

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR WOLF CREEK ESTATES**

THE STATE OF TEXAS	§		08/15/02	3399545	\$89.00
COUNTIES OF DALLAS	§		Deed		

1949795

WHEREAS, Wolf Creek Estates, LP, a Texas limited partnership (hereinafter called "Declarant"), is the owner of all of the property located in Wolf Creek Estates (the "Property"), a subdivision in Dallas County, Texas, according to the map or plat thereof recorded in Volume 2001-142, Page 00029 of the Plat Records of Dallas County, Texas, on July 23, 2001; and

WHEREAS, the plat of the Property was prepared in accordance with the requirements of Ordinance No. 1393-01 & Ordinance No. 1418-01 of the City of DeSoto, Texas; and

WHEREAS, Declarant desires to convey the Property, subject to certain protective covenants, conditions, restrictions, liens and charges as hereinafter set forth; and

WHEREAS, Declarant desires to create and carry out a uniform plan, as amended or modified from time to time as permitted herein, for the improvement, development and sale of the Property for the benefit of the present and future owners of the Property.

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, that it is hereby declared (i) that all of the Property (as defined herein and as may be supplemented pursuant to Section 2.01 hereof) shall be held, sold, conveyed and occupied subject to the following easements, restrictions, covenants, and conditions, which are for the purposes set forth above and which shall run with the Property and shall be binding on all parties having any right, title, or interest in or to the Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof; and (ii) that each contract or deed which may hereafter be executed with regard to the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to the following covenants, conditions and restrictions, regardless of whether the same are set out or referred to in said contract or deed.

**ARTICLE I.
DEFINITIONS**

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

1.01 Accessory Building. "Accessory Building" shall include any outbuildings, storage sheds or buildings, guest living quarters, servants quarters, studios, shops, gazebos, green houses, barns, detached garages and other buildings or structures which are situated on a Lot and are not attached to the Single Family Residence on such Lot by a common wall. Garages and other buildings that are attached to the Single Family Residence by a covered, uncovered or enclosed walkway shall be deemed Accessory Buildings.

1.02 Articles. "Articles" shall mean the Articles of Incorporation of Wolf Creek Estates, a Texas non-profit corporation filed in the office of the Secretary of State of the State of Texas, and any amendments thereto.

1.03 Assessment. "Assessment" shall collectively mean all Regular Annual Assessments, Special Assessments, Fines and Individual Lot Assessments as may be levied by the Association under the terms and provisions of this Declaration.

1.04 Association. "Association" shall mean and refer to the entity, initially an unincorporated association and thereafter, a Texas non-profit corporation, established for the purpose set forth herein, its successors and assigns, which will have the power, duty and responsibility of maintaining and administering the Common Areas, and collecting the disbursements and charges hereinafter prescribed, and have the right of administering and enforcing the Restrictions.

1.05 Board. "Board" shall mean the Board of Directors of the Association.

1.06 Bylaws. "Bylaws" shall mean the bylaws of the Association as adopted by the Board, and any amendments thereto.

1.07 City. "City" shall mean the City of DeSoto, Texas and its respective applicable agencies, departments and committees.

1.08 Common Areas. "Common Areas" shall mean any land conveyed, leased, dedicated or assigned by Declarant, or by a third party with the consent of Declarant, to the Association and designated as Common Areas for construction, installation, maintenance and operation, including, but not limited to, conservation areas, open space (whether natural or landscaped), water quality ponds, water wells, and walls related to said ponds and areas within the Property, easements, signage, fencing and walls common to the Property, limited access gates and controls, rights-of-way, parkways, median strips, lighting, landscaping, irrigation/sprinkling systems, detention ponds, sidewalks, parks, trails, recreational areas and facilities, paths, ponds, creeks and lakes within the Property. Without limiting the generality of the foregoing, the Common Areas of the Property shall include all areas shown as Common Areas on the plats of the Property, as they may be hereafter amended, including without limitation: (a) the landscape easement adjacent to Cockrell Hill Road, and Parkerville Road; (b) Lot 28 in Block 4; (c) Lot 14 in Block 4; (d) Lot 1 Block 7; (e) Lot 1 Block 8 and also reference Sections 4.07 and 4.11 for details of elements to be maintained by the Association.

1.09 Declarant. "Declarant" shall mean Wolf Creek Estates, LP, a Texas limited partnership, its duly authorized representatives or their respective successors or assigns; provided that any assignment of the rights of Wolf Creek Estates, LP as Declarant must be expressly set forth in writing and filed of record in the real property records of Dallas County, Texas with reference to this Declaration, and the mere conveyance of a portion of the Property without written assignment of rights of Declarant shall not be sufficient to constitute an assignment of rights of Declarant hereunder.

1.10 Declaration. "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions for Wolf Creek Estates, and any amendments thereto.

1.11 DeSoto Ordinance. "DeSoto Ordinance" shall mean Ordinances 1393-01 & 1418-01 Planned Development 75 passed and approved by the City of DeSoto, Texas on January 16, & May 15, 2001 as the same may be hereafter modified or amended, and as the same may be varied as to the Property or any portion thereof pursuant to a variance or special use permit duly authorized or granted by the City of DeSoto.

1.12 Fines. "Fines" shall mean the monetary penalties established by the Board from time to time pursuant to Section 7.10 and imposed on Owners for violations of the provisions of this Declaration.

1.13 Improvement. "Improvement" shall mean every structure on the Property and all appurtenances thereto of every type and kind, including, but not limited to, buildings, outbuildings, storage sheds or buildings, quarters, gazebos, patios, driveways, walkways and pave areas, tennis courts, fountains, large barbecue units, green houses, barns, basements, and large visible decorative items, swimming pools, ponds, lakes, garages, fences, screening walls, retaining walls, stairs, decks, landscaping, poles, signs, exterior air conditioning, water softener fixtures or equipment, and pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, satellite dishes, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

1.14 Lot. "Lot" or "Lots" shall mean and be defined as a separate single family residential building site within the Property as the same is added to, subdivided and described pursuant to and in accordance with the plats, as they may be amended from time to time, and shall include any Improvements from time to time constructed, erected, placed, installed or located thereon.

1.15 Member. "Member" or "Members" shall mean and refer to each Owner of a Lot.

1.16 Mortgage. "Mortgage" or "Mortgages" shall mean any mortgage or deed of trust covering any portion of the Property given to secure the payment of a debt.

1.17 Mortgagee. "Mortgagee" or "Mortgagees" shall mean the holder or holders of any Mortgage or Mortgages.

1.18 Ordinances. "Ordinances" shall mean all other applicable City ordinances.

1.19 Owner. "Owner" or "Owners" shall mean a person or persons, entity or entities, including Declarant, holding a fee simple interest in any portion of the Property, but shall not include a Mortgagee, unless or until Mortgagee forecloses on any Lot and becomes a fee simple owner thereof.

1.20 Park. "Park" shall mean the Common Area located on Lot 28, Block 4 of the Property.

1.21 Person. "Person" or "Persons" shall mean any individual, individuals, entity or entities having the legal right to hold title to real property.

1.22 Plans and Specifications. "Plans and Specifications" shall mean any and all documents designed to guide or control the construction, alteration or erection of any Improvement. See Section 6.07 for additional requirements for the "Plans and Specifications."

1.23 Property. "Property" shall mean the real property described on Exhibit "A" attached hereto and made a part hereof for all purposes, and any additions thereto pursuant to Section 2.01 hereof.

1.24 Restrictions. "Restrictions" shall mean this Declaration, as the same may be amended from time to time, together with the Articles, Rules and Bylaws of the Association, and any amendments thereto, from time to time in effect.

1.25 Rules. "Rules" shall mean any and all rules and regulations related to the Property adopted by the Board, including Board of Director Rules (hereinafter defined), as the same may be amended from time to time.

1.26 Single Family Residence. "Single Family Residence" shall mean and refer to any Improvement on a Lot which is designed and intended for occupancy and use as a residence by one person, by a single family, or by persons maintaining a common household.

1.27 Subdivision. "Subdivision" shall mean and refer to all phases and plats of Wolf Creek Estates development (or as the subdivision may be hereafter renamed by Declarant), to the extent it is part of the Property.

ARTICLE II. DEVELOPMENT OF THE PROPERTY

2.01 Addition of Land. Declarant hereby reserves to itself and shall hereafter have the right, but not the obligation, at any time and from time to time, in its sole and absolute discretion, and without notice to or the approval of any party or Person whomsoever or whatsoever, to impose this Declaration or a substantially similar Declaration upon additional Property adjacent, contiguous or nearby to the Property. Declarant may, at any time and from time to time, add any other lands to the Property, and upon such addition, this Declaration and the covenants,

conditions, restrictions and obligations set forth herein shall apply to the added land, and the rights, privileges, duties and liabilities of the Persons subject to this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration, unless such supplemental Declaration shall provide for changes to the Declaration to deal with the unique character or Declarant's overall development plans for the added Property. In order to add lands to the Property hereunder, Declarant shall be required only to record in the real property records of Dallas County, Texas, a notice of addition of land (in the form of a Supplemental Declaration) containing the following provisions:

- (A) A reference to this Declaration, which reference shall state the volume and page number of the real property records of Dallas County at which this Declaration is recorded;
- (B) A statement that the provisions of this Declaration shall apply to the added land;
- (C) A legal description of the added land; and
- (D) Any covenants, conditions or restrictions that are different or unique to the added land.

2.02 Compliance with Ordinances. Notwithstanding anything to the contrary set forth herein, nothing contained herein shall be deemed to authorize or empower Declarant to take any action or perform any act or acts pursuant to the terms of this Declaration which would constitute a violation of the DeSoto Ordinance or any other Ordinances; provided, however, that the foregoing shall not prohibit Declarant from taking such action or performing such act after first seeking and obtaining a duly granted variance or other appropriate permit or authorization from the City, as applicable.

ARTICLE III. GENERAL RESTRICTIONS

All of the Property shall be owned, held, encumbered, leased, used, occupied and enjoyed subject to the following limitations and restrictions:

3.01 Insurance Rates. Nothing shall be done or kept on the Property which could increase the rate of insurance or cause the cancellation of insurance on any Lot or any of the Improvements located thereon without the prior written approval of the Board of Directors.

3.02 Property. Owner shall not further divide or subdivide any Lot, combine any Lots to form one (1) Lot, or grant any easements or other interests in any Lot less than the whole without the prior written approval of the Board of Directors; provided, however, that when Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot or combine any Lots and convey an easement or other interest less than the whole in any Lot, all without the approval of the Board of Directors or any other Owner. Each Owner, by purchase of a Lot in the Property, does appoint Declarant as its true and lawful attorney-in-fact coupled with an interest

for such Owner and in such Owner's name, place and stead to subdivide or to combine Lots and to grant consents for the subdivision or combination of any Lots owned by Declarant. Each Owner agrees to execute any reasonable documentation to effect such subdivision or combination or to evidence such power-of-attorney, as Declarant may request.

3.03 Signs. No sign, billboard or advertising of any kind shall be displayed to public view on the Property without the prior written consent of the Board of Directors. However, each Owner of each Lot shall have professionally prepared one (1) discreet sign meeting the criteria and standards for a uniform address plaque for each Single Family Residence in the Subdivision identifying the common address of each Lot. Also, Declarant shall prepare or have prepared sign standards and criteria for the Property which shall be followed by homebuilders, Owners, realtors, architects, contractors or any other party. Signs in the Subdivision shall be permitted only for legitimate marketing of Lots and Improvements thereon or celebration of holidays and shall not exceed five (5) square feet in size, except that Declarant or any homebuilder in the Subdivision shall be permitted to erect a sign not to exceed one-hundred (100) square feet in size for the purpose of advertising the homebuilder and the Subdivision, and the height and placement location of all signs shall first be approved by the Board of Directors.

3.04 Rubbish and Debris. No rubbish or debris of any kind shall be placed or permitted to accumulate upon the Property and no odors shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other Property or to its occupants. The Board of Directors shall have the right to determine if any portion of the Property is in such an unsanitary, unsightly, offensive, or detrimental condition. Refuse, garbage and trash shall be kept at all times in covered containers and such containers shall be kept within enclosed structures or appropriately screened from view by the public, as approved by the Board of Directors, and contents thereof disposed of regularly as required by the Association or local authority.

3.05 Alteration or Removal of Improvements. Any construction, repair or alteration, other than normal maintenance, which in any way alters the exterior appearance of any Improvement, or the removal of any Improvement, shall be performed only with the prior written approval of the Board of Directors. For example, any exterior repainting of any Improvements with a color or colors other than the originally approved color(s) in the approved locations must be approved by the Board of Directors. In the event that a Single Family Residence or other Improvement on a Lot shall be damaged or destroyed by casualty, hazard or other cause, including fire or windstorm, then, within a reasonable period, not exceeding three (3) months following such occurrence, the Owner of the affected Improvement shall cause the damage or destroyed Improvements to be repaired, rebuilt or reconstructed or to be removed and cleared from such Lot. Any such repair, rebuilding or reconstruction shall be approved and accomplished as otherwise required for new construction pursuant to the provisions of this Declaration.

3.06 Construction of Improvements. No site preparation or construction of Improvements shall be commenced upon any of the Property without the prior written approval of the Board of Directors.

3.07 Repair of Buildings. All Improvements upon any of the Property shall at all times be kept in good, safe, attractive condition and repair and adequately painted or otherwise maintained by the Owner thereof.

3.08 Noise. No exterior speakers, horns, whistles, bells or other sound devices (other than alarm devices used exclusively for security purposes) shall be located, used or placed on any of the Property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its occupants.

3.09 Hazardous Activities. No activities shall be conducted on the Property and no Improvements shall be constructed on the Property, which are or might be unsafe or hazardous to any person or the Property, or any portion thereof. Without limiting the generality of the foregoing, no firearms or fireworks shall be discharged upon the Property, no open fires shall be lighted or permitted, except within interior fireplaces designed and built according to industry standards and all applicable laws, codes and statutes, or in contained barbecue units for cooking purposes while attended by a responsible adult.

3.10 Mobile Homes, Travel Trailers and Recreational Vehicles: Towing. Except as provided in Section 4.33 herein, no mobile homes shall be parked or placed on any Lot at any time, and no travel trailers or recreational vehicles shall be parked on or near any Lot so as to be visible from adjoining Property or public or private streets in or adjacent to the Subdivision for more than forty-eight (48) hours. The Association shall be entitled and is hereby empowered to adopt additional reasonable rules and regulations governing admission to, and the parking, use and storage of commercial, recreational and other vehicles (including, without limitation, mobile homes and travel trailers) within the Subdivision, and if so adopted, the same shall be binding upon all Owners and their guests and invitees. In addition, any commercial, recreational or other vehicle stored in violation of these Restrictions or in violation of any rule or regulation adopted by the Association concerning same, may be towed away or otherwise removed by or at the request of the Association and at the sole expense of the Owner of the Lot upon which or adjacent to which any such commercial, recreational, or other vehicle is parked in violation of these Restrictions or other rules and regulations. In the event of such towing or other removal, the Association and its employees or agents shall not be liable or responsible to the Owner of such vehicle for trespass, conversion or damage incurred as an incident to or for the cost of such removal or otherwise, nor shall the Association, its employees and agents be guilty of any criminal act or have any civil liability by reason of such towing or removal, and neither its towing or removal, nor the failure of the Owner of the towed or removed vehicle to receive any notice of the violation of the provisions of this Section shall be grounds for relief by Owner of any kind.

3.11 Unightly Articles, Vehicles. No article deemed to be unsightly by the Board of Directors shall be permitted to remain on any Lot so as to be visible from adjoining Property or public or private streets. Without limiting the generality of the foregoing, trailers, graders, trucks (other than pickups not to exceed one ton capacity), boats, tractors, vans and other vehicles used or designed for use as commercial vehicles, campers, wagons, buses, motorcycles and similar two (2) and four (4) wheel motorized vehicles, motor scooters, golf carts, and garden

maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from public view and no repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in fully enclosed garages or other structures, screened from public view. Each residential structure constructed within the Property shall have sufficient garage space, as approved by the Board of Directors, to house all vehicles to be kept on the Lot. No more than two (2) automobiles per Single Family Residence may be kept on the Lot in such manner as to be visible from any other portion of the Property for any period in excess of seventy-two (72) hours. No vehicles exceeding one ton capacity may be parked overnight on any street within or directly servicing the Property. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from public view at ground level and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or refuse of trash shall be kept, stored or allowed to accumulate on any portion of the Property except within enclosed structures and appropriately screened from public view, from any street in or adjacent to the Subdivision or from any Common Area.

3.12 Mining and Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth.

3.13 Precedence Over less Stringent Governmental Regulations. In those incidences where the covenants, conditions and restrictions set forth in this Declaration set or establish minimum standards or limitations or restrictions on use in excess of any governmental regulations, rules or ordinances, the covenants, conditions and restrictions set forth in this Declaration shall take precedence and prevail over any less stringent governmental regulations, rules and ordinances. Similarly, when any governmental regulations, rules and ordinances are more stringent than those set forth in this Declaration, the more stringent governmental regulations, rules and ordinances shall control.

3.14 Maintenance of Lot, Lawns and Plantings. Each Owner shall keep all shrubs, trees, grass and plantings of every kind on such Owner's Lot alive, cultivated, pruned or mowed, and free of trash, weeds and other unsightly material. Prior to the construction of a residence on a Lot, the Owner shall regularly mow such unimproved Lot and keep it neatly trimmed and free of trash and other unsightly material. Declarant, the Association and the Board of Directors shall have the right at any reasonable time to enter upon any Lot to replace, maintain and cultivate shrubs, trees, grass or other plantings located thereon and charge the cost thereof to the Owner of the Lot as provided in Section 5.05(V) hereof.

3.15 Animals – Household Pets. No animals, including pigs, hogs, swine, poultry, fowl, wild animals, reptiles (except turtles, lizards and non-venomous snakes kept and contained solely within the residence), horses, cattle, sheep, goats or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept or maintained on the Property. No domestic household pet shall be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic household pets shall be allowed on the Property other than on the Lot of its Owner unless confined to a leash. The household within each Lot shall not keep more than two (2) dogs and/or

two (2) cats at any one (1) time or two (2) of any other type of domestic animal of any one (1) kind. No animal may be stabled, maintained, kept, cared for or boarded for hire or remuneration on the Property and no kennels or breeding operations of animals will be allowed on any Lot. No domestic household pet shall be allowed to run at large and pets shall be kept within enclosed areas on the Property which must be clean, sanitary and reasonable free of refuse, insects and waste at all times. Such enclosed area shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be visible from the front or side of the Lot at street level. Dog runs shall not be visible from any portions of the Property at street level. No vicious or dangerous animals shall be allowed on the Property.

ARTICLE IV. RESIDENTIAL RESTRICTIONS

4.01 Single Family Residential Construction. All Lots shall be improved and used solely for constructing a Single Family Residence or as a Common Area. No house shall be utilized as a construction office at any time. Except the use of a room within a residence as an in-house office, which office use is secondary to the residential activity, no business or commercial use of any nature, type, kind or description shall be conducted upon or from any Single Family Residence or within any Improvement located or constructed on any Lot. No signs of any type advertising or describing in any way the in-home office use or business is permitted to be placed anywhere on the Lot or within or upon the Single Family Residence. Notwithstanding anything to the contrary in this Declaration, and subject to all other requirements of this Declaration, each builder approved by Declarant to build within the Subdivision shall have the right to build and maintain on any Lot owned by such builder any number of model homes, to be maintained by each approved builder. The model homes shall be held open to the public on a regular basis and shall be utilized by said builder to sell other homes on Lots owned by said builder in the Subdivision.

4.02 Building Height. No Improvement greater than 2.5 stories or thirty-five (35) feet in height may be constructed on any Lot. Garages, carports, sheds shall be limited to one story buildings not to exceed twelve (12) feet in height. For purposes of this Section 4.02, height shall be measured from the top of the foundation of the proposed Improvement to the mid-point of the slope of the roof of the proposed Improvement, or such other method of measurement as may be required by the applicable Ordinances of the City.

4.03 Building Materials: Dwelling Size. All Single Family Residences and Accessory Buildings shall be constructed of recognized standard construction quality, and shall be constructed of eighty percent (80%) masonry to the second floor plate line, as required by the Ordinances of the City. All windows and door openings shall be excluded from the masonry requirement. Any Accessory Building which exceeds two hundred forty (240) square feet on a Lot shall be designed to the same development standards as the Single Family Residence on such Lot, including architectural style and proportions of materials. All Single Family Residences shall contain not less than two thousand (2,000) square feet of enclosed, air conditioned and heated living space, exclusive of porches (open or covered), decks, garages and carports.

4.04 Construction in Place. All dwellings constructed in the Property shall be built in place on the Lot and the use of prefabricated exterior building materials (except windows and doors) shall be allowed only with the prior written approval of the Board of Directors.

4.05 Location of Improvements upon the Lot. No building or Improvement shall be located or erected nearer to any Lot line than is (i) indicated by the building setback line shown on the recorded plat of the Subdivision section which includes such Lot or (ii) as allowed by City Ordinances.

4.06 Rentals. Nothing in this Declaration shall prevent the rental of any Lot and the Improvements thereon by the Owner thereof for residential purposes; provided however, all lessees shall be and are hereby bound to comply fully with the terms, covenants and restrictions of the Restrictions. During any period when a Lot or Improvements are rented or leased, the Owner of the Lot shall remain liable for complying with all terms of the Restrictions. No "time-share" plan or any similar plan of fragmented or interval ownership of a Single Family Residence shall be permitted on the Property.

4.07 Sidewalks and Curb Cuts. Sidewalks shall be constructed and maintained in good repair and condition by the Owner of the applicable lot, at his own expense, and any such sidewalk shall be of a design and composition meeting all specifications of the City. All flatwork, drives, walkways, etc. shall also be built to the building standards prescribed by the City.

The Declarant shall construct the meandering sidewalk within the landscape easement in the Park. Upon the completion of such construction by Declarant, such improvements shall constitute a portion of the Common Area and shall be maintained by the Association as part of the Common Area.

4.08 Driveway. The driveway turnout and approach shall be constructed in such a manner as to provide an attractive transitional radius from the curb into the driveway entrance and shall prevent escape of drainage water from the street onto any Lots.

4.09 Athletic Facilities. Tennis court lighting and fencing shall require the prior written approval of the Board of Directors and any Owner desiring to install the same shall submit design and site plans, landscaping plans, and lighting specifications. Landscaping and fencing requirements may be set by the Board of Directors for the purpose of screening courts in an aesthetically pleasing manner. No basketball goals or backboards or any other similar sporting equipment of either a permanent or temporary nature shall be placed on any Lot in the Subdivision where same would be readily visible from the street or ground level of an adjoining Lot or Common Area, without the prior written consent of the Board of Directors.

4.10 Swimming Pools. Movable, above-ground swimming pools in excess of six feet (6') in diameter are strictly prohibited. All swimming pools in excess of six feet (6') in diameter must be of a permanent nature built into the ground and in a fenced enclosure with self-closing and self-latching gates. No swimming pools shall be constructed in front yards.

4.11 Landscaping and Irrigation Plans. At the time plans for the dwelling to be built on any Lot are submitted to the Board of Directors, a typical landscape plan shall be submitted for approval to the Board of Directors. Such landscape plan shall provide, at a minimum, complete sodding of the front yard and plantings at the front of the dwelling. It is intended that all Lots adjoining Common Areas at the rear boundary line of said Lots shall have a backyard that is sodded, and that the 3 Rail Intl Fence installed by the Declarant remain in place. However, sodding in the rear yards of residences that have a rear Lot boundary line that is contiguous with a Common Area may request that the Board of Directors reduce the sodding requirement in the rear yard so that the natural growth in the rear of the Lot as it meets the Common Area is left in its natural state. Should any Lot Owner make such a request of the Board of Directors, the Board of Directors shall, at its discretion, determine if the portion of the rear yard can remain in a natural state, and if so, where sodding in the rear yard will be located. All irrigation plans, if constructed, shall be prepared by a licensed irrigation contractor and will detail the location and areas covered by all sprinkler or irrigation devices. A backflow prevention device which meets applicable City requirements is required for the irrigation system. In any instance where an owner or builder installs landscaping or sprinkler system without Board of Directors approval, said landscaping and/or sprinkler system shall be subject to (i) all remedies provided for in this Declaration for failure of an Owner to comply with this Declaration and (ii) changes deemed necessary by the Board of Directors to be in harmony with and of a standard comparable to neighborhood development. All costs associated with said changes shall be the responsibility of the Owner.

Declarant shall construct within Block 4 Lot 28, a meandering sidewalk, berms, plant materials and an automatic irrigation system, in addition to a lake and other amenities for the benefit of the Lot owners. Upon the completion of such construction by Declarant, such improvements shall constitute a portion of the Common Area and shall be maintained by the Association as part of the Common Area.

4.12 Sight Distance at Intersections. No fence or other type of wall, barrier or planting which obstructs sight lines at elevations between two feet and six feet above any roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five feet (25') from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the property line extended. The same sight line limitation shall apply to any Lot within ten feet (10') of an intersection of the street property line with the edge of a driveway. No tree shall be permitted to remain within such distance of any such intersection unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

4.13 Utilities. All improvements to a Lot shall be served only by the central utility services provided to the Property.

4.14 Sewage Disposal. No septic tank or individual sewage disposal system shall be permitted on any portion of the Property. Each dwelling on a Lot must utilize the central sewage disposal system provided to the Subdivision.

4.15 Water Service. No individual water well or supply system shall be permitted on any portion of the Property. Each dwelling on a Lot must utilize the central water system provided to the Subdivision.

4.16 Foundation Exposure.

(A) All Stucco Finishes. All foundation sides on any Improvement with an exterior stucco finish shall be covered with stucco which matches the texture and color of the exterior stucco walls of such Improvement and shall be a continuation of such stucco walls so that there is no defined horizontal relief line between the foundation and such walls.

(B) All Stone Masonry or Brick Veneer Finishes. The foundation of any Improvement with a stone masonry or masonry veneer (other than stucco) exterior finish shall not be exposed more than twelve (12) inches above final grade. If floor level is more than twelve (12) inches above final grade, the foundation shall be built to accommodate a finished wall matching the exterior wall of the Improvement to within twelve (12) inches of final grade.

4.17 Trees. No living trees having a caliper of three inches (3") or more, except cedar trees, shall be removed from any Lot without the prior written consent of the Board of Directors, and any permitted removal shall be in compliance with governmental regulations. Such approval shall be reasonably given, however, if such removal is necessary in connection with the location of the main residential dwelling on a particular Lot where the preservation of any tree would work a hardship or require extraordinary design measures in connection with the location of such dwelling on the Lot and the Plans and Specifications for and location of one (1) dwelling on the Lot have been approved by the Board of Directors as provided in this Declaration. As used herein for purposes of determining trees which may be removed from a Lot, the term "tree" shall mean and be defined as any tree equal to or greater than ten (10) feet in height and having a caliper of three inches (3") or more. Any tree(s) removed in violation of this provision shall be replaced upon completion of Improvements with a tree of similar size and type, or suitable trees of similar total diameter.

4.18 Board of Directors Rules: Governmental Rules. All Improvements shall be placed, located, erected, constructed, installed and maintained at the Property in conformance with the Board of Directors Rules, for which provision is made in Section 6.06 of the Declaration, as such Board of Directors Rules may be changed, amended or modified from time to time. All Improvements located, erected, constructed and installed upon any Lot shall conform to and comply with all applicable governmental regulations, rules and ordinances, including without limitation, the DeSoto Ordinance, as applicable to such Lot. All activities of the Owners, and those of their tenants, invitees, agents, employees and contractors on or about the Property shall comply with all applicable governmental regulations, rules and ordinances, including without limitation the DeSoto Ordinance as applicable to such Lot.

4.19 Construction. Pursuant to Declarant's desire to create a uniform plan of construction, development and improvement of the Subdivision, Declarant shall have the right to approve the identity of the builders and general contractors who shall be allowed to construct Improvements on the Property. In the event that Declarant shall convey one or more Lots to a

builder or general contractor that will build the Improvements on such Lot(s), such builder or general contractor is hereby approved. However, if any such builder or general contractor shall decide to thereafter convey such Lot(s) to a third party or allow another builder and/or general contractor to construct the Improvements, such additional Owner and/or builder and/or general contractor must obtain the approval of Declarant for the actual builder and general contractor of the Improvements. Should any Person desire to obtain the approval of Declarant of a certain builder or general contractor prior to purchasing any Lot, such Person shall submit a written request identifying the builder and general contractor and providing any information about the builder and general contractor the Person desires to be considered by Declarant. Thereafter, Declarant shall provide a letter stating whether or not it approves of the builder and general contractor intended to be utilized by the prospective Owner of a Lot. In any event, any builder and general contractor of any of the Improvements on the Property shall be pre-approved (or not) by Declarant, in Declarant's absolute and sole discretion. By acquiring a Lot which is subject to this Declaration, any Owner who acquires a Lot is deemed to understand and agree that Declarant shall have the complete and sole discretion for approving (and disapproving) any builders and general contractors to work on any portion of the Property until Declarant shall no longer own any Lot in the Subdivision. Thereafter, when Declarant shall no longer own a Lot, no builder and general contractors approval shall be required in the Subdivision. In addition to the provisions of Sections 6.11 and 9.08 hereof, in no event shall Declarant be liable to any Owner or to any other person for any loss, damage or injury arising out of or in any way connected with Declarant's approval or disapproval of any builder or contractor, including, without limitation, the performance, nonperformance or default of any builder or contractor, or the failure of any builder or contractor to construct or complete any improvements in accordance with this Declaration or any Plans and Specifications, or the payment of any cost or expense incurred in connection therewith, or the failure of any builder or contractor to pay any contractor, subcontractor, materialman or other person any sums due or payable, or the quality of any builder's or contractors work or workmanship.

4.20 Garages and Carports. Each Single Family Residence constructed and maintained on the Property shall have an attached garage as an appurtenance thereto. All garages shall be for not less than two (2) standard sized passenger automobiles. Each garage shall have a minimum width, as measured from inside walls, of ten (10) feet per car and a minimum depth for each car of twenty-one (21) feet. Garages may also contain appropriately sized storage rooms, recreational workshops and tool rooms as approved by the Board of Directors. All garage doors shall remain closed at all times; save and except for the temporary opening of same in connection with the ingress and egress of vehicles and the loading or placement and unloading or removal of other items customarily kept or stored therein. No garage shall be converted to another use (e.g., living space) without the substitution, on the Lot involved, of another garage meeting the requirements of this Section 4.20 and the approval of the Board of Directors as otherwise provided in this Declaration.

4.21 Window Treatment. No window in any dwelling or other Improvement that is visible from any other Lot or a street may be covered with any aluminum foil or other reflective material. Window coverings must be compatible with the design of the dwelling and the overall appearance of the Property, and from the exterior must be neutral or white if visible from the street. The Board of Directors shall have the sole authority to determine whether particular

window coverings are compatible with the design and color of the dwelling and the overall appearance of the Property.

4.22 Air Conditioners. No window, roof or wall-type air conditioner that is visible from any street or any other Lot shall be used, placed or maintained on or in any dwelling, garage or any other Improvement.

4.23 Flagpoles. No free-standing flagpole shall be permanently erected on any Lot, but the Board of Directors may approve the erection of one or more flagpoles within the Common Areas. However, temporary flagpoles approved by the Board of Directors may be erected on a Lot with a model home, or its adjacent parking area, until such time that the Lot on which the model home or parking area are situated are sold.

4.24 Exterior Building Materials, Finishes and Colors. All exterior building materials, finishes and colors shall be in conformance with the applicable provisions of the Board of Directors Rules and as approved by the Board of Directors. Uncovered or exposed (whether painted or not) concrete or concrete block shall not be permitted as the exterior finish of any building structure or wall. The foregoing restriction shall be equally applicable to the initial as well as any subsequent painting of any Improvements located on the Property.

4.25 Exterior Lighting. Exterior lighting or illumination of buildings, yards, parking areas, sidewalks and driveways on a Lot shall be designed and installed so as to avoid visible glare (direct or indirect), shall conform to and with the applicable provisions of the Board of Directors Rules and approved by the Board of Directors. Special exceptions to such specifications (if any) may be approved by and within the sole discretion of the Board of Directors upon a showing of good cause therefor. Holiday lighting on any Single Family Residence during the calendar month of December shall be removed from the exterior of said Lot no later than the 15th of January of the following year.

4.26 Artificial Vegetation. No artificial vegetation shall be permitted on the portion of any Lot outside of any building on the Lot.

4.27 (a) Antennas. No radio, microwave or other electronic transmission equipment, including ham radios, citizens band radios and the like, shall be operated on the Property without the prior written consent of the Board of Directors, and such consent, once given, may be revoked by the Board of Directors in the event that the operation of any such equipment interferes with ordinary radio, telephone or television reception or equipment, including the Subdivision's central cable television and gate control systems. No exterior antenna or aerial or satellite dish receiver (except for a satellite dish receiver that is not more than eighteen (18) inches in diameter and is screened in such a manner that it cannot be seen from the street) shall be erected or maintained without the prior written approval of the Board of Directors, which approval may be withheld based upon the Board of Director's decision as to the aesthetics of any such device that can be seen from the street or adjacent Lots and upon its potential for interference with communications received by other Owners in the Subdivision. Roof, chimney or pole mounted antennas which are visible from any street, adjacent Lots or Common Areas within the Subdivision are not permitted.

(b) Dish-Type Devices.

A dish-type device of one meter (39 inches) or less ("Dish-Type Device"), television broadcast antennas ("Antennas") and related masts, are permitted to be placed on a Lot provided any such item complies with all of the below set forth minimum conditions. Further, the Association must receive written notification at its then current address from the Owner of the applicable Lot, on or before the installation of any Dish-Type Device, Antenna or related mast provided for in this Section 4.27(b). Such notification must include the type and color of Dish-Type Device, Antenna and any related mast to be installed, and the method, manner, and site of installation. The site must be shown in a plot plan.

If the Owner of a Lot proposes to install a Dish-Type Device, Antenna and any related mast provided for in this Section 4.27(b) in any manner whatsoever which does not strictly comply with the below set forth minimum conditions, such Owner must submit an application to the Board of Directors and obtain the written approval of the Board of Directors prior to commencing such installation. In connection with the Board of Directors's decision, the Board of Directors shall consider such factors as it deems appropriate, in its reasonable discretion. The application to the Board of Directors must be made on a form approved by the Board of Directors and contain such information as may be required by the Board of Directors, including a statement which specifically describes the manner in which it is proposed that such Dish-Type Device, Antenna and related mast will vary from such minimum conditions. The Board of Directors shall endeavor to make its decision regarding the proposed Dish-Type Device, Antenna and any related mast on an expedited basis within seven (7) days after receipt by the Board of Directors of the completed application and all information required therein. The granting of a variance from such minimum conditions shall in no way affect the Owner's obligation to comply with all governmental laws and regulations and other regulations affecting the Lot concerned.

(c) Minimum Conditions.

In addition to the foregoing requirements, no Dish-Type Device, Antenna, or any related mast shall be erected, constructed, placed, or permitted to remain on any Lot unless such installation strictly complies with the following minimum conditions (however, each minimum condition shall not apply if it unreasonably delays installation of the applicable Dish-Type Device, Antenna, and any related mast, or unreasonably increases the cost of such items or their installation, or precludes reception of an acceptable quality signal):

a. The Dish-Type Device, Antenna and any mast must be located to the rear one-half (1/2) of the Lot and must serve only improvements on the particular Lot in which it is located.

b. To the extent feasible, the Dish-Type Device, Antenna and any mast, including its base and anchoring structure, shall not extend above the roofline of the house located on the Lot and shall not be visible from the frontage street or any adjoining street.

c. To the extent feasible, no Dish-Type Device, Antenna or mast shall be constructed or placed or permitted to remain on any utility easement or other easement or right-of-way located on any Lot.

d. The Dish-Type Device, Antenna and any mast must be securely mounted to a base, so as to be able to withstand the effects of high winds or other extraordinary weather conditions; however, no guy wires or similar mounting apparatus will be allowed.

e. No advertising slogans, logos, banners, signs or any other printing or illustration whatsoever shall be permitted upon or be attached to the Dish-Type Device, Antenna or mast.

f. No Dish-Type Device or Antenna shall ever be used to send or receive any ham radio signal.

g. No Dish-Type Device or Antenna shall be permitted to cause any distortion or interference whatsoever with respect to any other electronic device in the Subdivision.

h. The Dish-Type Device or Antenna and any mast shall be one solid color only, either white or black or shades of either brown, gray or tan.

i. Any Dish-Type Device, Antenna or related mast installed hereunder shall be installed in a manner that complies with all applicable laws and regulations and manufacturer's instructions.

j. If any provision of this Section 4.27 is ruled invalid, the remainder of this Section 4.27 shall remain in full force and effect.

4.28 Roofs. The roofs of the main body of all buildings and other structures on the Property, including the Single Family Residence, shall be pitched. No flat roofs shall be permitted without the approval of the Board of Directors. The Board of Directors may, in its discretion, approve flat roofs on part of the main body of a building if such a roof is architecturally compatible with the remainder of the roof structure, the particular building on which it is to be constructed and all adjacent residences and other structures. The pitch of all roofs shall be approved by the Board of Directors or specified in the Board of Directors Rules. No antennas, windmills, appliances, rooftop attic ventilators, fans, solar collector panels or other rooftop installations or structure of any type shall be placed, located, erected, constructed, installed or maintained upon the exterior roof of any building or structure, unless the same shall first be approved in writing by the Board of Directors.

4.29 Community Mailboxes. Each Lot on which a Single Family Residence dwelling is constructed and completed (as evidenced by the issuance of a certificate of occupancy therefor) shall have a street or roadside mailbox for the delivery of United States mail. The design, construction and location of such mailbox shall be in strict conformance with the applicable

provisions of the Board of Directors Rules or as otherwise approved by the Board of Directors in writing; it being expressly provided, however, that the Board of Directors must approve a location consistent with the rules and regulations of the United States Post Office Department. Declarant shall have the right to require that all roadside mailboxes meet certain standard design criteria specified by Declarant or the Board of Directors and have a certain aesthetic appearance. Unless otherwise approved by the Board of Directors, mailboxes shall be constructed to serve two dwellings, where applicable, shall contain two mailboxes in a single structure, and shall be masonry construction of uniform color.

4.30 Tanks. The Board of Directors shall have the right to approve the location or use of any tank used or proposed in connection with a Single Family Residence, including swimming pool filter tanks. No elevated tanks of any kind shall be erected, placed or permitted on any Lot. If any storage tanks are approved by the Board of Directors for installation, and permitted on the Property, the same shall be placed inside of walls, fences or similar type enclosures or buried in conformity with applicable governmental rules and regulations in locations preapproved by the Board of Directors.

4.31 Underground Utility Lines. No utility lines, including, but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, cable television or any other type of line or wire shall be erected, placed or maintained anywhere in or upon any portion of the Property, unless the same shall be contained in conduit or cables installed and maintained underground or concealed in, under or on buildings or other Improvements. Provided, however, that no provision hereof shall be deemed to forbid the erection of (i) temporary power or telephone structures incident to the construction of buildings or other Improvements which have been previously approved in writing by the Board of Directors or (ii) permanent outdoor safety lights approved for location and wattage by the Board of Directors. The installation method, including, but not limited to, location, type of installation equipment, trenching method and other aspects of installation, for both temporary and permanent utilities, shall be disclosed in the Plans and Specifications and conform to all applicable requirements of the City and all utility companies serving the Subdivision. All applicable City requirements shall be strictly adhered to.

4.32 Drainage. All storm water from any Lot shall drain into or onto the storm water drainage facilities within the Subdivision, pursuant to the Ordinances of the City. Storm water from any Lot shall not be permitted or allowed to drain or flow in amounts that exceed the flow or drainage from the same Lot as unimproved onto, over or across any contiguous or adjacent Lot unless a drainage easement shall exist for same and same is done in accordance with the Ordinances of the City and any and all applicable governmental Permits and approvals. All work done on any Lot affecting the Lot grade, the flow of surface water drainage, or the alteration or removal of any drainage facilities or berm or swale, must be in accordance with any site grading and drainage plans approved by the Board of Directors and also in accordance with the Ordinances of the City and other applicable laws.

4.33 Temporary Structures. No temporary structure including, but not limited to a mobile home, trailer, tent, greenhouse, shack, barn or other moveable out-building shall be used, placed or constructed on any Lot, for any purpose, either temporarily or permanently, for any

purpose, and no existing building may be moved onto any Lot, except as approved by the Board of Directors, in its sole discretion, when such temporary improvements are used solely in connection with (during the period of sales and construction) construction of Single Family Residences. If approved by the Board of Directors, a builder's temporary sales office must be landscaped to the satisfaction of the Board of Directors and removed upon the earlier of (i) the completion of builder's model home or (ii) twelve (12) months after the date such temporary improvement was placed on a Lot. If approved by the Board of Directors, a builder's temporary construction trailer must be removed promptly upon builder's completion of Improvements within the Subdivision. All out-buildings or other structures on a Lot must be approved by the Board of Directors, in the Board of Directors' sole discretion.

4.34 Fences. The construction of fences shall be restricted, and no fence shall be constructed, painted or decorated on the Property without the prior written consent of the Board of Directors. The Board of Directors may, in its sole discretion, require the construction of a fence, prohibit the construction of any proposed fence, or specify the materials of which any proposed fence must be constructed, or require that any proposed fence be screened by vegetation or otherwise so as not to be visible from other portions of the Property. In order to provide a consistent appearance Declarant shall prepare standard criteria that must be utilized at the Owner's expense for both front and side yard fencing. No chain link fences or unfinished concrete block fences will be permitted on the Property. Fences and walls erected nearer to the front street than the building set-back lines shall be generally prohibited unless specifically approved by the Board of Directors. All fences shall be a maximum of six feet (6') in height unless otherwise approved by the Board of Directors. Any fences erected to enclose swimming pools can be up to eight feet (8') in height and must comply with all applicable City requirements. Declarant shall construct a white, three (3) board solid Vinyl Fence System in accordance with the DeSoto Ordinance. Upon the completion of such construction by Declarant, such improvements shall constitute a portion of the Common Area and shall be maintained by the Association as part of the Common Area. Unless otherwise approved by the Board of Directors, no wood, solid, or opaque fence shall be constructed or allowed to remain across any yard adjacent or parallel to the three board Vinyl Fence System.

4.35 Construction Activities. This Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an Owner (including Declarant) upon any Lot within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, or similar activities; provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area and construction practices outlined by Declarant for the Subdivision. Declarant reserves the right to establish rules limiting construction hours and establishing parking requirements for construction and related vehicles. Upon failure of construction personnel to abide by such requirements, Declarant at its sole discretion and without recourse, may deny access by the offending personnel to the Subdivision and/or require Fines to be paid. In the event of any dispute regarding such matters, a temporary waiver of the applicable restriction of this Declaration may be granted by the Board of Directors, in its sole discretion, provided that such waiver shall be only for the reasonable period of such construction.

4.36 Unfinished Structures. No house or other structure shall remain unfinished for more than twelve (12) months after the construction of same has been commenced. Construction of the residential Improvements shall begin no later than two (2) years after ownership of the Lot has been legally conveyed by Declarant.

4.37 Compliance with Provision of this Declaration. Each Owner shall comply strictly with the provisions of this Declaration and any amendments hereto. Failure to comply with any term, covenant, condition or restriction of this Declaration shall constitute a violation of this Declaration, and shall give rise to the imposition of Fines and to cause of action to recover sums due for damages or injunctive relief or both, maintainable by the Board on behalf of the Association or by an aggrieved Owner or Declarant. Declarant makes no warranty or representation as to the present or future validity or enforceability of this Declaration, terms or provisions. Any Owner acquiring a Lot in reliance on one or more of the restrictions, terms or provisions set forth in this Declaration shall assume all risks of the possible amendment, validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless from any damages resulting from any amendment to or invalidity or unenforceability of this Declaration.

ARTICLE V. MAINTENANCE ASSOCIATION

5.01 Organization. The Association shall be formed by Declarant as a non-profit corporation created for the purposes, charged with the duties, and vested with the powers prescribed by law and/or set forth in its Articles and Bylaws or in this Declaration. Neither the Articles nor Bylaws, which shall be adopted by the Association following its formation, shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. Declarant shall have no obligation whatsoever to exercise the specific powers and duties of the Association or Board, unless Declarant, in its sole discretion, determines to so act.

5.02 Membership. Each and every Owner shall automatically be a Member of the Association, without the necessity of any further action on the part of such Owner, subject to the terms of the Restrictions. Membership in the Association ("Membership") shall be appurtenant to and shall run with the Property interest, which qualifies the Owner for Membership, and may not be separated from the interest of such Owner in and to any portion of the Property. Ownership of any portion of the Property shall be the sole qualification for being a Member; provided, however, that a Member's voting rights, as herein described, or privileges in the Common Areas, or both, may be regulated or suspended as provided in Section 7.11 of this Declaration, the Bylaws, and/or the Rules. Persons or entities shall be Members by reason of ownership of land dedicated and accepted by the local public authority and devoted to public use or Common Areas and such land shall be owned subject to all of the terms and provisions of this Declaration except that: (i) ownership of land devoted to purposes described in this sentence shall not create any votes in the Members owning such land, and (ii) such non-voting Members shall not be required to pay any Assessments other than special individual assessments as described and authorized in this Declaration. No person or entity shall be a Member by reason of ownership of any easement, right-of-way, or mineral interest. In addition, any person or entity

that holds an interest in and to all or any part of the Property merely as security for the performance of an obligation shall not be a Member.

5.03 Transfer. Membership may not be severed from ownership of any portion of the Property nor may Membership in any way be transferred, pledged, mortgaged or alienated, except upon the sale or assignment of the Owner's interest in all or any part of the Property, and then, only to the purchaser or assignee as the new Owner thereof. Membership shall not be severed by the encumbrance by an Owner of all or any part of the Property. Any attempt to make a prohibited severance, transfer, pledge, mortgage or alienation shall be void and of no force or effect, and will be so reflected upon the books and records of the Association. Any transfer of the fee title to a Lot, or to a tract or parcel of real estate out of or a part of the Property, shall automatically operate to transfer Membership to the new Owner thereof.

5.04 Voting Rights. The right to cast votes, and the number of votes which may be cast, for election of Members to the Board of Directors of the Association and on all other matters to be voted on by the Owners pursuant to this Declaration shall be calculated as follows:

(A) The Owner (excluding Declarant) of each Lot within the Property shall have one vote for each Lot so owned.

(B) Declarant shall have fifteen (15) votes for each Lot owned by Declarant until the Declarant shall no longer own a Lot or Lots. It is understood and agreed that Declarant intends (but has no obligation) to eventually develop approximately one hundred sixteen (116) Lots under this Declaration, plus any additional Lots that may be developed in the event the Property is supplemented pursuant to Section 2.01, and that Declarant shall have fifteen (15) votes for each such Lot. Further, in the event that the current and future plats of the Property create more or less Lots than contemplated, Declarant shall have fifteen (15) votes for each Lot owned by Declarant from and after the dates such Lots are added to or subtracted from the Property until Declarant sells said Lots to a party other than an assignee of Declarant rights. Also, should Declarant add property to this Declaration pursuant to Section 2.01, Declarant shall always have fifteen (15) votes for each Lot owned by Declarant, whether or not Declarant owns any Lots immediately prior to the time property is added pursuant to Section 2.01. Notwithstanding anything to the contrary in this Declaration, if at any time prior to December 31, 2029, Declarant shall have sold all its Lots in the Property, but still contemplates adding additional lots pursuant to Section 2.01, Declarant shall retain all rights of Declarant set forth in these Restrictions. Declarant shall not lose its Declarant status except pursuant to Section 9.05 or 9.08.

Suspension of voting rights and other matters dealing with voting not expressly provided for in this Declaration shall be governed by the Bylaws. Declarant shall continue to retain the rights and duties of Declarant set forth in this Declaration until Declarant transfers its rights and duties (if ever) to the Association; so that, even if Declarant shall no longer maintain voting control over the Association, such power shall not limit or preclude Declarant from having the right to exercise all Declarant's powers set forth herein.

5.05 Powers and Authority of the Association. The Association shall have the powers of a Texas non-profit corporation, subject only to such limitations upon the exercise of such power as are expressly set forth in this Declaration, the Bylaws, the Articles, and the laws of the State of Texas. It shall further have the power to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers granted to it by the laws of Texas, this Declaration, the Articles and/or the Bylaws. Without in any way limiting the generality of the two preceding sentences, the Board, acting on behalf of the Association, shall have the power and authority, at all times, as follows:

(A) Enforce Declaration. If, as and when the Board, in its sole discretion deems necessary, to take such action to enforce the terms and provisions of this Declaration, the Articles and the Bylaws by appropriate means, and to carry out the obligations of the Association thereunder, including without limitation, the expenditure of funds of the Association; the employment of legal counsel and accounting services; the commencement of legal causes of action, including without limitation, such litigation as may be necessary to collect Assessments, Fines and foreclose liens, for which provisions are made in this Declaration; the promulgation and enforcement of the Association rules, which may include the establishment of a system of fines and/or penalties enforceable as special individual assessments, as provided in this Declaration; and to enjoin and/or seek legal damages from any Owner for violation of such provisions or rules.

(B) Own and Deal with Common Areas. To acquire, own, hold, develop, control, administer, manage, operate, regulate, care for, repair, replace, restore, preserve, protect, buy, sell, lease, transfer, convey, encumber, pledge or otherwise deal in or with real or personal Property (or any interest therein including easements) which is, or by acquisition by the Association shall thereupon become Common Areas, and all facilities, improvements and landscaping thereon, subject to and in accordance with the provisions of this Declaration.

(C) Insurance. To contract for and maintain such policy or policies of insurance as may be required by this Declaration or as the Board deems necessary or desirable in furthering the purposes of and protecting the interest of the Association and its Members.

(D) Legal and Accounting Services. To enter into contracts for legal and accounting services, maintain one or more bank accounts, and generally, to have the powers necessary or incidental to the operation and management of the Association and the Common Areas.

(E) Borrow Money. To borrow such money as may be reasonably required to discharge and perform the duties, responsibilities and obligations imposed upon the Association pursuant to this Declaration and the Restrictions, which borrowing may be secured by assignment or pledge of the Association's assets, including the Association's rights against delinquent Owners, to the extent deemed advisable by the Board.

(F) Sue and Be Sued. If, as and when the Board, in its sole discretion, deems necessary it may, but shall not be obligated to, (i) take action to protect or defend the Common

Areas or other property of the Association from loss or damage by suit or otherwise, and (ii) sue and defend in any court of law on behalf of the Association or one (1) or more of its Members.

(G) Establish Reserves. To create, establish, maintain and administer such capital expenditure reserves and other reserve funds or accounts as, in the discretion of the Board, are reasonably necessary to provide and assure the availability of funds necessary for the care, maintenance, repair, replacement, restoration, preservation and protection of all Common Areas, including all easements and facilities, and for such other purposes as the Board, in its reasonable discretion, deems necessary or appropriate.

(H) Establish and Enforce Rules. To make, establish, promulgate, publish, amend, repeal, reenact and to enforce such bylaws and other rules and regulations as the Board deems to be in the best interest of the Association and its Members for (i) the protection, operation and governance of the use of the Common Areas, (ii) any and all aspects of the Association's functions, and (iii) the development, sale and operation of the Property.

(I) Records. To keep books and records of the Association's affairs, as required by law; to make an unaudited annual report available (within one hundred twenty (120) days after the end of each fiscal year) to each Owner and any individual or entity the Association is made aware is holding a mortgage or deed of trust on any Lot; to present a statement of the Association's affairs to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by twenty-five percent (25%) or more of the outstanding votes of the Members, regardless of class; and to provide such other access to the books and records as required by Section 209.005 of the Texas Property Code and Section 2.23 of the Texas Non-Profit Corporation Act.

(J) Election of Officers. To elect the officers of the Association, as provided in the Bylaws.

(K) Use of Insurance Proceeds. Subject to terms and provisions of the Declaration, to adjust the amount, collect and use any insurance proceeds to repair damage or replace lost property owned by the Association, and if the proceeds are insufficient to repair damage or replace lost property owned by the Association, to assess the Members in proportionate amounts to cover the deficiency.

(L) Employee and Contract. To delegate the powers and duties of the Board to committees, officers or employees as provided in the Bylaws, employ a manager or other persons and contract with independent contractors or managing agents who have professional experience to perform all or any part of the duties and responsibilities of the Association; provided that any contract with a person or entity appointed as a manager or managing agent shall be terminable with or without cause on not more than ninety (90) days written notice by the Association and shall have a term of not more than one (1) year with successive one (1) year renewal periods upon the mutual agreement of the parties.

(M) Suspension of Voting Rights. To suspend the voting rights of any Owners who have failed to pay their Assessments or who have otherwise violated this Declaration, the Bylaws or the Rules of the Association.

(N) Vacancies on the Board. To fill vacancies on the Board, in accordance with the provisions of the Bylaws.

(O) Incidental Powers and Other Services. Generally, to have the powers necessary or incidental to the operation and management of the Association and the Common Areas, and to provide such other services and tasks the responsibility for which has been expressly or implied delegated to the Association pursuant to this Declaration or the Bylaws.

(P) Right of Entry and Enforcement. To enter at any time in an emergency, without prior notice, or in a nonemergency, after twenty-four (24) hours' written notice, without being liable to any Owner, upon any Lot and into any Improvement thereon for the purpose of enforcing the Restrictions or for the purpose of maintaining or repairing any area, Improvement or other facility to conform to the Restrictions, and the expense incurred by the Association (or Declarant, as the case may be) in connection with the entry upon any Lot and the maintenance and repair work conducted thereon shall be a personal obligation of the Owner of the Lot entered upon, shall be a lien upon the Lot entered upon and Improvements thereon, and shall be enforced in the same manner and to the same extent as provided in Article VII hereof for regular and special Assessments. The Association or Declarant shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Restrictions. The Association or Declarant is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce the Restrictions; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suits against Declarant, its successors or assigns.

(Q) Payment of Expenses for the Association. To pay all expenses associated with the management and administration of the business and affairs of the Association and all other expenses for which provision is made in this Declaration, including, without limitation to pay all expenses associated with the ownership and operation of the Common Areas.

(R) Assessments and Fines. To establish, levy, impose, enforce and collect Assessments and Fines as provided in this Declaration.

(S) Promotion of Health, Safety and Welfare. To advance, promote and enhance the health, safety and general welfare of the Members of the Association and the residents of the Subdivision generally.

(T) Public or Quasi-Public Services. To cause public or quasi-public services to be provided to the Subdivision. To itself provide equipment, facilities and personnel for or to contract with an independent contractor for such public or quasi-public services as may be

deemed by the Association to be reasonably necessary or desirable for the common health, safety and general welfare of the residents of the Subdivision.

(U) Preserve and Enhance Beauty of Wolf Creek Estates. To preserve, protect, maintain and enhance the appearance and natural beauty of the Common Areas and the Subdivision generally.

(V) Maintenance of Front Yards. To enter at any time, without prior notice, without being liable to any Owner, upon any Lot for the purpose of maintaining the front yard thereof or any portion thereof in the event the Owner of such Lot fails to do so. Without limiting the generality of the foregoing, if the Owner of such Lot fails to do so, the Association shall have the authority, within the front yard of such Lot, to mow, water and fertilize any grass and other landscaping, apply herbicides and pesticides, prune and trim any shrubs or trees, weed any shrub and flower beds, and edge along any shrub and flower beds. The Association shall have no liability for any damage to any grass, shrubs, flowers, trees or other landscaping resulting from the Association's actions hereunder. The expense incurred by the Association (or Declarant, as the case may be) in connection with the entry upon any Lot and the work conducted thereon shall be a personal obligation of the Owner of the Lot entered upon, shall be a lien upon the Lot entered upon and Improvements thereon, and shall be enforced in the same manner and to the same extent as provided in Article VII hereof for regular and special Assessments.

5.06 Duties of Association.

(A) Subject to and in accordance with the Declaration, the Association acting through the Board, shall have the following duties:

(1) To accept, own, operate, deliver and maintain all Common Areas which may be conveyed or leased to it by Declarant, or others, together with all Improvements of whatever kind and for whatever purpose which may be located in said areas, and to accept, own, operate and maintain all other Property, real and personal, conveyed or leased to the Association by Declarant and to maintain in good repair and condition all lands, Improvements, and other Association Property owned by or leased to the Association.

(2) To pay all real and personal Property taxes and other taxes and assessments levied upon or with respect to any Property owned by or leased to the Association, to the extent that such taxes and assessments are not levied directly upon the Members of the Association. The Association shall have all rights granted by law to contest the legality and the amount of such taxes and assessments.

(3) To execute Mortgages, both construction and permanent, for construction of facilities, including Improvements on Property owned by or leased to the Association, and to accept lands in Common Areas, whether or not improved, from Declarant subject to such Mortgages or by assuming such Mortgages. Financing may be effected through conventional Mortgages or deeds of trust, the issuance and sale of development or other bonds, or in any other form or manner as may be deemed appropriate by the borrower, whether Declarant or the Association. The Mortgage or other security interest given to secure repayment

of any debt may consist of a first, second or other junior lien as shall be deemed appropriate by borrower, whether Declarant or the Association, on the Improvement or other facility to be constructed, together with such underlying and surrounding lands as the borrower deems appropriate. The debt secured by such Mortgage or other security instrument may be retired from and secured by the revenues generated by dues, use fees, Assessments of the Members of the Association, or otherwise, or any combination thereof, as the case may be, but subject to the limitations imposed by this Declaration.

(B) In addition to, and not in limitation of, the power and authority of the Association as set forth in Section 5.05 of this Declaration, the Association, acting through the Board, and/or the Declarant (at Declarant's sole option) shall have the power and authority:

(1) To grant and convey to any Person or entity the real property and/or other interest therein, including fee title, leasehold estate, easements, licenses, franchises and other rights, rights-of-way, or Mortgages out of, in, on, over, or under any Association Property, which in the Board's opinion are necessary or proper for the purpose of constructing, erecting, operating or maintaining the following:

- (a) Parks, parkways or other recreations facilities or structures;
- (b) Roads, streets, walks, driveways, trails and paths
- (c) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;
- (d) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines;
- (e) Video services, cable television services, security services, communication services and other similar services over the Common Areas; and/or
- (f) Any similar public, quasi-public or private improvements or facilities.

(2) To obtain for the benefit of the Common Areas all water, gas and electric services, refuse collections, landscape maintenance services and other services, which in the opinion of the Board shall be necessary or proper;

Nothing above contained, however, shall be construed to permit the use or occupancy of an Improvement or other facility in a way which would violate applicable use and occupancy restrictions imposed thereon by other provisions of this Declaration. Declarant shall have the powers set forth in this Subsection (B) with respect to all of the Lots or Property owned by Declarant without necessity of obtaining consent of the Board of Directors, the Board or the Association or any other Owner.

(C) Indemnification. The association (but not the Declarant) shall indemnify any Person who has or is party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he is or was a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorney's fees, reasonably incurred by him

in connection with such action, suit or proceeding if it is found and determined by the Board or a court that he (1) acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, or (2) with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *no lo contendere* or its equivalent, shall not of itself create a presumption that the Person did not act in good faith or in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Association, or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. The Board may purchase and maintain insurance on behalf of any Person who is or was a director, officer, committee member, employee, servant or agent of the Association, against any liability asserted against him or incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability hereunder or otherwise.

(D) Authority of the City. If the Association or Declarant fails to maintain the drainage ways, detention ponds, creeks, entry features, perimeter fencing and other Common Areas in accordance with the requirements of the Ordinances of the City for an unreasonable period of time, not to exceed ninety (90) days after written request to do so is provided by the City, then the City shall have the same right, power and authority as is herein given to the Declarant, the Association, and its Board to enforce the provisions of this Declaration relating thereto including, without limitation, the authority as given the Declarant, the Association and its Board to levy Assessments (either in the name of the Association or otherwise) as herein provided to pay the costs incurred by the City in performing such maintenance.

**ARTICLE VI.
BOARD OF DIRECTORS AND NONLIABILITY**

6.01 Membership of Board of Directors. The Board of Directors shall consist of not more than three (3) voting members ("Voting Members") and such additional nonvoting members serving in an advisory capacity ("Advisory Members") as the Declarant deems appropriate; provided, however, that the Board of Directors shall never consist of less than three (3) members. Members of the Board of Directors need not be Members of the Association or own Lots.

6.02 Action by Board of Directors. Items or matters presented to the Board of Directors shall be decided by a majority vote of the Voting Members.

6.03 Advisory Members. The Voting Members may from time to time designate Advisory Members.

6.04 Term. Declarant shall hold office as a Voting Member of the Board of Directors until such time as Declarant has assigned, or it has been deemed that Declarant has assigned, all of Declarant's rights, privileges and duties under this Declaration. All other members of the Board of Directors shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. Beginning on the date Declarant assigns, or

Declarant has been deemed to assign, all of Declarant's rights, privileges and duties under this Declaration, the term of the members of the Board of Directors shall be governed by the terms of the Bylaws.

6.05 Declarant's Rights of Appointment. Declarant, and its successors or assigns, shall have the right to appoint and remove all members of the Board of Directors. At such time as Declarant has assigned, or it has been deemed that Declarant has assigned, all of Declarant's rights, privileges and duties under this Declaration, such appointment or election of the members of the Board of Directors shall be governed by the terms of the Bylaws.

6.06 Adoption of Rules. The Board of Directors may (but shall not be required to) adopt such procedural and substantive rules, not in conflict with this Declaration (collectively, the "Board of Directors Rules"), as it may deem necessary or proper for the performance of its duties, including but not limited to, a housing code, fencing standards, contents, form and submission procedures for Plans and Specifications, and other similar codes and standards as it may deem necessary and desirable. The Board of Directors Rules adopted pursuant to this Section 6.06 shall have the same force and effect as the Association's other rules and regulations and this Declaration and are to be enforced by the Board in the name of the Association.

6.07 Review of Proposed Construction. Prior to submitting Plans and Specifications, each Owner shall submit to the Board of Directors for approval (or disapproval), at the address set forth in Section 6.12, plans for any proposed Improvements. If the Board of Directors shall fail to respond or disapprove the Preliminary Plans within thirty (30) days after the submission, said Preliminary Plans shall be deemed approved; provided, however, that no portion of said Preliminary Plans which is in violation of the Ordinances shall be deemed approved. Whenever in this Declaration the approval of the Board of Directors is required, the Board of Directors shall have the right to consider all of the Preliminary Plans and the Plans and Specifications for the Improvement or proposal in question and all other facts which it deems relevant, in its sole discretion. The Plans and Specifications shall include, but not limited to, those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, drainage plans, landscaping and fencing plans, elevations and construction techniques, samples of exterior colors, plans for utility services, and all other documentation or information relevant to constructing or operating such improvements. The Board of Directors shall have the right to require additional types of plans and specifications, in its sole discretion. Except as otherwise specifically provided herein, at least thirty (30) days prior to the commencement of any construction of any Improvement on the Property, or any portion thereof, the Plans and Specifications therefor shall be submitted to the Board of Directors and construction thereof may not commence unless and until the Board of Directors has approved such Plans and Specifications in writing. The Plans and Specifications require written approval and are never deemed approved by the Board of Directors. The Board of Directors shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration and perform such other duties assigned to it by this Declaration, including the inspection of construction in progress to assure its conformance with Plans and Specifications approved by the Board of Directors. No Improvement shall be allowed on any Lot which, in the opinion of the Board of Directors, is of such size or architectural design or involves the use of such landscaping, color schemes, exterior finishes and materials and similar features as to be

incompatible with residential development within the Property, the Declarant's development plan and the surrounding area. The Board of Directors shall have the authority to disapprove any proposed Improvement based upon the restrictions set forth in the preceding sentence, as well as based upon the Board of Director's discretion as to whether such Improvements shall be aesthetically pleasing and in harmony with the design planned by the Declarant for the Property, and the decision of the Board of Directors shall be final and binding so long as it is made in good faith. Specifically, the fact that the Board of Directors may have approved or denied a particular installation, condition, activity or item with respect to any particular Lot does not, by itself, constitute grounds for requiring such approval or denial with respect to any other Lot. Each application for Board of Directors review must be evaluated on its own merits, with the Board of Directors exercising the broadest discretionary judgment that is consistent with the requirements of the Restrictions. The Board of Directors shall not be responsible for reviewing any constructed Improvements, nor shall its approval of any Preliminary Plans and/or Plans or Specifications be deemed approval thereof from the standpoint of structural safety, engineering soundness, conformance with building or other codes, or the quality of construction the plans reflect.

6.08 Applications. Any applications for Board of Directors approval must be accompanied by one (1) set of Plans and Specifications, and must be submitted to the Board of Directors at the address set forth in Section 6.12. Any application submitted other than by the Owner must attach the Owner's written consent to the approval requested. The application must include the Owner's complete, current street address. Any application for installation of any building or other permanent structure must include all Plans and Specifications required by the Board of Directors, including, but not necessarily limited to, the following plans: (i) floor plans, (ii) elevations, and (iii) detailed construction plans. A builder may submit a master set of Plans and Specifications for all dwellings to be constructed in the Subdivision, and upon approval by the Board of Directors, all Plans and Specifications shall be deemed approved for construction on any Lot without further review by the Board of Directors. Any change to any Plans and Specifications previously approved by the Board of Directors also must be approved by the Board of Directors as provided in this Article except that the Board of Directors will expedite, to the extent practical, any such application that is made while construction is in progress. The Board of Directors in no event is required to act upon any such modified application in less than ten (10) days, however.

6.09 Work in Progress. The Board of Directors, at its option, may inspect all work in progress to ensure compliance with approved Plans and Specifications.

6.10 No Waiver of Future Approvals. The approval or consent of the Board of Directors to any Plans or Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Board of Directors shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans and Specifications, or other matter whatever, subsequently or additionally submitted for approval or consent by the same or a different person.

6.11 Nonliability. The Declarant, Board of Directors, Association, Board, or any Member thereof, shall not be liable to any Owner or to any other person for any loss,

damage or injury arising out of their being in any way connected with the performance of the Board of Director's, Declarant's or the Board's respective duties under this Declaration, unless due to the willful misconduct or bad faith of the Board of Directors or its members or the Declarant or Association/Board or its Members, as the case may be. The Board of Directors or the members thereof, or Declarant or the Association/Board or its Members shall not be liable to any Owner due to the construction of any improvement within the Property or the creation thereby of an obstruction to the view from such Owner's Lot or Lots. In addition, neither Directors, nor the Association, nor the officers, directors, Members, employees and agents of any of them, shall be liable in damages to anyone submitting Plans and Specifications for approval, or to any Owner of Property affected by these restrictions by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such Plans or Specifications. Every Person who submits Plans and Specifications, and every Owner of any of said Property, agrees by such submission that he will not bring any action or suit against Declarant, the Board of Directors, the Association, or the officers, directors, Members, employees and agents of any of them, to recover any such damages and hereby releases and quitclaims all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to the claims, demands and causes of action not known at the time the release is given. Declarant, Board of Directors and the Association (and their agents, employees, and partners) shall not be required to compensate any Members for any losses or expenses relating to the actions of Declarant, the Association and the Board of Directors. In addition the City of DeSoto, Dallas County, Texas shall not be liable to the Association, the Board or any Owner or to any other person and is indemnified and held harmless from any and all costs, expenses, suits, demands, liabilities, or damages, including attorneys' fees and cost of suit, incurred or resulting from the City's maintenance of the Common Areas pursuant to Section 5.06(D) and Section 7.03(D) in the event, the Declarant or the Homeowners' Association fails to maintain the common areas.

6.12 Address. One (1) set of Preliminary Plans and Plans and Specifications shall be submitted to the Board of Directors at 10612 Corvallis Drive, Dallas, Texas 75229 or such other address as may be designated by Declarant from time to time.

6.13 Variances. Upon submission of a written request for same, the Board of Directors may, from time to time, in its sole discretion, permit Owners to construct, erect, or install Improvements which are in variance from the Restrictions or Rules which may be promulgated in the future. In any case, however, such variances shall be in basic conformity with and shall blend effectively with the general architectural style and design of the Subdivision in the opinion of the Board of Directors. Written requests for variances shall be deemed to be disapproved if the Board of Directors has not expressly, and in writing, approved such request within thirty (30) days of the submission of such request. No member of the Board of Directors shall be liable to any Owner for any claims, causes of action, or damages arising out of the grant of any variance to an Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Board of Director's right to strictly enforce the Restrictions. Notwithstanding

anything to the contrary set forth herein, nothing contained herein shall be deemed to authorize or empower the Board of Directors to grant any variance which would constitute or result in a violation of the DeSoto Ordinance; provided, however, that the foregoing shall not prohibit the Board of Directors from granting one or more variances which is consistent with and complies with a duly granted variance or other appropriate permit or authorization from the City.

ARTICLE VII. FUNDS AND ASSESSMENTS

7.01 Assessments.

(A) The Association may, from time to time, levy Assessments against each Lot, whether or not improved. The level of Regular Annual Assessments and Special Assessments (collectively, the "Regular Assessments"), each hereinafter defined, shall be equal and uniform among all Lots, except as otherwise provided in this Section 7.01(A). Notwithstanding anything set forth in the preceding sentence or in this Declaration, Declarant shall have the option at Declarant's discretion of either: (i) paying one-half (1/2) of the Regular Assessments with respect to each Lot owned by Declarant or (ii) paying the difference between the actual expenses incurred by the Association for a particular calendar year over the total amount of Regular Assessments levied by the Association as to all other Lots (i.e., Lots not owned by Declarant) during such year. In addition, notwithstanding anything to the contrary set forth in the first and second sentences of this Section 7.01(A) or in this Declaration, any builder who purchases one or more Lots from Declarant shall have the right to pay one-half (1/2) of the Regular Assessments with respect to each Lot owned by said builder until the earlier of (a) the date which is one (1) year after the date of the conveyance of such Lot by Declarant to such builder or (b) such time as a residence is built on the Lot and is "ready for occupancy," as such readiness is determined by the Board of Directors in its sole discretion. Upon the first to occur of the events described in (a) and (b) above, the then builder shall be responsible for paying the full Regular Assessments for such Lot, which such Regular Assessments shall be prorated on a per diem basis beginning after the date of the first to occur of the events described in (a) or (b) above. As used herein, the term "builder" shall refer to a person or entity that is regularly engaged, as its primary occupation, in the business of constructing homes for resale in the ordinary course of business. Any Property, other than a Lot, which is owned by or dedicated or accepted by any governmental body or agency or franchised utility company, shall be exempt from any Assessment. In addition, Common Areas shall be exempt from any Assessments. If any Owner, other than Declarant, combines two or more Lots to form one (1) Lot, then for purposes of levying Assessments thereupon pursuant to this Article VII, such Lot shall be deemed to constitute the original number of Lots which were combined into one (1) Lot; provided, however, that the foregoing shall not be deemed to allow two or more Lots to be combined without the prior written approval of the Board of Directors as provided in Section 3.02 hereof.

(B) Where, upon any transfer of title to a Lot, the obligation to pay Regular Assessments first arises after the commencement of the calendar year, or other period for which such assessment was levied, the Regular Assessments shall be prorated as of the date when said

obligations first arose in proportion to the amount of the assessment year or other period remaining after said date of transfer.

(C) Each unpaid Assessment, together with all interest thereon and costs of collection thereof, as hereinafter provided, shall be the personal obligation of the Owner of the Lot against which such assessments fell due, and shall be secured by a lien against each such Lot and all Improvements thereon. The Association may enforce payment of such Assessments in accordance with the provisions of this Article VII.

7.02 Maintenance Fund. The Board shall establish a maintenance fund into which shall be deposited all monies paid to the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration.

7.03 Regular Annual Assessments.

(A) The Board shall estimate the expenses to be incurred by the Association during each calendar year in performing its functions under the Restrictions, including but not limited to the cost of all Common Area, median strip and right-of-way maintenance, the costs of landscaping, owning, operating and financing the Common Areas, the costs of administering the Association and performing all of its duties thereunder, costs of ad valorem taxes due against any Common Areas or Improvements owned by the Association, insurance premiums, expenses of managers and other employees, the costs of enforcing the Restrictions, costs of accounting, legal and other professional assistance to the Association, and a reasonable provision for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior year's fund. Regular Annual Assessments sufficient to pay such estimated net expenses shall then be levied, as provided in Section 7.03(C) hereof, and the level of such Regular Annual Assessments set by the Board shall be final and binding, so long as it is made in good faith. The estimate of expenses shall take into account the number and nature of any replaceable assets which the Association owns or for which it is otherwise responsible, the expected life of each asset, and the expected repair or replacement cost therefor.

(B) The Board shall prepare and approve a budget for the upcoming calendar year based upon such estimate of expenses and the estimated income of the Association for such calendar year, taking into account the total expenses likely to be incurred by the Association during such calendar year and the previous operating history of and any surplus funds (not including reserves) held by the Association. The budget shall also determine the ratio that the expenses estimated for private streets and drainage facilities bear to the total estimated expenses. The Association shall use its reasonable efforts to finalize the budget and, based upon such budget, determine the Regular Annual Assessment for the year by December 1 of the year prior to the year for which the Assessment is to be levied and due. Assessments are to be paid in advance. Upon request, the Association shall provide such budget to any Owner.

(C) The total amount of the Association's estimated expenses, as set forth on the budget, shall be divided by the total number of Lots within the Property in order to determine the amount of the regular annual assessment for each Lot for such calendar year ("Regular Annual Assessment"); it being expressly provided, however, that in the case of the common

ownership of a platted Lot, the same shall be deemed for assessment purposes to be a single Lot. The Association shall provide written notice to each Owner of the amount of the Regular Annual Assessment established, made, levied and imposed for the next succeeding year and the dates upon which installments (if any) for the same shall be due and payable along with a statement to builders and Declarant of their right to pay one-half (1/2) of said Assessment so long as the terms of this Declaration so provide. If no installment plan is provided by the Board in said notice to Owners, all Regular Annual Assessments are due on or before January 30 of the year for which the Assessment is due. Unless otherwise determined by the Board of the Association, Regular Annual Assessments shall commence as to all Lots on the first day of the month following the first conveyance of a Lot by Declarant to any third party Owner. In the event that the Association shall determine during any calendar year that the Regular Annual Assessment established for such calendar year is or will become inadequate or insufficient to meet all expenses for the Association for such calendar year, for whatever reason, the Association shall be entitled to immediately determine the amount of the deficiency of the Regular Annual Assessment for such fiscal year, issue a supplemental estimate of common expenses to all Members of the Association, and within thirty (30) days thereafter, establish, make, levy, impose, enforce and collect a supplemental or revised Regular Annual Assessment for such calendar year.

(D) The expenses allocated to the community park, landscaping, drainage and other facilities on the approved budget shall be held in a separate bank account from the other funds of the Association. As payments of the Regular Annual Assessments are received by the Association, it shall deposit a portion of each payment, determined in accordance with the ratio established therefor in the budget, into such separate account. In the event the Association fails to maintain the Common Areas, landscaping, and or drainage facilities in the manner required by this Declaration, and such failure continues for an unreasonable period of time, not to exceed ninety (90) days after written request to do so from the City is received by the Association, then the City making such request shall have the authority to perform such maintenance that the Association failed to perform, and the costs incurred by such City in so doing shall be payable from such separate account upon demand therefor by the City performing such maintenance.

7.04 Special Assessments. In addition to the Regular Annual Assessments provided for above, the Board may levy special assessments whenever, in the Board's opinion, extra assessments are necessary to enable the Board to carry out the functions of the Association under the Restrictions ("Special Assessments"). The amounts of any Special Assessment shall be at the reasonable discretion of the Board, but shall be approved by Members holding fifty-one percent (51%) of the eligible votes in the Association. Once Special Assessments are assessed by the Board, the Association shall provide written notice to each Owner of the amount of the Special Assessment established, made, levied and imposed by the Association (and as approved by the appropriate vote of the Members) along with the date upon which installments (if any) shall be due and payable to the Association.

7.05 Individual Lot Assessments. In addition to any other assessments for which provisions are made in this Declaration, the Board shall be and hereby is authorized and empowered to establish, make, levy, impose, enforce and collect against and from a particular Lot and the Owner of such Lot an assessment (the "Individual Lot Assessment") for:

(A) Costs and expenses incurred by the Association in bringing a particular Owner or his particular Lot into compliance with the provisions of this Declaration, including any action taken or cost or expense incurred by the Association to cure and eliminate any violation of or noncompliance with the provisions of this Declaration, following the failure of such Owner, within fourteen (14) days following written notice from the Association of the nature of the violation of or non-compliance with this Declaration, to cure or remedy such violation or noncompliance;

(B) Costs and expenses, including reasonable attorneys' fees, whether or not a suit is filed, incurred by the Association in the enforcement of the provisions of this Declaration against a particular Lot or the Owner of such Lot;

(C) Costs and expenses incurred by the Association in furnishing or providing labor, services and materials which benefit a particular Lot or the Owner of a particular Lot; provided that such labor, services or materials can be accepted or rejected by such particular Owner within ten (10) days of notice in advance of the Association's furnishing or providing the same such that upon such Owner's acceptance of any such labor, services or materials such Owner shall be deemed to have agreed that the costs and expenses associated therewith shall be made, levied, imposed, collected and enforced as an Individual Lot Assessment against such particular Owner and his particular Lot; and

(D) Reasonable overhead expenses of the Association associated with any Individual Lot Assessment, established, made, levied, imposed, collected and enforced pursuant to this Section 7.05.

7.06 Owner's Personal Obligation for Payment of Assessments. The Regular Annual Assessments, Special Assessments, Fines and Individual Lot Assessment (collectively the "Assessments") provided for herein shall be the personal and individual debt of the Owner of the Lot covered by same. Except as otherwise provided in Section 7.01(A) hereof, no Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any such Assessments, the Owner of the Lot shall be obligated to pay interest on the amount of the assessment at the highest rate allowed by applicable usury laws then in effect, from the date of such default, (or if there is no such highest rate, then at the rate of eighteen percent (18%) per annum) together with all costs and expenses of collection, including reasonable attorneys' fees.

7.07 Assessment Lien and Foreclosure. All sums assessed in the manner provided in this Article but unpaid, shall, together with interest as provided in Section 7.06 hereof and the cost of collection, including attorney's fees, as herein provided, thereupon become a continuing lien and charge on the Lot covered by such sums that are due ("Assessment Lien"), which shall bind such Lot in the hands of the Owner and such Owner's heirs, devisees, personal representatives, successors or assigns. The Assessment Lien shall be superior to all other liens and charges against the said Lot, except tax liens and all sums unpaid on a first mortgage lien or first deed of trust lien of record securing sums borrowed for the purchase of the Lot in question or the construction of Improvements thereon. The Association shall have the power to subordinate the aforesaid Assessment Lien to any other lien. The Board may prepare a written notice of lien or charge setting forth the amount of the unpaid indebtedness, the name of the

Owner of the Lot covered by such lien and a description of the Lot. Such notice shall be signed by one of the officers of the Association and shall be recorded in the real property records of Dallas County, Texas. Such Assessment Lien shall attach with the priority above set forth from the date that such payment becomes delinquent and may be enforced by the nonjudicial foreclosure of the defaulting Owner's Lot by the Association in a like manner as a mortgage on real property pursuant to Section 51.002 of the Texas Property Code, as amended from time to time, subsequent to the recording of a notice of Assessment lien as provided above; except that, the Association shall not have the right to foreclose on Assessment lien that consists solely of Fines or attorney's fees associated with the Fines. The Association may also institute a suit against the Owner, who or which is personally obligated to pay the Assessment, and/or for foreclosure of the aforesaid lien judicially. In any foreclosure proceeding, whether judicial or non-judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorney's fees incurred. The Association shall have the power to bid on the Property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any Mortgagee, the Association shall use reasonable efforts to report to said Mortgagee any unpaid Assessments remaining unpaid for longer than thirty (30) days after the same are due. The Association shall provide the Owner with written notice of the foreclosure sale not later than thirty (30) days after the foreclosure sale, as required by Section 209.010 of the Texas Property Code, as amended from time to time. Owner shall have the right to redeem the foreclosed property, pursuant to Section 209.011 of the Texas Property Code, as amended from time to time.

7.08 Certificate of Assessments Due. The Association shall, upon the request of an Owner or any other interested party, furnish a certificate executed by its President, Vice President, Secretary, Treasurer or any other officer duly authorized, setting forth whether Assessments payable with respect to a particular Lot have been paid, the amount of the delinquency, if any, and the amounts of any outstanding and unpaid interest, late charges, penalties, costs of collection, including attorney's fees and court costs, if any, associated with any such delinquent Assessments. A properly executed certificate of the Association as to the status of Assessments, as aforesaid, shall be binding upon the Association as conclusive evidence of the status of the payment of any Assessment therein stated to have been paid or to be delinquent as of the date of the issuance of such certificate. The Association shall be entitled to charge and collect a reasonable fee for and as a condition precedent to the issuance of any such certificate not to exceed Thirty Five and No/100 Dollars (\$35.00).

7.09 No Defenses or Offsets. All Assessments shall be payable in full at the times due. No defenses or offsets against the payment of such amount shall be permitted for any reason whatsoever, including, without limitation, any claim by an Owner that (i) the Association is not properly exercising its rights and powers or performing or discharging its duties and obligations as provided in this Declaration or its Bylaws; (ii) an Owner and his family have made or have elected to make no use of the Common Areas; (iii) the Owner and his family have otherwise waived or attempted to waive their Membership in the Association, or (iv) the Association has suspended the right, privilege and easement of such Owner and his family to use the Common Areas as provided in the Rules.

7.10 Fines. The Association, acting through its Board, shall have the right to establish, impose and collect fines ("Fines") which accumulate on a daily basis. The Fines may be imposed in the discretion of the Board, in accordance with Section 7.11 hereof, against Owners who or which are in violation of any provision of this Declaration. Fines are imposed upon any Owner by written notice specifying the violation to the Owner at its last known address on the books and records of the Association.

7.11 Notice and Hearing Before Enforcement Action. Prior to suspending an Owner's right to use the Common Areas; filing a suit against an Owner, other than a suit for a Regular Assessment or to foreclose under an Association lien; charging an Owner for damage to the Property; or levying a fine for violating the Restrictions, all of which are provided for in this Declaration, the Association shall deliver to the Owner written notice describing the violation and any applicable cure period, as required by Section 209.006 of the Texas Property Code, as amended from time to time. If the Owner is entitled to a right to cure, the Owner may request a hearing before the Board. Such hearing shall be held in accordance with the provisions of Section 209.007 of the Texas Property Code, as amended from time to time, the Bylaws and Rules of the Association.

7.12 Attorney's Fees. Before the Association may charge an Owner with attorney's fees, as provided for herein, the Association shall provide written notice to the Owner that attorney's fees and costs will be charged to the Owner if the Owner's violation of the Restrictions continues after a date certain, as required by Section 209.008 of the Texas Property Code, as amended from time to time.

ARTICLE VIII. EASEMENTS

8.01 Reserved Easements. All dedications, limitations, restrictions and reservations shown on any plat covering all or any portion of the Property and all grants and dedications of easements, rights-of-way, restrictions, and related rights made by Declarant prior to the Property becoming subject to this Declaration, are incorporated herein by reference and made a part of this Declaration for all purposes, as is fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Property. Declarant reserves the right to make changes in and additions to the said easements and rights-of-way covering the Property for the purpose of most efficiently and economically developing the Property. Further, Declarant hereby creates, declares, grants and reserves for the benefit of Declarant, Dallas County, the City, the Association and all Owners and any public or private providers of utility services to the subject Property and their respective successors and assigns, a nonexclusive easement for utility purposes over, under, within and upon the Common Areas and all utility easements and other easement areas shown on the plats of the Property, as hereafter amended, for the purposes of constructing, installing, inspecting, maintaining, repairing and replacing from time to time any and all utility lines, systems and facilities from time to time deemed necessary or appropriate by Declarant for development of the Property. Further, Declarant reserves the right, and all Owners

agree to cooperate to grant, dedicate, reserve or otherwise create, at any time or from time to time, rights-of-way and easements for public utility purposes (including, without limitation, gas, water, electricity, telephone, sanitary, sewer and drainage), in favor of any person or entity across any Lot or on any portion of the Property as is necessary or efficient to supply all utilities to all Lots. Declarant hereby additionally creates, declares, grants and reserves for the benefit of Declarant and the Association and their respective successors and assigns, a nonexclusive easement for maintenance purposes over, under, within and upon the front yard of each Lot for the purpose of maintaining the front yard thereof pursuant to the provisions of Section 5.05(V) hereof, as from time to time deemed necessary or appropriate by Declarant or the Association.

8.02 Installation and Maintenance. There is hereby created an easement upon, across, over and under all of the Property for ingress and egress in connection with installing, replacing, repairing, and maintaining the Common Areas and all Improvements situated therein, and for installing, replacing, repairing, and maintaining all utilities, including, but not limited to, water, gas, telephones, electricity, sanitary sewer, drainage areas and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to install and maintain pipes, wires, conduits, service lines or other utility facilities or appurtenances thereto, on, above, across and under the Property, within the public utility easements from time to time existing and from service lines situated within such easements to the point of service on or in any Improvement. Notwithstanding any provision contained in this Section, no electrical lines, water lines or other utilities or appurtenances thereto may be relocated on the Property until approved by Declarant or the Board of Directors. The utility companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the recorded plats of the Property and to trim overhanging trees and shrubs located on portions of the Property abutting such easements.

8.03 Drainage Easements. Each Owner covenants to provide and hereby grants easements for drainage and water flow across such Owner's Lot benefiting Declarant and all Owners, as contours of land and the arrangement of Improvements approved by the Board of Directors thereon require. Each Owner further covenants not to disturb or displace any trees or other vegetation within the drainage easements as defined in this Declaration and shown on the recorded plats of the Property. There shall be no construction of Improvements, temporary or permanent in any drainage easement, except as may be approved in writing by the Board of Directors.

8.04 Surface Areas. The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns or flowers and for paving of driveways, unless otherwise specifically prohibited by the plats or any other recorded easement. However, neither the Declarant nor any supplier of any utility service using any easement area shall be liable to any Owner or to the Association for any damage done by them or either of them, or their respective agents, employees, or assigns, to any of the aforesaid vegetation or driveways as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area.

**ARTICLE IX.
MISCELLANEOUS**

9.01 Term. This Declaration including all of the covenants, conditions and restrictions hereof, shall run until December 31, 2029, unless amended as herein provided. After December 31, 2029, this Declaration, including all such covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by the Owners of at least ninety percent (90%) of all eligible votes within the Property, then subject to this Declaration filed of record in the real property records of Dallas County, Texas.

9.02 Amendment.

(A) By Declarant. This Declaration may be amended by the Declarant, acting alone and whether or not Declarant has voting control of the Association, until December 31, 2010. Thereafter Declarant, acting alone, may amend this Declaration for so long as Declarant holds sixty percent (60%) of the eligible votes of the Association. No amendment by Declarant after December 31, 2010, shall be effective until there has been recorded in the real property records of Dallas County, Texas, an instrument executed and acknowledged by the Declarant and Secretary of the Association certifying that the Declarant had the requisite sixty percent (60%) of the eligible votes of the Association; it being understood that no such acknowledged instrument shall be required for amendment of this Declaration by Declarant prior to December 31, 2010;

(B) By Owners. In addition to the method in Section 9.02(A), after December 31, 2010, this Declaration may be amended by the recording in the Dallas County real property records of an instrument executed and acknowledged by the President and Secretary of the Association, setting forth the amendment and certifying that such amendment has been approved by Owners entitled to cast at least ninety percent (90%) of the number of eligible votes entitled to be cast in the Association.

(C) Compliance with Ordinances. Notwithstanding anything to the contrary set forth in Section 9.02(A) or Section 9.02(B) above, nothing contained herein shall be deemed to authorize or empower Declarant or Owners to amend Section 5.06(D) or Section 7.03(D) of this Declaration without the express written consent of the City, or to amend any other provision of this Declaration in any manner which would constitute a violation of the DeSoto Ordinance; provided, however, that the foregoing shall not prohibit the amendment of this Declaration in accordance with Section 9.02(A) or Section 9.02(B) above after first seeking and obtaining a duly granted amendment to or variance from the DeSoto Ordinance, as applicable, or other appropriate permit or authorization from the City.

9.03 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Property and of promoting and effectuating the fundamental concepts of the development of the Property set forth in this Declaration. This Declaration shall be construed and governed under the laws of the State of Texas.

9.04 Exemption of Declarant. Notwithstanding any provision in this Declaration to the contrary, neither Declarant nor any of Declarant's activities shall in any way be subject to the control of or under the jurisdiction of the Board of Directors. Without in any way limiting the generality of the preceding sentence, this Declaration shall not prevent or limit the right of Declarant to excavate and grade, to construct and alter drainage patterns and facilities, to construct any and all other types of Improvements, sales and leasing offices and similar facilities, and to post signs incidental to construction, sales and leasing anywhere within the Property.

9.05 Assignment of Declarant. Notwithstanding any provision in this Declaration to the contrary, Declarant may, in a writing filed of record referring to this Declaration by volume and page number, expressly assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other Person or entity and may permit the participation, in whole or in part, by any other Person or entity in any of its privileges, exemptions, rights and duties hereunder. Upon assignment of Declarant of any or all of Declarant's rights, the Declarant shall no longer be liable for performance of such assigned rights, provided that the assignee expressly assumes in the recorded assignment the obligations of Declarant that are assigned.

9.06 Enforcement and Nonwaiver.

(A) Right of Enforcement. Except as otherwise provided herein, any Owner at his own expense, Declarant, and/or the Board shall have the right to enforce all of the provisions of Restrictions. Such right of enforcement shall include both damages for, and injunctive relief against, the breach of any such provision. In addition, any Improvement not designed and constructed in accordance with Plans and Specifications approved by the Board of Directors shall conclusively be deemed in violation of this Declaration and shall be removed or corrected by the Owner to the satisfaction of the Board of Directors. In addition to any other remedy provided for in this Declaration, the Declarant may bring suit to enjoin the commencement or continuance of construction of any Improvement for which the Board of Directors has not approved Plans and Specifications or if such improvements are not in accordance with previously approved Plans and Specifications.

(B) Nonwaiver. The failure to enforce any provision of Restrictions at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provision of said restrictions.

(C) Liens. The Board shall have the right, when appropriate in its judgment, to claim or impose a lien upon any Lot or Improvement constructed thereon in order to enforce any right or effect compliance with this Declaration.

9.07 Construction.

(A) Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any of the paragraphs, sections or Articles hereof.

(B) Singular Includes Plural. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

(C) Restrictions Severable. The provisions of the Restrictions shall be deemed independent and severable, and the invalidity or partial invalidity or any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof.

9.08 Declarant Not Liable. Except as provided in Section 9.05, effective as of the date which is six (6) months after the date that Declarant conveys all of its right, title and interest in and to the Property or any Property thereafter added or contemplated to be added pursuant to Section 2.01, Declarant shall be deemed to have assigned all its rights, benefits and obligations as Declarant hereunder to the Association. Declarant shall evidence its intent to add property to the Restrictions pursuant to Section 2.01 in writing upon any request to do so by the Association. Declarant shall then be relieved of the performance of any further duty or obligation hereunder, and the Association and its Board shall then be obligated to perform all such duties and obligations of the Declarant without the necessity of any further writing or assignment of such rights and obligations by the Declarant. During the term of the Restrictions and thereafter, neither Declarant nor the officers, directors, Members, employees and agents of it shall be liable for damages or otherwise to any Owner of any Property relying on these restrictions for reason of their unenforceability or by reason of Declarant's enforcement or nonenforcement thereof. **IN ADDITION, DURING THE TERM OF THE RESTRICTIONS AND THEREAFTER, EACH OWNER AGREES THAT HE WILL NOT BRING ANY ACTION OR SUIT AGAINST DECLARANT OR THE OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES AND AGENTS OF IT, TO RECOVER ANY SUCH DAMAGES, AND HEREBY RELEASES ALL CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST DECLARANT ARISING OUT OF OR IN CONNECTION WITH ANY DECISION, ACTION JUDGMENT, NEGLIGENCE, ENFORCEMENT ACTION OR ANY OTHER ACT OR OMISSION BY DECLARANT IN CONNECTION WITH THE ENFORCEMENT (OR LACK THEREOF) OF THE RESTRICTIONS.**

9.09 Notices. Any notice Permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third (3rd) day after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the Person at the address given by such Person to the Association for the purpose of service of notices. If no such notice is given, the common address of any Lot may be utilized for notice purposes. Such address may be changed from time to time by notice in writing given by such Person to and actually received by the Association.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of this the 9
day of August, 2002.

Declarant:

WOLF CREEK ESTATES, LP
A Texas Limited Partnership

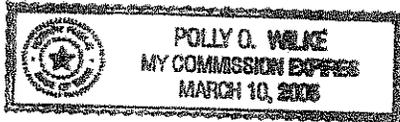
By: Devon Land LLC
A Texas Limited Liability Company
Its General Partner

By: [Signature]
Thomas F. Herr, Manager

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on the 9th day of AUGUST, 2002, by Thomas F. Herr, Mgr. Partner of Devon Land LLC., a Texas limited liability company, as General Partner of Wolf Creek Estates, LP, a Texas limited partnership, on behalf of said limited liability company and said limited partnership.



[Signature]
Notary Public, State of Texas

AFTER RECORDING RETURN TO:
Thomas F. Herr
10612 Corvallis Drive
Dallas, Texas 75229

EXHIBIT "A"

LEGAL DESCRIPTION

Being a tract of land situated in the Elisha S. Rhodes Survey, Abstract No. 1206, Dallas County, Texas and being a tract of land conveyed by warranty deed to Routen Realty Co., Inc., Trustee, recorded in Volume 88091, Page 2471, Deed Records, Dallas County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch rod found for corner on the North line of Parkerville Road (called 80' R.O.W. - measures 78.96'), said point being the Southwest corner of said Routen tract, said point also being the Southwest corner of Lot 4-B of Cockrell Hill Road Estates Addition, an addition to the City of DeSoto, recorded in Volume 70036, Page 975, Map Records, Dallas County, Texas, said point also being the Southeast corner of the tract of land conveyed to Zula Wylie, recorded in Volume 700, Page 57, Deed Records, Dallas County, Texas;

THENCE N 00°15'15" W, along the common line of said lot 4-B and Wylie tracts, a distance of 1308.37 feet to a 1/2 inch rod found for the Northwest corner of said Routen tract, said point also being the Southwest corner of Country Place Estates, an addition to the City of DeSoto, recorded in Volume 72156, Page 1366, Map Records, Dallas County, Texas;

THENCE N 89°40'33" E, along the South line of said County Place Estates, a distance of 742.28 feet to a point;

THENCE S 01°09'18" W a distance of 592.12 feet to a 5/8 inch rod found for corner on a Southerly line of said lot 4-B;

THENCE S 89°58'46" E, along said Southerly line of said lot 4-B and along the South line of lot 4-A, a distance of 1214.02 feet (deed - 1214.48 feet) to a 1/2 inch iron rod set for corner on the West line of Cockrell Hill Road (called 60' R.O.W. - measures - 61.59');

THENCE S 00°19'03" E (deed - S00°10'44"E), along the West line of said Cockrell Hill Road, a distance of 688.96 feet (deed -690.42 feet) to a 1/2 inch iron set for corner;

THENCE S 44°54'38" W, continuing along said right-of-way, a distance of 43.99 feet (deed - 42.36 feet) to a 1/2 inch iron rod set for corner on the North line of Parkerville Road (called 80' R.O.W. - measures 78.96 feet);

THENCE S 90°00'00" W, along the North line of said Parkerville Road, a distance of 1911.30 feet to the POINT OF BEGINNING and containing 42.062 acres (1,832,212 sq. ft.) of land.

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