4133.07 feet (Call 4133.25 feet);

THENCE S 89°52'22" E, departing the westerly line of said Bowman-Roberts Road, a distance of 40.09 feet to the northwest corner of a 75 foot strip of land as set out to Texas Electric Service Company (TESCO), recorded in Volume 2200, Page 309, DR1CT;

THENCE S 00°46'35" W, along the west line of said TESCO tract, a distance of 75.00 feet to a concrete monument found at the southwest corner of said TESCO tract;

THENCE S 89°52'22" E, along the south line of said TESCO tract, a distance of 1705.00 feet to a 3/4" rebar with a red plastic cap stamped "RUSS & PAPE" found at the northeast corner of said Arcadia Realty Corp. tract;

THENCE departing south line of said TESCO tract, along the east and southeasterly lines of said Arcadia Realty Corp. tract, as follows:

S 00°07'38" W, a distance of 213.36 feet to a 3/4" rebar with a red plastic cap stamped "RUSS & PAPE" found the point of curvature of a circular curve to the left, having a radius of 1196.00 feet;

Southeasterly, along said circular curve to the left, having a central angle of 35°48'11", an arc distance of 747.36 feet and a chord that bears S 17°46'27" E, 735.26 feet to a 3/4" rebar with a red plastic cap stamped "RUSS & PAPE" found in the northwesterly line of said Marine Creek Ranch addition;

THENCE along the northwesterly lines of said Marine Creek Ranch addition, as follows:

S 54°19'28" W, radial to said curve, a distance of 30.00 feet to a 3/4" rebar with a red plastic cap stamped "RUSS & PAPE" found;

S 40°34'34" W, a distance of 137.02 feet to a 5/8" rebar with a red plastic cap stamped "RUSS & PAPE" found;

S 27°32'42" W, a distance of 260.01 feet to a 5/8" rebar with a red plastic cap stamped "RUSS & PAPE" found;

N 62°27'18" W, a distance of 35.00 feet to a 5/8" rebar with a red plastic cap stamped "RUSS & PAPE" found;

S 27°32'42" W, a distance of 170.00 feet to a 5/8" rebar with a red plastic cap stamped "RUSS & PAPE" found;

N 62°27'18" W, a distance of 580.00 feet to a 5/8" rebar with a red plastic cap stamped "RUSS & PAPE" found;

S 27°32'42" W, a distance of 664.09 feet to the POINT OF BEGINNING and containing 53.186 acres of land.

EXHIBIT "A"

METES AND BOUNDS DESCRIPTION OF
A 92.648-ACRE TRACT OF LAND
SITUATED IN THE J. BOWMAN SURVEY, A-79,
THE WM. DOSHIER SURVEY, A-417,
THE A. ALBRIGHT SURVEY, A-1849,
AND THE B. B. B. & C. RR CO. SURVEY, A-201
TARRANT COUNTY, Texas

BEING A 92.648-ACRE TRACT OF LAND SITUATED IN THE J. BOWMAN SURVEY, ABSTRACT NO. 79, THE WM. DOSHIER SURVEY, ABSTRACT NO. 417, THE A. ALBRIGHT SURVEY, ABSTRACT NO. 1849, AND THE B. B. B. & C. RR CO. SURVEY, ABSTRACT NO. 201, TARRANT COUNTY, TEXAS AND BEING OUT OF THAT CALLED 964.473-ACRE TRACT DESCRIBED IN DEED TO HAYCO REALTY, LTD. RECORDED IN VOLUME 14192, PAGE 644, COUNTY RECORDS, TARRANT COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCEING at a PK Nail found at the called northwest corner of the J. Bowman Survey, Abstract 79, said point being in the westerly line of Bowman-Roberts Road (County Road No. 4123) and in the Cromwell-Marine Road (County Road No. 4124) and also being the northwest corner of said 964.473-acre Hayco tract;

THENCE South $0^{\circ} 49' 21''$ West, along the westerly line of said Bowman-Roberts Road and said 964.473-acre Hayco tract, a distance of 4133.25 feet to a point at the intersection of said westerly line and the extended northerly line of a 75-foot strip described in deed to Texas Electric Service Company recorded in volume 2200, page 309, Deed Records, Tarrant County, Texas;

THENCE continuing South $0^{\circ} 49' 21''$ West, along the westerly line of said Bowman-Roberts Road and said 964.473-acre Hayco tract, a distance of 671.54 feet to a point (called 1/2-inch iron rod not found);

THENCE South $32^{\circ} 42' 30''$ East, continuing along the westerly line of Bowman-Roberts Road and said 964.473-acre Hayco tract, a distance of 1258.31 feet to a PK Nail found in the centerline of Ten Mile Bridge Road (County Road 4030), from which a boat spike found bears N $33^{\circ} 04' W$, 37.08 feet and a 5/8-inch iron rod bears S $63^{\circ} 59' E$, 13.48';

THENCE South 62° 27' 18" East, along said centerline and the southwesterly line of said 964.473-acre Hayco tract, a distance of 150.00 feet to a point for the PLACE OF BEGINNING;

- (1) THENCE North 27° 32' 42" East, a distance of 664.09 feet to a point;
- (2) THENCE South 62° 27' 18" East, a distance of 580.00 feet to a point;
- (3) THENCE North 27° 32' 42" East, a distance of 170.00 feet to a point;
- (4) THENCE South 62° 27' 18" East, a distance of 35.00 feet to a point;
- (5) THENCE North 27° 32' 42" East, a distance of 260.01 feet to a point;
- (6) THENCE North 40° 34' 34" East, a distance of 137.02 feet to a point;
- (7) THENCE North 54° 19' 28" East, a distance of 130.00 feet to a point;
- (8) THENCE along a curve to the left having a central angle of 18° 25' 01", an arc distance of 352.29 feet, a radius of 1096.00 feet, and a chord of South 44° 53' 03" East, a distance of 350.78 feet to a point;
- (9) THENCE North 35° 54' 27" East, a distance of 241.15 feet to a point;
- (10) THENCE North 46° 21' 14" East, a distance of 436.22 feet to a point;
- (11) THENCE North 27° 35' 09" East, a distance of 142.60 feet to a point;
- (12) THENCE North 52° 44' 08" West, a distance of 61.56 feet to a point;
- (13) THENCE North 37° 15' 52" East, crossing at 190.78 feet into a Flood Easement (Second Tract) described in conveyance to Tarrant County Water Control and Improvement District Number One recorded in volume 2993, at page 101, Deed Records, Tarrant County, Texas, for a total distance of 220.93 feet to a point, from which a boat spike found for angle point in said Flood Easement bears N 72°39'35" W, 122.66 feet;
- (14) THENCE South 42° 59' 36" East, a distance of 81.17 feet to a point;
- (15) THENCE South 56° 31' 45" East, a distance of 77.66 feet to a point;
- (16) THENCE South 67° 41' 48" East, a distance of 152.57 feet to a point;
- (17) THENCE South 58° 30' 08" East, parallel with and 30 feet perpendicularly into said Flood Easement, a distance of 334.73 feet to a point, from which a boat spike found for angle point in said Flood Easement bears S 37°17'29" W, 30.15 feet;

- (18) THENCE South $46^{\circ} 54' 54''$ East, parallel with and 30 feet perpendicularly into said Flood Easement, a distance of 267.06 feet to a point, from which a boat spike found for angle point in said Flood Easement bears S $48^{\circ} 51' 06''$ W 30.15 feet;
- (19) THENCE South $35^{\circ} 22' 55''$ East, parallel with and 30 feet perpendicularly into said Flood Easement, a distance of 444.67 feet to a point, from which a boat spike found for angle point in said Flood Easement bears S $63^{\circ} 08' 07''$ W, 30.34 feet;
- (20) THENCE South $18^{\circ} 20' 50''$ East, parallel with and 30 feet perpendicularly into said Flood Easement, a distance of 231.02 feet to a point, from which a boat spike found for angle point in said Flood Easement bears S $89^{\circ} 10' 43''$ W, 31.46 feet;
- (21) THENCE South $16^{\circ} 42' 16''$ West, parallel with and 30 feet perpendicularly into said Flood Easement, a distance of 213.41 feet to a point, from which a boat spike found for angle point in said Flood Easement bears N $50^{\circ} 03' 04''$ W, 32.65 feet;
- (22) THENCE South $63^{\circ} 11' 35''$ West, parallel with and 30 feet perpendicularly into said Flood Easement, a distance of 482.84 feet to a point, from which a boat spike found for angle point in said Flood Easement bears N $69^{\circ} 59' 47''$ W, 41.15 feet;
- (23) THENCE South $53^{\circ} 34' 10''$ West, crossing at 6.25 feet out of said Flood Easement, for a total distance of 78.12 feet to a point;
- (24) THENCE along a curve to the right having a central angle of $08^{\circ} 14' 46''$, an arc distance of 162.06 feet, a radius of 1126.00 feet, and a chord of South $32^{\circ} 18' 27''$ East, a distance of 161.92 feet to a point;
- (25) THENCE North $61^{\circ} 48' 56''$ East, crossing at 174.14 into said Flood Easement, for a total distance of 211.30 feet to a point;
- (26) THENCE South $62^{\circ} 07' 52''$ East, parallel with and 30 feet perpendicularly into said Flood Easement, a distance of 482.91 feet to a point, from which a boat spike found for angle point in said Flood Easement bears S $66^{\circ} 38' 06''$ W, 38.48 feet;
- (27) THENCE South $15^{\circ} 24' 04''$ West, parallel with and 30 feet perpendicularly into said Flood Easement, a distance of 225.11 feet to a point;
- (28) THENCE West, a distance of 466.25 feet to a point;
- (29) THENCE along a curve to the right having a central angle of $37^{\circ} 28' 04''$, an arc distance of 716.71 feet, a radius of 1096.00 feet, and a chord of South $08^{\circ} 48' 40''$ West, a distance of 704.01 feet to a point;

- (30) THENCE South 27° 32' 42" West, a distance of 97.10 feet to a point in the centerline of said Ten Mile Bridge Road and the southwesterly line of said 964.473-acre Hayco tract;
- (31) THENCE North 62° 27' 18" West, with said centerline and southwesterly line, a distance of 100.00 feet to a point;
- (32) THENCE North 27° 32' 42" East, a distance of 97.10 feet to a point;
- (33) THENCE along a curve to the left having a central angle of 16° 12' 05", an arc distance of 281.64 feet, a radius of 996.00 feet, and a chord of North 19° 26' 40" East, a distance of 280.70 feet to a point;
- (34) THENCE North 62° 27' 18" West, a distance of 464.12 feet to a point;
- (35) THENCE North 30° 31' 20" West, a distance of 87.20 feet to a point;
- (36) THENCE North 2° 56' 14" West, a distance of 138.79 feet to a point;
- (37) THENCE along a curve to the right having a central angle of 13° 49' 44", an arc distance of 73.62 feet, a radius of 305.00 feet, and a chord of North 56° 33' 49" West, a distance of 73.44 feet to a point;
- 8) THENCE North 49° 38' 57" West, a distance of 73.07 feet to a point;
- (39) THENCE along a curve to the left having a central angle of 46° 08' 21", an arc distance of 201.32 feet, a radius of 250.00 feet, and a chord of North 72° 43' 07" West, a distance of 195.92 feet to a point;
- (40) THENCE South 84° 12' 42" West, a distance of 355.22 feet to a point;
- (41) THENCE South 5° 47' 18" East, a distance of 120.00 feet to a point;
- (42) THENCE South 84° 12' 42" West, a distance of 316.82 feet to a point;
- (43) THENCE South 27° 32' 42" West, a distance of 60.00 feet to a point in the centerline of said Ten Mile Bridge Road and the southwesterly line of said 964.473-acre Hayco tract;
- (44) THENCE North 62° 27' 18" West, with said centerline and southwesterly line, a distance of 1395.81 feet to the PLACE OF BEGINNING and containing 3,859,766 square feet or 92.648 acres.

Marine Creek Sec 1; 92.648 acres

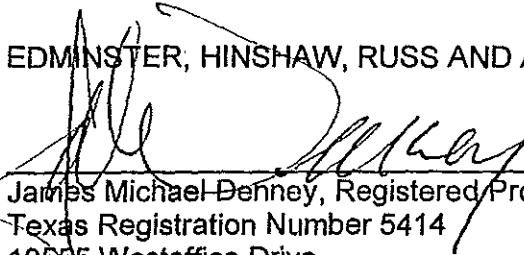
December 17, 2002

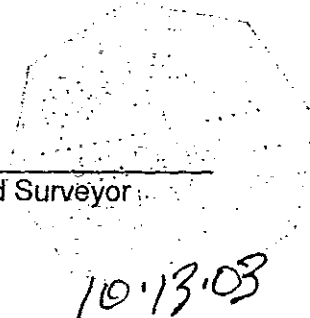
Page 5 of 5

Notes:

1. Bearings are based on the north line of the called 964.473-acre tract described in deed to Hayco Realty, Ltd. recorded in Volume 14192, page 644, County Records, Tarrant County, Texas.

EDMINSTER, HINSHAW, RUSS AND ASSOCIATES


James Michael Denney, Registered Professional Land Surveyor
Texas Registration Number 5414
10585 Westoffice Drive
Houston, Texas 77042
(713) 977-2575



Date: December 17, 2002
Revised: October 13, 2003 to correct acreage
Job No: 022-002-01
File No: descript/2002/022-002-01/MCSec1-Plat.doc

EXHIBIT "B"

Legal Description of the Common Properties

**[WILL INCLUDE AMENITIES CENTER AND ANY OTHER COMMON AREAS
SHOWN ON THE PLAT]**

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EXHIBIT "B"

STATE OF TEXAS §

AMENITY CENTER

COUNTY OF TARRANT §

WHEREAS, M & C Development, Ltd., acting by and through the undersigned, its duly authorized agent, is the sole owner of a tract of land located in the B.B.B. & C. R.R. Co. Survey, Abstract no. 201, A. Albright Survey, Abstract no. 1849, situated in the City of Fort Worth, in the northwest part of Tarrant County, and being more particularly described as follows:

BEING A 11.566-ACRE TRACT OF LAND SITUATED IN THE B. B. B. & C. RR. CO. SURVEY, ABSTRACT NO. 201, AND THE A. ALBRIGHT SURVEY, ABSTRACT NO. 1849, TARRANT COUNTY, TEXAS, BEING THE RESIDUE OF THAT CALLED 104.21-ACRE TRACT DESCRIBED IN DEED TO M & C DEVELOPMENT, LTD., RECORDED UNDER TARRANT COUNTY CLERK'S FILE (T.C.C.F.) NO. D202130793, COUNTY RECORDS OF TARRANT COUNTY, TEXAS [VOL. 15671, PG. 0013, DEED RECORDS TARRANT COUNTY TEXAS (D.R.T.C.T.)], SAID 11.566-ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, (BEARINGS BASED ON THE NORTH LINE OF THAT CALLED 964.473-ACRE TRACT DESCRIBED IN DEED TO HAYCO REALTY, LTD., RECORDED IN VOL. 14192, PG. 644, D.R.T.C.T.):

COMMENCING at a PK Nail set in the centerline of Ten Mile Bridge Road (centerline of a 60-foot road referenced in Deed recorded in Bk. 200, Pg. 61, D.R.T.C.T.) at the easterly right-of-way line of Huffines Boulevard depicted on the plat of MARINE CREEK ESTATES, recorded in Cab. A, Slide 6807, Plat Records of Tarrant County, Texas (P.R.T.C.T.) and being a corner of said 104.21-acre M & C tract;

THENCE North 27°32'42" East a distance of 97.10 feet to a 5/8-inch capped iron rod set at a point of curvature;

THENCE Northeasterly, on a curve to the left having a radius of 1096.00 feet, a central angle of 16°10'42", an arc length of 309.47 feet, and a chord bearing and distance of N 19°27'21" E, 308.45 feet to the POINT OF BEGINNING;

(1) THENCE Northerly, continuing on a curve to the left having a radius of 1096.00 feet, a central angle of 21°17'22", an arc length of 407.24 feet, and a chord bearing and distance of N 00°43'19" E, 404.90 feet to a point on the south line of proposed Block 1, MARINE CREEK RANCH ESTATES (Case No. FP 03-008);

(2) THENCE Due East, along said south line, a distance of 466.25 feet to a 3/4-inch capped iron rod set for angle point in the boundary of said 104.21-acre M & C tract and being the southeast corner of said proposed Block 1;

(3) THENCE continuing Due East a distance of 343.75 feet to a 3/4-inch capped iron rod set for an angle point in said 104.21-acre M & C tract;

(4) THENCE North 55°01'18" East a distance of 460.17 feet to a concrete monument found for corner of Marine Creek Lake (First Tract), described in deed to Tarrant County Water Control & Improvement District No. 1, recorded in Vol. 2993, Pg. 101, D.R.T.C.T.;

(5) THENCE South 11°31'26" East, along said Marine Creek Lake (First Tract), a distance of 626.43 feet to a point for corner in the boundary of said 104.21-acre M & C tract;

(6) THENCE Due West a distance of 1151.12 feet to a 5/8-inch capped iron rod set for corner (passing at 20.00 feet a 3/4-inch capped iron rod set as reference for the previous corner);

(7) THENCE South 71°43'38" West a distance of 175.00 feet to the POINT OF BEGINNING and containing 11.566 acres of land.

EXHIBIT "C"

Legal Description of Other Property Which May Become Properties
By Supplemental Declaration

**[WILL INCLUDE THE REMAINDER OF THE 965 ACRES CURRENTLY OWNED BY
HAYCO REALTY, LTD., EXCLUDING THE TWO SCHOOL SITES ~~AND THE~~
~~EXISTING SITES]~~**

EXHIBIT ^{"C"} C

Legal Description of Tract of approximately 964.473 acres

Tract of land out of the J. Bowerman Survey, Abstract 79, A. Albright Survey, Abstract 1849, B.B.B. and C.R.R. Survey, Abstract 201, I & G.N.R.R. Survey, Abstract 835, L.H. Brown Survey, Abstract

213, William Doshier Survey, Abstract 417, Tarrant County, Texas.

See Attached.

SAVE AND EXCEPT THE 11.205 AC.
AND 10.026 AC SCHOOL SITES ATTACHED
HERETO

EXHIBIT A

LEGAL DESCRIPTION 964.473 AC. TRACT

BEING A TRACT OF LAND SITUATED IN THE J. BOWMAN SURVEY, ABSTRACT NO. 78, THE A. ALBRIGHT SURVEY, ABSTRACT NO. 1849, THE B. B. B. & C. RAILROAD COMPANY SURVEY, ABSTRACT NO. 291, THE I. G. M. RAILROAD COMPANY SURVEY, ABSTRACT NO. 838, THE L. H. BROWN SURVEY, ABSTRACT NO. 213 AND THE WILLIAM DOSHIER SURVEY, ABSTRACT NO. 417 ALL IN TARRANT COUNTY TEXAS AND BEING A PORTION OF THAT TRACT NO. 1 AS DESCRIBED BY DEED TO MARINE CREEK RANCH JOINT VENTURE AND RECORDED IN VOLUME 9035, PAGE 298, COUNTY RECORDS, TARRANT COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A P.K. NAIL FOUND AT THE NORTHWEST CORNER OF SAID BOWMAN SURVEY, SAID POINT BEING IN THE WESTERLY LINE OF BOWMAN-ROBERTS ROAD (COUNTY ROAD NO. 4123) AND IN THE CROWELL-MARINE CREEK ROAD (COUNTY ROAD NO. 4124) AND ALSO BEING THE NORTHWEST CORNER OF SAID MARINE CREEK RANCH JOINT VENTURE TRACT,

THENCE S 89° 50' 22" E, 9598.35 FEET ALONG SAID CROWELL-MARINE CREEK ROAD AND THE NORTHERLY LINE OF SAID BOWMAN SURVEY AND ALSO THE NORTHERLY LINE OF SAID MARINE CREEK TRACT TO A P.K. NAIL FOUND;

THENCE S 00° 11' 33" W, 148.82 FEET TO A POINT;

THENCE S 83° 01' 27" E, 268.00 FEET TO A POINT;

THENCE S 17° 24' 27" E, 255.44 FEET TO A POINT;

THENCE S 37° 20' 18" E, 437.85 FEET TO A POINT;

THENCE S 27° 07' 27" E, 246.00 FEET TO A POINT;

THENCE S 4° 04' 48" E, 735.91 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "CARTER & BURGESS" FOUND;

THENCE S 41° 47' 55" E, 430.08 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "CARTER & BURGESS" FOUND;

THENCE S 88° 37' 52" E, 246.96 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "CARTER & BURGESS" FOUND;

THENCE S 31° 03' 50" W, 480.03 FEET TO A POINT IN THE SOUTHERLY LINE OF AN EASEMENT TO EMERSON COMPANY RECORDED IN VOLUME 7094, PAGE 308, SAID COUNTY RECORDS, FROM WHICH A 1/2 INCH IRON ROD FOUND BEARS S 12° 45' 01" W, 0.38 FEET. SAID POINT ALSO BEING ON THE BOUNDARY LINE OF THE AFOREMENTIONED TRACT NO. 1, MARINE CREEK RANCH J.V.;

THENCE ALONG THE BOUNDARY LINE OF SAID TRACT NO. 1, THE FOLLOWING BEARINGS AND DISTANCES:

N 78° 36' 03" W, 888.60 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "CARTER & BURGESS" FOUND;

S 11° 23' 57" N, 43.60 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "CARTER & BURGESS" FOUND;

N 76° 36' 03" W, 258.46 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "CARTER & BURGESS" FOUND;

S 28° 33' 30" E, 804.72 FEET TO A POINT;

S 16° 13' 15" E, 44.04 FEET TO A POINT;

S 44° 14' 18" W, 55.71 FEET TO A POINT;

S 54° 28' 40" N, 101.59 FEET TO A POINT;

S 48° 03' 43" W, 73.44 FEET TO A POINT;

S 12° 20' 41" N, 54.60 FEET TO A POINT;

S 01° 02' 37" N, 26.75 FEET TO A POINT;

S 08° 18' 24" E, 55.12 FEET TO A POINT;

S 19° 58' 08" E, 85.02 FEET TO A POINT;

S 29° 19' 47" E, 349.00 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "CARTER & BURGESS" FOUND;

S 16° 12' 18" W, 246.07 FEET TO A 5/8 INCH IRON ROD WITH CAP STAMPED "CARTER & BURGESS" SET IN THE NORTHERLY LINE OF TEXAS ELECTRIC SERVICE COMPANY TRACT AS RECORDED IN VOLUME 2708, PAGE 388, SAID COUNTY RECORDS;

N 69° 52' 22" W, 8818.83 FEET ALONG SAID NORTHERLY LINE TO A TESCO, MONUMENT FOUND, THE NORTHWEST CORNER OF SAID TESCO TRACT IN THE EASTERLY LINE OF BOWMAN-ROBERTS ROAD;

S 00° 46' 38" N, 75.00 FEET ALONG SAID EASTERLY LINE TO A TESCO, MONUMENT FOUND, ITS SOUTHWEST CORNER;

S 89° 52' 22" E, 8898.69 FEET ALONG THE SOUTHERLY LINE OF SAID TESCO TRACT TO A 5/8 INCH IRON ROD WITH CAP STAMPED "CARTER & BURGESS" FOUND;

S 16° 12' 18" N, 168.28 FEET TO A CONCRETE MONUMENT FOUND;

S 34° 52' 01" N, 409.62 FEET TO A CONCRETE MONUMENT FOUND;

S 21° 25' 27" N, 988.78 FEET TO A CONCRETE MONUMENT FOUND;

S 30° 31' 24" W, 341.84 FEET TO A CONCRETE MONUMENT FOUND;

S 12° 49' 32" N, 633.27 FEET TO A POINT;

S 01° 54' 32" N, 676.92 FEET TO A POINT;

S 86° 12' 12" N, 154.58 FEET TO A CONCRETE MONUMENT FOUND;

N 47° 37' 24" W, 279.74 FEET TO A CONCRETE MONUMENT FOUND;

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N 20° 57' 17" W, 490.37 FEET TO A CONCRETE MONUMENT FOUND;
N 52° 16' 20" W, 265.63 FEET TO A CONCRETE MONUMENT FOUND;
N 23° 21' 44" W, 328.37 FEET TO A CONCRETE MONUMENT FOUND;
N 12° 47' 22" W, 158.51 FEET TO A CONCRETE MONUMENT FOUND;
N 73° 13' 02" W, 301.89 FEET TO A CONCRETE MONUMENT FOUND;
S 42° 17' 23" E, 208.30 FEET TO A CONCRETE MONUMENT FOUND;
S 10° 41' 33" E, 317.63 FEET TO A CONCRETE MONUMENT FOUND;
S 05° 58' 31" W, 306.45 FEET TO A POINT,
S 70° 18' 34" E, 326.71 FEET TO A POINT,
S 11° 31' 26" E, 726.31 FEET TO A CONCRETE MONUMENT FOUND;
S 00° 45' 16" W, 288.81 FEET TO A CONCRETE MONUMENT FOUND;
S 80° 30' 07" E, 150.88 FEET TO A CONCRETE MONUMENT FOUND;
S 40° 01' 11" E, 358.47 FEET TO A CONCRETE MONUMENT FOUND;
S 32° 07' 34" E, 480.37 FEET TO A POINT,
S 24° 48' 04" E, 239.10 FEET TO A POINT, THE NORTHEAST CORNER OF A 2 ACRE TRACT CONVEYED TO TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. ONE, TRACT 3 AS RECORDED IN VOLUME 2993, PAGE 101, SAID COUNTY RECORDS,
N 81° 56' 57" W, 636.32 FEET ALONG THE NORTHERLY LINE OF SAID 2 ACRE TRACT TO A CONCRETE MONUMENT FOUND,
S 28° 57' 04" E, 239.01 FEET TO A P.X. NAIL SET IN THE CENTERLINE OF TEN MILE BRIDGE ROAD, THE SOUTHWEST CORNER OF SAID 2 ACRE TRACT,
N 62° 27' 18" W, 5122.84 FEET ALONG SAID CENTERLINE TO A P.X. NAIL FOUND IN THE WESTERLY LINE OF BOWMAN-ROBERTS ROAD,
N 32° 42' 38" W, 1258.31 FEET ALONG THE WESTERLY LINE OF SAID BOWMAN-ROBERTS ROAD TO A POINT FROM WHICH A 1/2 INCH IRON ROD FOUND BEARS S 81° 40' 04" W, D. 34 FEET,
N 80° 49' 21" E, 4804.79 FEET ALONG SAID WESTERLY LINE TO THE POINT OF BEGINNING AND CONTAINING 954.473 ACRES OF LAND, OF WHICH 11.823 ACRES LIE WITHIN THE RIGHT-OF-WAY OF TEN MILE BRIDGE ROAD, BOWMAN-ROBERTS ROAD AND CROWELL - MARINE CREEK ROAD, LEAVING A NET AREA OF 933.450 ACRES OF LAND, MORE OR LESS.

South School Site; 11.205 acres

August 12, 2002

Page 1 of 2

EXHIBIT "C"

METES AND BOUNDS DESCRIPTION OF
A 11.205-ACRE TRACT OF LAND
SITUATED IN THE J. BOWMAN SURVEY, A-79,
AND THE WM. DOSHIER SURVEY, A-417
TARRANT COUNTY, TEXAS

BEING A 11.205-ACRE TRACT OF LAND SITUATED IN THE J. BOWMAN SURVEY, ABSTRACT NO. 79, AND THE WM. DOSHIER SURVEY, ABSTRACT NO. 417, TARRANT COUNTY, TEXAS AND BEING OUT OF THAT CALLED 964.473-ACRE TRACT DESCRIBED IN DEED TO HAYCO REALTY, LTD. RECORDED IN VOLUME 14192, PAGE 644, COUNTY RECORDS, TARRANT COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

TO FIND the place of beginning, COMMENCE at a PK Nail found at the called northwest corner of the J. Bowman Survey, Abstract 79, said point being in the westerly line of Bowman-Roberts Road (County Road No. 4123) and in the Cromwell-Marine Road (County Road No. 4124) and also being the northwest corner of said 964.473-acre Hayco tract;

THENCE South $0^{\circ} 49' 21''$ West, along the westerly line of said Bowman-Roberts Road and said 964.473-acre Hayco tract, a distance of 4133.25 feet to a point at the intersection of said westerly line and the extended northerly line of a 75-foot strip described in deed to Texas Electric Service Company recorded in volume 2200, page 309, Deed Records, Tarrant County, Texas;

THENCE continuing South $0^{\circ} 49' 21''$ West, along the westerly line of said Bowman-Roberts Road and said 964.473-acre Hayco tract, a distance of 671.54 feet to a point (called 1/2-inch iron rod not found);

THENCE South $32^{\circ} 42' 30''$ East, continuing along the westerly line of Bowman-Roberts Road and said 964.473-acre Hayco tract, a distance of 1258.31 feet to a PK Nail found in the centerline of Ten Mile Bridge Road (County Road 4030), from which a boat spike found bears N $33^{\circ} 04' W$, 37.08 feet and a 5/8-inch iron rod bears S $63^{\circ} 59' E$, 13.48';

THENCE South $62^{\circ} 27' 18''$ East, along said centerline and the southwesterly line of said 964.473-acre Hayco tract, a distance of 150.00 feet to a 5/8-inch iron rod set for the PLACE OF BEGINNING;

South School Site; 11.205 acres

August 12, 2002

Page 2 of 2

THENCE North 27° 32' 42" East, a distance of 664.09 feet to a 5/8-inch iron rod set for corner;

THENCE South 62° 27' 18" East, a distance of 735.00 feet to a 5/8-inch iron rod set for corner;

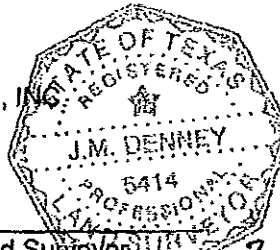
THENCE South 27° 32' 42" West, a distance of 664.09 feet to a 5/8-inch iron rod set in the centerline of said Ten Mile Bridge Road and the southwesterly line of said 964.473-acre Hayco tract;

THENCE North 62° 27' 18" West, a distance of 735.00 feet to the PLACE OF BEGINNING and containing 488,104 square feet or 11.205 acres.

Notes:

1. Bearings are based on the north line of the 964.473-acre tract described in deed to Hayco Realty, Ltd. recorded in Volume 14192, page 644, County Records, Tarrant County, Texas.
2. This description is based on a Land Title Survey prepared by Russ & Pape Surveying and dated August 9, 2002.

EDMINSTER, HINSHAW, RUSS AND ASSOCIATES, INC.



James Michael Denney, Registered Professional Land Surveyor
 Texas Registration Number 5414
 10555 Westoffice Drive
 Houston, Texas 77042
 (713) 977-2575

Date: April 19, 2002
 Revised: August 12, 2002 to indicate monuments set
 Job No: 99012-001-00
 File No: descript/2001/99012-001/SouthSchool.doc

North School Site; 10.026 acres
August 12, 2002
Page 1 of 2

EXHIBIT 'C'

METES AND BOUNDS DESCRIPTION OF
A 10.026-ACRE TRACT OF LAND
SITUATED IN THE A. ALBRIGHT SURVEY, A-1849,
TARRANT COUNTY, TEXAS

BEING A 10.026-ACRE TRACT OF LAND SITUATED IN THE A. ALBRIGHT SURVEY, ABSTRACT NO. 1849, TARRANT COUNTY, TEXAS AND BEING OUT OF THAT CALLED 964.473-ACRE TRACT DESCRIBED IN DEED TO HAYCO REALTY, LTD. RECORDED IN VOLUME 14192, PAGE 644, COUNTY RECORDS, TARRANT COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

TO FIND the place of beginning, COMMENCE at a PK Nail found at the called northwest corner of the J. Bowman Survey, Abstract 79, said point being in the westerly line of Bowman-Roberts Road (County Road No. 4123) and in the Cromwell-Marine Road (County Road No. 4124) and also being the northwest corner of said 964.473-acre Hayco tract;

THENCE South $89^{\circ} 50' 22''$ East, along the north line of said 964.473-acre Hayco tract, a distance of 3810.38 feet to a 5/8-inch iron rod set at the northeast corner of said J. Bowman Survey and in the west line of said A. Albright Survey for the PLACE OF BEGINNING;

THENCE continuing South $89^{\circ} 50' 22''$ East, along the north line of said 964.473-acre Hayco tract, a distance of 660.00 feet to a 5/8-inch iron rod set for corner;

THENCE South $0^{\circ} 09' 38''$ West, a distance of 660.00 feet to a 5/8-inch iron rod set for corner;

THENCE North $89^{\circ} 50' 22''$ West, parallel with the north line of said 964.473-acre Hayco tract, a distance of 663.46 feet to a 5/8-inch iron rod set for corner in the common line of said J. Bowman and A. Albright Surveys;

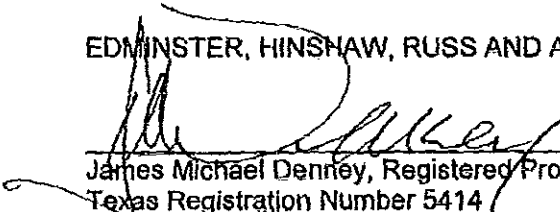
THENCE North $0^{\circ} 27' 40''$ East, along said common line, a distance of 660.01 feet to the PLACE OF BEGINNING and containing 436,743 square feet or 10.026 acres.

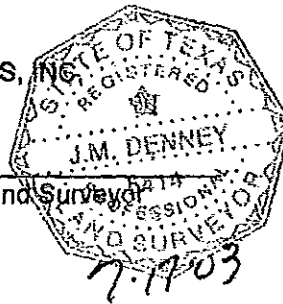
North School Site; 10.026 acres
August 12, 2002
Page 2 of 2

Notes:

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2. This description is based on a Land Title Survey prepared by Russ & Pape Surveying and dated August 9, 2002.

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James Michael Denney, Registered Professional Land Surveyor
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File No: descript/2001/99012-001/NorthSchool.doc

EXHIBIT "D"

Additional Landscaping Requirements

[INTENTIONALLY LEFT BLANK]

D203411174
REUNION TITLE
8214 WESTCHESTER DRIVE
SUITE 800
DALLAS TX 75225

WARRNING--THIS IS PART OF THE OFFICIAL RECORD--DO NOT DESTROY

INDEXED -- TARRANT COUNTY TEXAS
SUZANNE HENDERSON -- COUNTY CLERK
OFFICIAL RECEIPT

TO: REUNION TITLE

RECEIPT NO	REGISTER	RECD-BY	PRINTED DATE	TIME
204051688	DR2A	LF	11/03/2003	16:41

	INSTRUMENT	FEECD	INDEXED	TIME	RECVD
1	D203411174	WD	20031103	16:41	CK 1387

TOTAL : DOCUMENTS: 01 FEES: 116.00

BY: 

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.