

**DECLARATION OF  
 COVENANTS, CONDITIONS AND RESTRICTIONS  
 OF  
 MACRAY TRAIL ESTATES  
 (with Property Owners Association)**

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STATE OF TEXAS §

§ KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF COLLIN §

This DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration") is made this \_\_\_ day of \_\_\_\_\_, 2007 by RAY DAVIS DEVELOPMENT, INC., a Texas L.L.C. company (hereinafter called "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of the real property in Collin County, Texas, described in Article II of this Declaration and Declarant desires to create thereof a planned single-family residential community with open spaces and other Common Areas (below defined) and facilities for the benefit of Owners of Lots (below defined) situated within such community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said community for the maintenance of said Common Areas and facilities, and to this end desires to subject the real property described in Article II, to the covenants, conditions, restrictions, easements, dedications, dues, Assessments, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the values and amenities in said community to create an agency to which should be delegated and assigned the powers of maintaining and administering the community properties and facilities and administering and enforcing the Covenants, Conditions and Restrictions and collecting and disbursing the Dues, Assessments and Charges hereinafter created; and

WHEREAS, the Declarant has caused to be incorporated under the laws of the State of Texas, as a non-profit corporation, MACRAY TRAIL ESTATES HOMEOWNERS ASSOCIATION, INC., for the purpose of exercising the functions aforesaid and other related functions set forth herein below;

NOW, THEREFORE, Declarant declares that the real property described in Article II hereinbelow is hereby, and shall at all times hereafter be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions, restrictions, easements, dedications, dues, Assessments, charges and liens (sometimes collectively referred to herein as the "Covenants, Conditions and Restrictions") set forth hereinbelow.

#### ARTICLE I Definitions

Section 1. Definitions. The following words, when used in this Declaration or any Supplemental Declaration (unless expressly stated herein or therein to the contrary) shall have the following meanings:

- a. "ACC" means the Architectural Control Committee established by this Declaration.

b. "Addition" means MACRAY TRAIL ESTATES, an addition to the County of Collin, State of Texas, as shown, designated and dedicated on the Addition Plat of the Property recorded in Volume \_\_\_\_\_, Page \_\_\_\_\_, Plat Records, Collin County, Texas (the "Plat").

c. "Assessment" means any amount due to the Association by an Owner or levied against an Owner by the Association .

d. "Association" means MACRAY TRAIL ESTATES HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation, its successors and assigns.

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

f.. "Bridle Path" means that certain "Bridle Path" as it is referred to, described and reserved by Declarant in this Declaration, and as it is more specifically described in the separate written Easement document entitled "*18' Utility and Bridle Path Easement*" signed and recorded by Declarant in the Real Property Records of Collin County, Texas at the time this Declaration is recorded (the "Bridle Path"). Reference to such Bridle Path is also made and reserved on the face of the recorded Plat of the Addition as "30' Waterline & Bridle Path Easement" as such reference appears as a notation and description printed in the area of the Plat where Lot 23 is shown and so designated. The Bridle Path extends on, over, across and beneath the surface of the front (or most Southerly) 18' of each of the 12 contiguous Lots (being Lots 12 through 23, inclusive) on the North side of MacRay Trail, the publicly dedicated internal street within the interior of the Addition, as such street is shown, legally described and dedicated on the face of the recorded Plat thereof. The 18' Bridal Path is situated within the front "30' Building Line" set back area shown to exist and restrict each of these same 12 contiguous Lots. The Bridle Path runs from its point of beginning in the Westerly R.O.W. line of County Road No. 494, and extends from that point in a Westerly direction to its point of termination in the common lot line between Lots 12 and 11, as shown and identified in the recorded Plat of the Addition. The Bridle Path is also a part of the "Common Area" (below defined) of this Addition.

Being both Common Area and underground utility easement, the Bridle Path easement is granted to and reserved herein for the use and benefit of (i) Verona Special Utility District which is the supplier of potable water to the Addition through underground water lines lying within and under the surface of the Bridal Path and other connecting utility easements, (ii) the Association which shall have the right, authority and obligation hereunder to repair and maintain the surface of the Bridle Path easement area in good, clean, landscaped and serviceable condition, appearance and repair (notwithstanding the land it encompasses and that is encumbered thereby is under ownership of the Owners of the Lots it crosses), and (iii) each of the Association's Members (with all of the foregoing parties being collectively referred to herein as the "Beneficiaries" of the *18' Utility and Bridle Path Easement*.). The Entrance Easement is granted and reserved herein for the use, benefit, improvement, repair and permanent maintenance thereof and all

improvements, plantings and landscaping placed thereon by the Association, and constituting a part of the Common Area of the Addition.

In addition to Declarant granting and reserving herein the Bridal Path easement to and for the use and benefit of the Beneficiaries named above, Declarant has also signed a separate written document entitled "*18' Utility and Bridle Path Easement*" (the "Separate Easement Document") which is being recorded together with this Declaration in the Real Property Records of Collin County, Texas. The Separate Easement Document specifically grants and reserves to the Beneficiaries the same Bridle Path easement as is shown on the recorded Plat of the Addition, and that is also defined herein, granting unto said Beneficiaries the right and easement to use and enjoy the Bridle Path for the uses, purposes and in the manner specified therein. Such specific uses, purposes and manner of the Bridle Path easement are incorporated into this Declaration and definition by reference for all purposes.

g. "Bylaws" mean the Bylaws of the Association adopted by the Board.

h. "Common Area" means those areas of land within the Property shown and designated on the recorded Plat of the Addition as "Common Area" or similar designations, including without limitation, all of Lot 11 and the land within the perimeters of the Bridle Path and the Entrance Easement (below defined). Excepting only (i) the land within the perimeters of the Bridle Path, and (ii) the portions of Lots 1 and 23 that comprise the Entrance Easement, all of the remaining Common Area within the Addition will be owned by the Association, acquired by deed from Declarant. All of the Common Area including the Bridle Path and Entrance Easement will be managed and maintained by the Association in accordance with the provisions of this Declaration. Title to the land within the Bridle Path will be owned severally, but not jointly by the Owners of Lots 12 through 23, inclusive, and fee title to the land within the Entrance Easement will be owned severally, but not jointly by the Owners of Lots 1 and 23, respectively,

No Lot Owner, tenant, mortgagee, occupant or other party having or claiming any right, title or interest in a given Lot over which the Bridle Path crosses or is situated and is thereby encumbered, shall take any action which would, or under any circumstances could, have the effect of reducing, decreasing, blocking, impeding, restricting or denying, even temporarily or partially, the full and uninterrupted use, benefit and enjoyment of such Bridle Path along its entire course and width by the Beneficiaries named in the separate written *18' Utility and Bridle Path Easement* document signed by Declarant in favor of Beneficiaries and recorded in connection with the Recordation of this Declaration in the Real Property Records of Collin County, Texas.

Furthermore, no Lot Owner, tenant, mortgagee, occupant or other party having or claiming any right, title or interest in a given Lot over which the Entrance Easement is situated and is thereby encumbered, shall take any action which would, or under any circumstances could, have the effect of reducing, decreasing, blocking, impeding, restricting or denying, even temporarily or partially, the full and uninterrupted used benefit of such

Entrance Easement by the , benefit and enjoyment of such or Entrance Easement

The Bridle Path, and all rights, interests, benefits and uses granted to the Beneficiaries therein and thereto shall constitute covenants running with record title to all of the Lots in the Addition as shown on the face of the recorded Plat, and the encumbrances represented by the Bridle Path easement and Entrance Easements shall run with the title to the 12 contiguous Lots it crosses, and Entrance Easement shall run with the title to Lots 1 and 23 that it is located on and encumbers, whether or not so stated or recited in the deeds, deeds of trust, leases or other conveyances of any one or more of those 12 contiguous Lots encumbered by the Bridle Path easement, and shall run with the title to Lots 1 and 23 that it is located on and encumbers, whether or not so stated or recited in the deeds, deeds of trust, leases or other conveyances of any one or more of those 12 contiguous Lots encumbered by the Entrance Easement shall continue to be both binding upon the Owners of Lots 1 and 23 directly encumbered thereby, and each of such Easements shall inure to the benefit of the Owners of all Lots in the Addition (the "Members"), and the other Beneficiaries, as their respective rights, uses and interests in such easements may appear.

i. "Declarant" means RAY DAVIS DEVELOPMENT, LLC, a Texas limited liability company, its successors and assigns.

j. "Entrance Easement" means and includes the decorative sign to be designed and erected for the Addition, the entry fencing and open gated area on either side of the paved interior street, all planting and other landscaping and other improvements and structures to be designed, installed, repaired and maintained by the Association within the Common Area designated as the "Entrance Easement" to the Addition. The Entrance Easement shall lie on a portion of Lot 1 and a portion of Lot 23, and within the 50' Side Building Line area of those two Lots in proximity to the paved area of MacRay Trail, the dedicated public street within the interior of the Addition at its juncture with County Road No. 494. The exact design, detail and locations of these and other Common Area improvements the Association will make shall be designed and/or approved by the Architectural Control Committee (below defined) in each instance.

k. "Family" means persons living together in a Living Unit on a Lot in the Addition as a single house keeping unit who are related by blood, adoption or marriage, or if unrelated, then no more than two unrelated persons.

k. "Living Unit" means a single-family residential structure built upon any of the Lots in the Addition that is occupied by only one Family, and that otherwise complies in all things with the Covenants, Conditions and Restrictions set forth in this Declaration.

l. "Lot" means any of the separate plots of land shown and designated as one or more of the "Lots" numbered 1 through 10, and 12 through 23", inclusive, as are shown, so designated by Lot numbers, and dedicated on the recorded Plat of the Property, excepting however land or lots (including Lot 11) shown on the Plat and designated as a part of the Common Area.

m. "Member" means every person or entity (whether one or more) who is an Owner of a Lot and who automatically, as a function of that fact, is and shall remain a "Member" of the Association during the entire course and term of his/her/its ownership.

n. "Owner" means every record owner of fee title in a Lot, but notwithstanding any applicable theory of mortgages, the term "Owner" shall not mean or include any mortgagee, mortgage holder, assignee or other party has actually acquired record fee title to the previously encumbered Lot at a foreclosure (judicial or non-judicial) or by virtue of any recorded deed in lieu of foreclosure.

p. "Property" means all real property and improvements built thereon which is more fully described in Article II below, all of which being expressly made subject to this Declaration or any Supplemental Declaration.

## ARTICLE II Property Subject to This Declaration

The real property which is and shall be owned, held, transferred, sold, conveyed, encumbered, leased, used and/or occupied subject to this Declaration and each and all of the Covenants, Conditions and Restrictions imposed hereunder is located in Collin County, Texas, and is more particularly described as follows:

See EXHIBIT "A" attached hereto and incorporated herein by reference for all purposes, for a metes and bounds description of the entirety of the Property, and for the description of the same Property by reference to the recorded Plat of the Addition, and in either manner of legally describing the same, it is referred to in its entirety herein as the "Property".

## ARTICLE III Membership and Voting Rights in the Association

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to Assessment by the Association, shall be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of an obligation, or who is a tenant under written lease of a Lot and Living Unit thereon, but not a record owner of a fee or undivided fee interest therein, shall not be a Member, and

any person or entity who acquired any such fee or undivided fee interest shall be conclusively deemed to have accepted Membership and assumed all obligations thereof. for all purposes.

#### ARTICLE IV Rights in Common Area

Section 1. Members' Easements of Enjoyment. Subject to the terms, conditions and provisions hereof, every Member shall have a right and easement of permitted uses and enjoyment in and to the Common Area, including without limitation, the Bridle Path, all of Lot 11 and all improvements, facilities and other amenities thereon, constructed and maintained by the Association. Such easement shall be appurtenant to and shall pass with the title to every Lot. In addition, any Member may delegate, in accordance with the Bylaws of the Association, his right and easement of permitted uses and enjoyment to individuals who are a part of a Member's own Family, a Member's tenants under a written lease of a Lot or Living Unit, or a Member's contract purchasers who may actually reside in the Family Unit on that Member's Lot. Any such delegation, whether temporary or otherwise, shall be pursuant to written lease or contract to purchase between the Member and its delegee, a true and correct copy of which shall be furnished to the Association at the time it is executed and shall clearly evidence the Member's intent to delegate.

Section 2. Title to Common Area. Declarant will convey the legal title to the Common Area (except for that portion of Common Area within the Bridle Path and the Entrance Easement) to the Association by deed executed and recorded by Declarant within a reasonable period of time after the recordation of this Declaration. Legal title to the land within the Bridle Path, though it too being a part of the Common Area, will be owned severally, but not jointly, by the Owners of each of the 12 contiguous Lots across which the Bridle Path extends, but such ownership is made expressly and permanently subject to the permanent easement rights and benefits afforded hereunder to Verona Special Utility District, the Association and all of its Members to the use and enjoyment of the Bridle Path which shall constitute and encumbrance appurtenant to title to each of Lots 12 -23 inclusive, running with title thereto, and shall be binding upon each subsequent owner, lienholders, tenant or other occupant of each of those 12 Lots, in favor of the Association and each of its Members, irrespective of the absence of the foregoing provision from any document of conveyance, deed of trust, lease or other document conveying possessory rights in and to any one or more of such 12 encumbered Lots.

Section 3. Improvements to Common Area. The Association shall be responsible to improve and maintain all of the Common Area within the Addition, including without limitation, the improvements to be built and maintained by the Association on Lot 11 for the use and benefit of the Members, which includes the Equestrian Center, the separate fenced area thereon designated by the Association as the parking area for large trucks, trailers and other wheeled vehicles, the manually operated gate to be installed at the entrance to Lot 11 from the street and Bridal Path, the split rail perimeter and all cross fencing to be installed and maintained thereon, improvements to other portions of the Common Area,

#### ARTICLE V Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot or Living Unit owned by it within the Property, hereby covenants, and each Owner of any Lot or Living Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall none-the-less be conclusively deemed to have covenanted and agreed to pay to the Association: (1) annual "Dues", (2) periodic special "Assessments" for capital improvements, and (3) such other "Charges" as may be fixed, established, assessed and collected by the Association from its Members from time to time hereafter, as below provided. Such annual Dues, special Assessments and other Charges, if any, together with interest thereon from the date(s) they become due until paid in full, plus the Association's reasonable attorney's fees, and other costs of court or collection shall be a continuing charge against the Lot(s) comprising the Addition. If any portion of the annual Dues, any special Assessments or other Charges that are due against a given Lot are not paid in full by the date or dates upon which they become due, the unpaid sums shall be secured by a valid and continuing lien in favor of the Association upon the Lot(s) against which such sums are assessed. All such Dues, Assessments and other Charges, together with interest thereon at the rates specified below, reasonable attorneys' fees and other costs of collection shall also be the personal obligation of the person or entity who was the record Owner of fee simple title to such Lot at the time the unpaid Dues, Assessments or other Charges became due and owing.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the owners of the Lots comprising the Addition, and, in particular, for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area and of the buildings, structures, fencing, parking areas, drives, bridal paths and other structures or facilities built and existing on the Common Area, including, without limitation, the payment of taxes and insurance thereon, and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

Section 3. Basis and Maximum of Annual Dues. Annual Dues shall begin on the first day of the month following the initial conveyance of any Lot by the Declarant, and the Annual Dues for the Owner of each Lot and any Living Unit thereon, shall be set by the Board of Directors of the Association based by them on the total anticipated current maintenance costs and other expenditures of the Association for the ensuing 12 month period thereafter. Based upon such determination, the annualized amount of Annual Dues charged and assessed by the Association against the entirety of Lots in the Addition and the Owners thereof who collectively are the Members of the Association.

Section 4. Special Assessments for Capital Improvements. In addition to the annual Dues authorized by Section 3 hereof, the Association may also levy in any Assessment year, a special Assessment applicable to that year only, for the purpose of defraying, in whole or part, the cost of any construction or reconstruction, repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such Assessment shall have the assent of 66 2/3 percent of the votes of the Members who are voting in person or by proxy at a meeting duly called for such purpose. Written notice of such meeting which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, and the written notice shall specifically set forth the purpose for which the of the meeting is called.

Section 5. Change in Basis and Maximum of Annual Dues. From and after January 1 of the year immediately following the commencement of annual Dues, the maximum annual Dues may be increased effective January 1 of each year without a vote of the Membership in conformance with the rise if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the most recent prior month for which such Index is published and available. for reference.

From and after January 1 of the year immediately following the commencement of annual Dues, the maximum annual Dues may be increased above that established by the Consumer Price Index formula by a vote of the Members, provided that any such change shall have the approval of two-thirds (2/3) of the Members voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall have been sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting.

Section 6. Quorum for any Action under Sections 4 and 5. A Quorum for any action authorized by Sections 4 and 5 shall be as follows:

- a. At the first meeting called as provided in Sections 4 and 5 hereof, the presence at the meeting of Members or of proxies entitled to cast fifty-one percent (51%) of all the votes of the Membership shall constitute a quorum.
- b. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirements set forth in Sections 4 and 5 and the required quorum at any such subsequent meeting shall be one-half (1 /2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Date upon which Annual dues become Due and Payable. The annual Dues provided for herein shall become due and payable on the 1st day of January (the "Due Date" of annual Dues) after the Commencement Date hereinabove set out and the Due Date of any special Assessment levied pursuant to the provisions of under Article V, Section 4 hereof shall be the date specified as such in the resolution of the Board of Directors authorizing such special Assessment.

The Board of Directors may, at its option, change the payment intervals of the annual Dues to being paid in correspondingly smaller portions of the whole by breaking them into two equal semi-annual installments or four equal quarterly installments, as the case may be.

Section 8. Duties of the Board of Directors. The Board of Directors of the Association shall, upon the Commencement Date herein provided, and regularly thereafter:

- a. Prepare and Maintain Written Roster for Each Lot. Prepare a current written roster (the "Roster") for each separate Lot comprising the Addition, specifying in each such Roster:
  - (1) the Lot No. to which it applies,
  - (2) the "Effective Date" (herein so-called) of such Roster,
  - (3) the name(s) and mailing address(es) of the record owner(s) of fee simple title to that particular Lot, both as of January 1 of the current calendar year and as of the "Effective Date" (herein so-called) of that same Lot, if different,
  - (4) the amount of the current (or most recently assessed) Dues attributable to that Lot, and whether the current Dues are payable in annual, semi-annual or quarterly installments and the various Due Date(s) of the annual payment or of each semi-annual or quarterly installment payment, as may be applicable,

- (5) whether the annual payment of Dues or, as may be applicable, the most recently (and all previously) due payments or installments of Dues have been paid, and if less than all, the dollar amount of the portion thereof that has been paid, and the date(s) of each such payment,
- (6) the amount of the current (or most recently assessed) special Assessment and all other duly assessed Charges, if any, attributable to that Lot, and the Due Date(s) upon which any current special Assessment and/or any other Charges are payable,
- (7) whether the current special Assessment and any other Charges attributable to that Lot have been paid in full, and if so, the date(s) upon which such payment(s) were actually received by the Association and the amounts of each such payment, and,
- (8) if none, or if only a part of the total amount of any current special Assessment and/or other Charge attributable to the Lot has been paid as of the Effective Date shown on the Roster for such Lot, the Roster shall also specify the balance due as of the Effective Date for any due but unpaid sums owing on the Dues, special Assessment(s) and/or other Charges, if any, attributable to the Lot and for which the record owner of fee simple title to such Lot as of January 1 of the current calendar year is personally and legally obligated to pay to the Association upon written demand therefore being given to the Owner at his most recent mailing address according to the records of the Association. For these and other purposes, it shall be the Owner's ongoing responsibility (and not that of the Association) to provide the Association written notice of any change in the Owner's mailing address, and it is to that specified address that all subsequent communications and notices sent to Owner hereunder shall be directed, all without any further inquiry on the part of the Association being required.
- (9) The Association shall automatically have a valid and enforceable lien (the "Assessment Lien") on and against the Lot and all Living Unit, structures and other permanent improvements constructed thereon as collateral and security for the payment in good and immediately available funds by Owner of all sums due by Owner and attributable to the Lot as provided among the other provisions of this Declaration.
- (10) The original, or a true and correct copy of each such Roster (one separate written Roster for each platted Lot) shall be kept in the office of the Association, and shall be open to inspection and copying (on-site at Owner's expense) by any Owner. Written notice of the initial annual Dues and of any subsequent changes thereto shall be promptly sent by the Association to every Owner.

b. Resale Certificate. The Association shall upon, demand written request by or on behalf of an Owner of any Lot, provide the Owner or his agent copies of the documentation and information relating to the Subdivision, these Covenants, Conditions and Restrictions and the "Resale Certificate" in the form and containing the information required hereunder, and as is required to be furnished by the Association to the requesting Owner in accordance with the provisions and requirements, and subject to the penalties, costs and other sanctions set forth in **Chapter 207, Texas Property Code**, as hereafter amended, or any successor

statute thereto (collectively, the "Resale Certificate"), which is incorporated herein by reference for all purposes. A reasonable charge may be made by the Association for the issuance of such Resale Certificate and such Resale Certificate shall be conclusive evidence of payment of any Dues, Assessment or other similar Charges therein stated to have been paid or to be due and unpaid, as the case may be.

Section 9. Effect of Non-payment of Dues, Assessment or other Charges; Personal Obligations of Owner; Lien; Remedies of Association. If the Dues, any Assessments and/or any other Charges are not paid on the date when they become due, then such unpaid amounts shall become delinquent and shall, together with interest at the rate and for the period specified below, together with reasonable attorney's fees and other cost of court or collection thereof as hereinafter provided, shall forthwith become a valid and continuing lien on the Lot upon which it is due, and which shall bind such Lot in the hands of the then Owner, his heirs, successors, devisees, personal representatives, trustees and assigns. It shall automatically be the personal obligation of the then Owner of the subject Lot to pay such delinquent Dues, Assessments and other Charges, attorneys fees and other collection costs, while at the same time, the entire indebtedness shall follow along with record title to the Lot and continue to be Assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the Dues, Assessment or other Charges, if any, are not paid in full on or before the date they are due, such sums are then delinquent. All such delinquent sums shall bear interest from the date they are due until paid at the rate of ten percent (10%) per annum, and the Association may bring an action at law in a court of competent jurisdiction in the county wherein the Property is situated against the Owner who is personally obligated to pay the same and/or to seek and obtain a judicially ordered foreclosure of the Assessment Lien on the Lot upon which the delinquent sums have been assessed, and there shall be added to the amount of such sums the cost of prosecuting such suit and in the event a judgment is obtained in favor of the Association, such judgment shall include interest on the total of all sums then due as above provided, and a reasonable attorneys' fee to be fixed by the Court, together with costs of the action. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-usage of the Common Area or abandonment of his own Lot(s).

Section 10. Subordination of the Assessment Lien to Mortgages. The Assessment Lien provided for herein shall be subordinate and inferior to the lien of any mortgage or mortgages now or hereafter placed of record against one or more Lot(s) that are subject to Dues, Assessments and other authorized Charges, provided, however, that such subordination shall apply only to the Dues, Assessments and other such Charges which have become due and payable to the Association prior to a foreclosure (whether by sale or pursuant to judgment or decree of the court). Such sale or other conveyance shall not however relieve such Lot(s) or the Owner(s) of fee simple title thereto as of the Due Date of any delinquent Dues, Assessments and other authorized Charges owing the Association, from personal liability for any such sums thereafter becoming due, nor from the Assessment Lien against such Lot(s) securing such subsequent Dues, Assessments and/or other authorized Charges.

Section 11. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments, charges and liens created herein:

- a. All properties to the extent of any easement or any other interest therein dedicated and accepted by the local public authority and devoted to public use.
- b. All Common Property as defined in Article I, Section 1, hereof.

c. All properties exempted from taxation by the laws of the State of Texas, upon the terms and to the extent of such legal exemption.

Notwithstanding any provisions herein to the contrary, none of the Lots, Living Units, accessory structures or other permitted and approved permanent improvements situated thereon shall be exempt from the Dues, Assessments or other Charges that have been properly assessed by the Association.

## ARTICLE VI Architectural Control

The Architectural Control Committee (“ACC”) shall be composed of Declarant and two (2) other representatives (or their replacements) appointed by Declarant, each of whom shall serve in that capacity until such time that seventy-five percent (75%) of all Lots (exclusive of Lot 11) have been sold and Living Units constructed thereon. Thereafter, the three (3) representatives of the ACC shall be appointed by the Board of Directors of the Association.

No Living Unit, permitted accessory building, fence, wall or other permanent improvement or structure shall be commenced, erected or maintained upon any of Lots 1 through 10 or Lots 12 through 23, inclusive, as so-designated on the recorded Plat, nor shall any exterior addition to or change or alteration thereof be made or maintained unless and until the details, plans and specifications showing the nature, kind, shape, height, materials, colors and location of the same on a given Lot shall have been submitted in writing (and in form and content acceptable) to the ACC, and thereafter approved in writing by the ACC as to compliance with all Restrictive Covenants enumerated in Article VII, hereinbelow, harmony of external color, design and location in relation to Front Side and Rear Building Lines, any Drainage and/or Utility Easements in the area of the intended improvements, other surrounding structures and surrounding topography. The ACC’s approval shall be in writing and a decision on approval will be made as soon as is reasonable but not later than 30 days from the receipt by the ACC of the fully and properly completed written application form and any desired supporting materials the applicant may choose to submit.

No trees shall be removed from any part of the Property excepting only any that are located within the boundaries of the publicly dedicated street, or any public or private access or utility easement area(s) shown and dedicated or reserved on the recorded Plat of the Addition (including without limitation that portion of the Common Area wherein the Bridle Path is situated), but limited to only such trees as are actually blocking or impeding the free and open movement of pedestrian, horse and/or vehicular traffic within and across the public street, or interfering with the furnishing, installation or repair of utility services within the Drainage and/or Utility Easements, and/or that reduce or diminish the use and enjoyment of all of the Common Areas (including the Bridle Path) by Owners of Lots in the Addition, as determined by the ACC in its reasonable discretion.

## ARTICLE VII Restrictive Covenants

Each of the specifically numbered Lots shown upon the recorded Plat of the Addition shall be impressed with the following covenants, conditions and restrictions for the purpose of carrying out a general plan of development and maintenance of the Property. All such covenants, conditions and restrictions shall constitute covenants running with the record title to

each Lot within the Addition and being appurtenant thereto, binding upon each subsequent owner, lienholder, tenant or other occupant of any such Lot and the Living Unit situated thereon irrespective of the absence of the foregoing provision from any document of conveyance, deed of trust, lease or other document conveying possessory rights in and to a Lot and any Living Unit thereon.

- a. All Living Units shall be constructed to face the street on which the Lot fronts (i.e. MacRay Trail).
- b. All Living Units and permitted accessory structures shall be erected and maintained behind the 30' Front Building Line for such Lot as shown on the Plat, with the ACC having no discretion or authority to waive or reduce the foregoing requirement.
- c. No Living Unit or other permitted accessory structure or permanent improvement shall be erected or maintained closer to the Side or Rear Lot line than the 15' Side and Rear Building Lines for such Lot as shown on the Plat, with the ACC having no discretion or authority to waive or reduce the foregoing requirement.
- d. The total interior floor area (meaning the total air-conditioned habitable living area the Living Unit on each Lot), exclusive of porches, garages, patios and detached accessory buildings, shall be not less than 2,400 sq. ft., and with not less than 600 of those sq. ft. being on the second floor of any two story Living Units.
- e. All Living Units shall be constructed of stone, brick, stucco or other masonry approved by the ACC, and may incorporate in one or more exterior walls, or such other material as may be expressly approved in writing by the ACC, to the extent of at least eighty-five percent (85%) of the area of the outside walls on the first floor. The exterior walls of the second floor of any two story Living Units may be masonry, wood or such other material as may be approved in writing by the ACC.
- f. No Living Unit, permitted accessory building, fence, wall or other permanent improvement or structure shall be commenced, erected or maintained upon any of Lots 1-10 or Lots 12-23, inclusive, as so designated on the recorded Plat of the Addition, nor shall any exterior addition to, or change or alteration thereof be made or maintained unless and until the details, plans and specifications showing the nature, kind, shape, height, materials, colors and locations of the same on a given Lot shall have been submitted in writing (and in form and content acceptable) to the ACC and thereafter approved in writing by the ACC as to compliance with all Restrictive Covenants enumerated in this Article VII, harmony of external color, design and location in relation to Front, Side and Rear Building Lines, any Drainage and/or Utility Easements, including without limitation, the Bridle Path, in the area of the intended improvement, other surrounding structures and surrounding topography. This Section shall be applicable to initial construction as well as to alterations,

changes and additions at any time subsequently made. Roofs shall be of wood shingles, tile or composition shingles in earth tones or such other standard roofing materials that may be approved in writing by the ACC. In no case shall the ACC's written approval or disapproval of proposed improvements be unreasonable delayed, even if disapproved in whole or in part.

g. No fence, wall or hedge shall be placed on any Lot nearer to the front street than is permitted for the Living Unit on that Lot. No fence, wall or hedge greater than six feet (6') in height shall be placed on any portion of any Lot. No wire or chain link fencing is permitted on any portion of a Lot excepting only along the Rear Lot Line of a Lot, if approved in writing by the ACC. Notwithstanding the foregoing, split rail fencing for perimeter and any back yard cross fencing on Lots in the Addition is highly encouraged if properly located and if not exceeding the (6') six foot height regulation.

Should a hedge, shrub, tree, flower or other planting be so placed, or afterwards grown, so as to encroach upon any adjoining Lot or the publicly dedicated street, or within any Drainage and/or Utility Easement shown or reserved on the Plat, or upon any portion of the Common Area (including without limitation the area of the "Bridle Path"), such encroachment shall be removed upon written request made by the Owner of the adjoining Lot, or for encroachment within the public street, any Drainage or Utility Easement or within any portion of the Common Area including the area of the Bridle Path, upon request of the ACC.

h. All Lots shall be used and occupied for single-family residential purposes only. No building or other permanent structure shall be erected, placed, altered, or permitted to remain on any Lot other than one free-standing single-family Living Unit per Lot, which Living Unit may not exceed two (2) stories in height above ambient ground elevation, with a two or three car attached garage, and the Owner of any Lot upon which the Living Unit and attached garage have been completed after first obtaining approval thereof by the ACC as required hereunder, may, at such Owners option, construct a small barn or horse stall or other permanent free standing structure approved in advance and in writing by the ACC which itself opens only to the Side or Rear of the Lot and in no event opening in a direction it may be seen from the public street in front of the Lot, as provided below. The ACC shall consider among other facts, the size, location and exterior building materials, tones of exterior materials and coverings, harmony of exterior design with that of the Living Unit on that same Lot, the proximity of such structure to adjoining Lots and Living Units thereon and compliance with other covenants and restrictions set forth in this Declaration.

i. Each Living Unit may be occupied by only one family consisting of persons related by blood, adoption or marriage, or by no more than two unrelated persons living together as a single house keeping unit.

j. None of the originally platted Lots shall be subdivided into smaller Lots.

- k. Excepting only for (i) one or more cats, dogs and other normal household pets, and (ii) excepting further for the following maximum number of horses allowed to be kept and maintained on various of the Lots as specified below, no other or additional animals, livestock, or poultry, including peacocks, shall be raised, bred, kept or maintained on any Lot, and in no event may animals, poultry, livestock of any kind be kept, bred or maintained for any commercial purpose. The number of horses that may be kept or maintained on a given Lot (excluding Lot 11 of the Common Area) shall be a function of the size of the Lot in question. Specifically, not more than three horses may be kept or maintained at any time on any Lot in the Addition that is less than one acre in size; not more than four horses may be kept or maintained at any time on any Lot in the Addition that is not less than one and one-half acres and up to 4 acres in size; and not more than six horses may be kept and maintained at any one time on the one Lot in the Addition (being Lot 10) that is in excess of four acres in size, determined in each case according to the interior square footage, converted to an acreage area, that is within the perimeter Lot line of a given Lot, as those perimeter measurements are set forth for each Lot on the face of the recorded Plat of the Addition. Furthermore, in no event shall horses be kept and maintained on a recurring basis within 50' of any Living Unit, whether on that same Lot or on any adjoining Lot in the Addition.
- l. Irrespective of whether a household pet or horse is of the type and within the number permitted for a given Lot as set forth above, if any such animal proves to be a recurring nuisance to the Owners of other Lots in the Addition and/or other permitted occupants of Living Units on any of those Lots, the Association is vested with the right and authority to impose such requirements and restrictions on the owners of the noxious animal to relieve or abate the nuisance, including without limitation requiring such owner to remove the offending animal from the Lot and the Addition as a whole, with the accompanying power to enforce any such requirements or restrictions.
- m. No noxious or offensive act or activity shall be allowed upon any Lots, nor shall anything be done thereon which may become an annoyance or a nuisance to the neighborhood.
- n. No sign shall be erected or maintained on any Lot except a "for sale" sign, which sign shall not exceed 12 square feet in size, or a sign of any size if owned and placed there by Declarant.
- o. No radio, television or other antenna shall extend more than fifteen (15) feet above the highest point of the roof of any Living Unit on any Lot, and no such antenna shall be maintained on any Lot not already containing a Living Unit thereon, except as may be approved in writing by the ACC. Any roof top satellite TV Dish type antenna must not exceed 18" in diameter, or if larger than that, it must be mounted on the ground and must not exceed the height of the fence screening it from street view.

- p. Any portion of a Lot that is exposed to the public view must be maintained by the Owner of such Lot in a neat, orderly and well maintained condition. In the event the Lot Owner does not comply with the foregoing Restriction, the Association shall have the right to cause any necessary maintenance to be done at the expense of the Lot Owner.
- q. None of the Lots, nor any portion of the Common Area in the Addition shall be used for the dumping or storage of rubbish, trash, debris, surplus soil, rocks, etc.
- r. No oil or gas drilling, oil or gas development or production operations, refining, quarrying or mining operations of any kind shall be permitted to occur on any Lot, nor shall oil or gas wells, drilling rigs, pumps, tanks, mineral excavations, shafts, pipelines, roads, easements or other visible or audible activities or equipment be permitted upon, under or across any Lot or any portion of the Common Area. No derrick, pump or other similar structure shall be erected, maintained or permitted upon any Lot or any portion of the Common Area.
- s. No temporary outbuilding, shop, trailer or residence of a temporary character shall be permitted on any Lot. No building material of any kind or character shall be stored upon any Lot until the Owner of such Lot is ready to commence construction of permanent improvements thereon which have been approved in writing by the ACC.
- t. No boat, horse or other type trailer, mobile home, camper, boat trailer, motor home, commercial truck and/or trailer combination or similar wheeled vehicle shall be stored or allowed to be parked or remain on any Lot, nearer to the public street in front of such Lot than the Front Building Line, or in the driveway, side or rear areas of the Lot or in the public street upon which the Lot fronts, excepting only on a temporary basis not to exceed 24 hours in any monthly period. During any such temporary period, the wheeled vehicle of the type described above shall be parked only in the garage or driveway on the Lot behind fenced, walled or other enclosed areas of the Lot so as not to be visible from the public street. The Association will designate a specific fenced area on a portion of Lot 11 as the area where Members may park vehicles of the types described above, provided that in no event shall any vehicles be parked anywhere in the Addition in violation of the restrictive covenants set forth in sub-section w. below.
- u. All Living Units and other permitted permanent improvement and structures on a Lot shall be completed as soon after construction commences as is reasonably able to be accomplished, and only after the appropriate Building Permit has been issued by the Collin County Development Services Department. No Living Unit shall be occupied unless and until it is connected in a proper way with an on-site sewage system complying in all things with the applicable rules and regulations of the Collin County Development Services Department.
- v. Specifically exempted from the provisions of this Section of this Declaration are activities by the Declarant, carried out in the regular pursuit of development, con-

struction, maintenance and sales within the Addition, which exemption shall end when all development activity, including all Lot sales by Declarant are completed.

w. No vehicle of any size which transports flammable, caustic, environmentally harmful or potentially explosive cargo may be kept in or upon any portion of any Lot, including Lot 11, or on the public street in front of any Lot at any time.

x. Mailboxes on each Lot shall be constructed of brick, stone, wood or other material, color and design to match the exterior design, color and materials of the exterior of the Living Unit on the same Lot, as may be approved in advance and in writing by the ACC.

y. Each Lot on which a Living Unit is constructed shall have and contain an underground water sprinkler or irrigation system installed and functioning in at least the entire front yard area of such Lot for the purpose of providing sufficient water to preserve and maintain the grass and other landscaping on the Lot in a healthy and attractive condition.

z. Each Lot on which a Living Unit is constructed shall have landscaping, including, but not limited to, shrubs, flowers, trees, ground cover and grass, of a sufficient quality, quantity and design to be compatible with landscaping on adjoining Lots and with the neighborhood setting intended for the Addition. Landscaping of a Lot shall be completed as soon as is reasonably practical after completion of the Living Unit. Lot Owners shall use reasonable efforts to preserve, keep and maintain the landscaping in a healthy and attractive condition.

aa. Each Lot Owner shall mow and maintain the grass, landscaping and other vegetation on his/her Lot in such a manner as to control weeds, grass and/or other unsightly growth. If after ten (10) days prior written notice from the Association, an Owner shall fail to (i) control weeds, grass and/or other unsightly growth; (ii) remove trash, rubble, building and construction debris; or (iii) exercise reasonable care or conduct to prevent or remedy an unclean, untidy or unsightly condition, then the Association shall have the easement, authority and right to go onto said Lot for the purpose of mowing and cleaning said Lot and shall have the authority and right to assess and collect from the Lot Owner a reasonable fee for mowing and cleaning said Lot on each respective occasion. The Assessments, together with interest thereon at the rate interest accrues on assessments for Annual Dues, special Assessments and other Charges accrues pursuant to the Bylaws of the Association, and other costs of collection thereof shall be a charge on the Lot and shall be cured by a continuing lien upon the Lot assessed. Each such Assessment, together with such interest thereon at the above referenced rate, and costs of collection thereof, shall also be the continuing personal obligation of the Owner of such Lot at the time when the Assessment is made. The lien securing any such Assessment shall be subordinate and inferior to the lien of any mortgage or any renewals or extensions thereof existing prior to the Assessment date.

bb. At the time of the initial construction of any Living Unit, each Living Unit shall include smoke detectors and such other safety and security devices within them which, in the opinion of the ACC, are reasonably required for safety and security purpose.

cc. Each Owner of any Lot and/or single-family Living Unit and other permitted permanent structures within the Property, shall maintain his Lot and shall construct and maintain all permanent improvements thereon in accordance with the covenants, conditions and restrictions set forth in this Declaration.

#### ARTICLE VIII Easements Reserved

a. No building or other permanent structure, temporary structures, or physical barriers of any kind (whether natural or man-made) shall ever be built, located or allowed to exist or remain (even temporarily) within areas designated on the recorded Plat of the Property as utility, drainage or other easements, including the area shown, described and designated herein and in the separate written easement document as the Bridle Path., the areas designated and dedicated as the "Bridle Path," excepting only as may be approved in writing and in advance by the ACC for necessary and temporary repairs or other reasons determined valid and necessary by the ACC.

b. Declarant reserves and dedicates to and for the use and benefit of the Association a perpetual easement within the area East of the 50' wide Side Building Line located on the Easterly side of Lots 1 and 23 within the Addition as shown on the recorded Plat within which the Association will build, install, landscape and thereafter maintain and repair a decorative entrance to the Addition in the area, and on either side of the paved surface of MacRay Trail, the publicly dedicated street within the interior of the Addition, at its junction with County Road No. 494. That portion of the land on Lot 1 and 23 that will be permanently utilized and encumbered for the foregoing purposes shall be the land that is more particularly described in a separate written easement document entitled "Entrance Easement", which document shall be signed by Declarant and reserved for the enjoyment of the Owners of the Lots and for the Association itself granting it the right to improve, repair and permanently maintain all fencing, signage, planting, landscaping and other structures placed by the Association at the "Entrance" to the Addition as referred to above. The term "Entrance" shall mean and include the area whereon all of the foregoing improvements and betterments are placed by the

Association and such additional surrounding area as may be reasonably necessary for periodic repairs and replacements and re-planting measures undertaken by the Association to occur. The exact land within the 50' Side Building Line on the easterly side of Lot 23 wherein the express "Entrance Easement" shall extend and encumber is the land described within the separate written and recorded easement document. The "Entrance Easement" shall encumber that specific portion of Lot 1 and Lot 23, and shall constitute an easement appurtenant to those respective Lots, constituting covenants running with the title thereto and shall be for the use, benefit and permanent maintenance thereof by the Association, as a part of the Common Area of the Addition.

## ARTICLE IX General Provisions

Section 1. Duration. The covenants, conditions and restrictions of this Declaration shall run with the title to and bind the Property and all Lots shown and designated by Lot number set forth in the Plat of the Addition recorded in the Real Property Records of Collin County, Texas, and shall inure to the benefit of and be enforceable by the Association, or by the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by the then Owners of fifty-one percent (51%) of the Lots has been recorded in said Real Property Records, agreeing to change said covenants, conditions and restrictions in whole or in part; provided, however, that no such agreement to change shall be effective unless made and filed of record not less than one (1) year in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner at least thirty (30) days in advance of any action taken.

Section 2. Reserved Rights of Declarant. Notwithstanding any other provision hereof, Declarant reserves unto itself, its successors or assigns, the right (upon application and request of the Owner of any Lot) to waive, vary or amend (by an appropriate letter to that effect, addressed and delivered to such applicant Owner by Declarant) the application of any one or more of these covenants, conditions and restrictions to such Lot, for reasons and circumstances that Declarant may determine, in its sole discretion, is necessary or appropriate to relieve hardship or permit good architectural planning to be effected.

Declarant also expressly reserves unto itself, its successors or assigns the right to re-subdivide and re-plat all or any portion of the Property or any of the Lots or other designated areas of the Property now or hereafter shown and designated on the currently recorded Plat of the Property or on any future or supplemental Plat of all or any part thereof that is now or at any time hereafter owned in fee simple by Declarant at the time of the re-platting, without any notice to or consent of any other Owner.

Section 3. Sales Office. Declarant may designate the location of a sales office for use in offering Lots for sale, and for all purposes incident thereto. Said use is intended as temporary,

and shall cease at such time as seventy-five percent (75%) of the Lots in the Addition (exclusive of Lot 11) have been sold and a Living Unit constructed thereon.

Section 4. Invalidation and Severability. The invalidation by any court of any reservation, covenant, condition or restriction herein, or in any contract or deed contained, shall not impair the full force and effect of any other reservation, covenant, condition or restriction.

Section 5. Acceptance of Declaration. The provisions hereof are hereby made a part of each contract and deed in respect of any Lot to the same effect as if fully set forth therein, and each such contract and deed shall be conclusively held to be executed, delivered and accepted upon and subject to the provisions and conditions herein set forth, including being subject to each reservation, covenant, condition and restriction herein.

Section 6. Interpretation. Declarant's interpretation of the meaning and application of the provisions hereof shall be final and binding on all interested parties at any time in question.

Section 7. Other Committees. Declarant shall have until the date that seventy-five percent (75%) of all Lots in the Addition (exclusive of Lot 11) have been sold and conveyed by Declarant with a Living Unit constructed thereon, within which to appoint a committee of one or more persons to exercise any or all of the discretionary rights and powers reserved herein to Declarant.

Section 8. Assignment. Declarant may assign to any person or corporation any or all rights, powers, reservations, easements and privileges herein reserved by and to Declarant, and any such assignee shall have the same right to so assign.

Section 9. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed postage prepaid to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing.

Section 10. Enforcement. Enforcement of these covenants, conditions and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any of such covenants, conditions and/or restrictions, either to restrain violation or to recover damages and against the Lot to enforce any lien created by these covenants, and failure by the Association or any Owner to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 11. Amendments. Notwithstanding anything hereinabove, Declarant shall have the right and power, exercisable at anytime prior to the date when seventy-five percent (75%) of the Lots in the Addition (exclusive of Lot 11) have been sold and conveyed by Declarant with a Living Unit constructed thereon, Declarant, in its discretion, to amend or change these covenants, conditions and restrictions with the consent of at least fifty-one percent (51%) of the outstanding votes of the Association.

Section 12. Rules and Regulations. The Declarant may adopt certain reasonable rules and regulations, together with sanctions for the violation thereof, to insure maintenance of the character and quality of the Addition in harmony with the Guidelines set forth in these covenants, conditions and restrictions. From time to time, the Association may amend or vary such rules and regulations according to the Bylaws of the Association.

RAY DAVIS DEVELOPMENT, LLC,

a Texas limited liability company

BY: \_\_\_\_\_  
Maurice Ray, Manager

BY: \_\_\_\_\_  
Judith Davis, Manager

ACKNOWLEDGMENT

THE STATE OF \_\_\_\_\_ §

COUNTY OF TARRANT §

BEFORE ME, the undersigned, a Notary Public in and for the State of \_\_\_\_\_, on this day personally appeared MAURICE RAY and JUDITH DAVIS, each as Manager of RAY DAVIS DEVELOPMENT, LLC, a Texas limited liability company, each having proved to me in the manner provided by applicable law to be the person and Manager whose name is subscribed to the foregoing instrument, and each acknowledged to me that he/she executed the same on behalf of said company, as its act and deed, for the purposes and consideration therein expressed, and in the capacity stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(Printed Name of Notary)  
Notary Public, State of

EXHIBIT "A", Page 1  
Description of Property  
Metes and Bounds Description

EXHIBIT "A", Page 2  
Description of Property  
(Platting Reference)

**RULES AND REGULATIONS  
of  
MACRAY TRAIL ESTATES HOMEOWNERS ASSOCIATION, INC.**

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**RULES AND REGULATIONS**

In order to carry out the mandates of the Declaration of Covenants, Conditions and Restrictions, the Certificate of Formation and the Bylaws of MACRAY TRAIL ESTATES HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation (the "Association"), the Board of Directors of the Association have adopted the following "Rules and Regulations"

(herein so-called). These Rules and Regulations have been adopted to more clearly define the intent and effect of the above documents. They are intended to protect health, promote safety, preserve the natural environment, and to promote harmony and tranquility within the development. They will be enforced uniformly to all Owners, and such Owners' tenants and guests. They are designed to affect those activities of a nature occurring on or affecting the use of areas designated on the recorded Plat or described herein as being a part of the Common Area, and not to regulate the private and personal lives of the Members.

## 1. TENANTS

Any Owner of a Lot with a Living Unit may lease the Living Unit and Lot to any person without approval by the Association. However, the Association does have the following minimum requirements concerning tenants which must be followed. These requirements are set forth to assist tenants and to involve them in the life of the community and not to adversely affect an Owner's right to lease property.

- A. Any Owner leasing their Living Unit must do so only in writing, and shall furnish to the Association a copy of the written lease and the name and address of the tenant. The Owner must also furnish his new address for Association's records relating to that particular Lot.
- B. The term of any lease, to be in compliance with these Rules and Regulations shall not be less than 30 days.
- C. The written lease shall contain a clause requiring that the tenant will abide by these Rules and Regulations and the Architecture and Landscape Guidelines of the Association, and providing further that tenant's failure to do so will constitute a default by tenant under the provisions of the written lease. The lease shall also provide that the tenant assumes responsibility for guests using Common Area, improvements, facilities or other amenities thereon.
- D. The Owner of such Lot shall be deemed, by virtue of leasing his Lot and Living Unit thereon, for all acts, omissions, injuries, property damages and other expenses incurred by the Association or any other Owner of any other Lot caused by the tenant or tenant's guests. To facilitate the foregoing compliance, a copy of the Rules and Regulations, and the Architecture and Landscape Guidelines shall be furnished by the Owner to the tenant at the time of executing the written lease.

## 2. GUESTS

The Common Area and all structures, facilities and other amenities thereon are for the use, enjoyment and benefit of the Owners of Lots in the Addition and individual Members of their Family living in and occupying Living Units on Lots in the Addition. With this prevailing concept in mind

Guests of Owners must be accompanied at all times by the Owner while using or being within or upon any part of the Common Area of the Addition. In any event, the Owner assumes all liability and has full responsibility for the Guest's behavior, demeanor, acts and incidents caused by act or omission on the part of the Guests while upon Common Area or while utilizing any of the improvements or other amenities thereon. Any Guest, by his or her act of being upon or utilizing any of the Common Area shall be deemed to have fully and effectively waived any right, claim or cause of action such Guest may otherwise have or claim against the Association or any of its Members for any injury, property damage or other loss that may occur or be sustained while on Common Area. The recordation of this Declaration and the documents appended thereto when filed in the Real Property Records of Collin County, Texas shall constitute constructive notice to any individual who, as Guests or trespasser, goes on or within the Common Area, irrespective of cause or fault, sustained physical injury, property damage or both.

The rights, uses, enjoyments and benefits of the Common area of this Addition is for the sole and exclusive benefit of Owners of Lots and of the Association whose continuing obligation it is to repair and maintain Common Area and structures, facilities, landscaping and other facilities thereon, and are specifically not for the benefit of third parties. Accordingly there are no third-party beneficiaries as pertains to the rights and benefits afforded the Owners in the Association, and reserved only for them, in this Declaration. As such no third-party shall be entitled to rely upon or benefit in any way from the rights, uses and other Guest benefits expressly reserved by Declarant herein for the Owners and the Association.

### 3. COMMON AREA

The Common Area is intended for the quiet, peaceful and lawful use of the Owners or other permitted tenants or occupants of a Living Unit on a Lot and accompanied Guests. The intent is to preserve this area for the enjoyment of the Members of the Association. The following regulations are designed to protect the trees, bushes, plants, animals, birds, and other individuals from harm, damage, injuries or nuisance caused by persons or animals.

- A. Members using Common Area are required to put away and store in a proper manner all tack and other equipment they have used and shall clean up droppings of horses and dogs before leaving the premises of the Common Area.
- B. No horses shall be left unattended in any portion of the Common Area. No personal property of an owner or Guest shall be left in the Common area after the individual himself leaves.
- C. The Association shall construct and equip buildings and other facilities on that part of the Common Area within Lot 11, including designating and segregating an area thereof reserved for the parking and storage of horse trailers and recreational vehicles of Owners generally, with each Lot having its own designated and reserved parking or storage space therein of approximately 10' by 40' in dimension.
- D. No disposal of trash or littering shall be permitted within any portion of Common Area.

- E. No motorized vehicle shall be allowed to cross or operate within any part of the Common area, excepting only as part of the ingress or egress across Common area to the designated parking area on Lot 11 for horse trailers or recreational vehicles of Owners of Lots in the Addition.
- F. A manually operated gate shall be installed at the Entrance Area of the equestrian center portion of Lot 11. Owners passing through the gated area, when coming or going, shall be responsible to manually close the gate behind them, and secure it until opened by the next person.
- G. The carrying or discharge of any firearms on Common Area is prohibited. Firearms shall include rifles, shotguns, pistols, air pistols, pellet guns, air guns of all kinds, bows and arrows, crossbows, traps and snares.
- H. Firecrackers and fireworks are not permitted.
- C. Trees, bushes, and shrubs shall not be defaced or cut down. The Association shall provide for necessary maintenance as needed.
- D. Open fires, burning charcoal or other flammable material is not permitted without express written approval from the Association.
- E. Owners of pets are responsible for their actions on the Common Area. They shall be under control at all times so as not to bother, endanger, or be a nuisance to animals, birds, or persons using the Common Area.
- F. No littering or depositing of refuse or grass clippings is permitted on the Common Area.
- G. No motorized vehicles of any type are permitted on the Common Area including those as small as motor bikes or go-carts.
- H. The landscaped Entrance, and the signs for the Addition placed in the Entrance Easement are to be permanently maintained by the Association. Accordingly, no cutting or removal or other damages to any of the planting, landscaping, signage, fencing or other improvements made and to be maintained by the Association within the area of the Entrance Easement shall be permitted. No additional improvements, structures, signage, planting, alteration or defacing of existing structures or amenities in the Entrance Easement shall be permitted.

### 3. ANIMALS

### 4. GENERAL

These Rules and Regulations apply throughout the Addition and are intended to promote the peaceful and tranquil lifestyle intended in the development thereof by Declarant. These rules and regulations are intended to permit freedom, while at the same time, protect privacy and enhance property values. The following are set forth with the above principles as the controlling basis therefore.

A. Pets, other animals and horses are permitted as provided in the Declaration. However, the right to own and maintain animals otherwise permitted carries with it the responsibility on the Owner's part to accept liability for actions of their own pets and animals. The following rules apply to pets kept or maintained on any Lot or elsewhere within the Addition.

1. Dogs and cats may not run loose, but shall be kept on leash when not restrained to the Owner's Lot by fencing thereon.
2. Dogs kept outdoors on a Lot in a pen or other fencing shall not become disruptive or create a recurring nuisance to other Owners within the Addition as a result of continuous barking.

B. Motor vehicle laws of the State of Texas and the County of Collin shall apply to the public streets within the interior of the Addition. This street is used by pedestrians, bicycles, and non-commercial motor vehicles. Therefore, drivers are urged to comply with all applicable motor vehicle laws and to exercise reason and caution when driving on the public street or entering and exiting from their driveways, and to and from the addition and adjoining County Road.

C. Trash and garbage shall be in containers with a lid or strong plastic bag to stop animals and insects from entering, spreading litter or causing a health hazard. The containers shall not be left out in front yards for over 24 hours so as to be unsightly.

D. Emergency auto repair or infrequent scheduled maintenance on motor vehicles performed in the rear driveway of one's own Living Area and Lot acceptable. Such repair or maintenance work shall not be performed on the public street or any unpaved area of any Lot, or in the driveway area of any Lot visible to the street. Other vehicle repairs which constitute more than scheduled maintenance items is disruptive to the quiet and peaceful goals of the Addition, and they shall not be permitted to occur.

## 6. SANCTIONS

In the spirit of community it is anticipated that these Rules and Regulations will be followed and adhered to by Members of the Association and their respective tenants and guests. The Association may remind residents of these Rules and Regulations from time to time for those who forget. However, willful flagrant violations by Members, their tenants or guests who repeatedly violate these Rules and Regulations will subject the Owner of the Lot to fines or sanctions, or both, as determined by the Board of Directors.

**ARCHITECTURE AND LANDSCAPE GUIDELINES  
FOR THE  
ARCHITECTURAL CONTROL COMMITTEE**

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**PURPOSE.**

These Guidelines are intended to explain the concepts and philosophy used by the Architectural Control Committee ("ACC") in its review of plans and applications for activities undertaken in Articles VI and VII of the Declaration of Covenants, conditions and restrictions of The Addition. They are intended to provide the design philosophy under which the ACC will function and provide Lot Owners with guidance in submitting applications to the ACC. The intent is to give direction in order to achieve the harmonious design discussed in the Declaration.

**GENERAL CRITERIA.**

The ACC will make its decision based upon these General Criteria and upon specific Elements Criteria which are presented in the following section. The decisions made by the ACC are not based upon personal opinion or taste. The overriding concern is one of harmony. The following criteria are presented as guides for the Community.

**CONFORMANCE WITH DECLARATION.**

All applicants are reviewed to confirm that the project is in conformance with the Declaration.

**DESIGN COMPATIBILITY.**

The proposed improvement must be compatible with the architectural character of the applicant's Living Unit, adjoining Living Units, and the neighborhood setting. Compatibility is defined as similarity in architectural style, quality of workmanship, similar use of materials, color and construction details.

**LOCATION AND IMPACT ON NEIGHBORS.**

The proposed alteration should relate favorably to the landscape, the neighbors' Living Units and improvements, and the existing structure of the neighborhood.

The primary concerns are access, view, sunlight, ventilation and drainage. For example, blocking views or breezes, casting an unwanted shadow on a neighbor's property, or infringing on a neighbor's privacy are to be avoided.

It is suggested that changes to a property which affect a neighbor's property be discussed with that neighbor in advance of submitting the application. In some cases, it may be appropriate to submit the neighbor's comments along with the application.

### SCALE.

The size (in three dimensions) of the proposed construction should relate well to existing structures. The topography should be considered when considering scale.

### MATERIALS.

Compatible materials should be used within the requirements of Article VII. e. and f. Greater harmony can be achieved with the use of few materials. For example, brick and wood or stucco and wood can achieve this effect.

### WORKMANSHIP.

The quality of workmanship prevalent in the neighborhood, if a new Living Unit, or the quality in the original Living Unit, if an addition, should be maintained. Poor quality can be a visual blight to the neighborhood. Poor quality can also create health hazards.

### TIMING

Construction should be so scheduled so as to not leave a partially completed project for an undue period of time. Projects which remain uncompleted for a period of time with no visible signs of work each week are a visual blight. They can also be an unattractive hazard and nuisance and therefore for purposes of safety, work should move as rapidly as possible toward completion. The length of time for completion stated on the application shall be a factor to be considered prior to approval. See Article VII.u. for new Living Units.

### ELEMENTS CRITERIA.

#### LIVING UNITS

Plans should show the following information:

1. Living Unit on the Lot with distances to all property lines and distances to Living Units on adjacent Lots if occupied.
2. Topography of Lot at five foot contour intervals and location of driveway and any parking pads.
3. Landscaping proposed around foundation, for screening, if any, any other major landscaping with this information shown on a plat which shows any major existing plant materials. Common names and Latin names are to be used.

4. Front, rear, and side elevations of Living Unit with a listing of materials and colors to be used. Paint chips which show the finished color should be included as part of the submission.

The harmony of the Addition will be enhanced if clean simplicity is used in design. Non-functional elements or false features are to be avoided. Consideration shall be given to sun, shade, views of neighboring Living Units, prevailing wind, and architectural theme and colors of surrounding Living Units. If changes in grade or other conditions which will affect grading are anticipated, they must be indicated. Generally, approval will be denied if adjoining properties are adversely affected by changes in drainage.

Fencing should relate to the principle architectural feature of the Living Unit in design, location and the way in which it connects to the existing Living Unit. Planting may often be integrated with all fencing schemes in order to soften the visual impact.

The types of fences, except certain low-open types such as split rail along Side Lot Lines extending not closer to the street than the Front Building Line of such Lot, along Rear Lot Lines and limited split rail cross fencing in the rear yard area behind the Living Unit are desirable and encouraged as being consistent with the theme and ambience of the Addition. Split rail fencing should be generally horizontal as is typical therefore. However, fences abutting Living Units or in close proximity to Living Units should be fully horizontal in construction and design. The bottom of the fence should be no more than 6" to 12" above grade at any point depending on fence type. Vertical components of fencing should be plumb and generally not extend beyond the uppermost horizontal portion of the fence. Metal caps on posts are generally not acceptable unless painted to match the fence. Gates should match or compliment fencing in design, material, height and color.

Fencing should be compatible with the Living Unit, but it should be appropriate for its intended purpose. For example, a "privacy fence" has different design considerations than a fence which is used to define property boundaries. Listed below are suggestions which may be helpful in selecting a fence style related to the primary fencing needs.

A separate plan should be submitted showing where construction materials will be stored so that impairment of views from neighboring properties will be minimized. Hay or straw bales should be stacked in swales where silt would flow during construction to trap such silt.

## FENCES

All fencing proposed to be placed on any part of the Lot by the Owner must first be approved in writing by the ACC giving due consideration to the general concept and guideline for fencing set forth below.

Fencing is used to separate property, provide security, and visual privacy, or architecturally define space. In achieving any one of these goals a barrier is created which has both visual and physical impact on the boundaries of common land and property of adjacent

Living Unit Owners. Careful consideration should be given to the basic fencing concept and the manner in which the concept is executed.

There are alternatives to fencing that may achieve the needed results. For example, short segments of screen fence may be combined with landscaping to achieve the desired amount of privacy without a severe impact on natural open space. Use of plant material alone can be an alternative.

Fence height should not be greater than is necessary for its intended use since fencing can have a significant impact on adjoining properties and community open space. The height and design of fences should generally conform to other fencing in the area.

Property Separation - Where the Owner's goal is property separation, but not privacy, an "open" fence may be appropriate. Open fences; provide visual definition of property boundaries without obstructing views. This type of fencing is most appropriate for larger land areas and therefore is applicable primarily to detached Living Units.

Security - Many Owners wish to restrict children or pets to or from their property. Security fences where privacy is not a factor can be the "open" type. Where security is desired for safety reasons, such as around swimming pools, vertical fencing of sufficient height should be more appropriate since horizontal fencing may easily be climbed by small children.

Height - The height of a fence, the topography of the land, the relative distance of an observer affect both the amount of privacy afforded by a fence and its degree of visual impact.

Location - Most fencing involves boundary line consideration to some degree. Therefore, applications must show exact relationship with Lot lines. Extending privacy fencing farther from the Living Unit does not necessarily increase privacy but can adversely increase the impact on common open space. Therefore, the extension of privacy fencing from the face of the Living Units should be minimized.

Generally Controlling Provisions – Subject in any event to ACC approval, and irrespective of the above considerations, Lot boundary fencing shall be low split rail fencing that is uniform to and throughout the whole Addition, including fencing within or across portions of Common Area. The only area that wire fencing may be installed and maintained shall be for limited cross fencing within in the ear area of the Lot behind the Living Unit thereon.

Chain link type fencing shall be strictly limited in use for dog runs only and shall be situated exclusively in the Rear yard of a Lot behind the Living Unit thereon.

Type fencing is limited to use for horse corrals that may be installed in the Rear area of a Lot behind the Living Unit and not closer than 50' therefrom.

## MATERIALS AND COLORS

Fencing should be compatible with the exterior materials and colors in the applicant's Living Unit and the prevailing exterior materials and colors used in adjacent Living Units. Notwithstanding the foregoing general statement the use of low split rail type fencing in areas permitted under other provisions of these Guidelines will typically be permitted by the ACC. Continuity of texture and the scale of materials should be considered. In many cases, fencing may be left to weather naturally.

Masonry may be an integral part of a fencing scheme. Masonry should match the masonry used in the applicant's Living Unit.

## DECKS

Decks are an extension of the Living Unit and thus have significant impact on its appearance. Decks may also affect the privacy of adjacent properties. These two factors are weighed heavily in the review of applications. Decks should be compatible in materials and color with the applicant's Living Unit. In many cases, wood left to weather naturally is an accepted option. Modifications to existing decks should provide continuity in detailing such as material, color, and the design of railing and trim.

Deck configurations should relate to the plan outline and window and door openings of the Living Unit where possible. Approval of other exterior modifications such as new exterior door locations which are a part of the deck application are contingent upon completion of the deck. Privacy of adjacent Living Units should be considered when planning decks. Decks on attached Living Units should not adversely affect the privacy of adjacent Living Units.

Planting should be provided at post foundations and on low decks to screen other structural elements and to soften visual impact. Shadow patterns created by decks should be considered both as they affect the use of outdoor space as well as impact on grass and plant material.

If changes in grade or other conditions which will affect drainage are anticipated, they must be indicated. Generally, approval will be denied if adjoining properties are adversely affected by changes in drainage.

## OTHER FREE STANDING STRUCTURES

Exterior materials and colors of any free standing structure on any Lot shall in no event exceed 1,400 square feet in interior size, and the exterior materials and color thereof should be compatible with the exterior materials and colors of the Living Unit on the same Lot and of Living Unit on adjoining Lots. Obviously the former is intended for the storage of feed, tack and other equipment, while the latter is intended for the use of its individual occupant. The doors opening from and into these free standing structures shall themselves face the Side and Rear areas of the Lots. In most instances, this includes matching major materials such as siding and roofing, dominant colors, construction details such as trim, and pitch of roof. A free

standing structure located away from the Living Unit should blend with nature and muted earth tones are best. Provided however the ACC will be cognizant and sensitive to the different uses and purposes intended for such free standing structures versus those intended for the Living Unit on the same Lot and will not be as stringent in applying these Guidelines in their review and approval process of proposed plan and specifications for these free standing structures, whether built at the time the Living Unit is constructed, or at any subsequent time.

While free standing structures must provide sufficient volume for their intended use, they must be of a size which is appropriate for the size of the property (not however to exceed 1,400 square feet in interior size) and which is architecturally compatible with the applicant's Living Unit and adjacent Living Units. Standard prefab metal storage sheds will not be approved.

Notwithstanding the foregoing limitations free standing structures of the type described above may be placed and maintained within the Side yard only on Lot 6, 7, 8 and 9 within the Addition. Given that fact, and the Side yard location of those free standing structures on the above specified Lots, more emphasis shall be placed by the ACC on the compatibility of exterior building materials and colors thereof and the exterior of the Living Unit on the same Lot when considering approval of those proposed structures in Side yard locations in specified Lots than similar free standing structures proposed for the rear of other Lots.

#### STORM AND SCREEN WINDOWS AND DOORS

Storm or screen doors should be painted to match entry doors behind them. However special consideration will be given to doors that match architectural trim. Consideration will depend upon the design of the particular door and its relation to the design of the Living Unit and adjacent Living Units.

Generally, storm windows and screen window frames should be compatible with the color of existing window frames.

#### RECREATION AND PLAY EQUIPMENT

Equipment utilizing natural materials is encouraged, metal play equipment, exclusive of the wearing surfaces (slide poles, climbing rungs, etc.), free standing basketball backboards and their poles should be painted a muted earth tone to blend with the natural surroundings and installed only in rear yards.

#### SWIMMING POOLS

The impact of required security fencing on open space is significant and must be carefully related to adjacent property. In addition, the Owners should consider safety within the pool areas as well as the impact of increased noise levels on adjacent property. It is suggested that proposed swimming pools be discussed with adjacent property owners.

Pools should be located in rear yards, although consideration will be given to property of unusual configuration or unusual topographic features. Generally, the walls of the swimming pool should be kept an adequate distance away from adjacent property. Removal or disturbance of existing trees should be avoided or minimized.

The pool and any mechanical equipment must be protected by a fence. Fences and gates should conform to that portion of these Guidelines pertaining to fencing. Approval of the fence will be considered a part of the swimming pool application and shall be contingent upon completion of the pool.

### MAJOR EXTERIOR ALTERATIONS

Major alterations are generally considered to be those which substantially alter the existing structure either by subtraction and/or addition. However, other site changes such as driveway modifications are also included.

The design of major alterations should be compatible in scale, materials, and color with the applicant's Living Unit and adjacent Living Units. Pitched roofs should match the slope of the roof on the applicant's Living Unit.

The location of major alterations should not impair the views, or amount of sunlight and natural ventilation on adjacent properties.

New windows and doors should match the type used in the applicant's Living Unit and should be located in a manner which will relate well with the location of exterior opening in the existing Living Unit.

If changes in grade or other conditions which will affect drainage are anticipated, they must be indicated. Generally, approval will be denied if adjoining properties are adversely affected by changes in drainage.

Construction materials should be stored so that impairment of views from neighboring properties is minimized. Excess material and debris should be removed as soon as possible.

### GARAGES

Specific site and design considerations for garages will be evaluated on their individual merits. Garage doors should be straightforward and without ornamentation. Roof configuration and ridge lines should relate to those of the applicant's Living Unit. As previously stated all openings to garages shall face the Side or Rear areas of the Lot so as not to be visible from the street and front.

## DRIVEWAYS AND/OR PARKING PADS

Generally, only hard stabilized surfaces of concrete will be approved. Materials other than these will be considered if they are compatible with the surroundings. Care must be exercised in any drainage changes.

## GREENHOUSES

Greenhouses should be located in the rear of the Living Unit, although in special instances front or side yard locations will be given consideration.

The greenhouse should maintain a continuity of building lines, materials, etc., with the primary structure.

Detached greenhouses should conform to the Guidelines established for storage sheds regarding location and size.

## MISCELLANEOUS

There are numerous exterior modifications which are of a smaller scale than the previously noted items but still require approval. The same basic principles of compatibility of scale, materials, and color apply. Consideration must also be given to impact on neighboring properties.

## AIR CONDITIONERS

Air conditioner units extending from windows generally will not be approved unless good cause is shown for their use and location.

Compressors for central air conditioning units should be screened by architectural treatment or appropriate landscaping.

Exterior units may be added or relocated only when they do not interfere visually and acoustically with neighbors.

## ATTIC VENTILATORS

Attic ventilators or other mechanical apparatus requiring penetration of the roof should be as small in size as functionally possible and should be painted to match the roof. They should be located generally on the least visible side of the roof and not extend above the ridge line.

## CHIMNEYS AND METAL FLUES

Masonry chimneys and wood flue enclosures may be used when compatible in design, location, and color with the existing Living Unit. Rooftop vents and other ventilation

components extending beyond the surface of the roof shall have a permanent coating or painted a color and tone which matches those of the roof and shingles and shall be placed below ridges and on roof surfaces so as not to be visible from the street.

### DOG HOUSES AND RUNS

Dog houses should be compatible with the applicant's Living Unit in color and material, and should be located where they will be visually unobtrusive such as in rear yards or in wooded areas. Chain link fences for dog runs will be considered if erected inside privacy fencing, painted to match the background, softened by supplemental landscaping, well-screened in a wooded area, and combinations of the above.

### EXTERIOR LIGHTING

No exterior lighting shall be directed outside the applicant's property. Light fixtures which are proposed in place of the original fixtures should be compatible in style and scale with the applicant's Living Unit.

However, lighting which is a part of the original structure must not be altered without approval. Applications for exterior lighting should include wattage, height of light fixtures above ground, and a complete description, including descriptive material of the light fixture and location on property.

### WINDOW CURTAINS

Windows which are located on a garage should have some type of curtain to screen autos or equipment from outside view. If curtains have a design or color which clashes with the exterior color selection, they should be lined to present a more pleasant appearance from the exterior.

### EXTERIOR PAINTING

Repainting or staining to match original colors need not be submitted. Color changes apply not only to the Living Unit siding, but also to doors, shutters, trim, roofing, and other appurtenant structures. Change of exterior color should relate to the colors of other Living Units in the immediate area.

### TRASH CANS

Trash cans, containers for garbage, tied bundles of plant material, bags of rubbish, etc. should be kept inside the garage or in a suitable screened enclosure to the side or rear of the Living Unit. Locations at the front of the Living Unit will not be approved.

## HOUSE NUMBERS

House numbers should be legible but should be of a size which is appropriate for the applicant's Living Unit. In certain cases, decorative house numbers will be accepted dependent upon location and type of Living Unit.

## MAILBOXES

Mailboxes are a functional necessity, not a decorative item. Since they are usually in a very visible location, they should be straightforward in design, mounted on simple metal, brick or wood posts. They should be painted either black or an earthtone and located not to obstruct any traffic sight lines. Mailboxes enclosed in a brick, rock or other masonry structure should be the same or compatible in materials and colors with the exterior materials and colors of the Living Unit. No mailbox shall be placed in a location that restricts traffic sight lines of vehicles driving on the interior street nor shall a mailbox be placed in a location within or in proximity to the Bridle Path that would restrict, impede or interfere in any way with the use and enjoyment of right of free passage along its entire length and width.

## PERMANENT BARBEQUE PITS

Permanent barbeque pits should not be a dominant feature on the landscape and should be located so they will blend as much as possible with the natural background. Supplemental planting should be provided to soften the visual impact of the barbeque pit particularly when little or no natural background or screening is available.

## AUTO MAINTENANCE

Emergency auto repair or infrequent scheduled maintenance performed in the driveway is acceptable. However, constant or very frequent work on one or more autos is considered a health and environmental nuisance and will not be permitted.

## RETAINING WALLS

Retaining walls may be used to preserve trees, improve drainage patterns, and define areas. Walls should be kept as low as possible. Use of indigenous rock or wood in combination with appropriate landscaping is encouraged.

Because retaining walls may alter existing land forms, the design of such walls should be carefully considered to avoid adversely affecting drainage patterns.

## SHUTTERS

Shutters which are added to a Living Unit should be compatible with the style of the Living Unit and should be of proper proportions to match the window to which they relate. Colors should be compatible with the colors of the Living Unit and neighborhood.

### ORNAMENTAL STATUARY

Ornamental statuary is generally not functional or consistent with the harmony of the community. Unless a statue is of exceptional artistic merit, it should not be located in the front or side yard and should be screened from view of neighboring properties in the rear yard. Ornamental figures of animals or persons will not be approved in front yards or attached to Living Unit.

### LANDSCAPING

Landscaping can be effectively used to accent entryways, define space, create "soft" privacy screens, and reduce the visual impact of fences, sheds, etc. Since landscaping is a design element, the same consideration should be given to relationships to the applicant's Living Unit and to adjacent Living Units as apply to other design elements.

Care should be exercised in the planting and maintenance of trees and shrubs to prevent obstruction of sight lines required for vehicular traffic. Also, the views of neighboring units and shade patterns of larger trees should always be considered.

Care should be exercised in selecting plant materials which upon maturity will be of an appropriate size in height and breadth for its intended use and locations. Mature size, both in height and diameter should always be considered especially when planting close to walkways and Living Units.

Consideration must be given to the effect which planting will have on views from neighboring Living Units and property. Planting should be clustered rather than widely spaced. Massing, the three dimensional appearance of planting, may be improved by augmenting trees and taller shrubs with low spreading shrubs and/or ground cover.

The types of plants which might be used are in part a function of the desired effect and exposure. However, native plant material is advised because of the increased chances for healthy growth and compatibility with the area.

The seasonal color of flowering trees and shrubs should be considered in relation to the color of the applicant's Living Unit and those adjacent.

### VEGETABLE GARDENS

While vegetable gardens offer certain rewards, gardens and gardening equipment can often be unsightly. Gardens should be generally located in rear yards. Visual screening from view by adjacent Owners should be provided by means of solid fencing or screen planting, with taller varieties of plants being placed closer to fences or walls. Gardens should be generally

located on in the Rear yard area of the Lot. Gardens should be properly maintained during the growing season. After the growing season, dead plants, stakes, etc., should be removed.

### APPLICATION PROCEDURE

All applications must be submitted on written forms provided by the ACC upon request of an applicant. The completed written application must be delivered to the ACC at its designated address in time for it and its Members to properly review and consider all aspects thereof. In accordance with Article VI of the Declaration, a decision will be made as soon as possible but not later than 30 days. The decision of the ACC may be to approve, approve with modifications, or disapprove.

Where appropriate, the application shall contain the following information:

- A. Designs and plans, showing dimensions
- B. Colors including paint chips
- C. Elevations
- D. Topography
- E. Materials to be used described in detail
- F. Distances from existing buildings on adjacent property
- G. Sketch or photograph of a manufacturer's product
- H. Provisions for drainage
- I. Statements from adjacent property owners, if appropriate.

It is very important to clearly indicate all factors relevant to the project. Lack of information could result in either a modified decision or denial.

Major projects, such as a new Living Unit, additions, or swimming pool require detailed plans not only for the ACC but also for a building permit from the Collin County Development Services Department. Therefore, it is suggested that a preliminary application be filed with sketches to reduce plan preparation cost. These can be reviewed by the ACC and preliminary approval can be given based upon comments made by the ACC. Note, any preliminary approval granted is contingent upon submission of final plans. Preliminary approval is construed as approval to prepare final plans and not as approval to proceed with construction.

The ACC is to be notified upon completion of the project. If it is found to have deviated from the approved plans, action will be taken to bring the project into compliance. The pace of construction will also be monitored by the ACC or its representative during construction.

**BYLAWS  
OF  
MACRAY TRAIL ESTATES  
HOMEOWNERS ASSOCIATION, INC.**

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ARTICLE I.  
OFFICES; DEFINITIONS

SECTION 1: Registered Office and Agent

The initial Registered Office of MACRAY Trail Estates Homeowners Association, Inc. (the "Association") shall be at 1406 Elyza Ct., Allen, Texas 75002, and the name of the Registered Agent of the Association at such address is Patrick M. Ray.

Section 2: Other Offices

The Association may also have offices at such other places within or without the State of Texas as the Board of Directors may from time to time determine or the business of the Association may require.

SECTION 3: Definitions

The following Capitalized words and terms, when used in these Bylaws (unless otherwise indicated) shall have the same meanings as are ascribed to them in the "Definitions" provisions of ARTICLE I, SECTION 1. SUBSECTIONS a. through q, inclusive, of the "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF MACRAY TRAIL ESTATES", an Addition to Collin County, Texas, to which these Bylaws are appended and recorded, and which Definitions are incorporated into these Bylaws by reference thereto for all purposes.

- a. "ACC";
- b. "Addition"; and "Plat";
- c. "Assessment";
- d. "Association";
- e. "Board";
- f. "Bridle Path";
- g. "Declarant."
- h. "Entrance Easement";
- i. "Family".
- j. "Living Unit."
- k. "Lot".
- l. "Member";
- m. "Owner";
- n. "Property";

ARTICLE II  
MEMBERSHIP AND VOTING RIGHTS

SECTION 1: Membership

Every person or entity who is a record Owner of any Lot which is subject, by covenants of record, to Assessment by the Association, including purchasers under contract from Declarant, shall be a Member of the Association (provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member), and any person or entity who acquired any such fee or undivided fee interest shall be deemed to have accepted membership and assumed all obligations thereof.

SECTION 2: Voting Rights

The Association shall initially have one class of voting membership.

Members shall be all those Owners entitled to one vote for each Lot in which they hold the interest required for membership by Section I. When more than one person holds such interest in any Lot, all such persons shall be Members and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

SECTION 3: Methods of Voting

At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person, or by a proxy appointed in writing, or his duly authorized attorney-in-fact and dated not more than two (2) months prior to said meeting. Any proxy shall be filed with the Secretary of the Association prior to or at the time of the meeting. In the absence of any action by the Board of Directors, the date upon which the Notice of the Meeting is mailed shall be the record date.

ARTICLE III  
MEETING OF MEMBERS

SECTION 1: General Meetings

All meetings of the Members for the election of directors shall be held at the office of the Association in Texas, or at such other place, within or without the State of Texas as may be specified in the Notice of the Meeting or in a duly executed Waiver of Notice thereof. Meetings of Members for any other purpose may be held at such time and place, within or without the State of Texas as shall be stated in the Notice of the Meeting or in a duly executed Waiver of Notice thereof.

SECTION 2: Annual Meeting

An Annual Meeting of the Members shall be held on the second Monday of June of each year, at the hour of 7:00 o'clock p.m.; provided, however, that should said day fall upon a legal holiday, then at the same time on the next business day thereafter. At such meeting, Directors shall be elected, reports of the affairs of the Association shall be considered, and any other business may be transacted which is within the powers of the members.

SECTION 3: Member List

At least ten (10) days before each meeting of the Members, a complete list of the Members entitled to vote at each meeting arranged in alphabetical order, with the residence of each and the number of votes held by each shall be prepared by the Secretary. Such list shall be kept on file at the Registered Office of the Association for a period of ten (10) days prior to such meeting and shall be subject to inspection by any Member at any time during usual business hours. Such list shall be produced and kept open at the time and place of the meeting during the whole time thereof, and shall be subject to the inspection of any Member who may be present.

#### SECTION 4: Call for Special Meetings

Special meetings of the Members for any purpose or purposes, unless otherwise prescribed by statute, the Articles of Incorporation, or these Bylaws, may be called by the President, the majority of the Board of Directors or the holders of not less than one-fifth (1/5) of all the Members entitled to vote at the meetings. Business transacted at any special meeting shall be confined to the subjects stated in the Notice of the Meeting.

#### SECTION 5: Notice

(a) Written or printed notice stating the place, date and time of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) or more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or person calling the meeting, to each Member of record entitled to vote at the meeting.

(b) Notice of any meeting of Members shall specify the place, date and hour of the meeting. The notice shall also specify the purpose of the meeting if it is a special meeting, or if its purpose or one of its purposes will be to consider a proposed dissolution or the revocation of a voluntary dissolution by act of the Association or to consider a proposed disposition of all, or substantially all of the assets of the Association outside the ordinary course of business.

#### SECTION 6: Quorum; Adjournments

(a) Except as otherwise provided in Article V, Paragraph 6 of the Declaration, by statute, by the Articles of Incorporation or these Bylaws, the Members holding one-tenth (1/10) of the votes issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of the Members for the transaction of business. If, however, a quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

#### SECTION 7: Transaction of Business

When a quorum is present at any meeting, the vote of the Members holding a majority of the votes having voting power present in person or represented by proxy shall decide any question before such meeting, unless the question is one upon which by express provisions of the statutes, the Articles of Incorporation, or these Bylaws, a different vote is required, in which case such express provision shall govern. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of any Members to leave less than a quorum.

ARTICLE IV  
DIRECTORS

SECTION 1: Powers

The business and affairs of the Corporation shall be managed by its Board of Directors who may exercise all the powers of the Corporation and may do all lawful acts and things which are not by statute, The Declaration, the Articles of Incorporation or these Bylaws directed or required to be exercised or done by the Members. Specifically, the Board of Directors shall be empowered to take such actions as authorized by the Directors.

SECTION 2: Number and Election

The Board of Directors shall consist of five (5) Directors. The Directors shall be elected at the annual meeting of the Members, except as hereinafter provided, and each Director elected shall hold office until his successor has been elected and qualified.

SECTION 3: Term of Office

Directors shall be elected for a term of two (2) years. At the initial meeting of the Board, the Declarant shall appoint three (3) resident Members for a two (2) year term and two (2) resident Members for a one (1) year term. In subsequent years these Directors shall be replaced by those serving two (2) year terms.

SECTION 4: Removal; Filling Vacancies

Any Director may be removed, with or without cause, at any special meeting of the Members by the affirmative vote of a majority of the Members present in person or by proxy at such meeting and entitled to vote for the election of such Director, if notice of intention to act upon such matter shall have been given in the notice calling such meeting. If any vacancies occur in the Board of Directors, for any reason, a majority of the Directors then in office, though less than a quorum, may choose a successor or successors. Each successor Director so chosen shall be elected for the unexpired term of the predecessor in office.

SECTION 5: Prohibition of Cumulative Voting

Directors shall be elected by plurality vote. Cumulative voting shall not be permitted.

SECTION 6: Location of Meetings

The Directors of the Corporation may hold their meetings, both regular and special, either within or without the State of Texas.

SECTION 7: Annual Meetings

The first meeting of each newly elected Board shall be held without further notice immediately following the annual meeting of Members, and at the same place, unless by unanimous consent of the Directors then elected and serving such time or place shall be changed.

SECTION 8: Regular Meetings

Regular meetings of the Board of Directors shall be held bimonthly or more frequently if called by the President or by a majority of Board Members at such time and place as shall from time to time be determined by the Board.

#### SECTION 9: Special Meetings

Special meetings of the Board of Directors may be called by the President or Secretary on two (2) days' notice to each Director, either personally or by mail or by telegram; special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of a majority of Directors. Except as may be otherwise expressly provided by statute, the Articles of Incorporation or these Bylaws, neither the business to be transacted at, nor the purpose of any special meeting need be specified in a notice or waiver of notice.

#### SECTION 10: Quorum

At all meetings of the Board of Directors, the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute, the Declaration, the Articles of Incorporation or these Bylaws. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present.

### ARTICLE V NOTICES

#### SECTION 1: Formalities of Notices

Whenever under the provisions of the statutes, the Articles of Incorporation or these Bylaws, notice is required to be given to any Director or Member, and no provision is made as to how such notice shall be given, it shall be construed to mean either personal notice or notice in writing, by mail (regular or otherwise), postage prepaid, addressed to such Director or Member at such address as appears on the books of the Corporation. Any notice required or permitted to be given by mail shall be deemed to be given at the time when the same shall be thus deposited in the United States Mail as aforesaid.

#### SECTION 2: Waiver of Notices

Whenever any notice is required to be given to any Member or Director of the Corporation under the provisions of the statutes, the Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice. Signing the minutes of any meeting shall be deemed a waiver of all formalities with respect to such meeting.

### ARTICLE VI OFFICERS

#### SECTION 1: Miscellaneous Provisions

The officers of the Corporation shall be elected by the Directors and shall be a President, Vice-President, a Secretary and a Treasurer. Any two or more offices may be held by the same person, except that the offices of President and Secretary and President and Treasurer shall not be held by the same persons. Any such officer shall have the powers and duties usually associated with such office, subject to limitations or extension by the Board of Directors.

#### SECTION 2: Other Agents

The Board of Directors may appoint such other officers and agents as it shall deem necessary, who shall be appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

#### SECTION 3: Duties

The duties of the officers are as follows:

- (a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all contracts, mortgages, tax returns, and other written instruments; shall co-sign all checks (except those on a monthly recurring nature previously approved by the Board), and promissory notes; shall appoint committee chairmen and members of committees with the concurrence of the Board; and shall carry out such other duties as may be assigned by the Board or the Policy Manual as adopted by the Board.
- (b) Vice-President. The Vice-President shall act in the place and stead of the President when he is absent, unable, or unwilling to act; and shall discharge such other duties as may be required of him by the Board.
- (c) Secretary. The Secretary shall perform or cause to be performed the following secretarial activities: record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal and affix it on all papers requiring said seal; serve notice of meetings of the Board and members; keep the appropriate current records showing the ownership of Lots and membership of the Association, together with their addresses; and shall perform such other duties as required by the Board or the Policy Manual as adopted by the Board.
- (d) Treasurer. The Treasurer shall perform or cause to be performed the following financial activities: receive and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by a Resolution of the Board; sign all checks and promissory notes; cause an annual audit of the Association Books to be made at the completion of each fiscal year; prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of the budget and Assessments adopted by the Board to each member. The Treasurer shall perform such other duties as required by the Board or the Policy Manual as adopted by the Board.

#### SECTION 4: Salaries

All officers and directors of the Corporation shall serve without compensation. However, expenses may be reimbursed for unusual activities carried out on behalf of the Corporation. Any officer may receive compensation for services rendered to the Corporation in other than his official capacity.

#### SECTION 5: Tenure; Removal; Vacancies

Each officer of the Corporation shall hold office for a term of one (1) year or until his successor is chosen and qualified in his stead or until death, resignation or removal from office. Any officer or agent elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. If the office of any officer becomes vacant, for any reason, the vacancy may be filled by the Board of Directors.

## ARTICLE VII COMMITTEES

### SECTION 1: Number

There shall be five (5) standing committees. Except as specified by Article VI and Article IX, Section 7 of the Declaration, all of the Chairmen and members of the standing committees shall be appointed by the President with the concurrence of the Board. Additional ad hoc committees may be appointed by the President as the need may arise.

### SECTION 2: Architectural Control Committee

A committee composed of up to five (5) persons shall be responsible for approving or disapproving the design, location, details, color, texture, materials and specifications of all new construction, fencing, landscaping and tree removal and for any additions or modifications to existing structures or Lots. All decisions by the ACC shall be based on an adopted set of Architectural and Landscape Guidelines. The ACC shall render consistent decisions based upon such Guidelines. A decision by the ACC may be appealed to the Board of the Association by filing a notice of appeal thereof with the Secretary of the Board at least thirty (30) days in advance of a regularly or specially scheduled meeting of the Board. Except that decisions made with respect to new construction on a vacant Lot may not be appealed to the Board.

The ACC may appoint a subcommittee composed of members outside the ACC to be responsible for approving or disapproving the design, location, details, color, texture, materials and specifications of all construction, landscaping and tree removal as they relate to additions or modifications of existing structures or Lots, but not for new construction on the Lot.

### SECTION 3: Finance Committee

This committee is responsible for preparing a proposed budget each year for submission to the Board for action. It shall review the expenses periodically during the year to determine if any significant deviations are occurring and to recommend actions for the Board to make appropriate adjustments. The ACC shall also recommend the Assessment level each year to cover anticipated expenses. This ACC is also responsible for maintaining a record of the status of Assessment payments for each Lot and recommending appropriate action to the Management Committee and the Board for collection of any delinquencies. The chairman of this committee shall be the Treasurer.

### SECTION 4: Management Committee

In conjunction with the officers, this committee is responsible for the ongoing management of the Corporation. It is responsible for obtaining service contracts, management contracts, insurance contracts, and performing or supervising the performance of office and administrative functions. This committee is also responsible for maintaining an accurate list of the Owners of each Lot and the residents of each Lot if different from the Owners, including lessee's from Owners. The committee shall require that such lessees

abide by all rules and regulations of the Corporation and its Bylaws. This list is to be given to the Secretary who has primary responsibility to send official mailings to the Members. The chairman shall be a Director who does not hold another office of the Board.

#### SECTION 6: Rules and Regulations Committee

This committee is responsible for those rules and regulations affecting actions by persons in the community or actions by persons on property owned by the Corporation. The rules and regulations adopted by the Board shall be promulgated to all Owners and enforced by this committee. This committee shall also see that Owners inform their tenants of these rules and regulations. The committee shall recommend new rules and regulations from time to time as conditions may warrant or modifications of existing rules and regulations to the Board.

#### SECTION 7: Elections Committee

This committee is responsible for obtaining nominations for election to the Board of Directors and for conducting the election at the annual meeting. The Election Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than one (1) for each vacancy to be filled. The committee shall present its report to the Secretary at least seventy-five (75) days before the annual meeting. The chairman of the Elections Committee shall conduct that portion of the meeting devoted to elections. The members shall count the votes at the meeting and announce the results. The chairman and members shall not be members of the Board.

### ARTICLE VIII GENERAL PROVISIONS

#### SECTION 1: Fiscal Year

The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

#### SECTION 2: Seal.

There shall be no necessity for a corporate seal, but if there should be one, such seal shall have inscribed thereon the name of the Corporation and the word "TEXAS." Such seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

#### SECTION 3: Indemnification.

The Association shall indemnify any Director, officer or employee or former Director, officer or employee of the Corporation, against expenses actually and necessarily incurred by him and any amount paid in satisfaction of judgments in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he is made a party by reason or being or having been such a Director, officer or employee (whether or not a Director, officer or employee at the time such costs or expenses are incurred by or imposed upon him) except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of duty. The Corporation shall pay or cause to be paid to any Director, officer or employee the reasonable costs of settlement of any such action, suit or proceeding. Such right of indemnification shall not be deemed exclusive of

any other rights to which such Director, officer or employee may be entitled by law or under any bylaw, agreement, vote of members or otherwise.

ARTICLE IX  
AMENDMENTS

These Bylaws may be altered or amended by a two-thirds (2/3) vote of Members voting in person or by proxy at a duly called regular or special Membership meeting at which a quorum is present.

DECLARANT:

RAY DAVIS DEVELOPMENT, LLC,  
a Texas limited liability company

By: \_\_\_\_\_  
Maurice Ray, Manager

By: \_\_\_\_\_  
Judith Davis, Manager

ACKNOWLEDGMENT

STATE OF §

COUNTY OF §

BEFORE ME, the undersigned, a Notary Public in and for the State of \_\_\_\_\_, on this day personally appeared MAURICE RAY and JUDITH DAVIS, both of whom having proved to me in accordance with applicable law that they are the individuals and Managers of RAY DAVIS DEVELOPMENT, LLC, whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same on behalf of, and as the act and deed of said company, for the purposes and consideration therein expressed, and in the capacity therein stated.

\_\_\_\_\_  
\_\_\_\_\_  
(Printed Name of Notary)

Notary Public in and for the State of \_\_\_\_\_