

ARTICLE I
ESTABLISHMENT

Section 1.1 Establishment of Covenants, Conditions and Restrictions. The Declarant hereby imposes upon the Property the covenants, conditions, restrictions, liens and easements set forth in this Subordinate Declaration (the "Covenants") for the purposes of establishing a general scheme for development of the Property, enhancing the value of the Lots and Residences (defined below), and establishing easements, covenants, conditions and restrictions for the use, maintenance and repair of Common Areas (as hereinafter defined) for the benefit of the Declarant and the Owners (defined below). The Declarant does not guarantee that all of these purposes will be accomplished through the creation and imposition of the Covenants. The Covenants touch and concern title to the Property, run with the land and shall be binding upon all persons hereafter acquiring any portion of the Property.

Section 1.2 Definitions. The terms set forth below shall have the indicated meanings when used in this Subordinate Declaration; other terms are defined elsewhere herein and shall have the meaning given to them in this Subordinate Declaration.

"ACC" shall mean Architectural Control Committee established by the Declarant during the Development Period, and thereafter by the Board of Directors of the Association. All modifications are subject to review and approval by the SOHO Square Master Association.

"Assessments" means the Maintenance Assessments and Special Assessments provided for in Article 6.

"Association" means the SOHO Square Homeowners Association, Inc., formerly known as Meadows at Trinity West Homeowners' Association, Inc., a Texas non-profit corporation, or such other homeowners' association name selected and available at the time of formation and established as provided in this Subordinate Declaration.

"Association Documents" means the Certificate of Formation (herein so called) and the Bylaws (herein so called) of the Association, as amended and modified from time to time, and the resolutions and certifications adopted by the Association from time to time.

"Board" means the Board of Directors of the Association.

"Builder" means any homebuilder constructing the initial Residence upon a Lot in the normal course of conducting its business for profit.

"City" means the City of Dallas, Texas.

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

“Common Amenities” means the following: (i) any community amenity center or facility constructed on the Property for the use and benefit of the Owners; (ii) any and all entry features (including, without limitation, entry gates and controlled access improvements), Subdivision signage and monuments, landscape areas and screening walls, and all landscape easements, other similar areas within the Subdivision whether or not shown on the Plat (as hereinafter defined), whether within or surrounding or along the boundaries of the Property, including, without limitation, the landscape features installed and screening walls constructed in the entry areas; (iii) all street lights and street signs to be maintained by the Association as required by the City for the Property to be developed as a shared access development, and any and all Private Street (as hereinafter defined) improvements, including, without limitation, paving, curbs, landscaping, and/or street lighting, (iv) any and all landscaping and hardscape improvements installed and maintained by the Declarant and/or the Association within the Front Yard Areas (as hereinafter defined) of any Lot, which are to be maintained as Common Amenities by the Association pursuant hereto; (v) any other property or improvements within or immediately surrounding the Subdivision for which the Association is or may hereafter become obligated to maintain, improve or preserve; (vi) any real and/or personal property, fixtures or improvements conveyed or dedicated to the Association for the common use and benefit of Owners within the Subdivision, and/or to be maintained by the Association; and (vii) any and all other fixtures, Structures or other improvements installed by Declarant or the Association within the Subdivision, and all equipment, accessories, utilities and machinery used in the operation or maintenance of any such Common Amenities, and which are not expressly made the responsibility of the Lot Owner pursuant to the provisions of this Declaration. All Common Amenities shall be maintained by the Association. Each Owner by acceptance of a Deed to a Lot acknowledges and agrees that notwithstanding anything to the contrary contained herein, the Declarant has no plans for construction of any community amenity center or facility within the Property, and the Common Amenities shall primarily include only open space Common Areas (as shown on the Plat) and related landscaping, drainage and fencing improvements. Notwithstanding the foregoing, the Common Amenities specifically exclude any and all land included in the Master Common Areas to be maintained by the Master Association.

“Common Area” means those portions of the Property depicted or described as such in or on the Plat (defined below) that, except as otherwise provided in this provision, do not constitute Lots (defined below) and include, without limitation, any real property and/or lot within the Subdivision comprising or on which the Common Amenities are located and which are not within the boundaries of a Lot; provided, however, that “Common Areas” shall include the portion of the Private Streets (defined below) and related improvements located on each Lot and subject to the Shared Access Easement (defined below). The Declarant shall at all times have and retain the right, but without obligation whatsoever, to effect minor redesigns or reconfigurations of the Common Area located on such Declarant’s portion of the Property and to execute any open space Declarations applicable to such Common Area which may be permitted in order to reduce property taxes, and to take whatever steps as may be appropriate to lawfully avoid or minimize the imposition of federal and state ad valorem and/or income taxes. All Common Area shall be maintained by the Association. Notwithstanding the foregoing, the Common Area specifically excludes any and all land included in the Master Common Areas to be maintained by the Master Association.

“Declarant” means Megatel Trinity Meadows, LLC, a Texas limited liability company, and its successors or any assignee of Declarant to whom Declarant expressly assigns all of its rights and obligations as Declarant under this Declaration in accordance with Section 7.5 hereof. Declarant’s Representations and Reservations set forth in **Exhibit C** hereto shall supersede all other Articles and Sections of this Declaration, any Rule and Regulation, and the Bylaws notwithstanding, in the event of any conflict between this Declaration, Rules and Regulations, the Bylaws, and **Exhibit C**, the greater standard which serves to reinforce, restore, and/or uphold the Declarant’s rights shall prevail as long as Declarant owns any property within the Association. Any Texas State Property Code which may supersede shall have the greater authority notwithstanding, only within the context of the Article and/or Section under which Declarant is exercising its rights.

“Design Guidelines” shall mean and refer to those particular standards, restrictions, guidelines, recommendations and specifications set forth on **Exhibit B** attached hereto and incorporated herein by reference, as may be supplemented, amended and/or modified from time to time, and which are applicable to any or all aspects of construction, placement, location, alteration, maintenance and design of any improvements within the Property, together with any interpretations thereof.

“Development Period” means the period of time commencing on the date of this Declaration and continuing through and including the later of (i) the date on which Declarant no longer owns any portion of the Property, or (ii) the date which is fifteen (15) years after recordation of this Declaration in the Official Public Records of Dallas County, Texas, or (iii) the date of recording in the Official Public Records of Dallas County, Texas, of a notice signed by the Declarant terminating the Development Period.

“Front Yard Area(s)” means and refers to the areas from the front curb of a Lot adjacent to the Private Street (and additionally the side curb adjacent to Private Streets with respect to corner Lots) up to the fence or wall constructed and not enclosed by and behind such fence or wall.

“Lot” means any of the individual platted building lots reflected, or to be reflected, on the Plat that are to be used for construction of a Residence (defined below) thereon as herein described. In the event any Common Area is conveyed to Declarant or another third party to be used for construction of a Residence, then such conveyed property shall be included in the definition of a “Lot”.

“Managing Agent” means any Person who has been engaged and designated by the Board to manage the daily affairs and operations of the Association.

“Master Association” means SOHO Square Property Owners Association, Inc., a Texas non-profit corporation, or such other property owners’ association name selected and available at the time of formation and established as provided in the Master Declaration

“Master Association Documents” means the Certificate of Formation and the Bylaws of the Master Association, as amended and modified from time to time, and the resolutions and certifications, the rules and regulations adopted by the Master Association from time to time, and the Master Declaration.

“Master Common Areas” means those common areas to serve and benefit all owners of lots within the property described in the Master Declaration and all members of the Master Association, if applicable, and which are to be dedicated and/or conveyed to the Master Association to be maintained by the Master Association in accordance with the terms of the Master Declaration, including, without limitation, Article IV of the Master Declaration. All Master Common Areas shall be maintained by the Master Association.

“Master Declaration” shall have the meaning ascribed to such term in the recitals.

“Owner” means any Person owning fee title to any Lot but excluding any mortgagee or beneficiary under a deed of trust until such time as it acquires legal title to a Lot.

“Person” means any individual, corporation, limited liability company, partnership or other entity of any kind or type whatsoever.

“Planned Development Ordinance” or **“PD Ordinance”** shall mean and refer to that certain Ordinance No. 29794 establishing Planned Development District No. 944, amending Chapter 51P “Dallas Development Code: Planned Development Regulations” of the Dallas City Code by creating new Article 944, adopted on June 17, 2015, and published on June 20, 2015, as may be modified or amended from time to time.

“Plat” means (i) initially, the preliminary plat, and thereafter the final plat, for the Property submitted to and approved by the City, or any other applicable governmental entity; (ii) after recordation thereof, the final Plat for the Property as recorded in the Official Public Records of Dallas County, Texas; and (iii) any replat of, or amendment to, the foregoing made by Declarant in accordance with this Declaration.

“Private Street” means any paved street, road or right-of-way which is not dedicated to and maintained by the City or other governmental authority as a public right-of-way, and/or such other paved street, road or right-of-way noted on any Plat as a private street to be maintained by the Association, including without limitation the area within each Lot that is subject to the Shared Access Easement from the center line of such Shared Access Easement (being the front property line of each Lot), and extending a typical twelve and one-half (12.5) feet from the centerline of the Shared Access Easement, or as otherwise shown on the Plat. The Private Streets within the Property are expressly subject to the rights and other terms set forth in that certain “Shared Access Area Easement and Private Land Use Restrictions” entered into by Declarant and recorded against the Property, the terms of which are incorporated herein by reference.

“Property” shall have the meaning ascribed to such terms as set forth in the recitals of this Declaration.

“Residence” means a portion of a detached residence residing upon a Lot in conformance with this Declaration.

“Shared Access Easement” shall mean and refer to the easement for access, ingress and egress over the Private Streets, being the area from the center line of such Shared Access Easement (being the front property line of each Lot), and extending a typical twelve and one-half (12.5) feet from the centerline of the Shared Access Easement, or as otherwise shown on the Plat, which easement is hereby reserved by Declarant for the benefit of itself and the Owners of Lots in the Subdivision, as more specifically set forth in Section 4.4(b) hereof.

“Special Assessments” means collectively, the Special Purpose Assessments and Special Member Assessments, as such terms are defined in Article 6 hereof.

“Structure” means any structure (other than a Residence), fence, driveway, sidewalk, planting, landscaping, irrigation system, wall, tennis court, swimming pool, outbuilding, playground equipment, or other improvement of any kind or type.

“Sub-Association Representative” if applicable, shall mean and refer to the one (1) individual appointed by the Board of Directors of the Association to represent the Members in matters pertaining to the Master Association with respect to such Members’ voting and/or consent rights as members of the Master Association, including, without limitation, casting the Members votes as members of the Master Association at any regular or special meeting of the members of the Master Association called pursuant to the Master Association Documents. In the event no such Representative is appointed the Board President shall act as the Sub-Association’s Representative.

“Subdivision” shall have the meaning ascribed to such terms as set forth in the recitals of this Declaration.

“Terraces” some units may have terraces which may be subject to weight as well as maximum capacity limits. **No more than five (5) average persons should be on a terrace at one time.** Visual inspections of the terrace should be made by the Owner periodically and any signs of needed maintenance or repair should be promptly reported and/or dealt with. Maintenance responsibility shall be as set forth in a maintenance chart or as set forth in this Declaration. If the Association has the responsibility of maintenance the Owner is still responsible for making periodic visual inspections of the terrace and for reporting any maintenance or repair needs to the Association as promptly as possible. The Declarant, Association, any Agents or Representatives, or its Managing Agent are not liable for any injury, death, or damage sustained by way of use of a terrace by an Owner, Occupant, Tenant, Guest, or by any person, animal, or thing. If the Owner is responsible for the maintenance and upkeep of his/her Terrace the Owner assumes all (100%) responsibility and liability for use by an Owner, Occupant, Tenant, Guest, or by any person, animal, or thing.

“Vehicle” means any vehicle of any kind or type whatsoever, including any automobile, truck, motorcycle, boat, mobile home, motor home, boat trailer, or other kind of trailer.

ARTICLE 2
USE PROVISIONS

Section 2.1 Permitted Uses.

(a) **Lots Limited to Residential Use.** Except as otherwise provided in this Declaration, Lots shall be used only for private residential purposes and activities reasonably related thereto. Additional uses for purposes such as schools, churches, or similar activities may not be permitted within the Property, without the prior written approval from the Association and the Declarant.

(b) **Common Area Uses.**

(i) The Common Area designated as the open space and/or to be maintained by the Association on the Plat and any Common Amenities shall be used only for recreational and other similar purposes as approved by the Declarant or the Association. The Common Area consisting of landscaping, maintenance, wall maintenance easements, or similar areas shall be used for such purposes or similar purposes as approved by the applicable Declarant or the Association. The Common Area consisting of sanitary sewer easements, drainage easements, utility easements or similar areas shall be used for such purposes or similar purposes as approved by the applicable Declarant or the Association.

(ii) The Private Streets shall be used for the sole purpose of location, use, placement, construction, maintenance and repair of utilities, street lighting, landscaping and paving improvements, and pedestrian and vehicular access, ingress and/or egress to and from each Lot and/or Common Area to the public right-of-way located adjacent to the Subdivision commonly known as "Borger Street", "Duluth Street", "Amos Street" and "Andy Street" and access, ingress and egress to and from "Borger Street", "Duluth Street", "Amos Street" and/or "Andy Street" or other public access rights-of-way adjacent to the Subdivision for the benefit of the Owners and the Lots. No improvements other than paving, street lighting and landscaping may be placed within the Private Streets without the written consent and approval of the Board.

(iii) Any additional real or personal property, fixtures or improvements hereafter conveyed or dedicated to the Association for the common use and benefit of Owners within the Subdivision, and/or to be maintained by the Association as Common Area shall be thereby included in the Common Areas and/or Common Amenities and be used for such purpose as designated in writing by the Board of the Association, or if use thereof is not so restricted, for any use permitted under applicable law.

(iv) The Association shall have no liability or obligation with respect to the maintenance, operation, repair and/or use of any Master Common Areas to be maintained by the Master Association pursuant to the Master Declaration.

(c) **Front and Side Yard Landscaping.** Any and all plans for the landscaping and/or irrigation of Front Yard Areas, including alterations, changes or additions thereto, shall be subject to the approval of the Architectural Control Committee and shall comply with the requirements listed in the Architectural Guidelines. Subject to weather delay, each Lot shall be fully landscaped with irrigation improvements installed within the earlier of (i) the date on which any Residence on a Lot is ninety-five percent (95%) complete, or (ii) thirty (30) days from the date on which the Residence thereon is "complete." "Complete" or "completed" for purposes of this Section 2.1(c) and Section 3.8 below shall mean and refer to the completion of the initial Residence on a Lot (or subsequent rebuilding or renovation thereof) as evidenced by a certificate of occupancy or other evidence of completion issued by the City or other applicable governmental authority(ies). Irrigation requirements may be subject to variance based upon the type of sod or other grass like materials used.

(d) **Sales Offices and Similar Uses.** The Declarant or any Builder may maintain on its Property one or more signs, sales offices, or trailers on Lots for the purpose of facilitating sales of Lots and/or Residences on the Property. The Declarant or the ACC, may by written designation grant to Builder(s) constructing Residences on Lots within the Property the right to conduct their sales and marketing programs for the Property from any permanent or temporary sales buildings or trailers, and conduct improvement work and activities on portions of the Property owned by them and do all things reasonably necessary or convenient as required to expeditiously commence, continue and complete such improvement work, including, but not limited to, the provision of temporary buildings (including, without limitation, trailers), temporary storage of construction materials and equipment and the installation of temporary signage of such types, in such sizes and at such locations on portions of the Property owned by them as they deem appropriate and in accordance with any applicable governmental requirements.

Section 2.2 (a) No Further Subdivision. No Lot may be further subdivided without the written consent of the Declarant or the ACC; provided, however, this restriction shall not be applicable to Common Area conveyed to the Declarant by the Association. Lots may be combined for the purpose of constructing a single residence on more than one Lot only upon written approval of the Declarant or the ACC. Without regard to any such permitted subdivision or combination, the Lots involved shall continue to be treated as single individual Lots hereunder for all other purposes, including voting in the Association and assessing and collecting Assessments.

(b) **Parking and Vehicle Restrictions.** All Vehicles shall be parked, stored or placed so as not to be visible from any Street or from ground level view from an adjoining Lot, except for temporary parking in the driveway constructed on a Lot. On-street parking shall be limited to temporary parking of guests or invitees of Owners during parties, delivery of services, and similar limited (no more than forty-eight (48) hours) time periods. Trucks with tonnage in excess of one ton and Vehicles with signage or advertising displays shall not be permitted to park overnight on the Streets, driveways, or other areas within the Property. No inoperative or unlicensed Vehicles may be parked or stored, other than in an enclosed garage, within the Property. All work on Vehicles (other than routine maintenance) shall be performed only in an

enclosed garage. The foregoing provisions shall not restrict the parking of trucks and other Vehicles as necessary in connection with construction of Residences or other permitted Structures on Lots.

(c) **Specific Use Restrictions.** No Lot or improvement shall be used for business, professional, commercial or manufacturing purposes of any kind, except as otherwise permitted by the Declarant or the ACC in accordance with Section 2.1(d) hereof. No activity (other than Builder activities permitted by the Declarant or ACC pursuant to Section 2.1 hereof), whether for profit or not, shall be conducted on the Property which is not related to single-family residential purposes. No noxious or offensive activity (as determined by the ACC) shall be undertaken on the Property, and nothing shall be done which is or may become an annoyance or nuisance to the neighborhood. Nothing in this subparagraph shall prohibit a Builder's temporary use of a Residence as a sales office until such Builder's last Residence on the Property is sold. Nothing in this subparagraph shall prohibit an Owner's use of a Residence for quiet, inoffensive activities such as tutoring or giving art or music lessons so long as such activities do not materially increase the number of cars parked on the street or interfere with adjoining homeowners' use and enjoyment of their Residences and yards.

(d) **Pet and Animal Restrictions.** Only regular household pets such as cats and dogs shall be permitted on the Property and then only for personal use and not for any business use such as breeding, kennel operations and the like. No other animals shall be permitted to be maintained upon the Property, including the following: cows, bees, hogs, pig, pet pigs, sheep, goats, poultry of any kind, snakes, rodents, or skunks. No more than four (4) small domesticated household pets are permitted in any Residence. Larger pets 75 – 100 pounds or over may be limited to three (3) or less. **Aggressive dogs of any breed are prohibited.** Pets shall not be permitted to run free through the Property. Owners shall regularly clean pet feces from their yards on a regular basis. Pets when outside a unit or fenced yard must be on a leash at all times and Owners must clean up after their pets in all common areas of the Association or Master Association. All animals must be properly inoculated at all times. The Association and/or the Master Association may issue a fine up to \$500.00 per violation occurrence for any violation of this rule after one (1) notice of not more than five (5) days has been delivered by any reasonable means to the Owner including, but not limited to, electronic mail and posting of notice to the Owner's door.

(e) **Outdoor Burning Restrictions.** Outdoor burning of trash, leaves, and other items is prohibited. This restriction shall not be construed as prohibiting outdoor cooking on barbecue grills in connection with use of a Residence.

(f) **Trash/Garbage Disposal.** Trash, garbage and other waste shall at all times be kept in clean, well maintained, sanitary containers for regular scheduled pickup for removal of such items. Trash, garbage or other waste shall not be dumped on the ground of any Lot or in any Common Area. Containers for trash, garbage and other waste shall be stored in the garage, in the side yard, or screened from view in accordance with Section 3.4(e)(4) hereof at all times except such containers may be brought to the curbside or other designated pick-up area with respect to a Lot twenty-four (24) hours in advance of scheduled pick-up and such containers must be returned to the garage, side yard, or screened area within twenty-four (24) hours after the

scheduled pick-up time. All screening for trash and/or recycle containers must have the prior written approval of the ACC prior to installation or use.

(g) **Occupancy.** Each Lot shall be improved with a detached Residence. No Person shall occupy any garage or other outbuilding as a dwelling unit at any time. No Structure of a temporary character, such as a trailer, basement, tent, shack, barn or other outbuilding, shall be used on any of the Property at any time as a dwelling house; provided, however, that any Builder may maintain and occupy model houses, sales offices and construction trailers during construction periods.

(h) **Projections from Structures.** Window air conditioning units attached to a Residence and other similar projections visible from a street are prohibited. Any projection through the roof of any outbuilding on the Property shall require the prior written approval of the applicable Declarant or the ACC.

(i) **Private Water/Sewer Systems.** Each Residence shall be connected to the City water and sanitary sewer system, and no private water well or water, sanitary or storm sewer system is permitted within the Property unless constructed or caused to be constructed by the Declarant on the Declarant's Property. If the Declarant uses private drainage easements in areas that necessitate or contain a private sub-surface storm sewer drainage system, then such sewer lines are to be kept freely running and unobstructed at all times. If the lines become obstructed, all parties that benefit from their function shall be required to equally and promptly share in the cost of repair or replacement of the lines.

(j) **Changes in Grade.** Except for such changes as are reasonably necessary to facilitate construction of a Residence on a Lot, no Owner shall change the grade of any Lot except in compliance with all applicable laws and the requirements of the grading plan. After the Declarant has developed the Lots on its portion of the Property, the general grading and slope of a Lot may not be altered, and no dams, berms, channels or swales may be constructed or excavated without the prior written approval of the Declarant (or the ACC), the City (if applicable) and other appropriate agencies having authority to grant such approval. Notwithstanding anything to the contrary contained herein, the drainage plan of a Lot shall not be altered in a manner which is inconsistent with the Lot Grading Plan, unless such alteration is first approved by the City in writing.

(k) **Visible Activities - Outdoors.** Outdoor drying of clothes and clothes lines are prohibited. When not in use, lawn mowers, rakes, carts, and other yard equipment; play equipment including bikes, nets, goals, and other oversized articles shall be stored away from view of adjoining Lots and Streets.

(l) **Structures and Storage.** No temporary or permanent structures of any kind including, but not limited to, shop, trailer, mobile home or above-ground swimming pools of any kind or any improvement of a temporary or permanent character shall be permitted on any Lot without the express written permission of the Architectural Control Committee, except that a Builder or contractor may have temporary improvements (such as a sales office, parking lot and/or a construction trailer) on a Lot during construction of the Residence on that Lot. **Certain**

structures such as small play sets and gazebos may be allowed to extend up to two feet (2') over the top of the fence line however, placement or location of the structure may be restricted or limited by the Architectural Control Committee at their sole discretion. Prior written approval of the ACC for installation of any structures shall be required. Approval from the Master Association may, at times, be required. The Master Association maintains the right to veto, conditionally approve, or restrict architectural changes at its sole discretion. All structures allowed to be erected or installed in the rear portion of a lot shall be kept to the back of the home ensuring all structures are not visible from the front of the home or the street. Variances, if requested, shall be considered on a case by case basis. Except as otherwise expressly permitted in Section 3.7 hereof, no building material of any kind or character shall be placed or stored upon a Lot until the Owner thereof is ready to commence construction of improvements, and then such material shall be placed only within the property lines of the Lot upon which the improvements are to be erected during construction so long as construction progresses without undue delay, provided, however, such material shall in any event be placed outside of the Private Street and Shared Access Easement. Unless approved in writing by the ACC or the Board, in the absence of the ACC, pursuant to this Declaration, no storage buildings shall be constructed on a Lot. In any event, storage buildings permitted to be constructed on a Lot hereunder or by subsequent written approval by the ACC or Board must match or complement the materials and color of the Residence on the Lot. Storage buildings may be permitted only with the prior written approval of the ACC or Board, in absence of the ACC, and each storage building shall not exceed six feet (6') in height without the express written permission of the Architectural Control Committee or the applicable governmental requirements pertaining to the height of such Structure(s), whichever is less, and shall be screened from view whenever possible from adjacent lots, Common Areas, and adjacent Streets using either (A) live evergreen screening plants which are a minimum of six feet (6') in height at installation, spaced no more than eighteen inches (18") apart, edge to edge, or (B) an opaque fence or wall at least six feet (6') high, constructed of masonry, stone or wooden materials consistent with materials used on the primary Residence, or otherwise approved in writing by the ACC. All basketball goals, portable or permanent, require the prior written approval of the ACC before installation or use. **The ACC may consider a number of variables regarding the installation or use of any structure, play equipment, or other article and may render decisions on a case by case basis. At all times, the community wide standard shall be of foremost importance and as such, the ACC can and will render decisions using the community wide standard as their sole reason for approving or denying a request.**

(m) **Recreational Vehicles.** No boat, trailer, marine craft, hovercraft, aircraft, recreational vehicle, travel trailer, motor home, camper body or similar vehicle or equipment may be stored, parked or kept on any driveway, in the Front Yard Area or in the Private Street in front of a Lot for more than 48 hours nor more frequently than one time per month, nor shall any such vehicle or equipment be parked for storage in the side or rear yard of any Residence. No such vehicle or equipment shall be used as a residence or office temporarily or permanently. This restriction shall not apply to any vehicle, machinery or equipment temporarily parked and in use for the construction, maintenance or repair of a Residence in the immediate vicinity.

(n) **Transportation of Hazardous Materials.** No vehicle of any size which transports inflammatory or explosive cargo may be kept on the Property at any time.

(o) **Drilling or Mining.** No oil drilling, oil development operation, oil refining, quarrying or mining operations of any kind shall be permitted on the surface of the Property. No oil wells, tanks, tunnels, mineral excavations or shafts shall be permitted upon or in any part of the surface of the Property. No derrick or other structure designed for use in quarrying or boring for oil, natural gas or other minerals shall be erected, maintained or permitted on the surface of the Property.

(p) **Utilities.** Each Residence situated on a Lot shall be connected to the public water and sanitary sewer lines. No privy, trailer sewage, cesspool or septic tank shall be placed or maintained upon or in any Lot. However, portable toilets will be allowed during building construction. The use of any propane, butane, LP Gas or other gas tank, bottle or cylinder of any type (except as reasonably required [not to exceed fifteen pounds] to operate portable gas grills or permanent gas grills which may be installed or used by an Owner to serve a Residence) is prohibited. Except as to street lighting (if any) all utility service facilities (including, but not limited to, water, sewer, gas, electricity and telephone) shall be buried underground (except meters, transformers, risers, service pedestals and other surface installations necessary to maintain or operate appropriate underground facilities). Electric utility transformers may be installed only in locations designated on the Plat for such purpose or otherwise approved in writing by the ACC, and all improvements on a Lot on which an electric transformer pad easement is located as shown on the Plat must be installed in compliance with all electric company guidelines for separations from pad-mounted transformers.

(q) **Certain Exterior Lighting.** Upon being given notice by the ACC that any exterior lighting is objectionable, as determined by the ACC in its sole and exclusive discretion, the Owner of the Lot on which same is located shall immediately remove any such lighting or shield the same in such a way that it is no longer objectionable to the ACC.

Section 2.3 General. No use shall be permitted on the Property which is not allowed under applicable public codes, ordinances, including, without limitation the PD Ordinance, and other laws either already adopted or as may be adopted by the City or other controlling public authorities. Each Owner, occupant or other user of any portion of the Property, shall at all times comply with this Declaration and with any and all laws, ordinances, including, without limitation the PD Ordinance, policies, rules, regulations and orders of all federal, state, county and municipal governments other agencies having jurisdictional control over the Property, specifically including, but not limited to, applicable zoning restrictions placed upon the Property as they exist from time to time. IN SOME INSTANCES, REQUIREMENTS UNDER THE MASTER DECLARATION AND/OR GOVERNMENTAL REQUIREMENTS MAY BE MORE OR LESS RESTRICTIVE THAN THE PROVISIONS OF THIS DECLARATION. IN THE EVENT A CONFLICT EXISTS BETWEEN ANY SUCH GOVERNMENTAL REQUIREMENT AND ANY REQUIREMENT OF THIS DECLARATION, THE MOST RESTRICTIVE REQUIREMENT SHALL PREVAIL, EXCEPT IN CIRCUMSTANCES WHERE COMPLIANCE WITH A MORE RESTRICTIVE PROVISION OF THE DECLARATION WOULD RESULT IN A VIOLATION OF MANDATORY APPLICABLE GOVERNMENTAL REQUIREMENTS, IN WHICH EVENT THOSE GOVERNMENTAL REQUIREMENTS SHALL APPLY. COMPLIANCE WITH MANDATORY

GOVERNMENTAL REQUIREMENTS WILL NOT RESULT IN THE BREACH OF THIS DECLARATION EVEN THOUGH SUCH COMPLIANCE MAY RESULT IN NON-COMPLIANCE WITH PROVISIONS OF THIS DECLARATION. WHERE A GOVERNMENTAL REQUIREMENT OR REQUIREMENT UNDER THE MASTER DECLARATION DOES NOT CLEARLY CONFLICT WITH THE PROVISIONS OF THIS DECLARATION BUT PERMITS ACTION THAT IS DIFFERENT FROM THAT REQUIRED BY THIS DECLARATION, THE PROVISIONS OF THE MASTER DECLARATION AND THEN THIS DECLARATION (IN ORDER OF PRIORITY) SHALL PREVAIL AND CONTROL. All Lots shall be developed in accordance with this Declaration as this Declaration may be amended or modified from time to time as herein provided.

ARTICLE 3 **CONSTRUCTION PROVISIONS**

Section 3.1 Plan Approval Required. No Residence or Structure shall be constructed within the Property until the plans have been approved in writing by the ACC or the Declarant as provided in this Article 3.

Section 3.2 Establishment of the ACC.

(a) **Initial Appointment.** The ACC shall consist of three (3) members. The initial ACC members shall be appointed by the Declarant and need not be members.

(b) **Term and Subsequent Appointments.** The members of the ACC shall serve until they resign or are removed by the party appointing them to the ACC (which the appointing party may do at any time). Subsequent appointments to the ACC shall be made by the Declarant until such time as the Declarant either relinquishes such power by written notice to the Board, or the Development Period expires, whichever is earlier; thereafter, appointments to and removals from the ACC shall be made by the Board. Both ACC and Declarant, individually or jointly, may engage the services of a third party to review plans and specifications pursuant to this Article. Declarant may assign members of the ACC from the Master Association to serve as members of the ACC for any sub-association established or operating within SOHO Square.

(c) **Compensation; Fee for Review.** No member of the ACC shall be entitled to compensation for its services; provided that the ACC or the plan reviewer assigned by the Declarant may charge a reasonable fee (no more than \$200 per submission) to cover its costs in reviewing any plans and inspecting a Lot and/or improvement constructed thereon, which fee shall be paid by an Owner to the Association or the assigned plan reviewer at the time of submission and/or resubmission of plans to the ACC for review and approval. Notwithstanding the foregoing or anything to the contrary contained herein, Builders shall not be liable for any charges of the ACC under this Section 3.2(c) with respect to the review and approval of the ACC of plans for the **initial construction** of a home on a Lot by such Builder.

Section 3.3 Approval Process.

(a) **Submission of Plans.** Any party wishing to construct a Residence or any Structure on the Property shall submit at least one (1) copy of complete plans and specifications to the ACC for its approval prior to commencing construction. Such plans and specifications shall include engineering information, landscaping description, and construction plans showing the location and elevations of the proposed Residence or Structure and the materials to be used in constructing the same, all in sufficient detail to enable the ACC to evaluate the proposed Structure or Residence. The ACC may request additional information, including samples of proposed materials to aid it in its decision process. After receipt of a complete set of plans and specifications, the ACC shall review the same and notify the Person submitting whether it approves the plans or whether it requires changes thereto. Alternately, the ACC may disapprove a set of plans by so noting thereon and returning it to the Person submitting, accompanied by a statement of the reasons for disapproval. No construction shall be commenced on any portion of the Property unless and until the plans for the Residence or Structure in question have been approved in writing by the ACC or the Declarant. The ACC may accept electronically submitted copies of plans for review notwithstanding at least one set of plans with an original signature of the Owner(s) must be received prior to the ACC issuing an approval.

(b) **Time for Review/Approval.** The ACC shall approve or disapprove all plans properly submitted to it for construction within thirty (30) days after the date it receives a complete set of plans and specifications; therefore, if the ACC fails to specifically approve or disapprove of any plans within such thirty (30) day period, then the ACC shall be deemed to have approved the plans submitted.

(c) **Review Standards.** The ACC, in reviewing and approving plans for construction of Structures or Residences, shall use commercially reasonable efforts to promote and ensure a high level of taste, design quality, aesthetic harmony, and conformity throughout the Property, consistent with the standards established by this Declaration, the Design Guidelines, and the Community Wide Standard.

(d) **Design Guidelines/Building Standards.** The Declarant during the Development Period, and thereafter the ACC may, but is not required to, from time to time, establish specific guidelines and building standards in addition to or to modify and amend the Design Guidelines attached hereto as **Exhibit B** and incorporated herein by reference, to assist Persons in determining the type of Structures and Residences which may be constructed on the Property. The Declarant during the Development Period, and thereafter the ACC, may amend or modify such guidelines or standards from time to time in its sole discretion without the approval or consent of any Owner; provided that any plans and/or specifications for Residences or other Structures previously approved by the ACC prior to such changes to the Design Guidelines shall be subject to the Design Guidelines in place at the time such approval was granted (or deemed granted). Such guidelines or standards shall supplement this Declaration and shall be general guides to permitted construction within the Declarant's Property but shall not diminish the authority of the ACC and/or the Declarant to approve plans as otherwise herein provided.

(e) **Failure to Obtain Approval.** The construction, repair, replacement, installation, improvement or placement of any Structure or improvement of any type on a Lot or Residence without the prior written approval from the ACC shall constitute grounds for the imposition by the ACC or the Association of an automatic fine against the Owner of said Lot not to exceed Twenty-Five and No/100 Dollars (\$25.00) per day commencing upon the date on which the unapproved construction, repair, replacement, installation or placement commenced and continuing until the earlier of the date on which such Owner has either (i) obtained ACC approval (or deemed approval) of such construction, repair, replacement, installation or placement of the offending Structure(s), or (ii) removed such offending Structures and restored its Lot to substantially the same condition as existed prior to commencement of such construction, repair, replacement, installation or placement thereof. A fine levied under this Section shall be charged to the Owner's assessment account, payable upon demand and secured by the Assessment Lien created in Article 6. The Managing Agent may have additional administrative fees or charges it will levy for services rendered in conjunction with an Owner's failure to obtain the proper ACC approval which will be assessed to the Owner's account and shall be due and payable to the Agent by the Owner. After thirty (30) days, if the Owner fails to pay the Managing Agent, the Association shall pay the Agent and the Association shall collect from the Owner.

(f) **Limitation of Liability.** No Declarant, and none of Declarant's officers, directors, partners, agents, employees, representatives, parent or subsidiaries, nor the Association, the Board, or the ACC, including any of its respective members, shall be liable to any Person for any official act of the ACC in connection with submitted plans and specifications. Notwithstanding any approval by the Declarant or the ACC, neither the Declarant nor the ACC shall be responsible or liable to any Person with respect to any loss, liability, claim or expense which may arise by reason of such approval or the construction of a Residence or Structure related thereto. No Declarant, nor the Association, the Board nor the ACC shall be responsible in any way for any defects in any plans or specifications submitted, reviewed or approved in accordance with the provisions of this Declaration, nor for any structural or other defects in any work done according to such plans or specifications. No approval of any plans by either the ACC or the Declarant shall be construed to mean that the plans comply with any applicable law, building code, governmental regulation, or engineering, architectural, or building standards, it being the responsibility of the Person submitting any plans to assure compliance with all applicable laws and engineering, architectural and building standards. Conversely, the issuance of a building permit or any approval from any governmental authority shall not, under any circumstance, constitute any evidence that construction of a Residence or a Structure complies with the terms and conditions contained in this Declaration or the Design Guidelines. No Declarant or members of the ACC shall have liability for decisions made by them regarding the approval or disapproval of plans, so long as the decisions are made in good faith and are not discriminatory, arbitrary, or capricious.

Section 3.4 Specific Construction Provisions.

(a) **Setbacks.** Each Lot shall be subject to a five foot (5') front yard building setback (measured from curb), ten foot (10') rear yard building setback, and a one-half foot (1/2') to two and one-half foot (2.5') interior side building setback (provided that the distance between

buildings is a minimum of three feet [3']). All Residences and other Structures shall otherwise be constructed in conformity with the setback requirements of the City, including, without limitation any setback requirements under the PD Ordinance, and the building lines reflected on the Plat.

(b) **Residence Size and Type.** The minimum square footage of enclosed air-conditioned area of each Residence (exclusive of all porches, garages or breezeways) shall be the greater of (i) 1,100 square feet or (ii) the minimum square footage required by the City for each Residence under the PD ordinance, or otherwise. Each Residence shall be of new construction on a Lot and no mobile homes or manufactured housing shall be permitted on the Property except as authorized by the Declarant on a temporary basis in connection with construction or sales activities on the Declarant's Property.

(c) **Garage Requirements.** Each Residence shall have at least a two (2) car attached or detached garage constructed as a part thereof, in compliance with the minimum applicable requirements established by the City, including, without limitation, the applicable requirements of the PD Ordinance (if any). Each single-family Residence erected on any Lot shall provide off-street parking space (inclusive of garage space) for a minimum of two (2) automobiles. No garage shall be modified or converted for use as living space or any use other than as a garage, except with regard to model homes or sales offices operated by Builders in the Subdivision for which the garage may be modified or converted to living space or for other uses during periods in which such Residence(s) are being operated as a model home or sales office of a Builder. Each Builder will be required to install photocell powered LED light over the garage of a Residence, and the Owner of the Residence must maintain this light in operable condition at all times.

(d) **Drive/Walkway Requirements.** All driveways and sidewalks shall conform to applicable City and other governmental specifications and regulations, including, without limitation, the requirements under the PD Ordinance. Each Lot must be accessible to an adjoining Private Street by a concrete driveway unless other materials are approved in writing by the ACC. If required by the City or the terms of the PD Ordinance, concrete sidewalks shall be installed on each Lot by the Builder constructing the initial Residence on any Lot and in conformance with the requirements of the City. **Absolutely No driveway may be widened, painted, stained, or otherwise modified in any way without the express written consent of the ACC.** Violations of this provision shall carry an immediate and specific monetary fine for non-compliance of not less than \$200.00 per violation occurrence.

(e) **Ancillary Structure Provisions.** All ancillary Structures (as described below) shall conform to the requirements of this Section:

(1) **Antennas, Aerials and Satellite Dishes.**

(A) Any antenna or satellite dish less than one meter in diameter shall be installed so as to not be visible from any street or the ground level of any adjacent Lot or Common Area and shall be integrated with the Residence and surrounding landscape.

(B) Any broadcast television antennas and any other antennas and aerials shall be located inside the attic of the Residence constructed on the Lot.

(C) One (1) satellite dish over one meter in diameter shall be permitted per Residence only if it is not visible from any street or the ground level of an adjoining Lot or Common Area and does not extend above the height of the fence surrounding the Lot on which such satellite dish is located. Satellite dishes larger than eighteen inches (18") in diameter require the prior written permission of the ACC before installation.

(D) With respect to any antenna or satellite dish covered by Section 47 C.F.R. Part I, Subpart S, Section 1.4000 (or any successor provision) promulgated under the Telecommunications Act of 1996, as amended from time to time, the provisions of Section 3.4(e)(1)(A) and 3.4(e)(1)(B) shall be applicable only to the extent that the requirements hereof do not (A) preclude reception of an acceptable quality signal, (B) unreasonably delay or prevent installation, maintenance and use of the antenna or satellite dish, or (C) unreasonably increase the cost of installation, maintenance and use of the antenna or satellite dish.

(2) **Fences and Walls.** All fences constructed within the Subdivision shall comply with the Design Guidelines attached hereto as **Exhibit B** and shall in any event be of a design approved by the ACC. Any transition between intersecting fences of differing heights shall occur over a slope a distance of two feet (2') from the point of intersection. No fence shall be constructed on a Lot nearer than five feet (5') from the front corner of the Residence on such Lot. No fences or walls shall be constructed on any Lot, other than by the Builder or Declarant, unless approved in writing by the ACC or the Board in the absence of the ACC. During the Declarant Control Period, the Declarant may waive or otherwise choose not to install fencing or require fencing any Lot at its sole discretion.

(3) **Outbuildings.** ALL outbuildings must be approved by the ACC consistent with Section 2.2(l) herein.

(4) **Trash Containers.** All trash containers belonging to a specific residence shall be stored in the garage, in the side yard, or screened from view from Streets, except during the period commencing 24 hours prior to scheduled pick-up and ending 24 hours after scheduled pick-up as permitted under Section 2.2(f) hereof. All screening, regardless of type or style must be approved in writing by the ACC.

(5) **Hedges.** Hedges shall be maintained at a height that is no higher than twenty-four inches (24") above the height of fences and walls on a Lot. Each owner shall keep and maintain hedges on its Lots in a manner that preserves the structural integrity of the fence and/or wall, and ensures same is not compromised, and in a manner to prevent

encroachment of such hedge onto any adjacent Lot. No hedge shall be maintained in a manner that obstructs any sidewalk or the visibility of intersections of Streets.

(6) **Retaining Walls.** No retaining walls shall be constructed on any lot, other than by the Builder or Declarant, unless approved in writing by the ACC or the Board in the absence of the ACC.

(7) **Mailboxes.** Unless otherwise permitted by the United States Postal Service, mailboxes for Lots shall be cluster mailboxes of a standardized design approved in writing by the Architectural Control Committee prior to installation and shall conform to any applicable requirements of the City, the United States Postal Service or other applicable governmental authority and shall be constructed in accordance with applicable Design Guidelines. In the event that any cluster mailbox installed in the Subdivision requires maintenance, replacement or repairs, such maintenance, replacement and/or repairs shall be performed by the Association and the costs and expenses incurred by the Association in connection therewith shall be charged on a pro rata basis (based on the total number of mailbox units within such cluster mailbox) as a Special Member Assessment to the Owners with mailbox units within the cluster mailbox that has been maintained, repaired and/or replaced.

(8) **Recreational Facilities.** A spa, deck, covered patio or other recreational facilities may be constructed and/or installed within any Lot provided the plans are approved by the ACC prior to commencement of construction or installation to ensure compliance with the requirements contained in the Design Guidelines with respect to location and screening. All equipment servicing such facilities shall be either screened with shrubbery or fenced and located in (A) a side yard between the front and rear boundaries of the Residence, or (B) in the rear yard, or (C) otherwise concealed in a location not visible from any Private Street, Common Area or adjacent Lot. No Owner may place any water tub, spa, mattress, water mattress, heavy furniture, tent, pergola or other structure on top of roof decks of Residences.

(9) **Signage.** No sign or signs of any kind or character shall be displayed to the Private Streets or otherwise to the public view on any Lot or Common Area without the express written consent of the Declarant or the ACC. Any unauthorized sign posted anywhere within a Lot, Common Area, or within the community shall be removed without notice. The Association, ACC, Managing Agent and any Representative tasked with this responsibility shall not be considered to have trespassed in an effort to remove an unauthorized sign. The Association, ACC, Managing Agent and any Representative tasked with the removal of a sign may, but is under no obligation, to store the sign and notify the Owner where the sign can be retrieved. Notwithstanding, the Association, ACC, Managing Agent and any Representative shall, under no circumstance, be responsible or held liable for the cost or replacement of any unauthorized sign removed.

Except for the Declarant's signs or Builders' signs approved by the Declarant for such Declarant's Property, and except that the following shall be allowed upon written approval from the Declarant or the ACC:

(A) Any Builder, during the applicable initial construction and sales period, may utilize two (2) professionally fabricated signs (of not more than six [6] square feet in size) per Lot for advertising and sales purposes, and two (2) professionally fabricated signs (of not more than thirty-two [32] square feet in size) in the Property advertising a model home or advertising the Subdivision, provided that such signs shall first have been approved in writing by the ACC;

(B) A professionally fabricated "for sale" or "for rent" or "for lease" sign (of not more than six [6] square feet in size) may be utilized by the Owner of a Lot for the applicable sale or rent situation, provided that such sign first shall have been approved in writing by the ACC;

(C) Development related signs owned or erected by Declarant (or any builder with Declarant's prior written consent) shall be permitted;

(D) Signs displaying the name of a security company shall be permitted, provided that such signs are (i) ground mounted, (ii) limited to two (2) in number per Lot (one [1] in the Front Yard Area and one [1] in the back yard), and (iii) of a size not in excess of two (2) square feet in size;

(E) Each Owner may display flags on or at a Residence in conformity with the Design Guidelines attached hereto as **Exhibit B**, and in a manner otherwise consistent with the covenants, conditions and restrictions contained in this Declaration;

(F) Each Residence may display up to two (2) spirit signs or other signs in support of athletic events and/or teams during the applicable sport season which are not otherwise consistent with the covenants, conditions and restrictions contained in this Declaration; and

(G) Each Residence may display seasonal decorations (including lights, lawn ornamentation, flags and banners) for a duration of no longer than six (6) weeks before, during, and after the applicable season and provided that such decoration is in any event consistent with the covenants, conditions and restrictions contained in this Declaration; and

(H) One (1) sign for each candidate and/or ballot item on advertising such political candidate(s) or ballot item(s) for an election shall be permitted in accordance with Section 202.009 of the Texas Property Code, provided that:

(i) such signs may not be displayed (A) prior to the date which is ninety (90) days before the date of the election to which the sign relates, and (B) after the date which is ten (10) days after that election date;

(ii) such signs must be ground-mounted; and

(iii) such signs shall in no event (A) contain roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component, (B) be attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing Structure or object, (C) include the painting of architectural surfaces, (D) threaten the public health or safety, (E) be larger than four feet (4') by six feet (6'), (F) violate a law, (G) contain language, graphics, or any display that would be offensive to the ordinary person, or (H) be accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

All signs must be professionally produced and manufactured. Each Owner hereby grants permission to the ACC (or its duly authorized agents) to enter upon a Lot or any part of the Property and remove any sign, billboard or advertising structure that does not comply with the above requirements and, in doing so, the ACC (or its duly authorized agents) shall not be subject to any liability to any Person whatsoever for trespass, conversion, or any claim for damages in connection with such removal. The ACC's cost to remove any sign shall be added to the Owner's assessment account, be payable upon demand and secured by the Assessment Lien created in Article 6.

(f) Construction Materials. All construction materials shall conform to the following provisions:

(1) Exterior Materials. The exterior walls (excluding doors and windows), below the first floor ceiling plate, of each Residence constructed or placed on a Lot shall have the minimum City required coverage but not less than the required minimum coverage as set forth in the Design Guidelines attached hereto as **Exhibit B** and shall consist of brick or brick veneer, or stone or stone veneer, or other masonry material on the first floor and front façade of a residence (excluding openings) and otherwise in compliance with the Design Guidelines attached hereto as **Exhibit B**. All chimney and fireplace flues shall be enclosed and finished and portions located above the roof structure and roofing materials shall be finished as required by the Design Guidelines or applicable ordinances of the City, including, without limitation the PD Ordinance, provided that in any event such exterior portions of the chimney shall be finished with an approved exterior grade siding material; exposed pre-fabricated metal flue piping is prohibited. No material on the exterior of any building or other improvement except wood, hardboard or stucco, shall be stained or painted without the prior written approval of the ACC. No materials other than the following may be used in the exterior construction of a Residence and/or other Structures constructed on a Lot (excluding roofing materials, window frames and exterior fixtures): brick, brick veneer, stone, stone veneer, wood, hardboard, stucco and/or masonry siding. All wood, hardboard or stucco used on the exterior of a Residence must be painted or stained in a color compatible with the exterior design and materials used in the exterior construction of such Residence, and as approved by the ACC.

(2) **Roof Materials.** Minimum twenty (20) year warranty shingle or equivalent is required. The color of shingles shall be weathered wood or gray color. Other roofing material shall not be used without the express written approval of the ACC. All roofing materials must be fireproof and conform to City requirements, and are subject to approval of the ACC. Roof materials shall in any event be in compliance with the Design Guidelines attached hereto as **Exhibit B.** Dormers above roof structure and roofing materials may be finished with an approved exterior grade siding material.

(3) **Garage Doors.** All garages facing the street adjacent or parallel to the front property line of a Lot shall have metal garage doors or other garage doors as approved in writing by the ACC.

Section 3.5 Height Restrictions. All Residences and other Structures shall conform to the height restrictions of the City, including, without limitation the height restrictions under the PD Ordinance.

Section 3.6 Roof Restrictions. All Residences shall have a minimum roof pitch of 6:12 slope, unless otherwise approved in writing by the Architectural Control Committee; provided, however that flat roofs with rooftop balconies may be permitted with express written approval of the Architectural Control Committee where compatible with the overall appearance of the Residence. The roof pitches of any permanent Structure(s) to be constructed and/or installed on any Lots shall be subject to the Architectural Control Committee's prior written approval.

Section 3.7 Construction Period and Process. All construction activities, temporary Structures, storage of materials and equipment, construction-related parking and temporary security fences shall be confined entirely on such Lot or, if applicable, (a) such other portion of the Property designated by Declarant for such use or (b) such other Lots owned by a Builder which may be used as staging, parking or storage areas with related temporary Structures and fencing thereon for purposes of such Builder's initial construction of homes on Lots owned by it. Each Owner is responsible for, and shall cause, through appropriate contractual provisions, all costs of cleaning up any debris or waste improperly disposed of anywhere on the Property. Each Owner and such Owner's contractors shall use reasonable diligence to maintain an attractive, clean, nuisance-free environment during the period of construction. Each Owner of a Lot on which improvements are being constructed shall keep all Streets reasonably cleared of mud and dirt left by construction vehicles for each Lot. Once commenced, all construction on a Lot of any Residence (including the initial Residence thereon) (a) shall be continued with due diligence and good faith until completion, and (b) shall be completed within three (3) months after commencement thereof. Construction of any other Structure shall be completed within the time periods specified in the plan approval process. All areas under construction shall be maintained in a clean, safe condition, and debris, trash, and rubble shall be stored in appropriate containers and promptly removed from the Property.

Section 3.8 Landscaping. Weather permitting, landscaping of a Lot must be completed (a) on the earlier of (i) the date on which any Residence on a Lot is ninety-five percent (95%) complete, or (ii) thirty (30) days from the date on which the Residence thereon is "complete", or

(b) the date on which an Owner commenced installation and/or construction of such landscaping improvements with respect to landscaping improvements and work on Lots with existing Residences. In any event, all landscaping requirements for Residences as set forth in the Design Guidelines attached as **Exhibit B** to this Declaration, and as such Design Guidelines may be amended from time to time by the Declarant, the Board, the ACC or the Association pursuant to the terms hereunder, shall be satisfied prior to occupancy of a Residence on a Lot, provided that in any event (i) all Front Yard Areas of a Lot shall be fully sodded or covered by synthetic turf approved by the ACC in accordance with the Design Guidelines, and all side yards shall be fully sodded, covered by synthetic turf, or, with respect to side yards between Residences only, covered by crushed granite, or any other suitable material (in the sole discretion of the ACC) in accordance with the Design Guidelines, (ii) all yard areas and required landscape shall be irrigated by a fully automated irrigation system with drip irrigation installed in the front yard planter beds and front yard trees, (iii) each Lot shall include at least one (1) canopy tree with a caliper of three inches (3") or greater (measured at 12" from grade) within the Front Yard Area of each of the Lots, and at least two (2) City approved shade trees within the street right-of-way in front of each Lot ("Street Trees") with a caliper of three inches (3") or greater (measured at 12" from grade) so that one Street Tree is in the right-of-way adjacent to Front Yard Area of each Lot every 25 feet, and landscaping that otherwise complies with any requirements of the City (including, without limitation any requirements under the PD Ordinance) or other applicable governmental authorities and the Design Guidelines promulgated by the Board, the ACC or the Association hereunder (collectively, the "**Minimum Landscaping Requirements**"). With respect to each and every fence installed at or near the side Lot line of any corner Lot running parallel to a Private Street, the Lot Owner shall be obligated to maintain all grass areas between the fence and the Street, as applicable (and if any Owner fails to do so, the Association shall have the right, but not the obligation to maintain same at the Owner's cost and shall have all other rights and remedies as are provided for in this Declaration).

Section 3.9 Retaining Walls. Retaining walls may be installed to achieve even grades for driveways or Residence foundations or to prevent storm water drainage to flow onto other Lots as required by Section 2.2(j) hereof. Such retaining walls must be constructed of such materials and height, and in a manner and location, approved in writing by the ACC and the City, if applicable. All retaining walls visible from any Street in front of a Lot, and, for corner Lots, from the adjacent side Private Street, shall be finished with landscape quality rock or stone. Any retaining walls built by Declarant or its affiliates on Common Area to be maintained by the Association shall be conveyed to and maintained by the Association as Common Areas and/or Common Amenities. Any retaining walls located within a Lot shall be maintained and repaired by the Owner of the Lot on which such retaining wall is located. In the event that a retaining wall is located on a shared side or rear property line between two Lots, the Owner of the high-side Lot shall be responsible for the maintenance and repair of such retaining wall.

Section 3.10 Right to Waive or Modify Specific Instruction Provisions. The ACC shall have the right, in its discretion, to grant reasonable waivers of the construction provisions or design criteria as set forth in this Declaration, and any such waiver shall not entitle any other Person to a similar waiver and shall only be granted with respect to portions of the Property for which such ACC is responsible in accordance with the terms of this Declaration.

Section 3.11 Declarant Rights. So long as the Declarant owns any Lot, such Declarant may exercise any of the rights of the ACC appointed by such Declarant under this Article 3 and supersede any decision or action of such ACC.

Section 3.12 Repairs, Replacements and Modifications. The provisions of this Article 3 shall apply to any and all repairs, replacements or modifications of any improvements placed upon any Lot and shall not be deemed or construed as being limited to initial or new construction.

ARTICLE 4

EASEMENTS AND MAINTENANCE PROVISIONS

Section 4.1 Owner's Obligation to Maintain. Each Owner shall maintain its Lot and the Residence and other Structures thereon in a clean, first class condition. Each Owner shall keep all landscaping and sprinkler systems on such Owner's Lot (excepting portions of such Lot within the Front Yard Areas to be maintained by the Association pursuant hereto) in a neat, orderly and well-maintained condition and shall keep the sidewalk, if any, on or in front of such Owner's Lot in good condition and repair. Each Owner shall regularly mow grass on its Lot (excepting portions of such Lot within the Front Yard Areas to be maintained by the Association pursuant hereto) so that at all times so that such Owner's Lot (excepting portions of such Lot within the Front Yard Areas to be maintained by the Association pursuant hereto) contains no weeds, grass or unsightly growth exceeding twelve inches (12") in height. Each Owner shall maintain the exterior of its Residences and Structures in good condition and shall make such repairs and replacements as necessary to maintain good order and the aesthetic harmony of the Property.

Section 4.2 Damaged Improvements. If any Residence or Structure is damaged in any way, the Owner shall immediately repair such damage.

Section 4.3 Declarant/Association Right to Perform. If any Owner fails to maintain the condition of its Lot, the landscaping thereon, including the prompt removal of rotting or deceased trees and shrubs (but excepting landscaping on such Lot within the Front Yard Areas to be maintained by the Association pursuant hereto), or the Residence or other Structures thereon as contemplated by this Article 4 and fails to take action to correct such defect within ten (10) days after the Declarant or the Association has furnished written notice thereof to such Owner, then the Owner of such Lot hereby grants permission to such Declarant or Association (or its duly authorized agents) to enter upon such Lot and perform those duties which the Owner failed to perform without liability whatsoever to such Owner or any Person for trespass, conversion, or any claim for damages. The cost of performing such duties shall be added to the Owner's assessment account and shall bear interest at the rate of twelve percent (12%) per annum (but not in excess of the lawful maximum rate), be payable upon demand, and shall be secured by the Assessment Lien provided for in Article 6.

Section 4.4 Common Area and Easement Maintenance.

(a) **Generally.** Each Owner, the members of that Owner's immediate family, and the Owner's guests (provided guests are accompanied by an Owner) shall have the right to use the Common Area for its intended purposes as herein provided. The Declarant and the Association shall have the right to enter on and use the Common Area at all times to exercise their rights or (in the case of the Association) perform its duties hereunder. Each Owner grants to the Association, the Board, and the applicable Declarant the right to access, repair, and maintain all facilities and improvements within the Front Yard Areas of each Owner's Lot, Private Streets, the Shared Access Easement or within any other easement as recorded on any Plat.

(b) **Shared Access Easement.** Declarant hereby reserves, grants, creates and conveys unto the Association, the Declarant prior to the establishment of the Association and to each Owners a perpetual non-exclusive easement over the Private Streets shown on the Plat, for the purpose of vehicular and pedestrian access, ingress, egress, as is reasonably necessary to maintain, repair and/or restore the utility, paving, curb or other improvements within the Private Streets serving the Lots and/or the Property. If any structures or other obstructions are constructed, created or placed by any Owner within the Private Streets without the prior written consent of the Association and/or the Declarant (for as long as Declarant owns a Lot), the Association or Declarant (for as long as Declarant owns a Lot) the shall have the right to remove such structure or obstruction at the sole cost of such Owner.

(c) **City Utilities and Easements.** The Association, by way of the Board of Directors, the President of the Board of Directors, or any person chosen by the Board of Directors is hereby authorized make agreements with Dallas County, the City of Dallas, and/or any private service companies for easements over the Private Streets as may be necessary or appropriate to comply with applicable ordinances or laws, including, without limitation, the PD Ordinance, the City of Dallas Code SEC. 51A and SEC. 51P, and Article XIII of the Dallas Fire Code. These easements may include, but are not limited to: utilities, fire lanes, street lighting, government vehicle access, mail collection and delivery access, utility meter reading access, and any other access as required code or ordinance. These easements expressly include, without limitation, any rights granted to the City under that certain "Shared Access Area Easement and Private Land Use Restrictions" entered into by Declarant and recorded against the Property, the terms of which are incorporated herein by reference.

(d) **Front Yard Maintenance Easement.** Declarant hereby reserves for itself and grants, creates and conveys unto the Association, a perpetual non-exclusive easement over the Front Yard Areas of each Lot, for the purpose of access, ingress, egress, as is reasonably necessary to maintain, repair, replace and/or restore the landscaping, irrigation or other related improvements within the Front Yard Areas on each Lots. If any landscaping, irrigation, structures or other obstructions are constructed, installed, created or placed by any Owner within the Front Yard Area of any Lot without the prior written consent of the ACC and/or the Declarant during the Development Period, the ACC and/or the Declarant during the Development Period, shall have the right to remove such landscaping, irrigation, structures or other obstructions at the sole cost of such Owner.

(e) **Maintenance of Common Area and Front Yard Areas.** The Association shall be solely responsible for all maintenance, repair, replacement, and improvement of the (i) Common Area (including, without limitation, all improvements with the Common Area for the common benefit or use of the Owners, including any street lighting, traffic control devices, Street Trees, paving and utilities to the extent not maintained by the City), and (ii) the Common Amenities, including, without limitation, the landscaping, irrigation and other improvements within the Front Yard Areas of the Lots, utilizing the Assessments for such purposes as herein provided. The Declarant shall have no responsibility for maintenance, repair, replacement, or improvement of the Common Area after initial construction. Members, upon purchase of a Lot accept all common areas, elements, and amenities in their then present, as is condition.

(f) **AS IS CONDITION; RELEASE.** EACH OWNER, RESIDENT, FAMILY MEMBER, AND THEIR GUESTS ACCEPT THE CURRENT AND FUTURE CONDITION OF THE PROPERTY AND ALL IMPROVEMENTS CONSTRUCTED THEREON AS IS AND WITH ALL FAULTS. NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, IS MADE BY DECLARANT, THE ASSOCIATION OR ANY OF THEIR OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS AS TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON. EACH OWNER AND RESIDENT HEREBY RELEASE AND AGREES TO HOLD HARMLESS THE DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES (COLLECTIVELY, THE "RELEASED PARTIES"), FROM ANY CLAIM ARISING OUT OF OR IN CONNECTION WITH THE PROPERTY OR ANY IMPROVEMENTS THEREON, WHETHER BY AN OWNER, RESIDENT OR A THIRD PARTY, EVEN IF DUE TO THE NEGLIGENCE OF THE RELEASED PARTIES OR ANY ONE OF THEM. EACH OWNER AND RESIDENT FURTHER ACKNOWLEDGES THAT THE RELEASED PARTIES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS THE OWNER OR RESIDENT RELIED ON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS THEREON, AND ALL SUCH WARRANTIES ARE HEREBY WAIVED AND RELEASED BY EACH OWNER AND RESIDENT.

(g) **Insurance for Common Areas.** The Association shall insure the Common Areas, and property owned by the Association, including, if any, records, furniture, fixtures, equipment, and supplies, in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insurable hazard. The Association is not required to insure any of Lot, Residence, automobiles, watercraft, furniture or other personal property located within a residence or on any Common Area unless specifically set forth in this Agreement. The Association shall maintain a commercial general liability insurance policy on an occurrence-based form covering the Common Area for bodily injury and property damage. All insurance maintained by the Association shall be written by an insurer with an A.M. Best rating of A-VII or higher. The insurance policies required under this Section or otherwise will provide for blanket waivers of subrogation for the benefit of Declarant, shall provide primary coverage, not secondary, and provide first dollar coverage. Additionally, the insurance policies under this paragraph shall provide that Declarant shall receive thirty-days

written notice prior to cancellation of the policy and that Declarant shall permitted to pay any premiums to keep the Association's insurance policies in full force and effect. The Association shall cause Declarant to be named as an additional insured on all insurance required under this Section or as otherwise set forth herein. In addition to the other indemnities herein and without limitation, if the Association fails to name Declarant as an additional insured as set forth herein, the Association shall hold harmless, defend and indemnify Declarant for any loss, claim, damage and/or lawsuit suffered by Declarant for the Association's failure described herein. To the extent of any conflict between this Section and any other provision of this Declaration as it relates to insurance for the Common Areas, this provision shall control.

(h) **Inspection of Common Areas.**

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

(ii) Schedule of Inspections. Such inspections shall take place at least once every two (2) years. The inspectors shall provide written reports of their inspections to the Association promptly following completion thereof. The written reports shall identify any items of maintenance or repair that either require current action by the Association or will need further review and analysis. The Board shall report the contents of such written reports to the Members of the Association at the next meeting of the Members following receipt of such written reports or as soon thereafter as reasonably practicable and shall include such written reports in the minutes of the Association. Subject to the provisions of the Declaration below, the Board shall promptly cause all matters identified as requiring attention to be maintained, repaired, or otherwise pursued in accordance with prudent business practices and the recommendations of the inspectors.

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

ARTICLE 5
OWNERS' ASSOCIATION

Section 5.1 Establishment. The Association has heretofore been created as a Texas non-profit corporation. Each Owner of a Lot shall be a member of the Association and such membership is appurtenant to and shall not be separated from ownership of a Lot. Upon the transfer of a Lot, the new Owner shall automatically become a member of the Association. The term of existence of the Association and other matters pertaining to its operation are set forth in its Certificate of Formation and the By-Laws. The Association is established to enforce this Declaration and the Covenants, to promote the interests of the Owners as residents of the

Property, and to enhance the value of the Lots as part of a harmonious, high quality, residential subdivision.

Section 5.2 Membership; Voting Power.

(a) **Generally; Classes of Members.** Every Owner (including Declarant) shall automatically be and must remain a Member of the Association so long as such Person is an Owner. The membership of a Person in the Association shall terminate automatically whenever such Person ceases to be an Owner, except that such termination shall not release or relieve such Person from any liability or obligation arising under this Declaration during such Person's period of ownership. Any transfer of title to a Lot shall operate automatically to transfer membership in the Association appurtenant to such Lot to the new Owner of such Lot. The Association shall have two classes of voting membership as follows:

(i) **Class A.** The Class A Member shall be all Owners other than the Declarant and shall be entitled to one vote for each Lot owned. If more than one person owns an interest in a Lot, they shall combine their vote in such way as they see fit, but there shall be no fractional votes, and no more than one vote with respect to any Lot.

(ii) **Class B.** The Class B Member shall be the Declarant who shall be entitled to ten (10) votes for each Lot owned by such Declarant. Subject to the conditions set forth in the remainder of this paragraph, the Class B membership applicable to the Declarant's Property shall be converted to Class A membership upon the earlier of (i) the total votes outstanding in the Class A membership applicable to Declarant's portion of the Property equaling the total votes outstanding in the Class B membership applicable to such Declarant's portion of the Property, (ii) fifteen (15) years from this filing, or (iii) the recording in the Official Public Records of Dallas County, Texas, of a notice signed by the Declarant terminating its Class B membership.

(b) **Board of Directors Election.** The Board shall be elected as provided in the Association Documents. The Board shall act by majority vote as provided in the Association Documents.

(c) **Specific Powers of Board.** Without limiting the authority granted to a board of directors under the Texas Business Organizations Code, the Board shall have the following specific powers on behalf of the Association:

- (1) to enforce the provisions of this Declaration;
- (2) to enter into contracts;
- (3) to retain third parties, as necessary, to assist the Board in carrying on the Association's activities, including, without limitation, a Managing Agent or any engineers, accountants, lawyers, architects, land planners, professional management, and/or other consultants;

- (4) to take such action as necessary to maintain the Common Area, the Common Amenities and/or the Front Yard Areas in good order and condition;
- (5) to acquire property, services and materials to carry out its duties;
- (6) to purchase insurance covering potential liability for use of the Common Area and Common Amenities and for other risks;
- (7) to borrow money for Association purposes;
- (8) to initiate and defend litigation, arbitration and other similar proceedings;
- (9) to promulgate reasonable rules and regulations for access to and use of Common Area and/or Common Amenities as well as a policy establishing a schedule and procedures by which the Board may assess fines against Owners for violations of the Covenants;
- (10) to establish and collect reasonable fees for the use of any Common Amenities or within any Common Area; and
- (11) to establish and collect a reasonable fee for copying and furnishing copies of the Association's governing documents and furnishing a Resale Certificate (as hereinafter defined) as and to the extent required by law. This function and the authority to collect and receive such fees may be delegated or assigned by the Board to the Association's Managing Agent.

Section 5.3 Officers. The Association will have such officers as are set forth in the Association Documents.

Section 5.4 Quorum, Notice and Voting Requirements.

(a) **Generally.** Except as otherwise specifically provided in this Declaration, any action requiring the vote or approval of the Members or the Owners shall require the majority vote of the Members (both classes voting together), represented at a duly called meeting of the Members in person or by a legitimate proxy in form provided in the Association Documents or otherwise approved by the Board, at which a "Regular Quorum" or a "Special Quorum" as required under the Association Documents is present. Written notice of a meeting must be given to all Members not less than ten (10) days nor more than sixty (60) days in advance of any such meeting and shall set forth the purpose(s) of such meeting. No action may be taken at a meeting on any matter that is not described in the applicable meeting notice as being on the agenda for such meeting. Notwithstanding anything herein to the contrary, to the extent permitted by applicable law and in the Association Documents from time to time, any action may be taken by written consent of the Members in lieu of formal meetings.

(b) **Special Quorum.** The quorum (a "Special Quorum") required for any action referred to in Section 6.3(b) (maximum increase in Maintenance Assessments) hereof or Section 6.4(a) (Special Purpose Assessments) hereof:

Members, represented at a duly called meeting of the Members in person or by a legitimate proxy in form provided in the Association Documents or otherwise approved by the Board, entitled to cast twenty percent (20%) of all of the votes of Members of the Association (both classes of Members taken together) shall constitute a Special Quorum. If the required Special Quorum is not present at such meeting, that meeting may be adjourned, and an additional meeting may be called, subject to the notice requirement set forth herein, with the required Special Quorum at such second (2nd) meeting being reduced to one-half (1/2) of the required Special Quorum at the preceding meeting; provided, however, that such second (2nd) meeting must be held not later than thirty (30) days after the first (1st) meeting. Further, if the reduced required Special Quorum is not present at such second (2nd) called meeting, the adjournment of the meeting shall be continued, and one (1) additional meeting may be called, subject to the notice requirement set forth herein, with Declarant alone constituting the required Special Quorum at such third (3rd) meeting; provided that such third (3rd) meeting must be held not later than forty-five (45) days after the first (1st) meeting.

(c) **Regular Quorum.** The quorum (a "Regular Quorum") required for any action other than the action referred to in Section 5.4(b) hereof shall be as follows:

Members, represented at a duly called meeting of the Members in person or by a legitimate proxy in form provided in the Association Documents or otherwise approved by the Board, entitled to cast ten percent (10%) of all of the votes of Members of the Association (both classes of Members taken together) shall constitute a Regular Quorum. If the required Regular Quorum is not present at such meeting, that meeting may be adjourned, and an additional meeting may be called, subject to the notice requirement set forth herein, with the required Regular Quorum at such second (2nd) meeting being reduced to one-half (1/2) of the required Regular Quorum at the preceding meeting; provided, however, that such second (2nd) meeting must be held not later than thirty (30) days after the first (1st) meeting. Further, if the reduced required Regular Quorum is not present at such second (2nd) called meeting, the adjournment of the meeting shall be continued, and one (1) additional meeting may be called, subject to the notice requirement set forth herein, with Declarant alone constituting the required Regular Quorum at such third (3rd) meeting; provided that such third (3rd) meeting must be held not later than forty-five (45) days after the first (1st) meeting.

(d) **Consent without a Meeting.** As an alternative to the procedure set forth in this Section, any action may be taken without a meeting in the manner permitted under the Bylaws or other Association Documents.

(e) **Controlling Provisions.** Except as set forth in this Section, the notice, voting and quorum requirements for all action to be taken by the Association shall be as set forth in the Association Documents. In the event a conflict exists between any requirement in of this Section

5.4 and the requirements of any Association Documents, the terms of this Section 5.4 shall prevail.

Section 5.5 Dissolution. So long as Declarant owns record title to any portion of the Property, the Association shall not be dissolved. Once the Declarant is divested of all ownership interest in the Property, the Association may be dissolved upon the written consent of Owners owning at least one hundred percent (100%) of the Lots, provided that (i) title to the real property held as Common Area by the Association shall automatically vest in the Owners as tenants-in-common each holding an equal undivided interest in such real property, and (ii) all other assets of the Association shall be conveyed to the Owners as tenants-in-common each holding an equal undivided interest in such property, or donated to any nonprofit organization selected by a majority of the Board.

ARTICLE 6 ASSESSMENTS

Section 6.1 Power to Establish Assessments. The Association is empowered to establish and collect Assessments as provided in this Article 6 for the purpose of obtaining funds to maintain the Common Area, Common Amenities and/or Front Yard Areas, perform its other duties, and otherwise preserve and further the operation of the Property as a first-class, quality residential subdivision. The purposes for which Assessments may be used include, without limitation, maintaining, operating, managing, repairing, replacing or improving the Common Area, Common Amenities and/or Front Yard Areas or any improvements thereon; mowing grass and maintaining street lights and signage in the Subdivision; repaving and/or re-surfacing the Private Streets; paying legal fees and expenses incurred in enforcing this Declaration; paying expenses incurred in collecting and administering assessments; paying insurance premiums for liability and fidelity coverage for the Board and the Association; and satisfying any indemnity obligation under the Association Documents. The Board may reject partial payments and demand payment in full of all amounts due and owing the Association. The Board is specifically authorized to establish a policy governing how payments are to be applied.

Section 6.2 Commencement of Assessments.

(a) **Owner other than the Declarant.** Unless otherwise provided by separate agreement by and between the Declarant and any Person, the Assessments shall commence, as to each Lot located in the Declarant's Property, upon conveyance of the Lot by the Declarant to any Person that is not an affiliate of the Declarant.

(b) **Declarant.** The Declarant shall not be liable for Assessments for any Lots that it owns. The Declarant may, but shall have no obligation to, subsidize the Association from time to time. In the event the Declarant decides to subsidize the Association and any shortfall in the operating budget of the Association Declarant may claim any subsidy provided as a loan against the Association. If the shortfall is due in part to the failure of the Association to collect delinquent Assessments, then the Association shall immediately and vigorously pursue collection

of such delinquent Assessments through foreclosure, if necessary, and shall reimburse the Declarant the amounts, if any, so collected.

Section 6.3 Regular Annual Maintenance Assessments.

(a) **Annual Budget.** For each calendar year or a part thereof during the term of this Declaration, the Board shall establish an estimated budget of the expenses to be incurred by the Association for the forthcoming year in performing its duties (collectively, the "Common Expenses"). Based upon such budget, the Association shall then assess each Lot an annual fee (the "Maintenance Assessment") which shall be paid by each Owner in advance semi-annually on the first day of each January and July, unless the Board determines a different schedule. The Association shall notify each Owner of the Maintenance Assessment for the ensuing year by December 15 of the preceding year, but failure to give such notice shall not relieve any Owner from its obligation to pay Maintenance Assessments. Any Maintenance Assessment not paid within thirty (30) days of the date due shall be delinquent and shall thereafter bear interest at the Default Interest Rate (as defined below) as provided in Section 6.5(f). As to any partial year, Maintenance Assessments on any Lot shall be appropriately prorated. Until and unless otherwise determined by the Board, **the annual Maintenance Assessment shall be based on budget notwithstanding, the minimum annual Maintenance Assessment which shall be levied against each Owner of a Lot shall be five hundred and No/100 Dollars (\$500.00) per Lot per year, and may be paid annually or semi-annually at the Board's sole discretion. The annual Maintenance Assessment amount may be lowered only by majority vote of the Board taken in an open Board Meeting or a Special Meeting called specifically for that purpose.**

(b) **Limits on Maintenance Assessments.** The Board may increase the Maintenance Assessment annually to meet the anticipated needs of the appropriate budget, but the Maintenance Assessment may not be increased in any year by an amount in excess of fifty percent (50%) above the previous year's Maintenance Assessment, unless such increase is approved by a majority vote of those Members of the Association present at a meeting, in person or by proxy, where a Special Quorum exists. Notwithstanding the foregoing, in the event that the Board determines that due to unusual circumstances the maximum annual Maintenance Assessment even as increased by fifty percent (50%) will be insufficient to enable the Association to pay the Common Expenses, then in such event, the Board shall have the right to increase the maximum annual Maintenance Assessment by the amount necessary to provide sufficient funds to cover the Common Expenses without the approval of the Members as provided herein; provided, however, the Board shall only be allowed to make one (1) such increase per calendar year without obtaining approval of a Special Quorum of the Members as provided in this Section 6.3(b).

(c) **Uniform Assessments.** Maintenance Assessments for all Lots shall be uniform.

(d) **Master Assessments.** The Association may, and probably will, serve as a conduit for payment of the Owners' Master Assessments to the Master Association. At its sole discretion, the Board may include the Owners' collective obligation for Master Assessments to the Master Association in the Association's annual operating budget to be paid by Maintenance

Assessments, or as a separate dedicated assessment. If the Association levies a Master Assessment, the Association must disclose the Master Assessment in Resale Certificates prepared by the Association. If the Association collects money from the Owners for the Master Association, the Association is not required to make payment to the Master Association for the account of an Owner who is delinquent in payment of Assessments to the Association. Money received by the Association from such Owner will be applied first to cure the Owner's account with the Association. Any surplus may be paid to the Master Association for the Owner's account. Effective as of the filing date of this Declaration, Master Assessments will be levied based on Master Association's budgetary needs notwithstanding, the minimum Master Assessment to be levied **shall not be less than One Thousand and No/100 Dollars (\$1,000.00)** per Lot per year which may be paid annually, semi-annually, quarterly, or monthly at the sole discretion of the Declarant and Board of Directors of the Master Association, and is subject to modification by the Board of Directors of the Master Association in accordance with the terms of the Master Declaration. If and to the extent not levied as part of the Maintenance Assessment, the Maintenance Assessment due under this Declaration shall be in addition to the Master Assessments or other fees and charges levied by the Master Association under the Master Declaration, to the extent not levied as part of the Maintenance Assessment.

Section 6.4 Special Assessments.

(a) **Special Purpose Assessments.** The Association may impose special assessments ("Special Purpose Assessments") to make capital improvements to the Common Area, Common Amenities and/or Front Yard Areas, to satisfy its indemnity obligations under the Association Documents, or for any other purposes as may be deemed necessary and appropriate by the Declarant and thereafter, the Board of Directors. Any Special Purpose Assessment proposed greater than fifty percent (50%) of the then current Assessment rate must be approved by a majority vote of those members of the Association present at a meeting, in person or by proxy, at which a Special Quorum exists. At least fifteen (15) days prior to any meeting of the Association called to consider any Special Assessment, the Board shall notify each Owner thereof by written notice specifying the total amount of the Special Purpose Assessment required, the amount thereof imposed on each Lot (which shall be uniform), the purpose for such Special Purpose Assessment, and the time and method of payment thereof. The time for paying any Special Purpose Assessment (which may be in installments) shall be as specified in the approved proposal.

(b) **Special Member Assessments.** The Board may levy a "Special Member Assessment" (herein so called) on any Member, to the extent any directly related insurance proceeds (if any) paid to the Association are not sufficient to pay all such costs, for the purpose of:

(i) Paying the cost of any damage or loss requiring maintenance, repairs or replacement of improvements within Common Areas or Front Yard Area of a Lot, which damage or loss has been determined by the Board to have been caused, either directly or indirectly, by the act(s) of such Member, or such Member's agent, employee, occupant or visitor; and/or

(ii) Paying the maintenance costs, construction delay damages and fines imposed for violations of this Declaration or any other rules and/or regulations promulgated thereby or other amounts chargeable to any Owner as otherwise set forth herein; and/or

(iii) Paying costs and expenses incurred by the ACC or Declarant in connection with its review of a Member's plans and related inspections permitted pursuant to Section 3.2(c) hereof.

Section 6.5 Liability for and Enforcement of Assessments.

(a) **Personal Liability.** Each Owner shall be personally liable for all Assessments imposed against the Owner's Lot during the time it owns a Lot.

(b) **Reservation, Subordination, and Enforcement of Assessment Lien.** Declarant hereby reserves for the benefit of itself and the Association, a continuing contractual lien (the "Assessment Lien") against each Lot located on such Declarant's portion of the Property to secure payment of (1) the Assessments imposed hereunder and (2) payment of any amounts expended by such Declarant or the Association in performing a defaulting Owner's obligations as provided for in Section 4.3. THE OBLIGATION TO PAY ASSESSMENTS IN THE MANNER PROVIDED FOR IN THIS ARTICLE, TOGETHER WITH INTEREST FROM SUCH DUE DATE AT THE DEFAULT INTEREST RATE SET FORTH IN SECTION 6.5(f) HEREOF, THE CHARGES MADE AS AUTHORIZED IN SECTION 6.5(e) HEREOF, ALL VIOLATION FINES AND THE COSTS OF COLLECTION, INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES, IS SECURED BY A CONTINUING CONTRACTUAL ASSESSMENT LIEN AND CHARGE ON THE LOT COVERED BY SUCH ASSESSMENT, WHICH SHALL BIND SUCH LOT AND THE OWNERS THEREOF AND THEIR HEIRS, SUCCESSORS, DEVISEES, PERSONAL REPRESENTATIVES AND ASSIGNEES. The continuing contractual Assessment Lien shall attach to the Lots as of the date of the recording of this Declaration in the Official Public Records of Dallas County, Texas, and such Assessment Lien shall be superior to all other liens except as otherwise provided in this Section 6.5(b). Each Owner, by accepting conveyance of a Lot, shall be deemed to have agreed to pay the Assessments herein provided for and to the reservation of the Assessment Lien. The Assessment Lien shall be subordinate only to the liens of any valid first lien mortgage or deed of trust encumbering a particular Lot and the Assessment Lien established by the terms of the Master Declaration. Sale or transfer of any Lot shall not affect the Assessment Lien. However, the sale or transfer of any Lot pursuant to a first mortgage or deed of trust foreclosure (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall only extinguish the Assessment Lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability and the Assessment Lien for any Assessments thereafter becoming due. The Assessment Lien may be non-judicially foreclosed by power of sale in accordance with the provisions of Section 51.002 of the Texas Property Code (or any successor provision) or may be enforced judicially. Each Owner, by accepting conveyance of a Lot, expressly grants the Association a power of sale in connection with the foreclosure of the Assessment Lien. The Board is empowered to appoint a trustee, who may be a member of the Board, to exercise the powers of the Association to non-judicially foreclose the Assessments

Lien in the manner provided for in Section 51.002 of the Texas Property Code (or any successor statute). The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. The rights and remedies set forth in this Section 6.5(b) are subject to the Texas Residential Property Owners Protection Act, as amended from time to time (Texas Property Code, Section 209.001 *et seq.*).

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

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

(e) **Late Charges and Collection Fees.** If any Assessment or any part thereof remains unpaid after thirty (30) calendar days from and after the due date established by the Board, a late charge shall be assessed against the non-paying Owner for each month or any part thereof, that any portion of any Assessment remains unpaid. Should any Assessment be payable in installments, the Association is authorized to accelerate the entire Assessment and demand immediate payment thereof. The late charge shall be in the amount of Twenty-five and No/100 Dollars (\$25.00) per month. The Association's Managing Agent shall be entitled to charge an Owner a monthly collection fee as well as other collection related services to compensate Managing Agent for its administrative costs and efforts to collect and process the late payment of Assessments. A service charge in the amount of Twenty-Five and No/100 Dollars (\$25.00) shall be charged for each check that is returned because of insufficient funds or any other reason. The amount of late charges and service charges may be adjusted, from time to time, by the Board consistent with any changes in the administrative costs to collect unpaid Assessments or the Association's bank charges. All late charges, collection fees, service charges and attorneys' fees assessed or incurred due to late payment of Assessments shall be charged to an Owner's

Assessment account which shall be part of the delinquent Assessment and shall be payable and secured in the same manner as herein provided with regard to Assessments.

(f) **Interest on Past Due Amounts.** All Assessments past due more than thirty (30) days, unpaid fines and other amounts owed to the Association by any Owner which are not paid when due shall bear interest from the date due until paid at the rate of eighteen percent (18%) per annum, but not in excess of the maximum rate allowed by applicable law (the "Default Interest Rate").

(g) **Working Capital Contribution.** Upon sale of record title to a Lot by an Owner other than the Declarant, a contribution of \$500.00 shall be made by the purchaser of such Lot or on behalf of such purchasing Owner to the "Working Capital Contribution" (herein so called) of the Association. This amount is not refundable, shall be in addition to, not in lieu of, the Maintenance Assessment levied on the Lot and shall not be considered an advance payment of any portion thereof. This amount shall be deposited into escrow and disbursed therefrom to the Association or to the applicable Declarant if the Association is not yet established and shall be used for any expenditure of the Association as the Declarant and thereafter, the Board of Directors deems necessary. Such amount shall be reviewed semi-annually and may be increased. **During the Declarant Control Period and thereafter by the Board of Directors by Resolution. At least \$250.00 of each contribution collected upon the sale of record title to a Lot shall be placed in a segregated general fund for general uses by the Association, including, but not limited to, repayment of notes payable by the Association to Declarant or any third party. The Association may segregate up to \$400.00 of each contribution collected for the general fund during the Declarant Control Period as deemed necessary or appropriate. At the Declarant's sole discretion, it may require the use of general reserves by the Association prior to any request for subsidy being requested from the Declarant.**

(h) **Suspension of Right to Use of Common Area and/or Common Amenities.** To the extent permitted by applicable law, the Board may suspend the right of any Owner to use of any or all of the Common Areas and/or Common Amenities during the time in which such Owner is delinquent in paying any Assessment.

(i) **Suspension of Voting Rights.** To the extent permitted under applicable law, no Owner who is delinquent in paying its Assessments shall have the right to vote as a member of the Association while such delinquency continues; an Owner may cure a delinquency at a meeting to regain the right to vote by paying all outstanding amounts (including interest, fines, and penalties) by cashier's or certified check or other good funds acceptable to the Board.

(j) **Transfer Fees and Fees for Issuance of Resale Certificates.** The Board may, at its sole discretion, enter into a contract with a Managing Agent to oversee the daily operation and management of the Association. The Managing Agent may, and probably will, have fees, which will be charged to an Owner for the transfer of a significant estate or fee simple title to a Lot and the issuance of a "Resale Certificate" (herein so called). The Association or its agent shall not be required to issue a Resale Certificate until payment for the cost thereof has been received by the Association or its agent. Transfer fees and fees for the issuance of a Resale Certificate are not refundable and may not be regarded as a prepayment of or credit against regular or special

assessments, and are in addition to the contribution to the Working Capital Contribution in Section 6.5(g) above. This Section does not obligate the Board or any third party to levy such fees.

ARTICLE 7

SPECIFIC DECLARANT RIGHTS

Section 7.1 Declarant's Right to Annex Adjacent Property. So long as the Declarant owns any Lot within the Property or the Development Period is still in effect, Declarant hereby reserves the right to annex additional property adjacent to or in the vicinity of the Property into the real property subject to this Declaration. Any additional property annexed may only be used for Common Area, development of additional Lots, Private Streets or other uses as may be determined by Declarant in its sole discretion. Any such annexation shall be accomplished by recordation of a supplemental Declaration including (i) a legally sufficient description of the real property then being annexed and included in the Property that is subject to this Declaration (the "Annexed Land"), (ii) a statement that the Annexed Land shall be subject to the terms, covenants, conditions and restrictions of this Declaration as if it was originally included in the Property, (iii) terms providing that an Assessment Lien is therein created on the Annexed Land and reserved in favor of the Association to secure collection of the Assessments as provided in this Declaration, (iv) terms setting forth the first year Maintenance Assessments and the amount of any other then applicable Assessments (if any) for the Lots within the Annexed Land being made subject to this Declaration, and (v) such other terms as may be deemed appropriate by the Declarant. Any supplemental Declaration annexing Annexed Land shall reference this Declaration (as recorded), and be executed by Declarant (and the Owner of such Annexed Land, if not Declarant) and recorded in the Official Public Records of Dallas County, Texas.

In determining the number of Lots owned by the Declarant for the purpose of Class B membership status according to Section 5.2 hereof, the total number of Lots covered by this Declaration and located in such Declarant's portion of the Property, including all Lots acquired by the Declarant and annexed thereto, shall be considered. If Class B membership has previously lapsed but annexation of additional property restores the ratio of Lots owned by the Declarant to the number required by Class B membership, such Class B membership shall be reinstated until it expires pursuant to the terms of Section 5.2.

Section 7.2 Amendment. The provisions of this Article 7 may not be amended without the express written consent of Declarant (and Declarant's successors and assigns in accordance with the terms hereof).

Section 7.3 Specific Declarant Rights to Amend Declaration. For so long as the Declarant owns any Lot within the Property for development and/or sale, the Declarant, without joinder of the Board, the Association, or the other Owners, may unilaterally amend this Declaration without the joinder or vote of any other party if such amendment is necessary (i) to bring any provisions of this Declaration into compliance with any applicable governmental statute, rule, regulation or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National

Mortgage Association or Federal Home Loan Mortgage Corporation, to purchase, insure, or guarantee mortgage loans on the Lots; or (iv) to satisfy the requirements of any local, state or federal governmental agency. **For so long as the Declarant owns any Lot within the Property for development and/or sale, Declarant may unilaterally amend this Declaration, without the joinder or vote of any other party, as may be necessary or desirable from time to time in Declarant's sole judgment, to correct or clarify errors, omissions, mistakes or ambiguities contained herein.** No amendment pursuant to this paragraph, however, shall adversely affect the title to any Lot unless the Owner affected thereby shall consent in writing.

Section 7.4 Easement/Access Right. The Declarant reserves a general easement over all Private Streets, roads, rights of way, alleys and utility, maintenance, landscaping, wall and other easements in the Property and over the balance of the Common Area as reasonably necessary for access for the purpose of finishing development of the Property as a subdivision and as otherwise reasonably necessary to affect the Declarant's rights hereunder. Such easements and rights shall expire upon expiration of the Development Period.

Section 7.5 Assignment of Declarant Rights. Declarant may assign its rights to a successor Declarant hereunder by execution of a written document, recorded in the Official Public Records of Dallas County, Texas, expressly and specifically stating that such Declarant has assigned its rights as such to a designated assignee and declaring such assignee to be a new "Declarant" hereunder. No Person purchasing or otherwise acquiring one (1) or more Lots shall be considered "Declarant" hereunder, unless Declarant makes an express and specific assignment referenced in and accordance with the terms of the immediately preceding sentence.

Section 7.6 Declarant's Right to Install Improvements in Setback and Other Areas. Declarant, in connection with development of the Property and construction of homes thereon, reserves the right but shall have no obligation to install or construct walls, fences, irrigation systems and other improvements in the setback areas (being the area on, along and/or between the boundary line of a Lot and the building or setback lines applicable to such Lot). If Declarant exercises such right in a setback area, then such wall, fence, irrigation system, or other improvement shall be the property of the Owner(s) of the Lot(s) adjacent to such improvements or upon which such improvements are located, and such Owner(s) shall maintain and repair any such improvement unless the applicable Declarant or the Association, by and through the Board, shall advise the Owner(s) in writing of its intent to assume such maintenance and repair obligations. If Declarant exercises such right in the above-described non-setback areas, then such wall, fence, irrigation system, or other improvement shall be the property of the Association. So long as it owns any Lot, Declarant shall have the right, but not the obligation, to maintain and repair any such non-setback area improvements located on such Declarant's portion of the Property; otherwise, the Association shall assume the maintenance and repair or it may abandon such improvements at its discretion. If the City requires the maintenance, repair, or removal of any such non-setback area improvements, the Association shall assume such responsibility at its expense. If the Association so abandons such non-setback area improvements or is properly dissolved, then the Owner(s) of the Lot(s) adjacent to such improvements or on which such improvements are located shall assume maintenance and repair at its expense.

Section 7.7 Replatting or Modification of Plat. From time to time, the Declarant reserves the right to replat its Property or to amend or modify the Plat in order to assure a harmonious and orderly development of the Property as herein provided. The Declarant may exercise such rights so long as it owns any Lot and no joinder of any other Owner shall be required to give effect to such rights, each Owner consenting to the Declarant's execution of any replat on such Owner's behalf. However, any such replatting or amendment of the Plat shall be with the purpose of efficiently and economically developing the Property for the purposes herein provided or for compliance with any applicable governmental regulation. Declarant's rights under this Section 7.7 shall expire at such time as the Declarant no longer owns a Lot.

Section 7.8 Limitation of Declarant's Liability. The Declarant shall not be responsible or liable for any deficit in the Association's funds. The Declarant may, but are under no obligation to, subsidize any normal, recurring operating expenses and/or liabilities incurred by the Association and the Declarant may, but is not obligated to, lend funds to the Association to enable it to defray its normal, recurring operating expenses, provided the terms of such loans are on reasonable market conditions at the time.

Section 7.9 Termination of Declarant's Responsibilities. In consideration of Declarant's deficit funding of the Association, subsidies of the Association, or loans to the Association, if any, upon the occurrence of any of the following events: (i) conversion of Declarant's Class B membership status to Class A membership status; (ii) completion of any facilities in the Common Area by the Declarant; or (iii) assignment of the Declarant's rights hereunder pursuant to Section 7.5, then and in such event the Declarant shall be fully released, relieved and forever discharged from any further duty or obligation to the Association or any of its members as Declarant by reason of the terms and conditions of this Declaration including any amendments thereof or supplements thereto, save and except the duties and obligations, if any, of the Declarant as a Class A member by reason of the Declarant's continued ownership of one or more Lots, but not otherwise. Further, and without regard to whether or not Declarant has been released from obligations and duties to the Association, so long as Declarant holds record title to at least one (1) Lot and holds same for sale in the ordinary course of business, neither the Association nor its Board, nor any member of the Association shall take any action that will impair or adversely affect the rights of the Declarant or cause the Declarant to suffer any financial, legal or other detriment, including but not limited to, any direct or indirect interference with the sale of Lots. In the event there is a breach of this Section, it is acknowledged that any monetary award which may be available would be an insufficient remedy and therefore, in addition to all other remedies, the Declarant shall be entitled to injunctive relief restraining the Association, its Board or any member of the Association from further breach of this Section.

ARTICLE 8

MISCELLANEOUS PROVISIONS

Section 8.1 Term and Renewal. These Covenants shall commence on the date hereof and shall continue in effect for a period of thirty (30) years. Thereafter these Covenants shall automatically renew for subsequent periods of ten (10) years each unless Owners owning at least sixty-seven percent (67%) of the Lots elect to terminate these Covenants by written instrument recorded in the Official Public Records of Dallas County, Texas.

Section 8.2 Enforcement. The terms, provisions and conditions of this Declaration and the Design Guidelines shall be enforceable by the Declarant, the Association, the ACC and each Owner. The Board shall have the power and authority to impose reasonable fines (which shall not exceed \$500.00 for each separate violation) for violation of this Declaration, the Design Guidelines or any rule or regulation of the Association, which shall constitute a lien upon the Lot of the violating Owner as provided in the Declaration, and to suspend the Owner's right to vote or any Person's right to use of the Common Area and/or Common Amenities. Each day the violation continues to exist shall constitute a separate violation. If any occupant, guest, or invitee of a Lot violates the Declaration, the Design Guidelines or a rule or regulation of the Association and a fine is imposed, the fine shall be assessed against such Owner, who shall pay the fine upon notice from the Association. No delay or failure on the part of Declarant, the Association or any Owner to invoke any available right, power or remedy with respect to a breach of this Declaration shall be held to be a waiver by that party (or estop that party from asserting) any right, power or remedy available to such party upon the recurrence or continuance of said breach or the occurrence of a different breach. Neither Declarant, the Association nor the Owners, shall be under any obligation to take any action to enforce the terms of this Declaration. The failure by Declarant, the Association or any Owner to enforce any provision of this Declaration shall in no event subject Declarant, the Association or any Owner to any claims, liability, cost or expense; it being the express intent of this Declaration to provide Declarant, the Association or any Owner with the right (such right to be exercised at its sole and absolute discretion), but not the obligation to enforce the terms of this Declaration for the benefit of any Owner(s) of any Lot(s) in the Subdivision. No more than one (1) notice of not less than five (5) days shall be required for violations that are non-emergency in nature. Any violation deemed to be an emergency, health hazard, safety hazard, or deemed to be in need of immediate action by the Board or an assigned inspector or Agent shall not require a five (5) day notice. Notification to the Owner shall be attempted by any means available notwithstanding, failure or inability to issue notice shall not negate the Association's right to enforce against such violations and take whatever actions are deemed necessary to abate such a violation. NO trespass by the Association, the Board, the Architectural Control Committee, an Inspector, or Agent of the Association shall be deemed to have taken place when entry upon a Lot or entry into an Owner's home is required to abate a violation deemed to be an emergency, hazardous to health or safety of a person or property, or life threatening.

Section 8.3 General Easement for Encroachments, Access, Maintenance and Utilities.

Each Owner grants to the Association, the Board, the Declarant and the other Owners a general easement as reasonably necessary for the maintenance of any minor encroachments of Common Area and/or Common Amenities over adjoining Lots and for access to and from each Owner's Lot through driveways, rights of way and easements as reflected on the Plat for the purpose of giving effect to the provisions of these Covenants.

Section 8.4 Amendment of Declaration. These Covenants may be amended by the Declarant as provided in Section 7.3. In addition, the Declaration may be amended at any time and in any respect with the affirmative vote or written consent, or any combination thereof, of a majority of votes of the Members (both classes taken together) taken at a meeting at which quorum is

present; provided, however, that no such amendment shall be effective unless joined in by the Declarant until such time as Declarant no longer owns any portion of the Property.

Section 8.5 Management of the Association. In the event that the Board elects to contract with a Managing Agent to perform any duties of the Board in accordance with Section 5.2 hereof, the Board shall record or cause to be recorded in each county in which the Subdivision is located a management certificate, signed and acknowledged by an officer or the Managing Agent of the Association in accordance with the requirements of Section 209.004 of the Texas Property Code. An amended management certificate shall be recorded no later than the 30th day after the date on which the Association has notice of a change in any information pertaining to the Managing Agent applicable to the Association. Notwithstanding the foregoing or anything to the contrary contained herein, in no event shall the Declarant, the Association and/or their respective officers, directors, employees, and/or agents, or the Board be subject to liability to any Person for a delay in recording or failure to record a management certificate except as otherwise provided by law.

Section 8.6 Notices. Any notice required to be given to any Owner under the terms of this Declaration shall be deemed to have been properly delivered when deposited with the United States Postal Service, postage prepaid, properly addressed to the addressee. Each Owner's address for purposes of notice hereunder shall be deemed to be the Residence located on its Lot.

Section 8.7 Liability Limitations; Indemnification. Neither Declarant nor any Member, director, officer or representative of the Association or the Board or the ACC shall be personally liable for the debts, obligations or liabilities of the Association. The directors and officers of the Association shall not be liable for any mistake of judgment, whether negligent or otherwise, except for their own individual willful misfeasance or malfeasance, misconduct, bad faith, intentional wrongful acts or as otherwise expressly provided in the Association Documents. Declarant and such directors and officers and/or ACC members 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, AS A COMMON EXPENSE OF THE ASSOCIATION, SHALL INDEMNIFY AND HOLD DECLARANT, SUCH DIRECTORS, OFFICERS AND MEMBERS OF THE ACC HARMLESS FROM ANY AND ALL EXPENSES, LOSS OR LIABILITY TO OTHERS ON ACCOUNT OF ANY SUCH CONTRACT OR COMMITMENT (TO THE EXTENT NOT COVERED BY INSURANCE PROCEEDS). IN ADDITION, EACH DIRECTOR AND EACH OFFICER OF THE ASSOCIATION, AND EACH MEMBER OF THE ACC SHALL BE INDEMNIFIED AND HELD HARMLESS BY THE ASSOCIATION, AS A COMMON EXPENSE OF THE ASSOCIATION, FROM ANY EXPENSE, LOSS OR LIABILITY TO OTHERS (TO THE EXTENT NOT COVERED BY INSURANCE PROCEEDS) BY REASONS OF HAVING SERVED AS SUCH DIRECTOR, OFFICER OR ACC MEMBER AND AGAINST ALL EXPENSES, LOSSES AND LIABILITIES, INCLUDING, BUT NOT LIMITED TO, COURT COSTS AND REASONABLE ATTORNEYS' FEES, INCURRED BY OR IMPOSED UPON SUCH DIRECTOR, OFFICER OR ACC MEMBER IN CONNECTION WITH ANY PROCEEDING TO WHICH SUCH PERSON MAY BE A PARTY OR HAVE BECOME INVOLVED BY REASON OF BEING SUCH DIRECTOR, OFFICER OR ACC MEMBER AT THE TIME**

ANY SUCH EXPENSES, LOSSES OR LIABILITIES ARE INCURRED SUBJECT TO ANY PROVISIONS REGARDING INDEMNITY CONTAINED IN THE ASSOCIATION DOCUMENTS, EXCEPT IN CASES WHEREIN THE EXPENSES, LOSSES AND LIABILITIES ARISE FROM A PROCEEDING IN WHICH SUCH DIRECTOR, OFFICER OR ACC MEMBER IS ADJUDICATED GUILTY OF WILLFUL MISFEASANCE OR MALFEASANCE, MISCONDUCT OR BAD FAITH IN THE PERFORMANCE OF SUCH PERSON'S DUTIES OR INTENTIONAL WRONGFUL ACTS OR ANY ACT EXPRESSLY SPECIFIED IN THE ASSOCIATION DOCUMENTS AS AN ACT FOR WHICH ANY LIMITATION OF LIABILITY SET FORTH IN THE ASSOCIATION DOCUMENTS IS NOT APPLICABLE; PROVIDED, HOWEVER, THIS INDEMNITY DOES COVER LIABILITIES RESULTING FROM SUCH DIRECTOR'S, OFFICER'S OR ACC MEMBERS' NEGLIGENCE. Any right to indemnification provided herein shall not be exclusive of any other rights to which a director, officer or ACC member, or former director, officer or ACC member, may be entitled. The Association shall have the right to purchase and maintain, as a Common Expense, directors' and officers' and ACC members', insurance on behalf of any Person who is or was a director or officer of the Association or ACC member against any liability asserted against any such Person and incurred by any such Person in such capacity, or arising out of such Person's status as such. SEPARATE AND APART FROM ANY OTHER WAIVER OF SUBROGATION IN THIS DECLARATION, THE ASSOCIATION WAIVES ANY AND ALL RIGHTS OF SUBROGATION WHATESOEVER IT MAY HAVE AGAINST DECLARANT REGARDLESS OF FORM, AND TO THE EXTENT ANY THIRD-PARTY MAKES A CLAIM, SUIT, OR CAUSE OF ACTION AGAINST DECLARANT FOR OR ON BEHALF OF THE ASSOCIATION BY WAY OF A SUBROGATION RIGHT, THE INDEMNITY PROVISIONS HEREIN APPLY TO ANY SUCH SUBROGATION CLAIM, SUIT, CAUSE OF ACTION, OR OTHERWISE.

Section 8.8 Severability. If any of the terms hereof shall be declared invalid by a court of competent jurisdiction, such invalidity shall not affect the other provisions of these Covenants, which shall be in full force and effect.

Section 8.9 Acceptance by Owners of Rights and Obligations. By the recording of a deed or other conveyance transferring all or part of an interest in a Lot subject to this Declaration, the person or entity to whom such Lot or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all the provisions of the Declaration, the Design Guidelines, the Association Documents, including any rules or regulations adopted or promulgated by the Association, whether or not mention thereof is made in said deed.

Section 8.10 Notice and Hearing. (a) Prior to the imposition of any fine for a violation of this Declaration or the levying of any Special Member Assessment on an Owner, the Association will give a minimum of one (1) five (5) day notice to the Owner in compliance with Section 209.006 of the Texas Property Code (the "Property Code"), as the same may be hereafter amended. Such notice shall be as follows:

- (i) Notice will be delivered by certified mail.

(ii) The notice must describe the violation or property damage that is the basis for the fine for such violation, and state any amount due the Association from the Owner.

(iii) The notice must inform the Owner that the Owner is entitled to a reasonable time to cure the violation and avoid the Violation Fine and that the Owner may request a hearing under this Section 8.10 and Section 209.007 of the Property Code on or before the 30th day after the Owner receives the notice.

(b) In compliance with Section 209.007 of the Property Code, if the Owner submits a written request for a hearing, the Association shall hold a hearing not later than the thirtieth (30th) day after the date the Board receives the Owner's request, and shall notify the Owner of the date, time and place of the hearing not later than the tenth (10th) day before the date of the hearing. The Board or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. If the hearing is to be held before a committee appointed by the Board, the notice described in Section 8.10(a) hereof shall state that the Owner has the right to appeal the committee's decision to the Board by written notice to the Board.

Section 8.11 Intentionally deleted.

Section 8.12 Liens/Validity and Severability; Mortgagees. Violation of or failure to comply with this Declaration shall not affect the validity of any mortgage, lien or other similar security instrument which may then be existing on any Lot. Invalidation of any one (1) 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 such other provisions and covenants shall remain in full force and effect. No default by an Owner of a Lot under any provision of this Declaration shall affect any existing lien or mortgage on that Lot. A Mortgagee shall not be liable for Assessments made with respect to a Lot during any period in which its only interest in the Lot is that of a Mortgagee.

ARTICLE IX

9.1 Agreement To Encourage Resolution Of Disputes Without Litigation.

(a) **Bound Parties.** Declarant, the Association and its officers, directors, and committee members, Owners, Residents, and all other parties subject to this Declaration ("Bound Party", or collectively, the "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 9.2 in a good faith effort to resolve such Claim.

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

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

(ii) Claims relating to the design or construction of Improvements on the Common Areas or Lots, other than matters of aesthetic judgment under Article 3, which will not be subject to review.

(c) **Not Considered Claims.** The following will not be considered "Claims" for purposes of this Article 9 unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 9.2:

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

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

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

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

9.2 **Claims Regarding Common Areas.**

(a) **Claim by the Association – Common Areas.** The Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation or administrative proceedings: (i) in the name of or on behalf of any Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section 9.1(b) above, relating to the design or construction of a residence (whether one or more). In the event the Association or an Owner asserts a Claim related to the Common Area, as a precondition to providing the Notice defined in Section 9.3, initiating the mandatory dispute resolution procedures set forth in this Article 9, or taking any other action to prosecute a Claim related to the Common Areas, the Association or an Owner, as applicable, must:

(i) **Independent Report on the Condition of the Common Areas.** Obtain an independent third-party report (the "Common Area Report") from a licensed professional engineer in the same area of engineering practice of which the engineer is qualified which: (A) identifies the Common Areas subject to the Claim including the present physical condition of the Common Areas; (B) describes any modification, maintenance, or repairs to the Common Areas performed by the Owner(s) and/or the Association; (C) provides specific and detailed recommendations regarding remediation and/or repair of the Common Areas subject to the Claim. For the purposes of this Section, an independent third-party report is a report obtained directly by the Association or an Owner and paid for by the Association or an Owner, as applicable, and not prepared by a person employed by or otherwise affiliated with the attorney or law firm that represents or will represent the Association or an Owner in the Claim. As a precondition to providing the Notice described in Section 9.3, the Association or Owner must provide at least ten (10) days prior written notice of the inspection to each party subject to a Claim which notice shall identify the independent third-party engaged to prepare the Common Area Report, the specific Common Areas to be inspected, and the date and time the inspection

will occur. Each party subject to a Claim may attend the inspection, personally or through an agent. Upon completion, the Common Area Report shall be provided to each party subject to a claim. In addition, before providing the Notice described in Section 9.3, the Association or the Owner, as applicable, shall have permitted each party subject to a Claim the right, for a period of ninety (90) days, to inspect and correct, any condition identified in the Common Area Report.

(ii) Owner Meeting and Approval. Obtain approval from Members holding eighty five percent (85%) of the votes in the Association to provide the Notice described in Section 9.3, initiate the mandatory dispute resolution procedures set forth in this Article 9, or take any other action to prosecute a Claim, which approval from Members must be obtained at a special meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder will be provided pursuant to the Bylaws but the notice must also include: (A) the nature of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (B) a copy of the Common Area Report; (C) a copy of any proposed engagement letter, with the terms of such engagement between the Association and an attorney to be engaged by the Association to assert or provide assistance with the claim (the "Engagement Letter"); (D) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which it may be liable if it is not the prevailing party or that the Association will be required, pursuant to the Engagement Letter or otherwise, to pay if the Association elects to not to proceed with the Claim; (E) a summary of the steps previously taken, and proposed to be taken, to resolve the Claim; (F) an estimate of the impact on the value of each Lot and Improvements if the Claim is prosecuted and an estimate of the impact on the value of each Lot and Improvements after resolution of the Claim; (G) an estimate of the impact on the marketability of each Lot and Improvements if the Claim is prosecuted and during prosecution of the Claim, and an estimate of the impact on the value of each Lot and Improvements during and after resolution of the Claim; (H) the manner in which the Association proposes to fund the cost of prosecuting the Claim; and (I) the impact on the finances of the Association, including the impact on present and projected reserves, in the event the Association is not the prevailing party. The notice required by this paragraph must be prepared and signed by a person other than, and not employed by or otherwise affiliated with, the attorney or law firm that represents or will represent the Association or Owner, as applicable, in the Claim. If the Claim is prosecuted by the Association, in the event Members approve providing the Notice described in Section 9.3, or taking any other action to prosecute a Claim, the Members holding a Majority of the votes in the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Claim.

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

9.3 Notice.

(a) Notice Requirements for All Claims. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") must notify the Respondent in writing of the Claim (the "Notice"), stating plainly and concisely: (A) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (B) the basis of the Claim (i.e., the provision of the Restrictions or other authority out of which the Claim arises); (C) what Claimant wants Respondent to do or not do to resolve the Claim; and (D) that the Notice is given pursuant to this Section. All Bound Parties agree that the provisions of Chapter

27 of the Texas Property Code shall control any Claim, and they expressly adopt and incorporate the terms of Chapter 27 of the Texas Property Code as is full set forth herein. If the Claimant is the Association, prior to proceeding with negotiations under Section 9.4, the Association shall fully comply with provisions of Chapter 27 of the Texas Property Code, but for all other Claims, the time period for negotiation in Section 9.4 below, is equivalent to the sixty (60) day period under Section 27.004 of the Texas Property Code. If a Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with Section 9.4, to comply with the terms and provisions of Section 27.004 during such sixty (60) day period. Section 9.4 does not modify or extend the time period set forth in Section 27.004 of the Texas Property Code. Failure to comply with the time periods or actions specified in Section 27.004 shall not affect a Claim and the Respondent shall have all rights and remedies under Chapter 27 of the Texas Property Code. The one hundred and twenty (120) day period for mediation set forth in Section 9.5 below is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during negotiation. If the Claim is not resolved during negotiation, mediation pursuant to Section 9.5 is required without regard to the monetary amount of the Claim.

(b) Special Notice for Association. If the Claimant is the Association, the Notice will also include: (A) a true and correct copy of the Common Area Report; (B) a copy of the Engagement Letter; (C) copies of all reports, studies, analyses, and recommendations obtained by the Association related to the Common Area which forms the basis of the Claim; (D) a true and correct copy of the special meeting notice provided to Members in accordance with Section 9.2(a)(ii) above; and (E) and reasonable and credible evidence confirming that Members holding eighty-five percent (85%) of the votes in the Association approved providing the Notice. If the Claimant is the Association, providing the information identified in this Section 9.3(b) is a condition precedent to the assertion of any Claim. Should the Association fail to provide the information required by this Section 9.3(b) to the Respondent, the Respondent shall be entitled to a temporary injunction enjoining the prosecution of the Claim until such time as the Association provides the information required by this Section 9.3(b). Furthermore, should the Association fail to provide information required by this Section 9.3(b) within one-hundred twenty (120) days after making a demand on the Respondent, the Association's Claim shall be dismissed with prejudice, and the Respondent may take such actions in law or in equity to confirm such dismissal.

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

9.5 Mediation. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator must have at least five (5) years of experience serving as a mediator and must have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent will submit the Claim to mediation in accordance with this Section 9.5.

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

9.7 Binding Arbitration-Claims. All Claims must be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this Section 9.7.

(a) **Governing Rules.** If a Claim has not been resolved after Mediation as required by Section 9.5, the Claim will be resolved by binding arbitration in accordance with the terms of this Section 9.7 and the rules and procedures of the American Arbitration Association ("AAA") or, if the AAA is unable or unwilling to act as the arbitrator, then the arbitration shall be conducted by another neutral reputable arbitration service selected by Respondent. Regardless of what entity or person is acting as the arbitrator, the arbitration shall be conducted in accordance with the AAA's "Construction Industry Dispute Resolution Procedures" and, if they apply to the disagreement, the rules contained in the Supplementary Procedures for Consumer-Related Disputes. If such Rules have changed or been renamed by the time a disagreement arises, then the successor rules will apply. Also, despite the choice of rules governing the arbitration of any Claim, if the AAA has, by the time of Claim, identified different rules that would specifically apply to the Claim, then those rules will apply instead of the rules identified above. In the event of any inconsistency between any such applicable rules and this Section 9.7, this Section 9.7 will control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows:

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

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

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

(b) Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this Section 9.7 will limit the right of Claimant or Respondent, and Claimant and the Respondent will have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

(c) Statute of Limitations. All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding under this Section 9.7, and to the fullest extent allowed under law, any action, lawsuit and/or claim whatsoever initiated by the Association or its assigns, regardless of form, that arises from or relates to this Declaration, the Property, the Subdivision, the Residences, the improvements or otherwise is barred unless it is brought not later than two (2) years and one (1) day from the date the cause of action accrues.

(d) Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with the applicable substantive law except as provided by this Section. The arbitrator may grant any remedy or relief that the arbitrator deem just and equitable and within the scope of this Section 9.7 but subject to Section 9.8 below (attorney's fees and costs may not be awarded); provided, however, that for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code. In all arbitration proceedings the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of federal or state law; or (iv) a cause of action or remedy not expressly provided under existing state or federal law or otherwise in accordance with the terms and conditions of this Declaration. In no event may an arbitrator award speculative, consequential, special, indirect, lost profit or punitive damages for any Claim. Notwithstanding anything else contained in this Declaration, no Claimant shall be entitled to an award in connection with a Claim related to or arising in connection with a violation of Applicable Law, and the arbitrator shall not provide an award, unless the arbitrator determines that such Claim was due to a material violation of any Applicable Law and that such material violation of Applicable Law creates an imminent threat to health and safety.

(e) **Other Matters.** To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the Claim for arbitration by notice from either party to the other. Arbitration proceedings hereunder shall be conducted in the county where the Property is located. The arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and applicable law. The arbitrator shall have the power to award recovery of all costs and fees, subject to the limitations in Section 9.7. Each party agrees to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. In no event shall any party discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

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

9.9 General Provisions. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

9.10 Period Of Limitation.

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

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

9.11 Approval & Settlement. The Association must levy a Special Assessment to fund the estimated costs of arbitration, including estimated attorney's fees, conducted pursuant to this Article 9 or any judicial action initiated by the Association. The Association may not use its annual operating income or reserve funds or savings to fund arbitration or litigation, unless the Association's annual budget or a savings account was established and funded from its inception as an arbitration and litigation reserve fund.

9.12 LIMITATION ON DAMAGES. NOTWITHSTANDING ANY PROVISION CONTAINED IN THIS DECLARATION OR ANY OF THE ASSOCIATION DOCUMENTS TO THE CONTRARY, IN NO EVENT SHALL DECLARANT OR THE ASSOCIATION BE LIABLE FOR SPECULATIVE, CONSEQUENTIAL, SPECIAL, INDIRECT, LOST PROFIT

OR PUNITIVE DAMAGES IN CONNECTION WITH ANY CLAIM, EVEN IF DUE TO THE NEGLIGENCE OF DECLARANT OR THE ASSOCIATION.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXECUTED as of the 13th day of March, 2019.

DECLARANT:
MEGATEL TRINITY MEADOWS, LLC
a Texas limited liability company

By: _____
[Signature]

Name: Armin Afzalpour

Title: Managing Member

MEGATEL HOLDINGS, LLC,
a Texas limited liability company

By: _____
[Signature]

Name: Armin Afzalpour

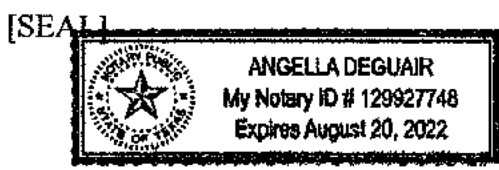
Title: Sole Member

STATE OF TEXAS §
 §
COUNTY OF Dallas §

BEFORE ME, the undersigned authority, on this day personally appeared Armin Afzalpour, the Sole Member of Megatel Holdings, LLC, a Texas limited liability company, and Managing Member of Megatel Trinity Meadows, LLC, a Texas limited liability company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of said entity, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this 13th day of March, 2019.

[Signature]
Notary Public, State of Texas



THE UNDERSIGNED HEREBY CONSENTS TO THIS DECLARATION IN ITS CAPACITY AS "DECLARANT" UNDER THE MASTER DECLARATION AND FOR ALL PURPOSES UNDER THE MASTER DECLARATION AND THIS DECLARATION.

MASTER DECLARANT:

MEGATEL TRINITY MEADOWS, LLC
a Texas limited liability company

By: _____

Name: Armin Afzalipour

Title: Managing Member

MEGATEL HOLDINGS, LLC,
a Texas limited liability company

By: _____

Name: Armin Afzalipour

Title: Sole Member

STATE OF TEXAS §

COUNTY OF Dallas §

BEFORE ME, the undersigned authority, on this day personally appeared Armin Afzalipour, the Sole Member of Megatel Holdings, LLC, a Texas limited liability company, and Managing Member of Megatel Trinity Meadows, LLC, a Texas limited liability company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of said entity, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this 13th day of March, 2019.

Notary Public, State of Texas

[SEAL]

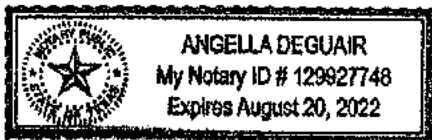


EXHIBIT A
TO
SUBORDINATE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR SOHO SQUARE
(City of Dallas, Dallas County, Texas)

LEGAL DESCRIPTION AND/OR DEPICTION OF PHASE 1 OF THE PROPERTY

[see attached]

Being a 7.802 acre tract of land out of a 15.342 acre tract of land out of the William R. Coombs Survey, Abstract No. 290 and situated in the City of Dallas, Dallas County, Texas, said tract including the same part of tracts of land described in the Special Warranty Deed with Vendor's Lien to Megatel Trinity Meadows, LLC recorded as Instrument No. 201700060804 in the Official Public Records of Dallas County, Texas, and also including Lots 37 thru 40 Block 7257, Cement City Addition according to the plat thereof recorded in Volume 1, Page 156 of the Map Records of Dallas County Texas, and being more particularly described by metes and bounds as follows:

Beginning at a 1/2 inch nail found for the most northerly northeast corner of said Megatel tract, said nail being the southeast corner of Lot 41 and NE corner of said Lot 40, Block 7257, Cement City Addition, an addition to the City of Dallas, Texas according to the plat thereof recorded in Volume 1, Page 156 of the Map Records of Dallas County, Texas, and also being in the westerly right-of-way line of Borger Street (a 40.52 foot right-of-way created by said Cement City Addition);

Thence South 00 degrees 04 minutes 20 seconds East with the easterly boundary line of said Megatel tract and with said westerly right-of-way line a distance of 105.47 feet to a 1/2 inch steel rod found for the intersection of said westerly right-of-way line and the northerly right-of-way line of Duluth Street (an 80 foot right-of-way dedicated by Volume 1778, Page 425, Deed Records, Dallas County, Texas);

Thence North 89 degrees 54 minutes 34 seconds West with said northerly right-of-way line a distance of 10.00 feet to a 3-1/4 inch metallic disk stamped "SOHO RPLS 5665" set for the most northerly northeast corner of said Megatel tract, said rod being the west end of said northerly right-of-way line;

Thence South 00 degrees 13 minutes 01 seconds West with the easterly boundary line of said Megatel tract with the west end of said Duluth Street right-of-way a distance of 79.98 feet to a 3-1/4 inch metallic disk stamped "SOHO RPLS 5665" set for the west end of the southerly right-of-way line of Duluth Street;

Thence South 89 degrees 54 minutes 34 seconds East with the northerly boundary line of said Megatel tract a distance of 88.23 feet to a "X" in concrete set;

Thence South 00 degrees 05 minutes 53 seconds West a distance of 100.38 feet to a "X" in concrete set;

Thence North 89 degrees 54 minutes 07 seconds West a distance of 299.00 feet to a nail with "SOHO RPLS 5665" washer set;

Thence South 00 degrees 05 minutes 53 seconds West a distance of 375.00 feet to a "X" in concrete set;

Ph Z Local

Thence South 89 degrees 54 minutes 07 seconds East a distance of 18.50 feet to a nail with "SOHO RPLS 5665" washer set;

Thence South 00 degrees 05 minutes 59 seconds West a distance of 65.51 feet to a 3-1/4 inch metallic disk stamped "SOHO RPLS 5665" set in the southerly boundary line of said Megatel tract, said monument being in the northerly boundary line of a 10 foot alley as dedicated by Volume 15, Page 55, of said Map Records;

Thence North 89 degrees 54 minutes 01 seconds West with the southerly boundary line of said Megatel tract and with the northerly right-of-way line of said alley a distance of 283.87 feet to a 3-1/4 inch metallic disk stamped "SOHO RPLS 5665" set for the west end of said alley;

Thence South 00 degrees 13 minutes 01 seconds West with the easterly boundary line of said Megatel tract a distance of 162.00 feet to a "X" in concrete set;

Thence North 89 degrees 46 minutes 59 seconds West a distance of 65.50 feet to a nail with "SOHO: RPLS 5665 washer set;

Thence North 00 degrees 13 minutes 01 seconds East a distance of 137.68 feet to a "X" in concrete set for the beginning of a tangent curve to the left with a radius of 32.50 feet and whose chord bears North 13 degrees 58 minutes 14 seconds West at 15.93 feet;

Thence northwesterly with said curve through a central angle of 28 degrees 22 minutes 29 seconds and an arc length of 16.10 feet to a "X" in concrete set for the end of said curve;

Thence North 28 degrees 09 minutes 28 seconds West a distance of 100.39 feet to a "X" in concrete set;

Thence South 39 degrees 18 minutes 38 seconds West a distance of 12.68 feet to "X" in concrete set;

Thence North 50 degrees 41 minutes 22 seconds West a distance of 65.50 feet to a 3-1/4 inch metallic disk stamped "SOHO RPLS 5665" set in the westerly boundary line of said Megatel tract, said rod being in the easterly boundary line of the same tract of land described in the deed to LRG, L.L.C. recorded in Volume 99042 Page 4845 of the deed records of Dallas County Texas

Thence North 39 degrees 18 minutes 38 seconds East with said westerly boundary line and said easterly boundary line a distance of 0.92 feet to a 1/2 inch steel rod with cap stamped "PACHECO" found for the most southerly corner of said Megatel tract;

Thence North 00 degrees 05 minutes 53 seconds East with said westerly boundary line and said easterly boundary line a distance of 508.75 feet to a 3-1/4 inch metallic disk stamped "SOHO RPLS 5665" set for the northwest corner of said Megatel tract;

Thence South 89 degrees 54 minutes 34 seconds East with the northerly boundary line of said Megatel tract, passing at 13.67 feet the southwest corner of Lot 13, Block 1/7256, Buena Vista Addition according to the plat thereof recorded in Volume 3, Page 1, Map Records, Dallas County, Texas, and continuing a total distance of 523.94 feet to a 3-1/4 inch metallic disk stamped "SOHO RPLS 5665" set for an inner corner of said Megatel tract, said monument being southeast corner Lot 48 Block 7257 of said Cement City Addition;

Thence North 00 degrees 04 minutes 20 seconds West continuing with said northerly boundary line a distance of 105.07 feet to a 1/2 inch steel rod with cap stamped "WAI" found for the most northerly northwest corner of said Megatel tract, said rod being the Northwest of Lot 40 and Southwest corner of Lot 41 of said Block 7257;

Thence North 89 degrees 55 minutes 10 seconds East with the northerly boundary line of said Megatel tract and the southerly boundary line of said Lot 41 and North line of Lot 40, passing at 127.50 a 3-1/4 inch metallic disk stamped "SOHO RPLS 5665" set and continuing a total distance of 137.50 feet to the point of beginning and containing 7.802 acres or 339,853 square feet of land, more or less;

EXHIBIT B
TO
SUBORDINATE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR SOHO SQUARE
(City of Dallas, Dallas County, Texas)

DESIGN GUIDELINES

PART ONE: LANDSCAPING, FENCES AND EXTERIOR ELEMENTS

SECTION 1.1 LANDSCAPING:

Upon completion of each Residence, the following landscape elements shall be installed prior to occupancy of the Residence:

- 1.1.1 **Sod/Irrigation:** Each Lot shall have full sod or synthetic turf installed on all non-paved areas of the Lot. All Lots must have underground irrigation systems installed providing coverage for all non-paved areas of the Lot and areas of a Lot not covered with synthetic turf. *Synthetic turf is allowed to be installed upon a Lot with the prior written approval of the ACC, and provided that such synthetic turf is continually maintained by the Owner of such Lot in good, neat, orderly, and sanitary condition and repair.* **No synthetic or fake plants, flowers or trees are allowed.**
- 1.1.2 **Synthetic Turf.** Synthetic turf approved in writing by the ACC may be installed on any Lot in lieu of natural sod. Each Owner shall be responsible for maintaining any synthetic turf in a good, neat, orderly, and sanitary condition and repair. Synthetic turf shall additionally be maintained to preserve drainage improvements on each Lot as originally designed and not interfere with the drainage on any other Lot or Common Area.
- 1.1.3 **Shrubbery and Planting Beds:** Each Lot shall have a minimum of two (2) five (5) gallon shrubs planted in a mulched planting bed; the planting bed shall have edging materials to separate the sod/synthetic turf and bed mulch areas. After installation of landscaping in accordance with the Minimum Landscaping Requirements in connection with initial construction of a Residence on a Lot, the Association shall be responsible for maintaining Street Trees and landscaping within the Front Yard Area of a Lot and the Owner shall be responsible for the maintenance a preservation of the landscaping within other areas of a Lot. Dead plants shall promptly be replaced by the party responsible for maintenance thereof.
- 1.1.4 **Initial Installations and Maintenance.** Upon completion of any Residence within the Property and prior to the final inspection, the Builder must install the

landscaping for such Lot according to the Minimum Landscaping Requirements set forth in the Declaration and outlined in these Design Guidelines (Exceptions as to timing may be granted at the sole discretion of the Declarant and/or the Association due to inclement weather). After the property has transferred to an Owner, the Association shall be responsible for maintaining such landscaping within the Front Yard Area of a Lot and the Owner shall be responsible for the maintenance a preservation of the landscaping within other areas of a Lot. In the event any landscaping (including trees) needs to be replaced, as determined in the sole discretion of the Declarant and/or the Association, the Owner or the Association (as applicable) that is responsible maintenance thereof shall promptly replace such landscaping. The Declarant and/or the Association shall have the right but not the obligation, to be exercised at its sole option, to remove and replace dead trees and landscaping which are the responsibility of an Owner thirty (30) days after notice is delivered to such Owner and charge the costs thereof to the Owner's account as a Special Member Assessment under Section 6.4(b) of the Declaration. All the trees in the Common Areas are the responsibility of the Association to maintain at the sole discretion of the Association.

1.1.6 List of Allowed Landscaping: All landscaping installed on a Lot (other than sod or synthetic turf) shall be selected from the following is the list of approved trees, shrubs ground cover, vines perennial and annual flowers:

(a) Approved Shade Trees: Approved shade trees must be one of the species listed in Section 51A-10.134 of the City's Code of Ordinances, which may include, without limitation:

Afghan Pine

Bald Cypress

Bur Oak

Caddo Maple

Cedar Elm

Durrand Oak

Lacebark Elm

Live Oak

Pecan

Shumard Oak

Southern Magnolia

Texas Ash

Texas Red Oak

Western Soapberry

(b) Approved Accent trees (range from 10 to 20 feet): Approved accent trees must be one of the species listed in Section 51A-10.134 of the City's Code of Ordinances, which may include, without limitation

Blackhaw, Rusty

Crepe Myrtle

Deciduous Holly

Mesquite

Persimmon, Texas

Plum, Mexican

Redbud

Texas Sophora (Eve's Necklace)

Willow, Desert

Yaupon Holly

(c) Approved Shrubs (range from 3 to 5 feet):

Beautyberry

Dwarf Buford Holly

Dwarf Chinese Holly

Dwarf Crepe Myrtle

Dwarf Yaupon Holly

Fountain Grass

Juniper supp.

Purple Leaf Japanese Barberry

Purple Sage

Sumac species

Yucca, Red

(d) Approved Ground cover (range from 18 inches):

Asian Jasmine

Buffalo Grass

Confederate Star Jasmine

Juniper supp.

Liriope

Monkey Grass

Periwinkle

Thyme, Creeping

Wood Fern

(e) Approved Vines:

Boston Ivy

Carolina Yellow Jasmine (Jessamine)

Coral Honeysuckle

Mandevilla

Virginia Creeper

(f) Approved Perennial and annual flowers:

Caladium

Canna

Chrysanthemum

Copper Leaf

Gayfeather

Iris

Lantana

Marigold
Moss Rose or Portulaca
Periwinkle
Petunia
Plumbago
Salvia
Tulip
Wild Flowers
Zinnia

SECTION 1.2 FENCES:

- 1.2.1 All Wooden Fencing: All wooden fencing shall be stained and preserved as follows:
Manufacturer: Sherwin Williams
Color: Banyan Brown or similar color acceptable to the ACC.

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

Manufacturer: Seal Rite
Color: Medium Brown or similar color acceptable to the ACC.
- 1.2.2 Fences Facing Street (front or side): All fencing facing a street including major thoroughfares and corner lots shall be constructed to be six (6') foot in height from grade, board to board, pre-stained spruce or better fencing with a 3-inch top rail. Steel posts shall not be visible from the street. Eight-foot (8') fences shall be allowed upon written approval from the Architectural Control Committee.
- 1.2.3 Standard Side and Rear Yard Fences – Interior Lots: For all interior lots, fences shall be six feet (6') high from grade, board to board pre-stained spruce or better. All fences to have step up and step down to adjust for grade. See also Exhibit Attachment 1.2.2.2. All portions of the fence that are viewable from the street shall be stained with the colors specified above at Section 1.2.1. . Eight-foot (8') fences shall be allowed upon written approval from the Architectural Control Committee.

SECTION 1.3 MAIL BOXES:

- 1.3.1 Standard Mail Boxes: Mailboxes shall be cluster mailboxes and may be similar to the style shown in Exhibit Attachment 1.3.1 attached or of a type and design as may be approved by the Declarant, the Architectural Reviewer, and the U.S. Postal Service. All design, placement, and construction must be in accordance with any applicable guidelines and/or requirements of the City and/or United States Postal Service.

SECTION 1.4 FLAGS AND FLAGPOLES

- 1.4.1 Owners may display only one flag per Lot, and the only flags which may be displayed are: (i) the flag of the United States of America; (ii) the flag of the State of Texas; and (iii) an official or replica flag of any branch of the United States armed forces; provided that Builders may display any or all of the foregoing flags together with one additional builder flag at its sales office or model home. No other types of flags, pennants, banners, kits or similar types of displays are permitted on a Lot if the display is visible from a street or Common Area.
- 1.4.2 The flag of the United States must be displayed in accordance with 4 U.S.C. Sections 5-10.
- 1.4.3 The flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code.
- 1.4.4 Any freestanding flagpole, or flagpole attached to a Residence, shall be constructed of permanent, long-lasting materials. The materials used for the flagpole shall be harmonious with the Residence, and must have a silver finish with a gold or silver ball at the top. The flagpole must not exceed three (3) inches in diameter.
- 1.4.5 The display of a flag, or the location and construction of the supporting flagpole, shall comply with applicable zoning ordinances, including, without limitation the PD Ordinance, easements, and setbacks of record.
- 1.4.6 A displayed flag, and the flagpole on which it is flown, shall be maintained in good condition at all times. Any flag that is deteriorated must be replaced or removed. Any flagpole that is structurally unsafe or deteriorated shall be repaired, replaced, or removed.
- 1.4.7 Only one flagpole will be allowed per Lot; provided that a Builder may install more than one flagpole on a Lot used as a sales office or model home as long as such additional flagpoles are removed prior to sale of such Lot to an end-use homebuyer. A flagpole can either be securely attached to the face of the Residence (no other Structure) or be a freestanding flagpole. A flagpole attached

to the Residence may not exceed 4 feet in length. A freestanding flagpole may not exceed 20 feet in height. Any freestanding flagpole must be located in either the Front Yard Area or backyard of a Lot, and there must be a distance of at least 5 feet between the flagpole and the curb of the Private Street.

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

SECTION 1.5 GUTTERING, RAIN BARRELS OR RAINWATER HARVESTING SYTEMS

- 1.5.1 All Residences shall be fully guttered. This requirement applies regardless of whether rain barrels or rain water harvesting systems are installed on the Lot.
- 1.5.2 Rain barrels or rain water harvesting systems and related system components (collectively, "**Rain Barrels**") may only be installed after receiving the written approval of the ACC.
- 1.5.3 Rain barrels may not be installed upon or within the Common Areas.
- 1.5.4 Under no circumstances shall rain barrels be installed or located in or on any area within a Lot that is in-between the front of the Owner's Residence and an adjoining or adjacent street.

- 1.5.5 The rain barrel must be of color that is consistent with the color scheme of the Owner's Residence and may not contain or display any language or other content that is not typically displayed on such rain barrels as manufactured.
- 1.5.6 Rain barrels may be located in the side-yard or back-yard of Lot so long as such rain barrel(s) may not be seen from a street, another Lot or any Common Area of the Subdivision.
- 1.5.7 In the event the installation of Rain Barrels in the side-yard or back-yard of an owner's property in compliance with paragraph e above is impossible, the Reviewing Body may impose limitations or further requirements regarding the size, number and screening of Rain Barrels with the objective of screening the Rain Barrels from public view to the greatest extent possible. The owner must have sufficient area on their Lot to accommodate the Rain Barrels.
- 1.5.8 Rain Barrels must be properly maintained at all times or removed by the owner.
- 1.5.9 Rain Barrels must be enclosed or covered.
- 1.5.10 Rain Barrels which are not properly maintained, become unsightly or could serve as a breeding pool for mosquitos must be removed by the owner from the Lot.

SECTION 1.6 CERTAIN RELIGIOUS DISPLAYS

- 1.6.1 By statute, an Owner is allowed to display or affix on the entry to the Owner's Residence one or more religious items, the display of which is motivated by the Owner's or occupant's sincere religious belief. Such display is limited according to the provisions contained herein.
- 1.6.2 If displaying or affixing of a religious item on the entry to the Owner's or occupant's Residence violates any of the following covenants, the Association may remove the item displayed:
 - (1) threatens the public health or safety;
 - (2) violates a law;
 - (3) contains language, graphics, or any display that is patently offensive to a passerby;
 - (4) is permanently installed in a location other than the entry door or door frame or extends past the outer edge of the door frame of the Owner's or occupant's Residence; or
 - (5) individually or in combination with each other religious item displayed or affixed on the entry door or door frame has a total size of greater than 25 square inches
- 1.6.3 No owner or resident is authorized to use a material or color for an entry door or door frame of the Owner's or occupant's Residence or make an alteration to the

entry door or door frame that is not authorized by the Declaration or otherwise expressly approved by the ACC.

PART TWO: DWELLING UNITS

SECTION 2.1 ROOFS

- 2.1.1 Roof Pitch: All Roof Pitches shall have a minimum of a 6:12 slope; provided any roofs over dormers, porches, awnings or other ancillary architectural features may be less than 6:12 pitch; and provided further, that flat roofs with rooftop balconies may be permitted with express written approval of the Architectural Control Committee where compatible with the overall appearance of the Residence.
- 2.1.2 Roofing Materials: Roofing materials shall be asphalt shingles with a 20-year rated shingle and have a weathered wood or gray color. Other roofing materials shall not be used without written approval from the ACC.
- 2.1.3 Dormers & Above Roof Chimneys: Dormers and chimney chases, above roof structure and roofing materials, may be finished with an approved exterior grade siding material. All fireplace flues shall be enclosed and finished; exposed pre-fabricated metal flue piping is prohibited.

SECTION 2.2 CERTAIN ROOFING MATERIALS

- 2.2.1 Roofing shingles covered by this Section are exclusively those designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities (collectively, "Roofing Shingles").
- 2.2.2 Roofing Shingles allowed under these Guidelines shall:
- (1) resemble the shingles used or otherwise authorized for use in Subdivision;
 - (2) be more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use in Subdivision; and
 - (3) match the aesthetics of the property surrounding the property of the owner requesting permission to install the Roofing Shingles.
- 2.2.3 The Owner requesting permission to install the Roofing Shingles will be solely responsible for accrediting, certifying and demonstrating to the ACC that the proposed installation is in full compliance with paragraphs a and b above.
- 2.2.4 Roofing Shingles shall be installed after receiving the written approval of the ACC.

- 2.2.5 Owners are hereby placed on notice that the installation of Roofing Shingles may void or adversely affect other warranties.

SECTION 2.3 SOLAR PANELS

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

SECTION 2.4 EXTERIOR WALLS

- 2.4.1 Exterior Wall Materials: Exterior walls shall be masonry and exterior-grade siding materials as approved by the Architectural Control Committee:
- 2.4.1.1 Front Walls: All front wall surfaces shall be eighty percent (80%) masonry (including brick veneer, stone, stucco, stucco board, cementitious siding and hardie board siding). No shake siding may be used without prior written approval of the ACC.
- 2.4.1.2 Side and Rear Walls: Side wall surfaces may be constructed using a mixture of masonry and exterior-grade siding as required to comply with the minimum eighty percent (80%) masonry overall requirement. Rear wall surfaces of the first floor may be constructed using a mixture of masonry and exterior-grade siding as required to comply with the minimum eighty percent (80%) masonry overall requirement; second floor wall surfaces may be exterior-grade siding materials.
- 2.4.1.3 Chimneys: Chimney wall structures that are a direct extension of an exterior wall shall match the requirement of said wall.

SECTION 2.5 ELEVATION AND BRICK USAGE

- 2.5.1 Same Plan with Same Elevation: The repeat of the same floor plan with the same elevation design shall be governed by the following provisions:
- 2.5.1.1 Same Side of Street: When Residences, using the same floor plan and same elevation, are constructed on the same side of the street at least two (2) different elevations must be used on Residences constructed on Lots facing the same street on the same block, and such Residences with the same elevation must be separated by a minimum of two (2) Lots.
- 2.5.1.2 Opposite Side of Street: When Residences, using the same floor plan and same elevation, are constructed on opposite sides of the street; they shall not be constructed directly across from each other (but they may be constructed diagonally from each other).
- 2.5.2 Repeat Brick Usage: All plans for the construction of Residences submitted to the ACC for review and approval shall calculate the percentage coverage for each material as follows:
- 2.5.2.1 Same Side of Street: No combination of brick color, mortar color, and sand color shall be repeated for adjacent Residences. Street and alley intersections are acceptable separation elements.

2.5.2.2 Opposite Side of Street: There are no restrictions for the use of brick color, mortar color, and sand color for Residences on opposing sides of the street.

2.5.2 Exterior Material Area Calculations: All dwelling submittals for the construction of Residences submitted to the ACC for review and approval shall calculate the percentage coverage for each material as follows:

2.5.2.1 Calculation Method: Calculations for material coverage percentages shall include all exposed areas of the wall surface, excluding window and door openings.

2.5.2.2 Calculation Format: Calculations shall indicate the area coverage for front, side, and rear wall areas. Calculations shall be submitted in the following format:

Brick Calculations

<i>Overall</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Front</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Left</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Right</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Rear</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%

** Openings removed from areas in all calculations

- Exhibit Attachment 1.2.2.1 - Standard Lot Side and Rear Fence Details
- Exhibit Attachment 1.3.1 - Cluster Mail Boxes Design

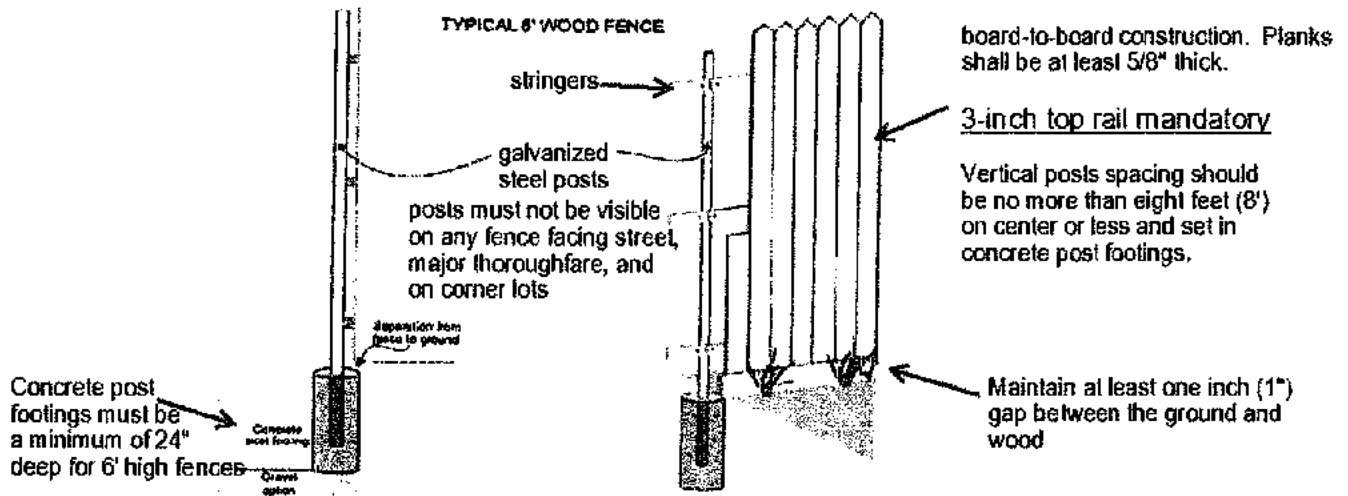
EXHIBIT B
TO
SUBORDINATE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR SOHO SQUARE
(City of Dallas, Dallas County, Texas)

EXHIBIT ATTACHMENT 1.2.2.2
FENCE DETAILS
[see attached]

EXHIBIT ATTACHMENT 1.2.2.2

STANDARD SIDE AND REAR YARD FENCES FOR INTERIOR LOTS.
SEE SECTION 1.2.2 OF THE DESIGN GUIDELINES FOR MORE INFORMATION.

Fences must be constructed of **Pre-stained Spruce** or better. Photo below is for informational purposes only however, all requirements shown as well as those in Section 1.2 of the Design Guidelines are applicable.



STEP UP'S AND STEP DOWN'S TO ADJUST FOR GRADE REQUIRED.

ALL PORTION OF ANY FENCE VISIBLE FROM ANY STREET SHALL BE STAINED WITH THE COLORS SHOWN IN SECTION 1.2 OF THE DESIGN GUIDELINES. FENCE AND STAIN MUST BE KEPT IN GOOD CONDITION AT ALL TIMES.

EXHIBIT B

EXHIBIT ATTACHMENT 1.3.1
TO
SUBORDINATE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR SOHO SQUARE
(City of Dallas, Dallas County, Texas)

SAMPLE CLUSTER MAILBOX DESIGN

[see attached]

EXHIBIT ATTACHMENT 1.3.1

SAMPLE EXHIBIT - CLUSTER STYLE MAILBOXES

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

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

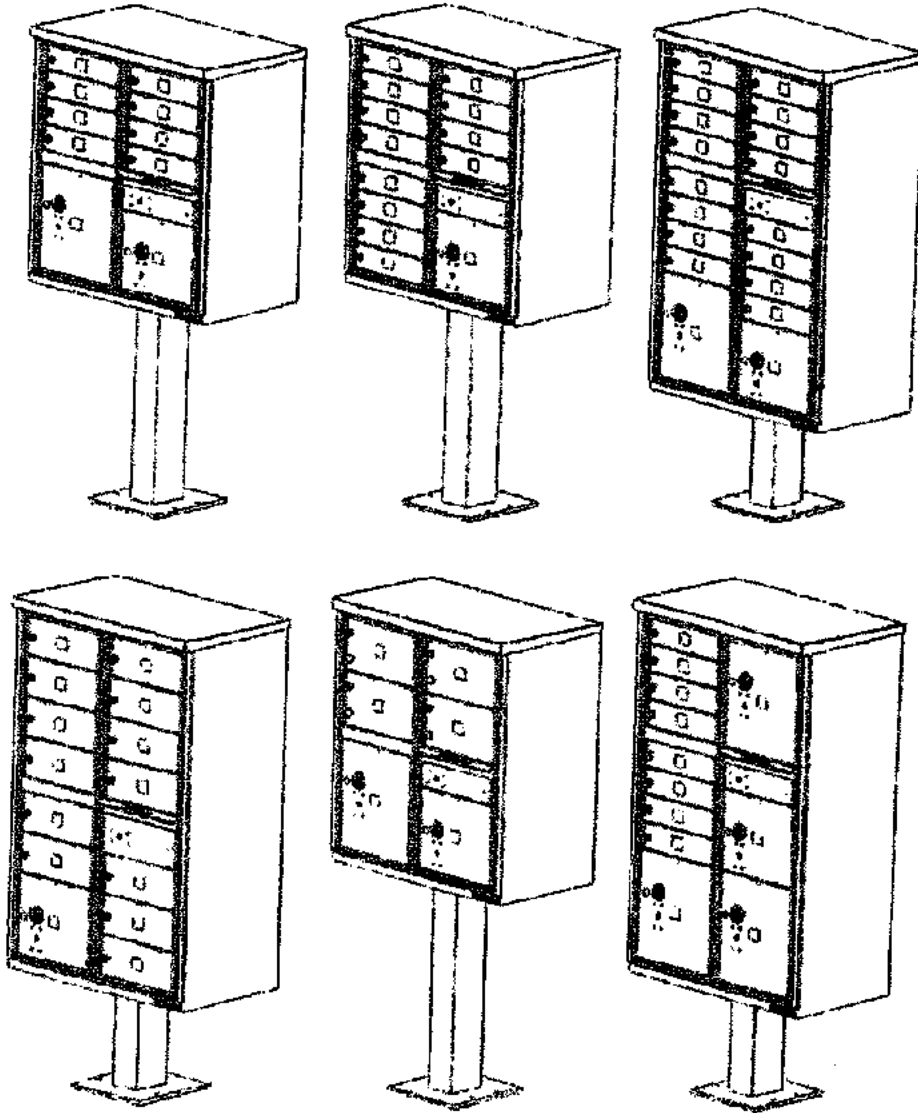


EXHIBIT C
TO
SUBORDINATE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR SOHO SQUARE
(City of Dallas, Dallas County, Texas)

DECLARANT'S REPRESENTATIONS AND RESERVATIONS

Declarant's Representations and Reservations set forth in Exhibit C hereto shall supersede all other Articles and Sections of this Subordinate Declaration, any Rule and Regulation, and the Bylaws notwithstanding, in the event of any conflict between this Subordinate Declaration, Rules and Regulations, the Bylaws, and Exhibit C, the greater standard which serves to reinforce, restore, and/or uphold the Declarant's rights shall prevail as long as Declarant owns any property within the Association.

C.1. GENERAL PROVISIONS.

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

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

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

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

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

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

- (1) means the period of time commencing on the date of this Subordinate Declaration and continuing through and including the earlier of (i) the date on which Declarant no longer owns any portion of the Property, or (ii) the date which is fifteen (15) years after recordation of this Declaration in the Official Public Records of Dallas County, Texas, or (iii) the date of recording in the Official Public Records of Dallas County, Texas, of a notice signed by the Declarant terminating the Development Period.

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

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

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

C.2.2. Weighted Votes. During the Declarant Control Period, the vote appurtenant to each Lot owned by Declarant is ten (10) votes for each attached Dwelling Lot and/or Detached Dwelling Lot owned by it and fifty (50) votes per acre within any other Lot owned by it. On termination of the Declarant Control Period and thereafter, the vote appurtenant to Declarant's Lots is weighted uniformly with all other votes.

C.2.3. Budget Funding. During the Declarant Control Period only, Declarant may, in its sole discretion, provide amounts in excess of the funds raised by the regular assessments in order to maintain the Common Properties within reasonable standards excluding non-recurring expenses and any reserve account or contributions which the Declarant shall have no obligation to fund. Any such advances made by Declarant during the Declarant Period shall be a debt of the Association to the advancing party. Notwithstanding the foregoing, Declarant, in its sole discretion, may cause the Association to borrow any deficiency amount from a lending institution at the then prevailing rate for such a loan. **Declarant is not responsible for funding the Reserve Fund and may, at its sole discretion, require the Association to use Reserve Funds when available to pay operating expenses prior to the Declarant funding any deficiency.**

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

C.2.5. Builder Obligations. During the Declarant Control Period only, Declarant has the right but not the duty (1) to reduce or waive the Assessment obligation of a Builder, and (2) to exempt a Builder from any or all liabilities for transfer-related fees charged by the Association or its manager, provided the agreement is in writing. Absent such an exemption, any Builder who owns a Lot is liable for seventy-five percent of the then current Assessment rate for the Villas, Townhomes, or Bungalows.

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

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

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

C.2.9. Organizational Meeting. Within one hundred twenty (120) days after the end of the Declarant Control Period, or sooner at the Declarant's option, Declarant will call an organizational meeting of the Members of the Association for the purpose of electing, by vote of the Owners, three directors to the Board. Written notice of the organizational meeting must be given to an Owner of each Lot at least ten (10) days but not more than thirty (30) days before the meeting. For the organizational meeting, Owners of ten percent (20%) of the Lots constitute a quorum for election purposes. The directors elected at the organizational meeting will serve staggered terms with the candidates obtaining the highest number of votes serving the longer term and the remaining candidates serving the shorter term as follows: Three-person Board one (1) Member shall serve a three-year term, one (1) Member shall serve a two-year term, and one (1) Member shall serve a one-year term. At the first annual meeting to be held by the Members after Declarant Control ends the Board shall have the right, but not the obligation, to increase from a three to a five-person Board. The Board shall upon majority vote have the right to

increase the Board; five being the maximum number of Directors allowed. A five-person Board: Two (2) Members shall serve a three-year term, two (2) Members shall serve a two-year term, and one (1) Member shall serve a one-year term.

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

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

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

C.3.3. Architectural Control. **During the Development Period, Declarant has the absolute right to serve as the Architectural Reviewer pursuant to the Declaration.** Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights as Architectural Reviewer under the Declaration and this Exhibit to (1) a committee comprised of architects, engineers, or other persons who may or may not be Members of the Association chosen by the Declarant. Any such delegation is at all times subject to the unilateral rights of Declarant (1) to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated and (2) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason. Declarant also has the unilateral right to exercise architectural control over vacant Lots in the Property. **The Association, the Board of Directors, no committee appointed by the Association or Class A Member may involve itself with the approval of Builders new construction plans and/or construction of new Residences and related improvements on vacant Lots at any time, including, but not limited to, periods of time after the Declarant Control Period ends so long as even one (1) lot remains to sell upon which a dwelling for the purpose of sell is planned. Review and approval of all new construction plans and related improvements shall be performed by the Declarant or its designated committee.**

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

To create Lots, easements, and Common Areas within the Property.

To modify the designation of the Area of Common Responsibility.

To subdivide, combine, or reconfigure Lots.

To convert Lots into Common Areas and Common Areas back to Lots.

To modify the construction and use restrictions of this Declaration.

To merge the Association with another property owner's association.

To comply with the requirements of an underwriting lender.

To resolve conflicts, clarify ambiguities, and to correct misstatements, errors, or omissions in the Documents.

To enable any reputable title insurance company to issue title insurance coverage on the Lots.

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

To change the name or entity of Declarant.

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

To change the name of the Association.

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

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

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

C.3.7. Promotion. During the Development Period, Declarant reserves for itself an easement and right to place or install signs, banners, flags, display lighting, potted plants, exterior decorative items, seasonal decorations, temporary window treatments, and seasonal landscaping on the Property, including items and locations that are prohibited to other Owners

and Residents, for purposes of promoting, identifying, and marketing the Property and/or Declarant's Residences, Lots, developments, or other products located outside the Property. Declarant reserves an easement and right to maintain, relocate, replace, or remove the same from time to time within the Property. Declarant also reserves the right to sponsor marketing events – such as open houses, MLS tours, and broker's parties – at the Property to promote the sale of Lots. During the Development Period, Declarant also reserves (1) the right to permit Builders to place signs and promotional materials on the Property and (2) the right to exempt Builders from the sign restriction in this Declaration.

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

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

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

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

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

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

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

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

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

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

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

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

C.7. Declarant's Right to Annex Adjacent Property. Declarant hereby reserves for itself and its affiliates and/or any of their respective successors and assigns the right to annex any real property in the vicinity of the Property (the “Property Subject to Annexation”) into the scheme of

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

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

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

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

C.7.2. Amendment. The provisions of this C.7. or its sub-sections may not be amended without the express written consent of Declarant (and Declarant's successors and assigns in accordance with the terms hereof). Declarant may amend this Exhibit C at any time and from time to time as deemed necessary.

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

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

[End of Exhibit C]

EXHIBIT D
TO
SUBORDINATE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR SOHO SQUARE
(City of Dallas, Dallas County, Texas)

ORGANIZATIONAL CONSENT AND BYLAWS OF
SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.
[see attached]

**CONSENT OF DIRECTORS IN LIEU OF
ORGANIZATIONAL MEETING
OF
SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.
(f/k/a/ Meadows at Trinity West Homeowners Association, Inc.)**

The undersigned, being all of the members of the Board of Directors of Soho Square Homeowners Association, Inc., formerly known as Meadows at Trinity West Homeowners Association, Inc., a Texas non-profit corporation (hereinafter referred to as the "Association"), do hereby consent, pursuant to the Texas Business Organization Code, to the adoption of the following resolutions:

1. AMENDMENT TO CERTIFICATE OF FORMATION

WHEREAS, the Association was established under the entity name "Meadows at Trinity West Homeowners Association, Inc." by a Certificate of Formation filed on November 29, 2016 under Texas Secretary of State Filing No. 701806880002 (the "Certificate of Formation");

WHEREAS, the Board desires to file a Certificate of Amendment to change the name of the Association from "Meadows at Trinity West Homeowners Association, Inc." to "Soho Square Homeowners Association, Inc.," to correct the identity of the initial directors of the Association named on the Certificate of Formation, to modify the registered agent name and address stated on the Certificate of Formation, and make, cause or support such additional amendments and modifications to the Certificate of Formation and any other dedicatory instruments of the Association to reflect the new entity name;

WHEREAS, the Board desires to amend the name of the Association, name of the initial directors of the Association and name and address of the registered agent of the association by the Certificate of Amendment (herein so called); and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Association hereby consents to, adopts, ratifies and approves the following resolutions and each and every action effected thereby:

RESOLVED, that the Certificate of Amendment is hereby approved and adopted by the Board of Directors.

RESOLVED, that the duly elected and acting Secretary of the Association, or the President, any Vice President, Secretary or Treasurer of the Association or other officer of the Association (each being herein referred to as an "*Authorized Person*" and referred to collectively as the "*Authorized Persons*"), is hereby authorized, empowered and directed, jointly and severally, to execute the Certificate of Amendment and/or give such certifications of fact and information as shall be necessary to consummate and effect the contemplated transactions referred to in the foregoing resolutions.

2. DIRECTORS

RESOLVED, that each of the undersigned, being all of the directors of the Association, as named in its Certificate of Formation filed with the Secretary of State of the State of Texas on November 29, 2016, as amended by that certain Certificate of Amendment filed or to be filed does hereby accept appointment to such office and does hereby agree to serve as a director of the Association until the first annual meeting of the members and until said director's successor or successors have been duly elected and qualified or until his or her earlier death, resignation, retirement, disqualification or removal from office.

2. BYLAWS

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

3. OFFICERS

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

Armin Afzalipour	-	President
Arash Afzalipour	-	Executive Vice President/Treasurer
J.J. Singh	-	Vice President/Secretary

4. REGISTERED OFFICE; REGISTERED AGENT

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

5. BOOKS AND RECORDS

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

6. ORGANIZATIONAL EXPENSES

RESOLVED, that the President of the Association or other officer be and hereby is authorized and directed to pay all fees, expenses and costs incident to or

necessary for the incorporation and organization of the Association and to reimburse any person who may have paid any of such fees, expenses and costs.

7. CORPORATE SEAL

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

8. DEPOSITORY RESOLUTIONS

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

Armin Afzalipour, President
Arash Afzalipour, Treasurer
J.J. Singh, Executive Vice President/Secretary
Ron Corcoran, Essex Association Management, L.P.

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

RESOLVED, that the Authorized Persons of the Association are hereby authorized, empowered and directed, jointly and severally, to (a) sign, execute, certify to, verify, acknowledge, deliver, accept, file and record any and all documents, instruments and agreements, and (b) take, or cause to be taken, any and all such actions, in the name and on behalf of the Association, as in the judgment of the Authorized Person so acting shall be necessary, desirable, or appropriate in order to effect the purposes of the foregoing resolutions (the taking of any such action by any Authorized Person to be conclusive evidence that the foregoing standard has been met).

RESOLVED, that any and all actions taken by the Association, the Board of Directors, or any of the officers of the Association for and on behalf of the Association, prior to the adoption of these resolutions which are within the scope and intent of these resolutions are hereby ratified, approved and adopted as the acts of the Association, as applicable, in all respects.

RESOLVED FURTHER, that these resolutions are to be interpreted in the broadest possible manner so as to authorize, approve and facilitate the consummation of the transactions contemplated hereby and the execution, delivery and performance of any and all documents, instruments and agreements in connection therewith.

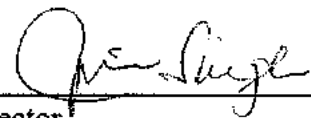
IN WITNESS WHEREOF, the undersigned have executed this instrument as of and effective the 13 day of MARCH, 2019.



Armin Afzalipour, Director



Arash Afzalipour, Director



J.J. Singh, Director

EXHIBIT A

Bylaws

[See Attached]

**BYLAWS
OF
SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.
(f/k/a/ Meadows at Trinity West Homeowners Association, Inc.)**

**ARTICLE I
INTRODUCTION**

The name of the corporation is Soho Square Homeowners Association, Inc., formerly known as Meadows at Trinity West Homeowners Association, Inc., a Texas non-profit corporation, hereinafter referred to as the "Association". The principal office of the Association shall be located in Dallas County, Texas, but meetings of Members and Directors may be held at such places within the State of Texas, as may be designated by the Board of Directors.

The Association is organized to be a nonprofit corporation.

Notwithstanding anything to the contrary in these Bylaws, a number of provisions are modified by the Declarant's reservations in that certain Subordinate Declaration of Covenants, Conditions and Restrictions for Soho Square recorded in the Real Property Records of Dallas County, Texas, including the number, qualification, appointment, removal, and replacement of Directors.

**ARTICLE II
DEFINITIONS**

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

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

Section 2.2. Association. "Association" shall mean and refer to Soho Square Homeowners Association, Inc., formerly known as Meadows at Trinity West Homeowners Association, Inc., a Texas non profit corporation.

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

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

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

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

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

Section 2.8. Certificate. “Certificate” shall mean the Certificate of Formation of The Meadows at Trinity West Homeowners Association, Inc., a Texas non-profit corporation, as modified and amended by that certain Certificate of Amendment changing the name of the Association to Soho Square Homeowners Association, Inc., a Texas non-profit corporation, each as filed in the office of the Secretary of State of the State of Texas, as the same may from time to time be further amended.

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

Section 2.10. Declaration. “Declaration” shall mean the “Declaration of Covenants, Conditions and Restrictions for Soho Square”, recorded in the Real Property Records of Dallas County, Texas, as the same may be amended from time to time.

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

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

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

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

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

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

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

ARTICLE III MEETING OF MEMBERS

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

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

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

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

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

Section 3.6. Quorum.

(a) **Generally.** Except as otherwise specifically provided in the Declaration, any action requiring the vote or approval of the Members or the Owners shall require the majority vote of the Members (both classes voting together), represented at a duly called meeting of the Members in person or by a legitimate proxy in form provided in the Association Documents or

otherwise approved by the Board, at which a "Regular Quorum" or a "Special Quorum" is present. Written notice of a meeting must be given to all Members not less than ten (10) days nor more than thirty (30) days in advance of any such meeting and shall set forth the purpose(s) of such meeting. No action may be taken at a meeting on any matter that is not described in the applicable meeting notice as being on the agenda for such meeting. Notwithstanding anything herein to the contrary, to the extent permitted by applicable law and in the Association Documents from time to time, any action may be taken by written consent of the Members in lieu of formal meetings.

(b) Special Quorum. The quorum (a "Special Quorum") required for any action referred to in Section 6.3(b) of the Declaration (maximum increase in Maintenance Assessments) hereof or Section 6.4(a) of the Declaration (Special Purpose Assessments) hereof:

Members represented at a duly called meeting of the Members in person or by a legitimate proxy in form provided in the Association Documents or otherwise approved by the Board, entitled to cast twenty percent (20%) of all of the votes of Members (both classes of Members taken together) shall constitute a Special Quorum. If the required Special Quorum is not present at such meeting, that meeting may be adjourned, and an additional meeting may be called, subject to the notice requirement set forth herein, with the required Special Quorum at such second (2nd) meeting being reduced to one-half (1/2) of the required Special Quorum at the preceding meeting; provided, however, that such second (2nd) meeting must be held not later than thirty (30) days after the first (1st) meeting. Further, if the reduced required Special Quorum is not present at such second (2nd) called meeting, the adjournment of the meeting shall be continued, and one (1) additional meeting may be called, subject to the notice requirement set forth herein, with Declarant alone constituting the required Special Quorum at such third (3rd) meeting; provided that such third (3rd) meeting must be held not later than forty-five (45) days after the first (1st) meeting.

(c) Regular Quorum. The quorum (a "Regular Quorum") required for any action other than the action referred to in Section 5.4(b) of the Declaration hereof shall be as follows:

Members represented at a duly called meeting of the Members in person or by a legitimate proxy in form provided in the Association Documents or otherwise approved by the Board, entitled to cast ten percent (10%) of all of the votes of Members (both classes of Members taken together) shall constitute a Regular Quorum. If the required Regular Quorum is not present at such meeting, that meeting may be adjourned, and an additional meeting may be called, subject to the notice requirement set forth herein, with the required Regular Quorum at such second (2nd) meeting being reduced to one-half (1/2) of the required Regular Quorum at the preceding meeting; provided, however, that such second (2nd) meeting must be held not later than thirty (30) days after the first (1st) meeting. Further, if the reduced required Regular Quorum is not present at such second (2nd) called meeting, the adjournment of the meeting shall be continued, and one (1) additional meeting may be called, subject to the notice requirement set forth herein, with Declarant alone constituting the required Regular Quorum at such third (3rd) meeting; provided that such third (3rd) meeting must be held not later than forty-five (45) days after the first (1st) meeting.

Section 3.7. Proxies. Votes may be cast in person or by written proxy. To be valid, each proxy must: (i) be signed and dated by a Member or his attorney-in-fact; (ii) identify the Lot to which the vote is appurtenant; (iii) name the person or title (such as “presiding officer”) in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the secretary, to the person presiding over the Association meeting for which the proxy is designated, or to a person or company designated by the Board. Unless the proxy specifies a shorter or longer time, it terminates eleven (11) months after the date of its execution. Perpetual or self-renewing proxies are permitted, provided they are revocable. To revoke a proxy, the granting Member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled is valid when the meeting reconvenes. A proxy may be delivered by fax. However, a proxy received by fax may not be counted to make or break a tie-vote unless: (a) the proxy has been acknowledged or sworn to by the Member, before and certified by an officer authorized to take acknowledgments and oaths; or (b) the Association also receives the original proxy within five (5) days after the vote.

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

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

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

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

Section 3.11. Action without Meeting. Subject to Board approval, any action which may be taken by a vote of the Members at a meeting of the Association may also be taken

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

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

ARTICLE IV BOARD OF DIRECTORS

Section 4.1. Authority; Number of Directors.

(a) The affairs of the Association shall be governed by a Board of Directors. The number of Directors shall be fixed by the Board of Directors from time to time. The initial Directors shall be three (3) in number and shall be those Directors named in the Certificate. The initial Directors shall serve until their successors are elected and qualified. Except as is provided in the Declaration and in Sections 4.1(b) and 4.1(c) below, Declarant shall have the absolute right to appoint and remove members of the Board of Directors for as long as Declarant owns any Lot affected by the Declaration.

(b) From and after the first annual meeting of Members and until the date (the "Transition Date") which is the earlier of (i) one hundred-twenty (120) days after seventy-five (75%) of the Lots have been sold to non-Declarant Owners, or (ii) ten (10) years from the date on which the Declaration is recorded in the Real Property Records of Dallas County, Texas, the Board of Directors shall consist of three (3) persons appointed by Declarant who need not be Members of the Association. On and after the Transition Date, the Board of Directors shall include two (2) persons appointed by Declarant and one (1) person elected by a majority vote of Class A Members ("Non-Declarant Director") at such meeting at which quorum is present, which Non-Declarant Member shall serve for a period which is the shorter of one (1) year, or until the next annual meeting of the Members at which the Non-Declarant Member (or replacement thereof) shall be elected. The Non-Declarant Director shall be elected at the first annual meeting (or special meeting called for such purpose by the President of the Association) of Members held on or after the Transition Date. On and after the date on which the last Lot is sold to a non-Declarant Owner (the "Declarant Turnover Date"), the Board of Directors shall be increased to five (5) members. The President of the Association will thereupon call a meeting of the Members of the Association where the Members will elect one (1) Director for a three (3) year term, two (2) Directors for a two (2) year term, and two (2) Directors for a one (1) year

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

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

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

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

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

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

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

Section 4.5. Vacancies on Board of Directors. At such time as Declarant's right to appoint and remove Directors has expired or been terminated, if the office of any elected Director shall become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Directors, at a special meeting duly called for this purpose, shall choose a successor who shall fill the unexpired term of the directorship being vacated. If there is a deadlock in the voting for a successor by the remaining Directors, the one Director with the longest continuous term on the Board shall select the successor. At the expiration of the term of his position on the Board of Directors, the successor Director shall be re-elected or his successor shall be elected in accordance with these Bylaws.

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

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

ARTICLE V MEETINGS OF DIRECTORS

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

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

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

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

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

**ARTICLE VI
POWERS AND DUTIES OF THE BOARD**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE VII OFFICERS AND THEIR DUTIES

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

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

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

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

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

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

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

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

(a) **President.** The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

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

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

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

(e) **Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; keep proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

ARTICLE VIII OTHER COMMITTEES OF THE BOARD OF DIRECTORS

The Board may, by resolution adopted by affirmative vote of a majority of the number of Directors fixed by these Bylaws, designate two or more Directors (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose; provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board of Directors and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board. Notwithstanding the foregoing or anything to the contrary contained herein, the Architectural Control Committee (as defined in the Declaration) shall be established by Declarant and comprised of members appointed by Declarant during the Declarant Period (as

defined in the Declaration) in accordance with Section 3.2 of the Declaration, as amended from time to time.

ARTICLE IX BOOKS AND RECORDS

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

ARTICLE X ASSESSMENTS

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

ARTICLE XI CORPORATE SEAL

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

ARTICLE XII DECLARANT PROVISIONS

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

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

ARTICLE XIII AMENDMENTS

Section 13.1. These Bylaws may be amended, (i) on or before the Declarant Turnover Date, by unilateral vote or written consent of Declarant, and thereafter (ii) by a majority vote or written consent of a majority of the Directors on the Board of Directors of the Association.

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

**ARTICLE XIV
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

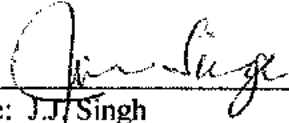
THE ASSOCIATION SHALL INDEMNIFY EVERY DIRECTOR AND OFFICER OF THE ASSOCIATION AGAINST, AND REIMBURSE AND ADVANCE TO EVERY DIRECTOR AND OFFICER FOR, ALL LIABILITIES, COSTS AND EXPENSES' INCURRED IN CONNECTION WITH SUCH DIRECTORSHIP OR OFFICE AND ANY ACTIONS TAKEN OR OMITTED IN SUCH CAPACITY TO THE GREATEST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

**ARTICLE XV
MISCELLANEOUS**

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

[signature page to follow]

I, the undersigned, being the Secretary of SOHO SQUARE HOMEOWNERS ASSOCIATION, INC. do hereby certify that the foregoing are the Bylaws of said non-profit corporation, as adopted by the Association's Board of Directors pursuant to a Unanimous Consent of Directors in Lieu of Organizational Meeting of the Corporation dated to be effective as of February 9, 2018.



Printed Name: J.J. Singh

Its: Secretary

ATTACHMENT 1

**RECORDS PRODUCTION, COPYING, AND RETENTION POLICY FOR
SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.**

SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.

Records Production and Copying Policy

WHEREAS, the Board of Directors (the "Board") of Soho Square Homeowners Association, Inc. (the "Association") wishes to adopt reasonable guidelines to establish Records Production and Copying Policy for the Association; and

WHEREAS, the Board wishes to adopt these reasonable guidelines in compliance with Section 209.005 of the Texas Property Code ("Section 209.005") regarding Owner access to Association documents and records ("Records"); and

WHEREAS, the Board intends to file these guidelines in the real property records of each county in which the subdivision is located, in compliance with Section 209.005 of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED that the following guidelines for Records Production and Copying are established by the Board:

1. Association Records shall be reasonably available to every owner. An owner may also provide access to Records to any other person (such as an attorney, CPA or agent) they designate in writing as their proxy for this purpose. To ensure a written proxy is actually from the owner, the owner must include a copy of his/her photo ID or have the proxy notarized.
2. An owner, or their proxy as described in section 1, must submit a written request for access to or copies of Records. The letter must:
 - a. be sent by certified mail to the Association's address as reflected in its most recent Management Certificate filed in the County public records; and
 - b. contain sufficient detail to identify the specific Records being requested; and
 - c. indicate whether the owner or proxy would like to inspect the Records before possibly obtaining copies or if the specified Records should be forwarded. If forwarded, the letter must indicate the format, delivery method and address:
 - i. format: electronic files, compact disk or paper copies
 - ii. delivery method: email, certified mail or pick-up
3. Within ten (10) business days of receipt of the request specified in section 2 above, the Association shall provide:
 - a. the requested Records, if copies were requested and any required advance payment had been made; or
 - b. a written notice that the Records are available and offer dates and times when the Records may be inspected by the owner or their proxy during normal business hours at the office of the Association; or
 - c. a written notice that the requested Records are available for delivery once a payment of the cost to produce the records is made and stating the cost thereof; or
 - d. a written notice that a request for delivery does not contain sufficient information to specify the Records desired, the format, the delivery method and the delivery address; or
 - e. a written notice that the requested Records cannot be produced within ten (10)

business days but will be available within fifteen (15) additional business days from the date of the notice and payment of the cost to produce the records is made and stating the cost thereof.

4. The following Association Records are not available for inspection by owners or their proxies:
 - a. the financial records associated with an individual owner; and
 - b. deed restriction violation details for an individual owner; and
 - c. personal information, including contact information other than an address for an individual owner; and
 - d. attorney files and records in the possession of the attorney; and
 - e. attorney-client privileged information in the possession of the Association.

The information in a, b and c above will be released if the Association receives express written approval from the owner whose records are the subject of the request for inspection.

5. Association Records may be maintained in paper format or in an electronic format. If a request is made to inspect Records and certain Records are maintained in electronic format, the owner or their proxy will be given access to equipment to view the electronic records. Association shall not be required to transfer such electronic records to paper format unless the owner or their proxy agrees to pay the cost of producing such copies.
6. If an owner or their proxy inspecting Records requests copies of certain Records during the inspection, Association shall provide them promptly, if possible, but no later than ten (10) business days after the inspection or payment of costs, whichever is later.
7. The owner is responsible for all costs associated with a request under this Policy, including but not limited to copies, postage, supplies, labor, overhead and third party fees (such as archive document retrieval fees from off-site storage locations) as listed below: (Please go to the Attorney General web-site for current charges) <https://texasattorneygeneral.gov/og/charges-for-public-information>
8. Any costs associated with a Records request must be paid in advance of delivery by the owner or their proxy. An owner who makes a request for Records and subsequently declines to accept delivery will be liable for payment of all costs under this Policy.
9. On a case-by-case basis, in the absolute discretion of the Association, and with concurrence of the owner, the Association may agree to invoice the cost of the Records request to the owner's account. Owner agrees to pay the total amount invoiced within thirty (30) days after the date a statement is mailed to the Owner. Any unpaid balance will accrue interest as an assessment as allowed under the Declarations.
10. On a case-by-case basis where an owner request for Records is deemed to be minimal, the Association or its managing agent reserves the right to waive notice under section 2 and/or fees under section 4.

Records Production and Copying Policy

11. All costs associated with fulfilling the request under this Policy will be paid by the Association's Managing Agent. All fees paid to the Association under this Policy will be reimbursed to the Association's Managing Agent or paid directly to the Association's Managing Agent.

This is to certify that the foregoing Records Production, Copying, and Retention Policies was adopted by the Board of Directors, in accordance with Section 209.005 of the Texas Property Code, and supersedes any policy regarding records production which may have previously been in effect. All policies may be amended at any time and from time by Resolution of the Board.

SOHO SQUARE HOMEOWNERS ASSOCIATION,
INC.

Name: _____

Qin-Ling J. J. SINGH

Title: _____

Secretary

Date: _____

3/12/19

RECORD RETENTION POLICY

The Record Retention Policy of SOHO Square Homeowners Association ensures that necessary records and documents are adequately protected and maintained and that records that are no longer needed or are of no value are discarded at the proper time.

1. Policy. This Policy represents the Association's policy regarding the retention and disposal of records and the retention and disposal of electronic documents.

2. Administration. The Record Retention Schedule herein is approved as the initial maintenance, retention and disposal schedule for physical records of the Association and the retention and disposal of electronic documents. The Board or Secretary of the Association ("Administrator") is the officer in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed. The Administrator is also authorized to: make modifications to the Record Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and includes the appropriate document and record categories for the Corporation; monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

3. Suspension of Record Disposal In Event of Litigation or Claims. In the event the Association is served with any subpoena or request for documents or any employee becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator will take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

4. Applicability. This Policy applies to all physical records generated in the course of the Association's operation, including both original documents and reproductions. It also applies to the electronic documents described above.

(Record Retention Schedule begins on next page)

Record Retention Schedule

The Record Retention Schedule is organized as follows:

SECTION TOPIC

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Electronic Documents
- E. Payroll Documents
- F. Personnel Records
- G. Property Records
- H. Tax Records

The following are the Association's retention periods. These apply to both physical and electronic documents. If no physical copy of an electronic document is retained, the means to 'read' the electronic document must also be retained. If a record does not fall within the following categories, Board approval must be obtained to dispose of such record.

A. ACCOUNTING AND FINANCE

Record Type

Retention Period

Accounts Payable & Accounts Receivable ledgers and schedules

7 years

Annual Audit Reports and Financial Statements

Permanent

Annual Audit Records, including work papers and other documents that relate to the audit

7 years after completion of audit

Bank Statements and Canceled Checks

7 years

Employee Expense Reports

7 years

General Ledgers

Permanent

Notes Receivable ledgers and schedules

7 years

Investment Records

7 years after sale of investment

B. CONTRACTS

<u>Record Type</u>	<u>Retention Period</u>
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation)	4 years after expiration or termination

C. ASSOCIATION RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Corporate Records (unless otherwise specifically addressed in this Policy - Governing Documents, Dedicatory Instruments, minute books, signed minutes of the Board and all committees, corporate seals, annual corporate reports)	Permanent
Licenses and Permits	Permanent
Account records of current owners	5 years

D. ELECTRONIC DOCUMENTS

- 1. Electronic Mail:** Not all email needs to be retained, depending on the subject matter.
 - All e-mail—from internal or external sources—is to be deleted after 12 months.
 - Staff will strive to keep all but an insignificant minority of their e-mail related to business issues.
 - The Corporation will archive e-mail for six months after the staff has deleted it, after which time the e-mail will be permanently deleted.
 - The Corporation's business-related email should be downloaded to a service center or user directory on the server, when determined by the Board.
 - Staff will not store or transfer the Corporation's related e-mail on non-work-related computers except as necessary or appropriate for the Corporation's purposes.
 - Staff will take care not to send confidential/proprietary information to outside sources.
- 2. Electronic Documents:** Retention depends on the subject matter and follows D.1 above
- 3. Web Page Files: Internet Cookies**
 - All workstations: Internet Explorer should be scheduled to delete Internet cookies once per month.

E. PAYROLL DOCUMENTS

<u>Record Type</u>	<u>Retention Period</u>
Employee Deduction Authorizations	4 years after termination
Payroll Deductions	Termination + 7 years
W-2 and W-4 Forms	Termination + 7 years
Garnishments, Assignments, Attachments	Termination + 7 years
Payroll Registers (gross and net)	7 years
Time Cards/Sheets	2 years
Unclaimed Wage Records	6 years

F. PERSONNEL RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Commissions/Bonuses/Incentives/Awards EEO-1/EEO-2 - Employer Information Reports	7 years
Employee Earnings Records	2 years after superseded or filing (whichever is longer)
Employee Handbooks	Separation + 7 years
Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training and qualification records)	1 copy kept permanently 6 years after separation
Employment Contracts --- Individual	7 years after separation
Employment Records - Correspondence with Employment Agencies and Advertisements for Job Openings	3 years from date of hiring decision
Employment Records - All Non-Hired Applicants (including all applications and resumes - whether solicited or unsolicited, results of post-offer, pre-employment physicals, results of background investigations, if any, related correspondence)	2-4 years (4 years if file contains any correspondence which might be construed as an offer)
Job Descriptions	
Record Retention Policy	3 years after superseded

<u>Record Type</u>	<u>Retention Period</u>
Personnel Count Records	3 years
Foms 1-9	3 years after hiring, or 1 year after separation if later

G. PROPERTY RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent
Property Insurance Policies	Permanent

H. TAX RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Tax-Exemption Documents and Related Correspondence	Permanent
IRS Rulings	Permanent
Tax Bills, Receipts, Statements	7 years
Tax Returns - Income, Franchise, Property	Permanent
Tax Workpaper Packages - Originals	7 years
Annual Information Returns - Federal and State	Permanent
IRS or other Government Audit Records	Permanent
All other Tax Records	7 years

ATTACHMENT 2

**PAYMENT PLAN POLICY FOR
SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.**

SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.

Alternative Payment Schedule Guidelines for Certain Assessments

WHEREAS, the Board of Directors (the "Board") of Soho Square Homeowners Association, Inc. (the "Association") wishes to adopt reasonable guidelines to establish an alternative payment schedule by which an owner may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association; and

WHEREAS, the Board wishes to adopt these reasonable guidelines in compliance with Section 209.0062 of the Texas Property Code; and

WHEREAS, the Board intends to file these guidelines in the real property records of each county in which the subdivision is located, in compliance with Section 209.0062 of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED that the following guidelines are established by the Board:

1. Upon the request of a delinquent owner, the Association shall enter into an alternative payment schedule with such owner, subject to the following guidelines:
 - a. An Alternative Payment Schedule is only available to owners who have delinquent regular assessments, special assessments or any other amount owed to the Association.
 - b. An Alternative Payment Schedule will not be made available in the following cases: (1) to owners who have failed to honor the terms of a previous Alternative Payment Schedule during the two years following the owner's default of such previous Alternative Payment Schedule; (2) to owners who have failed to request an Alternative Payment Schedule prior to the 30 day deadline to cure the delinquency as set forth in the Association's letter sent pursuant to Tex. Prop. Code § 209.0064(b); and/or (3) to owners who have entered into an Alternative Payment Schedule within the previous 12 months. Notwithstanding the foregoing, the Board has discretion to allow any owner to enter into an Alternative Payment Schedule.
 - c. During the course of an Alternative Payment Schedule, additional monetary penalties shall not be charged against an owner so long as the owner timely performs all obligations under the Alternative Payment Schedule and does not default. However, the Association may charge reasonable costs for administering the Alternative Payment Schedule ("Administrative Costs") and, if interest is allowed under the Declaration, then interest will continue to accrue during the term of the Alternative Payment Schedule. The Association may provide an estimate of the amount of interest that will accrue during the term of the Alternative Payment Schedule.

- d. The total of all proposed payments in an Alternative Payment Schedule must equal the sum of the current delinquent balance, the estimated interest, and any Administrative Costs; and may include any assessments that will accrue during the term of the Payment Plan.
- e. All payments under an Alternative Payment Schedule shall be due and tendered to the Association by the dates specified in the Alternative Payment Schedule, and shall be made by cashier's checks or money orders.
- f. The minimum term for an Alternative Payment Schedule is 3 months from the date of the owner's request for an Alternative Payment Schedule. The Association is not required to allow an Alternative Payment Schedule for any amount that extends more than 18 months from the date of the owner's request for an Alternative Payment Plan.
- g. Any owner may submit to the Board a request for an Alternative Payment Schedule that does not meet the foregoing guidelines, along with any other information he/she believes the Board should consider along with such request (e.g. evidence of financial hardship). The Board, in its sole discretion, may approve or disapprove such a request for a non-conforming Alternative Payment Schedule. An owner who is not eligible for an Alternative Payment Schedule may still request an Alternative Payment Schedule, and the Board, in its sole discretion, may accept or reject such a request.
- h. Default
 - 1. The following shall result in an immediate default of an Alternative Payment Schedule:
 - i. The owner's failure to timely tender and deliver any payment when due under the Alternative Payment Schedule;
 - ii. The owner's failure to tender any payment in the full amount and form (e.g., cashier's check or money order) as specified in the Alternative Payment Schedule; or
 - iii. The owner's failure to timely comply with any other requirement or obligation set forth in the Alternative Payment Plan.
 - 2. Any owner who defaults under an Alternative Payment Schedule shall remain in default until his/her entire account balance is brought current.
 - 3. The Association is not required to provide notice of any default.
 - 4. Owners are not entitled to any opportunity to cure a default.
 - 5. While an owner is in default under an Alternative Payment Schedule,

the owner's payments need not be applied to the owner's debt in the order of priority set forth in Tex. Prop. Code § 209.0063(a). But, in applying a payment made while the owner is in default, a fine assessed by the Association may not be given priority over any other amount owed to the Association.

6. The failure by the Association to exercise any rights or options shall not constitute a waiver thereof or the waiver of the right to exercise such right or option in the future.
- i. All other terms of an Alternative Payment Schedule are at the discretion of the Board of Directors.

This is to certify that the foregoing Alternative Payment Schedule Guidelines for Certain Assessments was adopted by the Board of Directors, in accordance with Section 209.0062 of the Texas Property Code. This policy may be amended at any time and from time to time by Resolution of the Board.

SOHO SQUARE HOMEOWNERS ASSOCIATION,
INC.

Name: _____

Prin Singh J. J. SINGH

Title: _____

Secretary

Date: _____

3/12/19

ATTACHMENT 3

**NOTICE AND FINING POLICY FOR
SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.**

SOHO Square Homeowners Association, Inc.

NOTICE AND FINING POLICY

SOHO Square Homeowners Association, Inc. has adopted the following Notice and Fining Policy for the enforcement of the Association's Governing Documents (to include the CC&R's, By-Laws, and Rules & Regulations). This policy shall prevail over the Covenants, Conditions, and Restrictions and is subject to amendment by the Declarant or Board of Directors at their sole discretion. The amending of this policy shall not require the consent or joinder of the Members notwithstanding, any amendment shall be posted to the HOA's website, if applicable, and a copy shall be mailed to each Owner via regular U.S. mail.

1. **Violation Notice (Warning):** Homeowners will be notified when a violation occurs and will be given a time period of not more than ten (10) days in which to correct the violation. Violations which present hazards for residents, are damaging property, creating an ongoing nuisance or can be considered an emergency requiring immediate correction shall be subject to self-help actions by the Association as described in the Declaration of Covenants, Conditions and Restrictions (the "CCR's") should Owner fail to cure the violation. Self Help actions considered an emergency requiring immediate attention will be addressed within seventy-two (72) hours or less by the Association. A notice in the case of an emergency may be delivered by hand, electronic mail, or U.S. mail. Any costs for initiating Self Help to cure a violation including the costs of postage and handling shall be assessed to the Owner's account. **The Association may, but is not obligated, to provide more than one initial notice of violation as set forth in the CCR's and this Fining Policy. Should additional violation notices be sent, each notice shall allow a period of not more than ten (10) days in which to correct the violation.**
2. **Assessment of Fine (Hearing Notice):** If after the initial notice (or subsequent notices if given) the violation continues, the Owner will be notified that a fine will be levied against his/her account. This notice shall include the amount of the fine to be levied and shall contain verbiage pursuant to Section 209.006 of the Texas Property Code regarding an Owner's right to request a hearing before a committee (or the Board in the absence of a committee). Owner shall have thirty (30) days to request a hearing in writing from the date of notice. The Association or its Managing Agent shall set the hearing within thirty (30) days of receipt of the written request and the Owner shall be notified in writing of the hearing date, time and place not less than ten (10) days prior to the hearing date.
3. **"Damage Assessment":** Violations that result in property damage or cause the Association to incur cleanup costs will result in a "Special Assessment" on the homeowner's account. Non-payment of this type of assessment may result in additional fees, and collection actions as allowed by law. Any attorney fees or other costs incurred by the Association will be assessed to the Owner's account.

FINE SCHEDULE

Each fine notice shall contain the verbiage as required by the Texas State Property Code or the Declaration and Bylaws.

- 1st Fine:** First fine for a violation not cured by the Owner after the initial fine warning notice has been given shall be \$50.00, then;
- 2nd Fine:** After seven (7) days, the Board or its Managing Agent shall inspect the Owner's property for compliance. If the violation remains, a letter shall be sent to the violating Owner advising that a second fine in the amount of \$75.00 shall be assessed to the Owner's account, then;
- 3rd Fine:** After five (5) additional days, the Board or its Managing Agent shall inspect the Owner's property for compliance. If the violation remains, a letter shall be sent to the violating Owner advising that a third fine in the amount of \$100.00 shall be assessed to the Owner's account.
- 4th & After:** If compliance is not met after the end of five (5) days from the date the third fine letter is sent, the Owner will receive one (1) final notice advising that fines shall escalate at the rate of \$50.00 every week for each week the violation remains until the maximum fine amount of \$500.00 is reached at which time the violation process shall start over and shall be treated as a recurring violation subject to additional fines as outlined in this section ("4th and After") so long as the violation remains.
4. The maximum fine amount is based on a per violation occurrence and can be assessed each time a violation occurs whether or not it is the same type or kind or whether it is a recurring violation. Based on the severity of the violation or a history of recurring violations, the Association or its Board of Directors shall, in their sole discretion, have the right to issue a one-time fine for the maximum amount allowed of \$500.00.

If Owner submits a written request for a hearing, all fines shall be suspended until after the hearing. The committee or the Board of Directors shall provide written notice to the Owner with copies to the Association and its Managing Agent which shall outline the findings and subsequent results of the hearing. The Association or its Managing Agent shall immediately proceed and comply with any instructions and/or with the findings and results as written in the notification received. If the hearing is held by a committee appointed by the Board, the Owner shall have the right to appeal the decision of the committee to the Board of Directors and the decision of the Board of Directors is final. If the hearing is held by the Board of Directors in the absence of a committee, the decision of the Board of Directors is final.

Note: All fines are subject to collections and will be collected in the same manner as are the association dues.

ATTACHMENT 4

**COLLECTIONS POLICY FOR
SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.**

SOHO Square Homeowners Association, Inc.

POLICIES AND PROCEDURES FOR THE COLLECTION OF ASSESSMENTS AND OTHER CHARGES OF THE ASSOCIATION

The Board of Directors of SOHO Square Homeowners Association, Inc. (the "Association") has adopted the following policies and procedures for the collection of assessments and other charges of the Association. The policies and procedures detailed herein will be implemented on behalf of the Board of Directors by Essex HOA Management, L.P. (the "Management Company") as agent for the Association unless otherwise stated.

Obligation to Pay Assessments

Membership in the Association is mandatory pursuant to the terms and conditions of the Declaration. A property owner is legally obligated to pay the Assessments to the Association even if the Association's facilities or amenities are not used by the property owner. The property owner may not withhold assessment payments even if the association is not providing maintenance or other services mandated by the Association's governing documents.

Due Dates

Pursuant to the Declaration, the assessment shall be paid in semi-annual installments unless the Board determines a different schedule. The due date and delinquency date for a Special Assessment authorized per the Declaration shall be determined by the Board of Directors. **Any installment of an Assessment due which is not paid in full by the tenth (10th) of the month in which it is due is delinquent** (the "Delinquency Date") and shall be assessed late fees and collection fees as provided below.

Invoices and Statements

The association may, but shall not be required to, invoice a property owner as a condition to an owner's obligation to pay assessment or other charges of the Association. As a matter of course, assessments are invoiced by statements. Non-receipt of an invoice shall in no way relieve the property owner of the obligation to pay the amount due by the due date. Property owners who do not receive their invoice are responsible for contacting the Management Company prior to the due date to request a replacement. Property owners are responsible for notifying the Management Company of their mailing address at the time of acquiring property ownership and any subsequent mailing address change. A Statement of Account reflecting the delinquent balance of a property owner's account is provided to all homeowners at least once. [1] The Statement of Account will include applicable late payment charges as detailed above. The Statement of Account is mailed by regular mail and is available on the Resident Portal at www.essexhoa.com. Failure by the Association or its Managing Agent to provide a statement of account does not eliminate the owners' responsibility for payment of assessments when due.

Late Payment Charges

In the event any assessment, or any portion thereof, is not paid in full by the Delinquency Date, late charges in the amount up to \$25.00 shall be assessed against the Owner's account each month and every month until the assessment is paid in full. Such late charge, as and when levied, is secured by the Assessment Lien described in Article 10 of the Declaration, and will be subject to recovery in the manner provided herein for assessments. The Board may, in its sole discretion, waive the collection of any late charge; provided, however, that the waiver of any late charge shall not constitute a waiver of the Board's right to collect any late charges or any other charges in the future.

Collection Fees

In the event an account has not been paid in full following thirty (30) days from and after the due date established by the Board, The managing agent shall have the right to charge a monthly collection fee in the amount of Twenty-Five and No/100 Dollars (\$25.00) for each month an account is delinquent. Additional fees for costs involving the processing of demand letters and notice of intent of attorney referral shall apply and be in addition to the collection fee noted above; a fee of not less than Ten and No/100 dollars (\$10.00) shall be charged for each demand letter or attorney referral letter prepared and processed. Other like notices requiring extra processing and handling which include but, are not limited to certified and/or return receipt mail processing shall also be billed back to the Owner's account for reimbursement to the Association or its managing agent. Collection fees and costs shall be added to the delinquent Owner's account.

Return Payment Charges

A non-negotiable fee equal to the amount of charge levied by the Bank to the Association will be assessed to the property owner for any payment processed that is not honored by a bank or financial institution for any reason including but not limited to insufficient funds notwithstanding, the minimum such charge shall be \$25.00. Such return payment charge shall be due and payable immediately upon demand. Any applicable late payment charges, which would have been assessed if the payment had not been made, may also be applied to the property owner's account. The payment of the outstanding account balance may be required to be paid with a money order or cashier's check. Personal checks will not be accepted to satisfy an outstanding account balance when an insufficient fund check makes up a portion of the balance.

Referral of Delinquent Accounts to Attorneys

The Association may, but shall not be required to, refer delinquent accounts to its attorney(s) for further collection action. The Association's attorney, at the direction of the Board of Directors and on behalf of the Association, may elect to pursue any available method of collection allowable under state law, which may include, but not be limited to, the filing of a lawsuit for foreclosure against the property owner.

Referral of Delinquent Accounts to Lien Services, Collection and/or Credit Reporting Agencies

The Association may but, shall not be required to refer delinquent accounts to lien services providers or collection agencies, ***including reporting delinquent accounts to any credit bureau or other agency providing credit histories to authorized entities, for further collection action.*** These service providers, at the direction of the Board of Directors and on behalf of the Association, may elect to pursue any available method of collection allowable under state law. All cost incurred by the Association for using the services of a Lien Service, Collection and/or Credit Reporting Agency are deemed costs of collection of the Association. Such costs of lien, collections and credit reporting, when incurred by the Association and added to an Owner's Account, are secured by the Assessment Lien described in Article 10 of the Declaration, and will be subject to recovery in the manner provided here in for assessments.

Delinquent Statements and Notices

Delinquency Notices

Each subsequent month the property owner's account remains delinquent, Agent shall send the minimum of one statement per month for each month the account is delinquent. The following series of delinquent account notices and demand for payment are samples of notices which may be implemented and/or used at the discretion of the Board or Managing Agent, if the property owner's account balance is greater than or equal to 30 days delinquent (based upon Due Date) and greater than or equal to 1 x Assessment Amount. Any handling charges, administrative fees, collection costs, postage or other expenses incurred by the Association in connection with the collection of any assessment or related amount owing beyond the Delinquency Date for such assessment will become due and owing by the Delinquent Owner.

Notice 1

A similar notice as shown below will be included with a property owner's Statement of Account and shall be sent once an owners' account has reached thirty (30) days past due or more. This notice shall be sent regular U.S. mail.

Delinquent Account Notice

THE ASSOCIATION IS ATTEMPTING TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Your account is delinquent. In accordance with the governing documents and policies adopted by the Association, delinquent accounts may be referred to an attorney for legal action, including filing a Notice of a Lien against your property. In addition to all applicable late fees and interest charges, you will be responsible for any collection fees and legal costs.

Please review your records and contact Essex Association Management, L.P. if you believe there is a discrepancy. If you have already remitted a payment to bring your account current, please disregard this notice. If this information is correct, please remit a payment in the amount stated in the enclosed statement of account within ten (10) business days of the date of this notice. Additional fees may accrue subsequent to the date of this statement. Please remit your payment today to avoid further collection action.

Thank you for your cooperation in this matter.

Notice 2

A similar notice as shown below will be included with a property owner's Statement of Account when the balance meets the criteria stated above and after Notice 1 has been sent and the owner remains delinquent. This notice shall be sent certified, return receipt requested and regular U.S. mail.

DELINQUENT ACCOUNT – SECOND NOTICE (30 Day Demand Letter)

THE ASSOCIATION IS ATTEMPTING TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Your account with the Meadows at Trinity West Homeowners Association, Inc. is delinquent. Your balance, including assessments and late charges is reflected on the enclosed statement of account.

In accordance with the governing documents and policies adopted by Meadows at Trinity West Homeowners Association, Inc., your account will be referred to the Association's attorney who will be authorized and instructed to file a Notice of Lien against your property. In addition to all applicable late fees and interest charges, you will be responsible for any collection fees and legal costs.

YOU ARE HEREBY NOTIFIED that failure to timely pay your Assessments is a violation of the Association's Declaration. To cure that violation, you must pay your account current within 30 days of the date of this statement.

Please review your records and contact Essex Association Management, L.P., Billing Department at 972-428-2030 or info@essexhoa.com if you believe there is a discrepancy. If we do not hear from you we will assume that you agree with the amount owed as referenced on the enclosed statement.

Please remit a payment in the amount stated on the attached statement of account payable to Meadows at Trinity West. You may mail your payment c/o Essex Association Management, 1512 Crescent Drive, Suite 112, Carrollton, Texas 75006 or you may pay online by visiting www.essexhoa.com. Payment must be received within thirty (30) business days of the date of this notice to avoid further collection actions. If you would like to discuss payment options, please contact the billing department at Essex Association Management at the number provided above. Thank you for your cooperation in this matter.

Notice 3

A similar notice as shown below will be included on a property owner's Statement of Account when the balance meets the criteria stated above and the previous Statement of Accounts including Notice 1 and Notice 2 have not resulted in the full payment of assessments and fees due. This notice will be sent prior to referral to an attorney, lien service, or collection agency for further collection action and shall be sent certified, return receipt requested and regular U.S. mail.

Delinquent Account - Final Notice

THE ASSOCIATION IS ATTEMPTING TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Your account is delinquent and now pending referral to the Association's attorney in order to pursue further collection action.

Please review your records and contact Essex Association Management, L.P. if you believe there is a discrepancy or if you would like to discuss payment options. If you have already remitted a payment to bring your account current, please disregard this notice. If this information is correct, please immediately remit a payment in the amount stated on the enclosed statement of account no later than ten (10) business days from the date of this notice. Your account may accrue additional amounts subsequent to the date of this statement.

Thank you for your cooperation in this matter.

Use of Regular Mail / Certified Mail

In the event the Association shall send a delinquency notice or demand notice to a property owner by regular mail, certified or certified, return receipt requested, the association will use the property address unless the owner has contacted the Association or its Managing Agent and has provided updated mailing address information. Once the notice(s) have been placed in a U.S. mail receptacle or given to a U.S. postal representative, the notice will be considered to have been duly delivered. It is the sole responsibility of the owner to provide and maintain up to date mailing address information with the Association and/or its Managing Agent.

Waivers

The Association may grant a waiver of any provision herein upon petition in writing by a property owner showing a personal hardship. Such relief granted a property owner shall be appropriately documented in the files with the person representing the Association granting the relief and the conditions of the relief. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances. The Association reserves the right to consider each petition or make its determination regarding referral to an attorney or a third party collection service on a case by case basis. Costs owed to the Managing Agent for their efforts in the processing, handling and collections of an account cannot be waived by the Association without the consent of the Managing Agent.

Effective Date and Enforcement

The foregoing collection procedure has been adopted by the association and is effective as of the date of filing. Nothing specified in this document to adopt the policies and procedures contained herein, shall require the Association to take specific actions. The foregoing collection procedure is a directive by the Board of the Association to the Management Company and is intended to be a guide to collection of Assessments owed to the Association. The Board of the Association may at any time revise the foregoing collection procedure and may at any time direct the Management Company to proceed differently with collection of an individual account based on circumstances applicable to that account and advice and guidance from the Management Company or the Association's attorney. Failure by the Management Company or the Board of the Association to follow the foregoing collection procedure shall not in any way affect the property owner's obligation to pay all Assessments when due, along with all applicable late payment charges and costs of collection. To obtain any information regarding this collection procedure or to obtain the most up-to-date collection procedure, a property owner should contact the Management Company.

A Statement of Account and / or a delinquency notice will not be sent in cases whereby the Management Company has received notice of a property owner bankruptcy filed in the U.S. Bankruptcy Court, a Notice of Foreclosure on the owner's property or when an active payment plan is in place and being paid as agreed.

[1] The Management Company will continue to post assessments and applicable late payment penalties to the account. The attorney or lien service may, however, have other charges not reflected on the account or may have entered into payment arrangements not reflected on the account. The Management Company will adjust the account as instructed by the attorney or lien service as notified or at the time of closure.

This is to certify that the foregoing Collections Policy was adopted by the Board of Directors, in accordance with Section 209.005 of the Texas Property Code, and supersedes any policy regarding records production which may have previously been in effect. All policies may be amended at any time and from time by Resolution of the Board.

SOHO SQUARE HOMEOWNERS ASSOCIATION,
INC.

Name: J. J. Singh

Title: Secretary J. J. SINGH

Date: 3/13/19

ATTACHMENT 5

**E-MAIL REGISTRATION POLICY FOR
SOHO SQUARE HOMEOWNERS ASSOCIATION, INC.**

E-MAIL REGISTRATION POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for SOHO Square Homeowners Association, Inc. Recorded in the Official Public Records of Dallas County, Texas, as the same may be amended from time to time by Resolution of the Board.

1. Purpose. The purpose of this Email Registration. Policy is to facilitate proper notice of annual and special meetings of members of the Association pursuant to Section 209.0051(e) of the Texas Property Code.

2. Email Registration. Should the owner wish to receive any and all email notifications of annual and special meetings of members of the Association, it is the owner's sole responsibility to register his/her email address with the Association and to continue to keep the registered email address updated and current with the Association. In order to register an email address, the owner must provide their name, address, phone number and email address through the method provided on the Association's website, if any, and/or to the official contact information provided by the Association for the community manager.

3. Failure to Register. An owner may not receive email notification or communication of annual or special meetings of members of the Association should the owner fail to register his/her email address with the Association and/or properly and timely maintain an accurate email address with the Association. Correspondence to the Association and/or Association manager from an email address or by any method other than the method described in Paragraph No. 2 above will not be considered sufficient to register such email address with the Association.

4. Amendment. The Association may, from time to time, modify, amend, or supplement this Policy or any other rules regarding email registration.

SOHO Square Homeowners Association, Inc.



JJ Singh, Secretary

Filed and Recorded
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
03/14/2019 10:24:54 AM
\$518.00
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