

DECLARATION OF COVENANTS AND RESTRICTIONS

THE STATE OF TEXAS §

Deed

04/29/02

3210549

\$39.00

1807153

COUNTY OF DALLAS §

These Covenants made as of the 16th day of August, 2001, by
HOBART DEVELOPMENT, INC., a Texas corporation, ("Developer").

WITNESSETH:

Whereas, Developer desires to establish the Land as a single family development consisting of lots which are individually owned in fee simple;

Whereas, Developer desires to establish certain covenants, easements, and restrictions for the mutual benefit and protection of the Owners;

Now, therefore, Developer does hereby publish and declare that the following terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, limitations, and obligations shall run with the Land, and shall be a burden and benefit to the Developer, the Owners and their respective heirs, legal representatives, successors, and assigns:

ARTICLE I

DEFINITIONS

Section 1.01 As used in these Covenants, the following terms shall have the meaning set forth below:

- (a) "Association" shall mean the **TRINITY SHORES OWNERS ASSOCIATION**, a Texas nonprofit corporation, created for the purposes and possessing the rights, powers, and authority set forth herein and in the Charter.
- (b) "Board of Directors" shall mean the Board of Directors of the Association named in the Charter and their successors as duly elected and qualified from time to time.
- (c) "Building" shall mean any vertical structure located on the Land.
- (d) "Bylaws" shall mean the Bylaws of the Association initially adopted by the Board of Directors, as duly amended from time to time.
- (e) "Charter" shall mean the Articles of Incorporation of the Association filed with the Secretary of State of Texas as duly amended from time to time.

- (f) "Covenants" shall mean the covenants, conditions, easements, charges, servitudes, liens, reservations, and assessments set forth herein.
- (g) "Deed" shall mean a deed or other instrument conveying the fee simple title to a lot.
- (h) "Developer" shall mean Hobart Development, Inc., a Texas Corporation, and any party to whom it shall expressly assign in writing its rights, powers, privileges, or prerogatives hereunder.
- (i) "First Lien Indebtedness" shall mean any indebtedness secured by a first and prior lien or encumbrance upon a Lot.
- (j) "First Mortgage" shall mean any bank, insurance company, savings and loan association, mortgage company, agency, or instrumentality of the United States Government or other institutional holder of First Lien Indebtedness.
- (k) "Land" shall mean that certain tract of land located in Dallas County, Texas, and more particularly described in Exhibit "A" attached hereto and made a part hereof, together with all and singular the rights and appurtenances pertaining thereto.
- (l) "Lot" or "Lots" shall mean individually or collectively, those certain lots designated as Lots 1 through 19, an addition to the City of Coppell, Texas, according to the plat thereof recorded in the Map Records of Dallas County, Texas. Any portion of street right-of-way as designated on said plat (including any portion of said street right-of-way designated thereon as a part of the Common Area of the Association) is not subject to voting, payment or other entitlement of the true residential "Lots" of the subdivisions, as defined in this paragraph.
- (m) "Owner" shall mean and refer to the person or persons, entity or entities, who own of record fee simple title to a Lot. The term "Owner" to exclude any person or persons, entity or entities, having an interest in a Lot merely as a security for the performance of an obligation and the term "owner" to include Developer if Developer is a record owner of fee simple title to a Lot.
- (n) "Plat" shall mean that certain Plat depicting the Trinity Shores subdivision, an addition to the City of Coppell, Dallas County, Texas, as approved by the City Council of the City of Coppell, Texas for recording in the Map Records of Dallas County, Texas, as the same may be amended from time to time.
- (o) "Residence" shall mean that portion of a Building which is located wholly on a Lot and which is designed as a single-family dwelling unit (including that portion of any such Residence which is a garage for the parking of automobiles).

ARTICLE II

GENERAL PROVISIONS

Section 2.01 The land shall be subject to the Covenants and said Covenants shall run with, be for the benefit of, and bind and burden the Land.

Section 2.02 The Covenants shall be binding upon and for the benefit of each owner and his heirs, executors, administrators, trustees, personal representatives, successors, and assigns, whether or not so provided or otherwise mentioned in the Deed.

ARTICLE III

USE RESTRICTIONS

Section 3.01 All lots within the land are hereby restricted as follows:

- (a) All lots shall be used for single-family residential purposes only. No Building or structure shall be erected, altered, placed, or permitted to remain on any Lot other than a single-family dwelling and, if any, its customary and usual accessory structures (unless prohibited herein). No Building or structure intended for or adapted to business purposes shall be erected, placed, permitted, or maintained on such premises, or any part thereof, save and except those related to development, construction, and sales purposes of the Developer. This covenant shall be construed as prohibiting the engaging in or practice of any commerce, industry, business, trade, or profession on any lot. The restrictions on use herein contained shall be cumulative of, and in addition to, such restrictions on usage as may from time to time be applicable under and pursuant to the statutes, rules, regulations, and ordinances of the City of Coppell, Texas, or any other governmental authority having jurisdiction over any lot.
- (b) No exterior television, radio, satellite dish, or other antenna of any type shall be placed, allowed, or maintained upon any Lot or Building without prior written approval and authorization of the Board of Directors, as previously herein defined. The Board of Directors may consider permitting such if such receivers are screened from view from any street or road.
- (c) At least eighty percent (80%) of the exterior walls of the first floor of each Building on a Lot shall be of masonry construction exclusive of doors and windows. Each story above the first story of a Residence shall have masonry coverage consistent with the ordinances of the City of Coppell, Texas. All exterior fireplaces shall be of masonry construction.
- (d) No exterior storage of any items of any kind shall be permitted except with prior written approval and authorization of the Board of Directors. Any such storage as is approved and authorized shall be in areas attractively screened or concealed (subject to all required approvals as to architectural control) from view from

neighboring property, pathways, and streets. This provision shall apply without limitation, to campers, trailers, boat trailers, travel trailers, boats, mobile homes, and unmounted pickup camper units. Also without limitation, no automobile, truck, unregistered vehicle, or other vehicle, regardless of ownership, age, condition, or appearance shall remain on any lot in any manner which could be construed as being stored, neglected, abandoned, or otherwise not in frequent use, except pursuant to written approval and authorization of the Board of Directors.

- (e) No garbage or trash will be placed about the exterior of an Building, except in receptacles meeting the specifications of the City of Coppell, Texas, and the Board of Directors, and the placement, maintenance, and appearance of all such receptacles shall be subject to reasonable rules and regulations of the Board of Directors. All rubbish, trash, and garbage shall be regularly removed from each Lot and shall not be allowed to accumulate thereon.
- (f) No machinery, fixtures, or equipment of any type, including without limitation, heating, air conditioning, or refrigeration equipment, and clotheslines shall be placed, allowed, or maintained upon the ground on any Lot, except with the prior written approval and authorization of the Board of Directors, and then only in areas attractively screened or concealed (subject to all required approvals as to architectural control) from the view of neighboring property, pathways, and streets; and no such machinery, fixtures, or equipment shall be placed, allowed, or maintained anywhere other than on the ground (such as on the roof) except if screened or concealed (subject to all required approvals as to architectural control) in such manner that the screening or concealment thereof appears to be part of the integrated architectural design of the building and does not have the appearance of a separate piece or pieces of machinery, fixtures, or equipment.
- (g) No gas, electric power, telephone, water, sewer, cable television, or other utility or service lines of any nature or kind shall be placed, allowed, or maintained upon or above the ground on any Lot, except along the perimeter boundary of the Land except to the extent, if any, underground placement thereof may be prohibited by law or would prevent the subject line from being functional. The foregoing shall not prohibit service pedestals and above-ground switch cabinets and transformers where required.
- (h) No open fires or burning shall be permitted on any Lot any time, and no incinerators, or like equipment shall be placed, allowed, or maintained upon any Lot. The foregoing shall not be deemed to include the use, in customary fashion, of outdoor residential barbecues or grills; however, such barbecues shall not include underground or pit barbecues on an ongoing basis.
- (i) Except with respect to signs and advertisements placed and maintained by the Developer prior to the conveyance by it of all of the Lots, no exterior signs or advertisements may be placed, allowed, or maintained on any Lot without prior written approval and authorization of the Board of Directors, except for (i) during

the applicable initial construction and sales period, one professional sign (of not more than fifteen (15) square feet in size) per Lot may be utilized for advertising and sales purposes; (ii) thereafter, a dignified "for sale" sign (of not more than five (5) square feet in size) may be utilized by the Owner of the respective Lot for the applicable sale situation; (iii) mailboxes and residential name plates may be placed and maintained in conformity with such common specifications, including without limitations, reasonable restrictions, as to size, as may be adopted by the Board of Directors; and (iv) yard signs during election periods as permitted by the City of Coppell.

- (j) 'No on-going repairs of any detached machinery, equipment, or fixtures, including without limitation motor vehicles, shall be made upon any portion of any Lot within view of neighboring property, pathways, and streets, without prior written approval and authorization of the Board of Directors.
- (k) No oil exploration, drilling, development or refining operation, and no quarrying or mining operations of any kind, including oil wells, service, tanks, tunnels, or mineral excavations or shafts shall be permitted upon or under any Lot; and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted on any Lot.
- (l) No Lot shall be maintained or utilized in such a manner as (in the discretionary judgment of the Board of Directors) to present an unsightly appearance, or as to unreasonably offend the morale of or as to constitute a nuisance or unreasonable annoyance to, or as to endanger the health of, other owners or residents of the Land, and no noxious or otherwise offensive condition or activity shall be allowed to exist or be conducted thereon.
- (m) No Lot shall be maintained or utilized in violation of the Covenants.
- (n) Motor vehicles owned or in the custody of any Owner can be parked only in the garage or garage apron located upon or pertaining to such owner's Lot, or in parking areas designated by the Board of Directors. No buses, vans, or trucks having a carrying capacity in excess of 3/4 tons or designed for commercial purposes shall be placed, allowed, or maintained on any Lot, except with prior written approval and authorization of the Board of Directors.
- (o) The garage door on each lot shall be kept closed at all times except when such garage is being entered or exited, and all garages which face a public street shall have operational automatic garage door openers.
- (p) No Building or improvement (fences, etc.) shall be permitted to fall into disrepair and any such Building shall at all times be kept in good condition and repair, adequately painted, or otherwise finished.
- (q) The Owners of any Lot shall have the right to lease or rent all, but not less than all, of such Lot with the Residence and appurtenances thereon. Any such lease or tenancy is and shall be subject to all of the provisions of this Declaration.

- (r) Front yard or publicly visible side yard retaining walls shall be of stone, brick, or other approved materials. Other materials such as railroad ties or boards are not permitted unless specifically approved by the Board of Directors.
- (s) Any fence or wall must be constructed of brick or high quality wood. No wooden lap fencing or shadow box fencing is permitted. No fence shall exceed eight feet (8') in height.

ARTICLE IV

ASSOCIATION ORGANIZATION AND MANAGEMENT

Section 4.01 The Board of Directors of the Association shall consist of not less than three (3) no more than six (6) members, the exact number to be fixed in accordance with the provisions of the Bylaws.

Section 4.02 The Association shall have two classes of voting membership:

- (a) **Class A:** Class A members shall be all Owners with the exception of the Developer. Class A members shall be entitled to one (1) vote for each Lot which they own. When more than one person holds record title to a Lot, all such persons shall be members of the Association; however, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.
- (b) **Class B:** The Class B member shall be the Developer. The Class B member shall have a total number of votes equal to five (5) votes per lot which he owns. However, on the later of (a) December 31, 2003, or when the Class B member only retains title to one remaining Lot, the Class B member shall at all times thereafter be entitled to only one (1) vote for every Lot owned by it. Notwithstanding anything to the contrary contained herein, the Class B member shall be entitled to only one (1) vote for each Lot which it then or thereafter owns.

Section 4.03 Each Owner of a Lot shall be a member of the Association, and such membership shall continue so long as such person or entity continues to be an Owner. The membership of any Owner in the Association shall be appurtenant to and may not be separated from record ownership of any Lot, and the transfer of any membership in the Association that is not made as a part of the transfer of a lot shall be null and void. Ownership of a Lot shall be the sole qualification of being a member of the Association. Each Owner shall comply with all rules and regulations as established by the Association from time to time. Land within the street right-of-way of the **Trinity Shores** street system that is designated as Common Area of the Association on the recorded plat of the subdivision, while not a true voting "Lot", shall be considered land within the Association and a part of the maintenance common area.

Section 4.04 The Association shall have the duty to enforce the covenants and maintain all common areas on the land and shall have the right, power, and authority to do any act which is consistent with or required by the provisions of these Covenants or the Bylaws, whether the same be expressed or implied, including but not limited to the following:

- (a) The power to levy and collect Assessments (of whatever nature) for the maintenance, repair, or replacement of the common area existing on the land and for such other purposes as are herein provided for;
- (b) The power to keep accounting records with respect to all activities and operation of the Association, and hire management or legal services to provide for administration of the Association;
- (c) The power to contract with and employ others for maintenance and repair; and
- (d) The power to adopt rules and regulations concerning the operation of the Association.

If the Board of Directors shall fail or refuse to enforce the Covenants or fail to maintain the common areas for an unreasonable period of time, after written request to do so, then any aggrieved Owner may enforce these Covenants on his own behalf by appropriate action, whether in law or in equity or the City of Coppell, through its City Council, may enforce such covenants to the extent herein set forth.

Section 4.05 For the purpose of these restrictions, Common Areas that are expected to be maintained by the Association include all common areas as provided on the map, plat, and records filed with the City in connection with the above described development, but are not limited to:

- (a) The masonry wall and foundation along Sandy Lake Road;
- (b) The landscaping and irrigation between Sandy Lake Road wall and curb;
- (c) The entry area landscaping, irrigation, walls, signage, and security building;
- (d) That portion of any street right-of-way, including pavement, subgrade and curbs to the streets and alleys or sidewalks of Trinity Shores that are designated as Common Areas on the recorded plat of the Subdivision even though dedicated to the public;

Section 4.06 Of the common areas listed above, the following are "Common Areas of City Interest" as that term is used herein:

- (a) The masonry wall and foundation along Sandy Lake Road;
- (b) The landscaping and irrigation between Sandy Lake Road Wall and curb;

- (c) The entry area landscaping, irrigation, walls, signage, and security building; and
- (d) That portion of any street right-of-way, including pavement, subgrade and curbs to the streets and alleys or sidewalks of Trinity Shores that are designated as Common Areas on the recorded plat of the Subdivision even though dedicated to the public.

Section 4.07 Should the Association or its Board fail or refuse to maintain such Common Areas of City Interest to City specifications for an unreasonable time, not to exceed ninety days after written request to do so, the City of Coppell, by and through a majority of its City Council members, shall have the same right, power and authority as is herein given to the Association and its Board of Directors to enforce these covenants and levy assessments necessary to maintain the Common Areas of City Interested listed in Section 4.06. It is understood that in such event, the City of Coppell, Texas, through its City Council, may elect to exercise the rights and powers of the Association or its Board of Directors, to the extent necessary to take any action required and levy any assessment that the Association might have, either in the name of the Association, or otherwise, to cover the cost of maintenance of said Common Areas of City Interest.

ARTICLE V

ASSESSMENTS MAINTENANCE FUND AND ASSESSMENT LIENS

Section 5.01 The Association shall possess the right, power, authority, and obligation to establish an annual assessment sufficient in the judgment of the Board of Directors to pay when due all charges and expenses related to the operation of the Association. Such annual assessments so established shall be payable by the Owners on the first day of each calendar year. They shall be applied to the payment of charges for which the Association is responsible, including, without limitation, charges relating to maintenance and repair, public liability and other insurance coverage which is required or permitted to be maintained by the Association, taxes, assessments, and other governmental impositions not separately levied and assessed, utilities not separately assessed, professional services (such as accounting and legal), and such other costs and expenses as may reasonably relate to the proper operation, management, and administration of the Association. No consent or approval of the Owners shall be required for the establishment of the annual assessments contemplated by this section.

During initial sales and construction phases, Owners other than the original developer shall pay a pro rata assessment based upon the balance of the remaining calendar year, to be calculated starting the month following the date of purchase, with one-twelfth (1/12) of the annual assessment calculated for each remaining month of the calendar year. This pro rata assessment is due and payable within thirty (30) days from the date of purchase. Thereafter, the assessments are annual as per this section.

Section 5.02 Prior to the commencement of each calendar year, the Association, through the Board of Directors, shall prepare and deliver to each of the Owners a

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budget setting forth the anticipated expenses for the ensuing year. Such budget shall be in sufficient detail so as to inform each Owner of the nature and extent of the expenses anticipated to be incurred, and shall be accompanied by a statement setting forth each owner's annual pro rata share thereof and the date on which such annual assessment first commences to be payable. The Board may provide that annual assessments shall be paid monthly, quarterly, semi-annually, or annually. No further communication shall be necessary to establish the amount of each owner's obligation regarding the annual assessment payable hereunder, and the failure of the Board of Directors to timely deliver the budget provided for herein shall in no event excuse or relieve an owner from the payment of the annual assessments contemplated hereby. Any budget prepared and delivered to the Owners as hereby contemplated may be amended as and to the extent reasonably necessary, and the amount of an Owner's annual assessment changed, to correspond therewith.

Section 5.02(a) The Annual Assessments shall include reasonable amounts, as determined by the Board, collected as reserves for the future periodic maintenance, repair, and/or replacement of all or a portion of the Common Area. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be deposited by the Association in a separate bank account to be held in trust for the purposes for which they were collected and are to be segregated from and not commingled with any other funds of the Association. Assessments collected as reserves shall not be considered to be advance payments of regular Assessments.

Section 5.03 In addition to the annual assessments contemplated hereunder, the Association shall possess the right, power, and authority to establish special assessments from time to time as may be necessary or appropriate in the judgment of the Board of Directors to pay (i) non-recurring expenses relating to the proper operation, management, and the administration of the Association, or (ii) non-recurring expenses relating to the proper maintenance, care, alteration, improvement, or reconstruction of specific Lots (including the Buildings thereon) in the manner hereinafter specified.

Section 5.04 Each Owner shall be personally obligated to pay his pro rata share of all assessments established pursuant to these Covenants. Each Owner's pro rata share shall be equal to a percentage of the total amount of the assessments established pursuant to these Covenants determined by dividing one by the total number of Lots. Any unpaid assessments shall constitute the personal obligation of the Owner of such Lot at the time such assessment became due. No Owner shall be entitled to exempt himself from the liability of such Owner's obligation to pay such assessments by an abandonment of his Lot or by any other action whatsoever. Any such assessment not paid within sixty (60) days of the date due shall bear interest at the rate of ten percent 10% per annum, and shall be recoverable by the Association, together with interest as aforesaid and all costs and expenses of collection of suit, including reasonable attorney's fees, in a court of competent jurisdiction sitting in Dallas County, Texas. It shall be the responsibility of the Board of Directors to collect any such delinquent assessments, the existence of which shall be made known by written notice delivered to the defaulting owner and such Owner's First Mortgagee.

Notwithstanding the previous paragraph, until such time as Class B member votes transition to one vote per lot pursuant to Section 4.02(b), the Developer shall not be obligated to pay pro rata share assessments on lots owned by the Developer.

Section 5.05 An Owner's pro rata share of all assessments established pursuant to these Covenants shall be secured by a lien upon such Owner's Lot and the Residence located thereon in favor of the Association, which lien shall be prior and superior to all of the liens and encumbrances upon such Lot and Residence, regardless of how created, evidenced, or perfected, other than the liens securing the payment of First Lien Indebtedness and the lien for unpaid taxes, assessments, and other governmental impositions. Such lien and encumbrance may be enforced by any means available at law or in equity, including, without limitation, a nonjudicial foreclosure sale of the Lot of a defaulting owner conducted in accordance with the provisions of V.T.C.A. Property Code Section 51.002 with the Board of Directors having the power to appoint a trustee to conduct such sale. The Association or any other Owner may be the purchaser at such foreclosure sale.

Section 5.06 The Association shall promptly transmit to an Owner, such Owner's First Mortgagee, or any other interested party requesting such information, a statement setting forth the amount of any delinquent assessments payable by an owner, as well as the amount of the annual assessment payable at the time of such request.

ARTICLE VI

IMPROPER MAINTENANCE BY OWNER

Section 6.01 In the event any Lot (including Building or Residence located thereon) is, in the judgment of the Board of Directors so maintained by its Owner as to not comply with these Covenants or so as to present a public or private nuisance or so as to substantially detract from the appearance or quality of the neighboring Lots or other areas of the Land which are substantially affected thereby or related thereto, the Association, through the Board of Directors, may, by resolution, make a finding to that effect specifying that the particular condition or conditions which exist, and pursuant thereto deliver notice thereof to the offending Owner that unless corrective action is taken within ten (10) days, the Association will cause such action to be taken at such owner's cost. If at the expiration of said ten-day (10-day) period of time the requisite corrective action has not been taken, and unless a reasonable extension is approved by the Board of Directors the Board shall be authorized and empowered, on behalf of the Association, to cause such action to be taken. Such corrective action allows for access, and trespass may be necessary to complete the maintenance. The cost (the "Maintenance Cost") thereof shall be assessed against the Lot of the offending Owner and shall be secured by the Maintenance Lien as hereinafter provided. Written notice of such assessment shall be delivered to the offending Owner which notice shall specify the amount of such Maintenance Cost and shall demand payment thereof within thirty (30) days after the date of said notice.

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Section 6.02 The Board of Directors shall have the right at any time there are unpaid Maintenance Costs outstanding with respect to a Lot to file with the County Clerk of Dallas County, Texas, a statement describing such lot and declaring the amount of unpaid Maintenance costs relating thereto in which event, upon such filing, there shall be automatically imposed on such Lot a Lien (the "Maintenance Lien") in favor of the Association for the amount of such unpaid Maintenance Costs relating to any such lot. Upon a payment of the Maintenance Costs secured by such maintenance Lien by or on behalf of the Lot against which the Maintenance Lien is imposed, the Board of Directors shall file or record with the County Clerk of Dallas County, Texas, and appropriate release of such Maintenance Lien previously filed against the Lot thereof for such Maintenance Costs. The Maintenance Lien shall be for the sole benefit of the Association.

Section 6.03 Each Owner, for himself, his heirs, executors, administrators, trustee, personal representatives, successors and assigns, covenants and agrees:

- (a) That he will pay to the Association within thirty (30) days after the date of written notice thereof any Maintenance Costs assessed against his Lot; and
- (b) That by accepting any Deed to his Lot, he shall be and remain personally liable for any and all Maintenance Costs assessed against his Lot while he is (or was) the Owner thereof, regardless of whether such Covenants or agreement are expressed in such Deed and regardless of whether he signed the Deed.

Section 6.04 If the Owner of any Lot fails to pay the Maintenance Cost when due, the Board of Directors may enforce the payment of the Maintenance Cost and/or the Maintenance Lien by taking either or both of the following actions, concurrently or separately, and by exercising either of the remedies hereinafter set forth, the Board of Directors does not preclude or waive its rights to exercise the other remedy:

- (a) Bring an action at law and recover judgment against the Owner personally obligated to pay Maintenance Cost;
- (b) Foreclose the Maintenance Lien against the Lot in accordance with the prevailing Texas law relating to the foreclosure of realty mortgages and liens (including the power of conducting a nonjudicial sale in accordance with the provisions of V.T.C.A. Property Code Section 51.002 and the right to recover a deficiency). The Board of Directors shall have the power to appoint a trustee to conduct such sale.

The sale or transfer of any Lot shall not affect the Maintenance Lien.

Section 6.05 In any action taken pursuant to Section 6.04 of this Article, the Owner shall be personally liable for, and the maintenance Lien shall be deemed to secure the

amount of, the Maintenance Cost together with interest thereon at the rate of ten percent (10%) per annum, and reasonable attorney's fees.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 7.01 The Developer hereby appoints an Architectural Control Committee (herein so called), which shall consist of three (3) members who shall be natural persons. All matters before the Architectural Control Committee shall be decided by majority vote of its members. After August 31, 2002, the Association shall assume all of the rights and powers of the Architectural Control Committee and shall exercise same, through the Board of Directors, in the manner herein provided. In the event of death, incapacity or resignation of a member of the Architectural Control Committee, the successor for such member shall be appointed by the majority of the remaining members of the Architectural Control Committee, if such death, incapacity or resignation occurs on or before the above date and by the Association if such death, incapacity or resignation occurs thereafter.

Section 7.02 No Building, fence, wall, sign, exterior light, or other structure or other apparatus, either permanent or temporary, shall be commenced, erected, placed, or maintained upon the Land (or any Lot constituting a part thereof), nor shall any remodeling or reconstruction thereof, exterior addition thereto, change therein, or alteration, excavation, subdivision, or resubdivision thereof, including without limitation changes in or alterations to grade, roadways, and walkways, be made until three (3) copies of the plans and specifications showing the nature, kind, shape, height, materials, color, and location, and other material attributes of same, shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Control Committee. All plans and specifications submitted to the Architectural Control Committee shall include plats showing the proposed locations on the Land and the dimensions of all improvements and shall specify in addition to construction diagrams and specifications, all materials to be used and color schemes for all improvements. If the Board fails to approve or disapprove such design and location within thirty (30) days after such plans and specifications have been submitted to it, approval of the Architectural Control Committee will be deemed to have been given, and this Article will be deemed to have been fully complied with. The Architectural Control Committee shall have the right in the sole discretion of the Architectural Control Committee, to disapprove any plans and specifications submitted to it for any of the following reasons: (a) If such plans and specifications are not in accordance with any of the provisions of these Covenants or the codes, ordinances, and regulations of the City of Coppell, Texas; (b) if the external design, elevation, appearance, location, or color scheme for the proposed improvements are not in harmony with the general surroundings of the Land or with the adjacent dwellings or structures or with the topography; (c) if the plans and specifications submitted are incomplete; (d) if the design, appearance, or location of any landscaping is not in harmony with the general surroundings or topography; (e) if

the Architectural Control Committee deems the plans and specifications, or any part thereof, to be contrary to the interest, welfare, or rights of any or all parts of the Land. The Architectural Control Committee is authorized to accept whatever drawings, plans, or specifications as it deems desirable within its sole discretion to be in satisfaction of the foregoing. The decision of the Architectural Control Committee shall be final, conclusive, and binding upon all Owners. Neither the Architectural Control Committee nor Developer shall be responsible in any way for any defects in any plans or specifications submitted, revised, or approved in accordance with the foregoing, nor for any structural or other defects in any work done according to such plans and specifications. The signature of any two members of the Architectural Control Committee on any such plans and specifications with "approved" or "disapproved" written or stamped thereon shall be prima facie evidence as to such approval or disapproval being the act of the full Architectural Control Committee.

Section 7.03 The Architectural Control Committee shall have the right, but not the obligation, to enforce the provisions of these Covenants and to such end shall have the same powers as herein given to the Association and its Board of Directors. If the Architectural Control Committee shall fail or refuse to enforce these Covenants for an unreasonable period of time after written request to do so by any aggrieved Owner, then such aggrieved Owner may enforce these Covenants on his own behalf by appropriate action.

Section 7.04 Neither Developer, the Association, the Architectural Control Committee, and the Board nor the officers, directors, members, employees and agents of any of them, shall be liable in damages to anyone submitting plans and specifications to any of them for approval, or to any Owner of property affected by these restrictions by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval variance or failure to approve or disapprove any such plans and specifications. Every person who submits plans or specifications, and every Owner of any of said property agrees that he will not bring any action of suit against Developer, the Association, the Architectural Control Committee, the Board, or the officers, directors, members, employees and agents of any of them, to recover any such damages and hereby releases, and quitclaims all claims, demands, and causes of action arising out of or in connection with any judgment, negligence, or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands, and causes of action not known at the time the release is given.

ARTICLE VIII

ASSOCIATION ORGANIZATION AND MANAGEMENT

Section 8.01 The Architectural Control Committee may allow reasonable variances and adjustments of these conditions and restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the regulations contained herein, but is not under any obligation to issue variances. However, variances

shall be in conformity to the intent and purposes hereof and provided also that in every instance such variance or adjustment win not be materially detrimental or injurious to other Lots or improvements on the Land. Determination of such a finding shall lie with the Architectural Control Committee. Granting of a variance for one property does not obligate the Committee to grant further variances for other properties. Each such variance request shall be on a case-by-case basis. Should the Committee find that a granted variance produced an undesirable result, the Committee may elect not to grant other similar requests.

ARTICLE IX

LAND SUBJECT TO THIS DECLARATION

Section 9.01 All of the Property and any right, title, or interest therein shall be owned, held, leased, sold, and/or conveyed by Developer, and any subsequent owner of all or part thereof, subject to these Covenants and the covenants, restrictions, charges, and liens set forth herein.

ARTICLE X

MISCELLANEOUS

Section 10.01 Subject to the limitations of Section 10.03, these Covenants may be revoked or amended in the following manner:

- (a) Until December 31, 2003, the Board of Directors, together with a majority of the Owners, shall have the right, from time to time, to revoke or amend these Covenants for any purpose by instrument bearing the signature of a majority of the Board of Directors and a majority of the Owners duly acknowledged and recorded in the records of the office of the County Clerk of Dallas County, Texas.
- (b) On or after January 1, 2003, sixty-two percent (62%) of the Owners may from time to time revoke or amend these Covenants for any purpose by instrument bearing the signatures of sixty-two percent (62%) of the Owners, duly acknowledged and recorded in the Deed Records of the office of the County Clerk of Dallas County, Texas.

Section 10.02 These Covenants shall be effective upon the date of recordation hereof, and as amended from time to time, shall continue in full force and effect to and including December 31, 2003. From and after said date, these Covenants, as amended, shall be automatically extended for successive periods of ten (10) years, unless there is an affirmative vote to terminate these Covenants by the then Owners of fifty-one percent (51%) of the Lots and approval by majority vote of the then members of the City Council of the City of Coppel.

Section 10.03 Sections 10.01 and 10.02, notwithstanding, the provisions hereof in regard to the duty of the Association and/or its Board of Directors to maintain all the

common areas as set out in Article IV, the assessment procedure set out in Article V, and the rights extended to the City of Coppell set out in Section 4.07 in regard to the Common Areas of City Interest set out in Section 4.06, shall not be revoked or amended without the additional approval of a majority of the then members of the City Council of the City of Coppell, Texas.

Section 10.03 If any provisions of these Covenants shall be held invalid or unenforceable, the same shall not affect the validity or enforceability of any of the other provisions hereof.

Section 10.04 Whenever notices are required to be sent hereunder, the same shall be sent to the Owner who is the intended recipient, by certified or registered mail, return receipt requested and postage prepaid, at the address of such Owner's Lot and further provides that any such notice may be delivered in person. Notices shall be deemed received when actually received and whether or not received when deposited in a regularly maintained receptacle of the United States Postal Service in accordance with the provisions hereof. Notices sent to the Architectural Control Committee or the Association shall be sent by certified or registered mail, return receipt requested and postage prepaid, only at such address as has previously been specified by the Architectural Control Committee to the Owners or by the Board of Directors to the Owners, respectively. The Architectural Control Committee and the Association may, from time to time, change such specified addresses by giving the Owners notice of such change in the manner herein provided.

Section 10.05 Whenever the context so requires, the use of any gender shall be deemed to include all genders, the use of the plural shall include the singular, and the singular shall include the plural.

Section 10.06 All captions, titles, or headings of the Articles or sections in these Covenants are for the purpose of reference and convenience only, and are not to be deemed to limit, modify, or otherwise affect any other provisions hereon, or to be used in determining the intent or context hereof.

Section 10.07 If any interest purported to be created by these Covenants is challenged under the Rule Against Perpetuities or any related rule, by interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the "lives in being" for computing the period of perpetuities shall be those which would be used in determining the validity of the challenged interest.

EXECUTED on the date first above written.

DEVELOPER:

Hobart Development, Inc., a Texas Corporation

By: [Signature] as president
Matthew H. Marchant, President

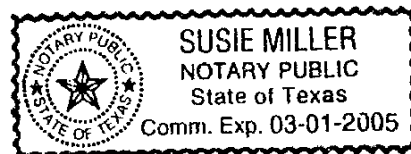
STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me on the 16th day of
August, 2001, by Matthew Marchant,
of Hobart Development, Inc., a Texas Corporation, on
behalf of said Corporation.

[Signature]
Notary Public State of Texas

MY Commission Expires: 03-01-2005



AFTER RECORDING, PLEASE RETURN TO:
Hobart Development, Inc.
2125 N. Josey Lane #100
Carrollton, TX 75006

COUNTY CLERK, Dallas County, Texas



APR 29 2002

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under federal law.
COUNTY OF DALLAS
I hereby certify this instrument was filed on the date and time stamped herein by me and was duly recorded in the volume and page of the named records of Dallas County, Texas as stamped hereon by me.

DALLAS COUNTY
COUNTY CLERK
TAL BULLOCK

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FILED

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