GF# 2005328-VCJA

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Attn: Hilary Tyson, Esq.

STATE OF TEXAS §
§ **KNOW ALL PERSONS BY THESE PRESENTS:**
COUNTY OF COLLIN §

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LEGACY HILLS ADDITION, CITY OF CELINA, COLLIN COUNTY, TEXAS

This Master Declaration of Covenants, Conditions and Restrictions for Legacy Hills Addition, City of Celina, Collin County, Texas (this "**Declaration**") is executed effective as of July 30, 2021, by MM CELINA 3200, LLC, a Texas limited liability company (the "**Declarant**").

RECITALS:

A. The Declarant is the owner of the real property in Collin County, Texas, described on **Exhibit A** attached hereto (the "**Property**"). The Declarant has or is developing the Property as an addition to the City of Celina, and Collin County to be known as "Legacy Hills Addition" (the "**Subdivision**").

B. The Declarant desires to establish a mixed-use community of commercial, retail, multi-family, single family residential attached and single family detached homes on the Property and, accordingly, has executed this Declaration to impose the covenants, conditions, restrictions, and easements herein described upon the Property.

ARTICLE 1
ESTABLISHMENT

Section 1.1 Establishment of Covenants, Conditions and Restrictions. The Declarant hereby imposes upon the Property the covenants, conditions, restrictions, liens and easements set

forth in this Declaration (the "**Covenants**") for the purposes of establishing a general scheme for development of the Property, enhancing the value of the Lots (as defined below) and Buildings (defined below), and establishing restrictions for the Permitted Uses (as defined below) for the benefit of the Declarant, Builders (defined below) and the Owners (defined below). The Declarant does not guarantee that all of these purposes will be accomplished through the creation and imposition of the Covenants. The Covenants touch and concern title to the Property, run with the land and shall be binding upon all persons hereafter acquiring any portion of the Property.

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

"**Applicable Zoning**" means any zoning now or hereafter applicable to the Property or any portion thereof, including, without limitation, any planned development ordinance approved, passed, and/or enacted by the City Council of the City that grants a change in the zoning of the Land or any portion thereof to allow for the development contemplated by this Declaration, and any ordinance that may hereafter be adopted by the City Council of the City with respect to any addition to the Land, as such ordinance or ordinances may from time to time hereafter be modified, amended or superseded. All references herein to the Applicable Zoning shall also include any other applicable provisions of the Zoning Ordinances of the City, as the same may from time to time hereafter be amended, or its successor provision.

"**Architectural Control Committee**" or "**Committee**" shall have the meaning assigned to such term in Section 8.1 hereof.

"**Architectural Approval**" shall have the meaning assigned to such term in Section 8.2 hereof.

"**Association**" shall mean and refer to Legacy Hills Addition Master Property Owners' Association, Inc., a non-profit corporation formed in the State of Texas in accordance with the Certificate of Formation, Organizational Consent and Bylaws thereof, copies of which are attached hereto as **Exhibit B** and incorporated herein by reference, and as may be amended from time to time in accordance with the terms set forth therein.

"**Attached Dwelling**" shall mean and refer to any Dwelling constructed on an Attached Dwelling Lot as a single-family attached residence or townhome.

"**Attached Dwelling Building**" shall mean and refer to the structure comprised of two or more Attached Dwellings that (i) is located on two (2) or more Attached Dwelling Lots, and (ii) has one (1) or more party walls separating the Attached Dwellings comprising such Attached Dwelling Building.

"**Attached Dwelling Lot(s)**" shall mean and refer to those Lots shown on any Plat and/or the Design Guidelines that are intended for development and use of construction of an Attached Dwelling. Notwithstanding anything to the contrary contained herein, the Attached Dwelling Lots

shall only be permitted to be developed within the portion of the Property described on **Exhibit A-1** attached hereto and incorporated herein by reference.

"**Board of Directors**" or "**Board**" means the board of directors of the Association. Declarant shall appoint all directors to the Board during the Development Period. From and after the expiration of the Development Period, at least three (3) directors on the Board shall be elected by a majority vote of the Members directly or through their Sub-Association Representative for each Sub-Association (if formed), owning Attached Dwelling Lots and Detached Dwelling Lots (each a "**Residential Director**"), at least two (2) directors on the Board shall be elected by a majority vote of the Members directly or through the Sub-Association Representative(s) for each Sub-Association (if formed), owning the Commercial Lots (each a "**Commercial Director**"). If the Members of applicable Sub-Associations fail to elect any of the Residential Directors, the President of the largest three (3) Sub-Associations for the Attached Dwelling Lots and/or Detached Dwelling Lots shall each serve as and be deemed to be the Residential Directors for the Association, failing which, the President of the Association shall appoint any vacancies in the Residential Director positions. If the Members owning Commercial Lots fail to elect any of the Commercial Directors, the President of the Association shall appoint any vacancies in the Commercial Director positions from the Owners of Commercial Lots, endeavoring to have such appointments result in at least one (1) Commercial Director being an Owner of a Commercial Lot with primarily retail/restaurant uses thereon, and one (1) Commercial Director being an Owner of a Commercial Lot with primarily multi-family use thereon.

"**Building**" shall generally refer to herein to an Attached Dwelling Building, a Detached Dwelling, and/or a Commercial Building (whether one or more), as the context may require.

"**City**" means the City of Celina, Texas.

"**City Property**" means collectively (i) the approximately 4-acre site depicted ton the Concept Plan to be developed as a fire station, (ii) the approximately 7-acre site depicted on the Concept Plan to developed as a police substation and fire station, (iii) the approximately 27-acre site depicted on the Concept Plan to developed as a sports facility, (iv) the approximately 8-acre site depicted on the Concept Plan to be developed as a pump station, and (v) the approximately 15-acre site depicted on the Concept Plan to be developed as a wastewater treatment plant.

"**Commercial Building**" means and refers to the vertical structure to be constructed on the Commercial Lot for use and occupancy for one or more Commercial Use(s).

"**Commercial Lot**" shall mean and refer to the Lot(s) located within the Subdivision designated as part of the "Flex Use Pod" in the Concept Plan and/or Design Guidelines and may include one or more Buildings with one or more Commercial Uses.

"**Commercial Use**" shall mean any commercial, retail, and/or multi-family uses, which may include, without limitation, (i) high-density multi-family residential, with or without ground floor commercial uses, (ii) Senior/Assisted Living Facilities, (iii) business service, personal service, or retail service, (iv) amphitheater, (v) office, (vi) general retail, retail specialty or retail

trade, (vii) studio uses, (viii) commercial indoor amusement, and/or (ix) restaurants, and coffee shops.

"**Common Area**" means the portion of the Land that is not situated within a Lot and any other property rights within the Land which are known, described or designated for, or which shall subsequently be intended for or devoted to, the common use and enjoyment of the Members. The Common Area may include real property owned by the Association or non-owned property maintained by the Association. The Common Area shall specifically include that hike and bike trails, open space areas and related improvements described and/or depicted on the Concept Plan or any Plat(s), but shall specifically exclude the City Property and Golf Course Land and Improvements shown on the Concept Plan or any Plat(s).

"**Common Improvements**" means those improvements initially made by Declarant within the Common Area, together with such other improvements as may be made hereafter by the Association, including, without limitation, paving and other improvements within private alleys located in the Subdivision. The Common Improvements may (but are in no way required to) include parks, lakes, trails, sculpture, monuments, signs, lighting, medians within public rights-of-way, restroom facilities, swimming pool(s), shade structures, playscapes, common landscaping and hardscape improvements, irrigation improvements, and related structures and improvements. The Common Improvements specifically include, without limitation, the improvements described and/or depicted on **Exhibit E** attached hereto and incorporated herein by reference, but shall specifically exclude any improvements within the City Property or the Golf Course Land and Improvements shown on the Concept Plan.

"**Common Properties**" means the Common Area and Common Improvements, collectively. Declarant during the Development Period, and thereafter the Board of the Association, may designate a particular Development Area and the Members owning portions of the Property within a designated Development Area to have primary access to certain Common Properties by a Supplementary Declaration filed in Collin County, Texas in accordance with Section 2.3 hereof.

"**Community Enhancement Fee**" means a fee equal to the Transfer Price multiplied by one-tenth of one percent (0.1%), unless the Transfer in question is excluded under this Declaration, which is payable to the Association upon the Transfer of any Lot or Condominium Unit with the Community.

"**Community Investment Fund**" means the account designated pursuant to this Declaration to receive the Community Enhancement Fee in accordance with Article VII.

"**Condominium Unit**" means an individual unit, including any common element assigned thereto, within a condominium regime, if any, established within the Subdivision by a Sub-Declaration in accordance with Section 3.2. A Condominium Unit may be intended and designated in a Development Area by a Supplementary Declaration for Residential Use, Commercial Use, or Mixed-Use.

"**Concept Plan**" shall mean and refer initially to the concept plan attached hereto as **Exhibit D** and incorporated herein by reference, to be modified and/or replaced by any concept plan subsequently adopted by the City for the Property under Applicable Zoning for and/or any Plat of the Property or applicable portion thereof. In the event of any conflict between the Concept Plan attached hereto and Applicable Zoning, the requirements under Applicable Zoning shall control. In the event of any conflict between the Concept Plan and any Plat of the Property, the Plat shall control. In the event of any conflict between the Concept Plan and the Design Guidelines, the Design Guidelines shall control.

"**Declarant**" means MM CELINA 3200, LLC, a Texas limited liability company, and its successors in interest to the Land through (i) a voluntary disposition of all (or substantially all) of the assets of such entity and/or the voluntary disposition of all (or substantially all) of the right, title and interest of the entity in and to the Land where such voluntary disposition of right, title and interest expressly provides for the transfer and assignment of the rights of such entity as Declarant as provided in Section 13.6 hereof, or (ii) an involuntary disposition of all or any part of the Land owned by such entity as Declarant prior to completion of development of the Land as a mixed-use community. No person or entity purchasing one or more Lots from such entity in the ordinary course of business shall be considered as "Declarant".

"**Design Guidelines**" shall mean the "Land Use Standards" attached as **Exhibit C** to the Development and Annexation Agreement being also attached hereto as **Exhibit C** and incorporated herein by reference, as may be modified, amended, restated and/or supplemented by the City in connection with approval and adoption of any Applicable Zoning or otherwise from time to time hereafter be amended, modified, supplemented and/or restated in accordance with the terms of Section 8.2 hereof.

"**Detached Dwelling**" shall mean and refer to any Dwelling constructed as a single-family detached home on a Detached Dwelling Lot.

"**Detached Dwelling Lot(s)**" shall mean and refer to those Lots shown on the Plat and/or Design Guidelines that are intended for development and use of construction of a Detached Dwelling.

"**Development and Annexation Agreement**" means that certain Development, Settlement and Annexation Agreement effective as of September 8, 2020 by and between the City and Dynavest Joint Venture, a Texas joint venture, as assigned, modified and amended by that certain First Amendment to Development, Settlement and Annexation Agreement dated to be effective on or about August 10, 2021 by and among the City, Declarant, and the Municipal Management District, as may be hereinafter modified and/or amended from time to time.

"**Development Area**" means any area of Land within the Property designated by Declarant during the Development Period, and thereafter the Board of the Association, as a specific area for development or with primary access to certain Common Properties as set forth in a Supplementary Declaration filed in Collin County, Texas in accordance with Section 2.3 hereof.

"**Development Period**" means the period of time commencing on the date of this Declaration and continuing through and including the earlier of (i) the date on which the last certificate of occupancy or equivalent is issued for the last of the initial Buildings constructed within the Property, or (ii) the date which is seventy-five (75) years after recordation of this Declaration in the Official Public Records of Collin County, Texas, or (iii) the date of recording in the Official Public Records of Collin County, Texas, of a notice signed by the Declarant terminating the Development Period.

"**Dwelling**" means the improvement located on each Lot that is designed to be or appropriate for use as a single-family residence, together with any garage incorporated therein, whether or not such residence is actually occupied. Dwelling shall generally refer to any Attached Dwelling or Detached Dwelling.

"**Golf Course Land and Improvements**" shall mean and refer to the portion of the Property on which the minimum 18-hole golf course is located as shown on the Concept Plan, and related golf course improvements.

"**Governmental Requirements**" shall mean any and all laws, ordinances, regulations, requirements, restrictions or other impositions of the City, Collin County, State of Texas, or federal government, or any agency or department thereof with jurisdiction over the Property, including, without limitation, any requirements of the TIRZ, the PID Restrictions and the Applicable Zoning.

"**Land**" means the real property in Collin County, Texas, described on **Exhibit A**, attached hereto and incorporated herein, and such other real property as may be made subject to the terms of the Declaration in accordance with the provisions hereof.

"**Lot**" means a legally subdivided lot shown as such on the Plat or planned building site with respect to any unplatted acreage and which is or is intended to be improved with a Dwelling or Building. Some portions of the Common Area may be platted as one or more "lots" on the Plat, however, such Common Area lots are expressly excluded from the definition of "Lot" as used herein.

"**Majority**" means more than half.

"**Managing Agent**" means any individual, corporation, limited liability company, partnership or other entity of any kind or type whatsoever who has been engaged and designated by the Board to manage the daily affairs and operations of the Association.

"**Member**" means an Owner who is a member of the Association.

"**Mixed-Use Building**" means and refers to the vertical structure to be constructed on the Mixed-Use Lot for use and occupancy for one or more Commercial Use(s) and/or Residential Use(s).

"**Mixed-Use Lot**" shall mean and refer to the Lot(s) located within the Subdivision designated as part of a "Flex Use Pod" in the Concept Plan and/or Design Guidelines and may include one or more Buildings with one or more Commercial Use(s).

"**Mixed-Use**" shall mean any combination of Residential Use and Commercial Use within a Building or Lot.

"**Municipal Management District**" means the North Celina Municipal Management District No. 3, a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, to be known as North Parkway Municipal Management District No. 1.

"**Owner**" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any Lot, including contract sellers. If a Lot is owned in undivided interests by more than one person or entity, each owner shall be an Owner for purposes of this Declaration. A person or entity that owns only a lien or other similar interest in a Lot as security for performance of an obligation is not an Owner with respect to that Lot.

"**Person**" shall mean and refer to any individual, partnership, corporation, limited liability company, trust or other entity.

"**Phase**" or "**Phases**" shall mean and refer any portion of the Property platted and intended for development pursuant to a Plat thereof.

"**PID**" means the Public Improvement District established or to be established by the City and as so established applicable to the Property or portions thereof.

"**PID Restrictions**" shall mean those covenants, conditions and restriction contained in any Declaration of Covenants, Conditions and Restrictions (the "**PID Declaration**") required to be imposed upon any Property or portions thereof within the boundaries of the PID by Declarant and the Owners of the portion of the Property within the boundaries of the PID collectively as "Landowners" under such PID Declaration, and recorded or to be recorded in the Official Public Records of Collin County, Texas.

"**Plat**" means (i) initially, the general development plan, and thereafter the final plat or plats (being one or more), for the Property or any Phase or other portion of the Property submitted to and approved by the City, or any other applicable governmental entity; (ii) after recordation thereof, the final Plat for any Phase or other portion of the Property as recorded in the Official Public Records of Collin County, Texas; and, (iii) any replat of, or amendment to, the foregoing made by the Declarant, the Owners or the Association in accordance with this Declaration and the applicable requirements of the City or other applicable governmental authority. The term "Plat" shall also include the final recorded plat of any additional property annexed into the Property pursuant to the terms of this Declaration.

"**Property**" means the Land and all improvements thereto, whether now existing or hereafter placed thereon.

"**Reserved School Sites**" shall mean those portions of the Property designated on the Concept Plan to be used for purposes of construction of one or more elementary school(s), subject to the dedication and/or conveyance of such sites to the City or Celina Independent School District ("**CISD**").

"**Residential Lot(s)**" shall mean and refer to any Attached Dwelling Lot(s) and/or Detached Dwelling Lot(s).

"**Residential Use**" shall mean use and occupancy of a Building as an owner-occupied residential Dwelling, and ancillary or secondary uses in support thereof and residential use of any Dwelling not occupied but rather leased by an owner to a tenant thereof. Residential Use shall expressly not include the residential use by tenants of units in multi-family Buildings constructed on a Commercial Lot that are marketed solely for occupancy by renters.

"**Sub-Association**" means the property owners association created to administer the Lots and any Buildings thereon pursuant to the terms of a Sub-Declaration. The formation of the Sub-Association must be approved in advance and in writing by the Declarant during the Development Period, and a majority of the Board after expiration or termination of the Development Period together with the written consent of Declarant (for as long as Declarant owns any portion of the Property).

"**Sub-Declarant**" means the "Declarant" pursuant to the Sub-Declaration.

"**Sub-Declaration**" means a subordinate declaration of covenants pertaining to the some, but not all Lots which provides for the creation of the Sub-Association and assessments to be levied by the Sub-Association to discharge costs and expenses anticipated to be incurred by the Sub-Association. The Sub-Declaration must be approved in advance and in writing by the Declarant during the Development Period, and a majority of the Board after expiration or termination of the Development Period together with the written consent of Declarant (for as long as Declarant owns any portion of the Property).

"**TIRZ**" means the tax increment reinvestment zone created by the City in accordance with Chapter 311 of the Texas Tax Code, as amended ("**TIRZ Act**"), for the Property.

"**Transfer**" means, for the purposes of the Community Enhancement Fee, any conveyance, assignment, or other grant or transfer of beneficial ownership of a Lot or Condominium Unit, whether occurring in one transaction or a series of related transactions, including but not limited to: (a) the conveyance of fee simple title to any Lot or Condominium Unit; (b) the transfer of more than fifty percent (50%) of the outstanding shares of the voting stock of a corporation which, directly, or indirectly, owns one or more Lots or Condominium Units; and (c) the transfer of more than fifty percent (50%) of the interests in net profits or net losses of any partnership, limited liability company, joint venture or other entity which, directly or indirectly, owns one or more Lots or Condominium Units; but "**Transfer**" shall not mean or include grants or conveyances expressly excluded under this Declaration.

"**Transferred Price**" means the greater of: (a) the price paid by the Transferee for the Lot or Condominium Unit; or (b) the value of the Lot or Condominium Unit, including any improvements or betterments constructed thereon, as determined by the Central Appraisal District of the county in which the Lot or Condominium Unit is located in their most recent valuation, excluding any reductions or exemptions, of such Lot or Condominium Unit for ad valorem tax purposes. For purposes of subparagraph (b) of the immediately preceding sentence, "**valuation**" means the appraised value without giving effect to any applicable tax exemptions.

"**Transferee**" means all parties to whom any interest passes by a Transfer, and each party included in the term Transferee shall have joint and several liability for all obligations of that transfer, as provided for in this Declaration.

"**Transferor**" means all parties who pass or convey any interest by a Transfer, and each party included in the term Transferor shall have joint and several liability for all obligations of that Transfer as provided for in this Declaration.

ARTICLE II

PROPERTY SUBJECT TO THE DECLARATION

2.1 Initial Properties. The properties that shall initially be subject to this Declaration shall include the Land and all improvements now or hereafter constructed thereon.

2.2 Addition to Properties. Additional land may from time to time be made subject to this Declaration during the Development Period. The addition of any such additional land (referred to as "**Adjacent Land**") to this Declaration may be accomplished by the recordation in the Official Public Records of Collin County, Texas, of a Supplementary Declaration, signed by Declarant and the owner of such Adjacent Land, which shall extend the scheme of this Declaration to such Adjacent Land, automatically extending the jurisdiction, functions, rights, and duties of Declarant, the Association (including membership therein) and the Architectural Control Committee to the Adjacent Land. In connection with the addition of any such Adjacent Land to this Declaration, Declarant shall have the right to extend then existing streets and other right-of-ways located on the Land to, through or across such Adjacent Land and to take any other actions which Declarant, in its sole discretion, deems advisable in order to connect such Adjacent Land to any of the Land or otherwise establish or maintain a link between them. If Declarant is not a Member immediately prior to the recordation of a Supplementary Declaration, then upon the recordation of such Supplementary Declaration, Declarant shall become a Class B Member. No consent or approval of the Association or of any Owner shall be required in order to extend the scheme of this Declaration to any Adjacent Land or for Declarant to take any of the actions authorized by this Section. If any Adjacent Land is made subject to this Declaration, then, without the necessity of any further action, such Adjacent Land shall be included within the definition of the Land, and all other terms of this Declaration shall be modified as necessary to extend the coverage of this Declaration to the Adjacent Land. In any such Supplementary Declaration, Declarant and the owner of such Adjacent Land shall have the authority to make any amendments to this Declaration as Declarant and such owner deem advisable in connection with the addition of the Adjacent Land

to this Declaration, without the joinder or consent of the Association or of any Owner. Notwithstanding anything to the contrary contained herein, until expiration of the Development Period, this Section 2.2 may not be modified or amended without the express written consent of Declarant.

2.3 Designation of Development Areas. Declarant during the Development Period, and thereafter, the Board of the Association, may from time to time designate certain portions of the Property as Development Areas by the recordation in the Official Public Records of Collin County, Texas, of a Supplementary Declaration, signed by Declarant and the owner of such portion of the Property that is to be a designated Development Area. Such Supplementary Declaration designating a Development Area may (i) establish more stringent design and construction requirements for Property and Buildings and other improvements within such Development Area, (ii) designate certain Common Area(s) or Common Properties for the primary use of the Owners of Property and/or Buildings, and their Permitted Users (as defined below) of such Development Area, (iii) establish any Assessments or adjustment of existing Assessments specific to such Development Area and Owners thereof based on the proximity or use of Common Properties and/or Common Areas to such Development Area, and/or (iv) other terms, covenants, conditions and restrictions applicable to such Development Area. No consent, joinder, or approval of the Association or of any Owner (other than the Owner of the subject Development Area) shall be required in order to file a Supplementary Declaration designating a Development Area and setting forth other terms, covenants, conditions and restrictions for such Development Area so designated as contemplated by this Section 2.3. Notwithstanding anything to the contrary contained herein, until expiration of the Development Period, this Section 2.3 may not be modified or amended without the express written consent of Declarant.

2.4 Reserved School Sites. Declarant during the Development Period, and thereafter the Board shall dedicate and/or convey the Reserved School Sites to the City or CISD, as applicable, upon request made by the City or CISD in accordance with the terms and requirements of the Development and Annexation Agreement. In the event that the Reserved School Sites are not dedicated or conveyed to the City or CISD for purposes of construction of a school thereon as contemplated under the terms of the Development and Annexation Agreement, such Reserved School Sites shall be included in the Land and shall be designated as Detached Dwelling Lot(s) and/or Commercial Lot(s) as determined by Declarant or by the City under Applicable Zoning or any Plat thereof. Notwithstanding anything to the contrary contained herein, until expiration of the Development Period, this Section 2.4 may not be modified or amended without the express written consent of Declarant.

2.5 City Property and Golf Course Land and Improvements. At any time during the term of this Declaration, without prior written consent of the Association or any Owner, the Declarant may de-annex and remove from the Property subject to this Declaration any and all portions of the Land and related improvements that are located within the City Property and/or Golf Course Land and Improvements shown on the Concept Plan by the recordation in the Official Public Records of Collin County, Texas, of a Supplementary Declaration, signed by Declarant removing such City Property and/or Golf Course Land and Improvements from the property subject to this Declaration. Each Owner by accepting title to any portion of the Property acknowledges and agrees that (i) the City Property is to be dedicated and conveyed to the City,

owned and operated by the City and not part of any Common Areas, Common Improvements or other Common Properties and shall not be subject to this Declaration, and (ii) the Golf Course Land and Improvements is to be privately owned and operated separate and apart from any Common Areas, Common Improvements or other Common Properties, and shall not be subject to this Declaration. Notwithstanding anything to the contrary contained herein, this Section 2.5 may not be modified or amended without the express written consent of Declarant.

ARTICLE III

USE OF PROPERTY AND LOTS - PROTECTIVE COVENANTS

All Owners of a Lot, any Land, Dwelling, Commercial Building, Mixed-Use Building, or any other Building or Structure, or any other portion of the Property must comply with all provisions of the Applicable Zoning and any and all other City ordinances regulating the use and application of building, construction, and architectural standards and materials, and any other construction and design specifications, rules and restrictions, or other requirements set forth in the Applicable Zoning with respect to any structures constructed, owned and/or maintained within the Property whether or not same may be enforceable by the City or other applicable governmental authority, and the Applicable Zoning is incorporated into this Declaration as part of the Covenants set forth herein for such purpose. Additionally, the Property and each Lot situated thereon shall be constructed, developed, occupied and used as follows:

3.1 Permitted Uses; Prohibited Uses. (i) Each Attached Dwelling Lot and Detached Dwelling Lot (including land and Dwellings thereon) shall be used and occupied for Residential Uses only. Attached Dwelling Lots shall only be permitted within the portion of the Land described on **Exhibit A-1** attached hereto and incorporated herein by reference. Each Commercial Lot shall be used and occupied for Commercial Uses. Any Mixed-Use Lot may be used and Occupied for one or more Commercial Use(s).

(ii) Notwithstanding anything to the contrary contained herein or in the Design Guidelines, the following uses are prohibited within any portion of the Property designated for Commercial Use:

(a) The storage or sale of explosives or fireworks;

(b) Any distillation or refinery facility (except that a microbrewery or distillery for wines or spirits in connection with a wine bar or other spirits bar shall be permitted);

(c) Any betting facility;

(d) Any indecent or pornographic uses, adult bookstore, peepshow store, or any other similar store or club; and any business devoted to sale of articles and merchandise normally used or associated with illegal or unlawful activities, including, without limitation, the sale of paraphernalia used in connection with marijuana, cocaine or other controlled drugs or substances; provided, however, that the restriction does not apply to the sale of any book or magazine that would otherwise be restricted hereby by a place of business selling a general range of

books or the sale or rental of any movies or other media by a place of business selling or renting a general line of movies or other media;

(e) Any massage parlor except that this restriction is not intended to cover any day spas, any spas which are ancillary to a use otherwise permitted hereunder (e.g., spas in hotels, residential buildings, etc.) or to stores offering massages operating in a manner similar to a Massage Envy;

(f) Any tattoo parlors or body piercing business;

(g) Any business which primarily operates as a check cashing facility;

(h) Any pawn shop;

(i) Any commercial laundromat or dry cleaning facility or store, except that laundry facilities in connection with a gym or residential use and "drop off" for dry cleaning (so long as the actual dry cleaning is conducted at a site outside the Project) shall be permitted;

(j) Any automobile body shop or repair operation, including automobile servicing or repair work (e.g., oil change, tire change, body or paint shop, tune up, brake or muffler service);

(k) Any automobile service station or truck stop;

(l) Any mortuary, crematorium or funeral home;

(m) Any storage, display, sale or leasing of new or used trucks, recreation vehicles, mobile homes or large recreational boats (but not including display, sale or leasing of small water crafts such as canoes and kayaks), used car lots, or any sales or leasing of new or used trucks, recreation vehicles or mobile homes within any exterior portion of the Property, or any rental car facility or storage, display or sale of new cars with more than 25 spaces for vehicles in a surface parking lot provided this restriction shall not apply to zip cars, flex cars or similar car programs;

(n) Any second hand store, surplus store or fire sale, bankruptcy sale (unless pursuant to a court order), auction house (other than upscale auction houses) or similar merchandise liquidation operation, provided that outlet stores, antique stores, high quality secondary merchandise stores, and the second-hand sale of books, records, videos, compact discs, computer hardware and software, clothing, and sporting goods, such as, by way of example only, "Kid-to-Kid," "Play It Again Sports" or "Tuesday Morning," shall be allowed;

(o) Any manufacturing, industrial, warehouse, processing, rendering, distilling (except to the extent permitted under Section 3.1(iii)(b), refining or smelting facility, except for any manufacturing activities associated with a retail use, such as, by way of example only, "Build-a-Bear" or a paint your own pottery use; and

(p) Any excessive quantity of dust, dirt, or fly ash; provided, however, this restriction (q) does not apply to any construction within the Property performed in accordance with the requirements of this Declaration.

3.2 Further Subdivision; Re-platting; Sub-Associations and Sub-Declarations. (a) The Declarant or subsequent Owner of the Commercial Lot or any Mixed-Use Lot may subdivide the Commercial Lot or Mixed-Use Lot, as applicable, by establishing a condominium regime thereon in accordance with Chapter 82, *et seq.* of the Texas Property Code (the Texas Uniform Condominium Act) ("**TUCA**") that is subordinate to this Declaration, and thereby creating two or more condominium units and related restrictive covenants thereon to facilitate the separate ownership of portions of the Building or Buildings constructed on such Commercial Lot or Mixed-Use Lot, in which event (i) the condominium association governing the Commercial Lot or Mixed-Use Lot, or authorized representative thereof, shall be entitled to exercise (or by covenants, conditions and restrictions established for such condominium shall be entitled to delegate to the members of the condominium association) the rights of the "Owner" of the Commercial Lot or Mixed-Use Lot, as the case may be, hereunder collectively for all owners of condominium units within the such Lot, and no individual condominium unit owner shall be entitled to exercise such rights, and (ii) all owners of condominium units on the Commercial Lot or Mixed-Use Lot, as the case may be, shall be jointly and severally liable for the duties and obligations of the "Owner" of the such Lot hereunder. The Declarant and any subsequent Owner may additionally subdivide the portion of the Property owned by it (and if not owned by Declarant, with prior written approval of Declarant) by subdivision plat filed in accordance with the Subdivision Ordinance of the City and any other applicable Governmental Requirements. Except as provided in the preceding sentences, no Lot shall be re-subdivided; provided, however, that Declarant (or the Owner of Property with prior written approval of Declarant) shall have and reserves the right, at any time, or from time to time, to file a replat of the Plat or a portion thereof to effect a reconfiguration of any Lots in the Property then owned by Declarant or such Owner (with prior written approval of Declarant), and subject to obtaining any necessary approval, joinder or consent of the appropriate county and/or municipal authorities. The consent or approval of Owners other than Declarant shall not be required for such replatting.

(b) The Owner of any Lot, as a Sub-Declarant, may (but is in no way obligated to) establish the Sub-Declaration and the Sub-Association for a portion of the Property owned by such Owner by recordation of such Sub-Declaration in the Official Public Records of Collin County, Texas. The creation of the Sub-Association and establishment of the Sub-Declaration will not modify any obligations, limitations, rights, benefits or burdens established by this Declaration, except as may otherwise be expressly provided herein. The Sub-Declaration, as approved by Declarant and/or the Board, may provide for the performance of certain rights and/or obligations of the Declarant and/or the Association by the Sub-Declarant named in such Sub-Declaration or the Sub-Association. The terms and provisions of the Sub-Declaration and/or governing documents of the Sub-Association, together with any modifications, supplements and/or amendments thereto, are subject to the review and approval of the Declarant in advance and in writing during the Development Period, and thereafter by the Board with Declarant's approval for as long as Declarant owns any portion of the Property, which approval of Declarant and/or the Board may be withheld in the Declarant's or Board's, as applicable, sole and absolute discretion. The Sub-Declaration (and/or any modifications, supplements and/or amendments thereto that conflict with the terms of this Declaration), filed in the Official Public Records of Collin County, Texas, against all or any portion of the Property which has not been approved by Declarant or the Board, as evidenced by Declarant and/or an officer of the Association indicating Board approval of such Sub Declaration, as applicable, shall be void and of no force or effect.

3.3 Combining Lots. Any person owning two or more adjoining Lots designated hereunder for Residential Use only may consolidate such Lots into a single building location for the purpose of constructing one (1) Dwelling thereon (the plans and specifications therefor being approved as set forth in this Declaration) and such other improvements as are permitted herein; provided, however, any such consolidation must comply with the rules, ordinances and regulations of any governmental authority having jurisdiction over the Property. In the event of any such consolidation, the consolidated Lots shall be deemed to be a single Lot for purposes of applying the provisions of this Declaration; provided, however, such Owner shall continue to pay assessments on such Lots as if such Lots had not been consolidated and shall be entitled to one vote for each Lot (determined prior to such consolidation) owned by such Owner. Any such consolidation shall give consideration to easements as shown and provided for on the Plat and any required abandonment or relocation of any such easements shall require the prior written approval of Declarant, during the Development Period, or the Association thereafter, as well as the prior written approval of the City or any utility company having the right to the use of such easements.

3.4 Drainage.

(a) Neither the Declarant nor its successors or assigns, shall be liable for, and each Owner hereby waives any right of recovery against Declarant, its successors and assigns for any loss of, use of, or damage done to, any shrubbery, trees, flowers, improvements, fences, sidewalks, driveways, or buildings of any type or the contents thereof on any Lot caused by any water levels, rising waters, or drainage waters.

(b) After completion of construction of a Building on a Lot, the Owner of such Lot shall cause such Lot to be graded so that surface water will flow to streets, alleys, drainage easements, or Common Properties. Such grading shall be in conformity with the general drainage plans for the Subdivision approved by the City. It shall be the responsibility of each Owner to maintain or modify, if necessary, the drainage characteristics of its Lot so that storm water runoff from such Lot will not run across or collect upon any adjacent Lot. If a retaining wall or underground drainage improvements are necessary to control and prevent drainage from one Lot onto an adjacent Lot, it shall be the responsibility of the Owner of the Lot having the higher surface elevation to construct and maintain the retaining wall or underground drainage improvements, which shall be subject to the approval of the Architectural Control Committee.

3.5 Dirt Removal. The digging of dirt or the removal of any dirt from any Lot is prohibited, except as necessary in conjunction with landscaping or construction of improvements thereon.

3.6 Utilities. All utilities shall be installed underground. Each Building situated on a Lot shall be connected to the water and sewer lines as soon as practicable. No individual water supply system shall be permitted on any Lot. No privy, cesspool, or septic tank shall be placed or maintained upon or in any Lot. However, portable toilets will be allowed during building construction. The installation and use of any propane, butane, liquid petroleum gas or other gas tank, bottle or cylinder of any type (except portable gas grills) shall require the explicit, itemized approval of the Architectural Control Committee, and, if so approved, the Architectural Control

Committee may require that such tank, bottle or cylinder be installed underground. Any control boxes, valves, connection, utility risers or refilling or refueling devices shall be completely landscaped with shrubbery so as to obscure their visibility from the streets within or adjoining the Property or from any other Lot or the Common Area.

3.7 Setback Requirements and Building Location. All front, side, and rear setbacks must be approved by the Architectural Control Committee and must meet the requirements of the Design Guidelines, Plat and the applicable Governmental Requirements. The location of the Building on each Lot, the facing of the main elevation of any Dwelling with respect to nearby streets, and the facing of any elevation of a Building which is visible from an adjacent street or Common Properties shall be subject to the approval of the Architectural Control Committee. Additionally, each Owner must comply with the yard, lot coverage and minimum building separation requirements of the Design Guidelines.

3.8 Minimum Floor Space. Each Detached Dwelling constructed on any Detached Dwelling Lot shall be constructed to include floor area as permitted under the Design Guidelines and under applicable Governmental Requirements. Each Attached Dwelling constructed on any Attached Dwelling Lot shall be constructed to include floor area as permitted under the Design Guidelines and under applicable Governmental Requirements. Any Building constructed on the Commercial Lot shall be constructed to include floor area as permitted under the Design Guidelines and under applicable Governmental Requirements.

3.9 Height. No Detached Dwelling or other building on any Detached Dwelling Lot shall have a height in excess of the lesser of (i) thirty-five feet (35'), (ii) two and one-half (2-1/2) stories, or (iii) the maximum height allowed by the Design Guidelines. No Attached Dwelling or other building on any Attached Dwelling Lot shall have a height in excess of the lesser of (i) forty-five feet (45'), (ii) three and one-half (3-1/2) stories, or (iii) the maximum height allowed by the Design Guidelines. No Commercial Building or Mixed-Use Building shall exceed the maximum height allowed by the Design Guidelines or under applicable Governmental Requirements.

3.10 Construction Requirements. All construction on any Lot shall meet the requirements of the Design Guidelines and Applicable Zoning, and shall be subject to the explicit, itemized approval of the Architectural Control Committee in accordance with this Declaration.

3.11 Garages. Each Dwelling erected on any Attached Dwelling Lot shall provide garage space for a minimum of two (2) conventional automobile(s), and each Detached Dwelling erected on any Detached Dwelling Lot shall provide garage space for a minimum of two (2) conventional automobile(s), unless some greater number is required by the City or under the terms of the Design Guidelines. Garage doors shall be closed at all times when not in use. All garage doors must be of material, design and color per the Design Guidelines and as approved by the Architectural Control Committee. Porte cocheres must be approved by the Architectural Control Committee or designee thereof. No carport shall be built, placed, constructed or reconstructed on any Lot. As used herein, the term "carport" shall not be deemed to include a porte cochere. No garage shall ever be changed, altered, reconstructed or otherwise converted for any purposes inconsistent with the garaging of automobiles. Garages or parking improvements shall be constructed on the Commercial Lot in accordance with plans and specifications approved by the

Architectural Control Committee, and otherwise in conformance with parking and design requirements under the Design Guidelines and any other applicable Governmental Requirements.

3.12 Fences. No fence, wall or hedge shall be erected, placed or altered on any Lot without the approval of the Architectural Control Committee and the design of and materials used in the construction of fences and walls shall comply with the minimum fencing requirements listed in the Design Guidelines and the Design Guidelines and have the explicit, itemized approval of the Architectural Control Committee; provided, however, fences on any Residential Lot may be placed on such Residential Lot in compliance with the terms of the Sub-Declaration applicable to such Residential Lot(s). With respect to the Commercial Lots and/or Mixed-Use Lots only:

(a) No fence, wall or hedge shall exceed six (6) feet in height, as measured from the final grade; except for screening walls and/or fences if (re-)constructed in accordance with the plans for the Building and other improvements initially constructed by a Builder on such Commercial Lot or Mixed-Use Lot, or with prior written approval of the Architectural Control Committee;

(b) Height limitations shall not apply to fences, walls and hedges constructed by Declarant along the perimeter of the Land or by the Owner of the Commercial Lot or Mixed-Use Lot in connection with the construction of the Commercial Building or Mixed-Use Building (as applicable) and related improvements in accordance with plans approved by the Architectural Control Committee and the City; and

(c) All service and sanitation facilities, wood piles, and air conditioning equipment must be enclosed within fences, walls or landscaping so as not to be visible from the immediate residential street, adjoining Lots or the Common Area.

3.13 Retaining Walls. The design and materials for all retaining walls shall be limited to those designs and materials in the Design Guidelines and must have the explicit, itemized approval of the Architectural Control Committee for each particular retaining wall.

3.14 Landscaping. Any and all plans for the landscaping of front yards and of side yards not enclosed by solid fencing, including alterations, changes or additions thereto, shall be subject to the approval of the Architectural Control Committee and shall comply with the requirements listed in the Design Guidelines. Lots shall further be landscaped and maintained as necessary to comply with the landscaping requirements of the Design Guidelines. Subject to weather delay, each Lot shall be fully landscaped within sixty (60) days from the date on which the residence thereon is "complete"; as such term is defined in Section 3.23.

3.15 Trash Receptacles and Collection. Each Lot Owner shall make or cause to be made appropriate arrangements with the City or private waste removal service for collection and removal of garbage and trash on a regular basis. Each and every Owner shall observe and comply with any and all Governmental Requirements promulgated by the City and/or the Association in connection with the storage and removal of trash and garbage. All trash, garbage, or waste matter shall be kept in tightly sealed bags or other approved containers that shall be maintained in a clean and sanitary condition. No Lot shall be used for open storage of any materials whatsoever, except that

building materials to be used in the construction of improvements erected on any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon through completion of construction. No garbage, trash, debris, or other waste matter of any kind shall be burned on any Lot.

3.16 Parking. Each Owner shall be liable and responsible for constructing, operating, maintaining and repairing the required parking and related parking improvements on such Owner's Lot as may be required to comply with the Design Guidelines, and/or as may be required under any applicable Governmental Requirements.

3.17 Signs. All signage and flags displayed on a Commercial Lot, Commercial Building, Mixed-Use Lot or Mixed-Use Building shall comply with the Design Guidelines and any applicable Governmental Requirements. No signs or flags shall be displayed to the public view on any Commercial Lot or Mixed-Use Lot without the explicit, itemized approval of the Architectural Control Committee. All signage on Attached Dwelling Lots or Detached Dwelling Lots shall comply with the following:

(a) Declarant and builders may erect and maintain a sign or signs for the construction, development, operation, promotion and sale of the Lots.

(b) Each Owner may post one (1) professional, ground-mounted security sign of not more than one (1) square foot in size.

(c) Each Owner may display up to two (2) flags not exceeding 4' x 6' in size on or at a Dwelling, which flags may include the United States flag(s), Texas state flag(s) or other state flag(s), seasonal flags (displayed no more than three [3] months during the then applicable season), flags in support of college or other athletic teams, or any other banners or flags otherwise consistent with the covenants, conditions and restrictions contained in this Declaration;

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

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

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

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

offensive to the ordinary person, as determined by the Association in its sole discretion, or (H) be accompanied by music or other sounds or by streamers or is otherwise distracting to motorists; and

(e) an Owner may erect a sign, which complies with standards established from time to time by the Architectural Control Committee, in order to advertise its Lot for sale.

3.18 Offensive Activities. No noxious or offensive activity shall be conducted on any Lot nor shall anything be done thereon which is or may become an annoyance or nuisance to the other Owners. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except (a) with respect to any Lot or portion thereof used for a Residential Use or tenant occupants of any multi-family residential Commercial Building, that dogs, cats or other household pets (not exceeding three (3) adult animals at any time) may be kept, provided that they are not kept, bred or maintained for commercial purposes, and (b) with respect to any portion of a Lot used for a Commercial Use, the occupant thereof may conduct such business activities as permitted under the Design Guidelines and any other applicable code, ordinance, statute, regulation or law.

3.19 Drilling and Mining Operations. No oil drilling, water drilling or exploration or development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, water wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil, natural gas or water shall be erected, maintained or permitted upon any Lot.

3.20 Duty of Construction. All construction on any Attached Dwelling Lot or Detached Dwelling Lot shall be completed no later than one (1) year following the commencement of construction. All construction on any Commercial Lot or Mixed-Use Lot shall be completed no later than two (2) years following the commencement of construction. For the purposes of this Section, the term "commencement of construction" shall be deemed to mean the date on which the foundation forms are set. For purposes of this Section, construction shall be deemed completed when the City issues a final certificate of occupancy for the Building and/or Dwellings constructed on such Lot.

3.21 Express Plat Requirements. Owners are deemed to be aware of all provisions of the Plat.

3.22 Development Activity. Notwithstanding any other provision hereof, Declarant and any builder of any initial Buildings and their respective successors and assigns shall be entitled to conduct on the Property all activities normally associated with and convenient to the development of the Property, the initial construction of the Common Improvements, and the initial construction and sale of Buildings thereon. A builder of any initial Buildings shall have the right to leave any gates located on the Property open during any times that construction activities are permitted, without liability to any person.

ARTICLE IV

PROPERTY RIGHTS IN COMMON PROPERTIES

4.1 Title to the Common Properties. The Declarant shall dedicate and convey the fee simple title to the Common Properties to the Association prior to or upon completion of Declarant's initial construction of the Common Improvements. With respect to any Common Improvements constructed within Common Areas owned or not owned by Declarant, the Owner constructing such Common Improvements shall dedicate and convey any such Common Improvements so constructed and accepted by the Association to the Association upon request or demand, and such Owner shall dedicate and convey fee simple title to ay Common Areas owned by such Owner to the Association prior to or upon completion of the construction of the initial Common Improvements thereon; each such Owner by acceptance of title to any portion of the Property hereby grants Declarant the power of attorney, coupled with an interest, to dedicate and convey any Common Improvements constructed by such Owner and/or Common Area owned by such Owner to the Association as contemplated in this Section 4.1. During the Development Period, Declarant may modify the location, configuration, size, area, use, and/or any other qualities or characteristics of the Common Properties in the Declarant's sole and absolute discretion. This Section 4.1 may not be amended without the prior written consent and approval of Declarant during the Development Period, which may be withheld in Declarant's sole and absolute discretion.

4.2 Owner's Easement of Enjoyment. Subject to the provisions of Section 4.3, every Owner (and each member of any condominium association established with respect to a Commercial Lot or Mixed-Use Lot) (a "**Primary User**") and every tenant of every Primary User, who resides on a Lot, and each individual who resides with either of them, respectively, on such Lot (collectively, the "**Permitted Users**") shall have a non-exclusive right and easement of use and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot; provided, however, such easement shall not give such person the right to make alterations, additions or improvements to the Common Properties.

4.3 Extent of Owners' Rights and Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to adopt, amend, enforce and revoke rules and regulations governing the use, operation and maintenance of the Common Properties, including, without limitation, the authority to charge reasonable fees and the authority to assess fines against an Owner due to its violation or the violation by any Permitted Users through such Owner of such rules and regulations established by the Association. The Association is further authorized and empowered to prohibit the use, or to limit the manner and extent of use, of the Common Properties by Owners owing unpaid fines, fees or assessments or violating rules and regulations of the Association.

(b) The right of the Association, by and through the Board, to enter into and execute contracts with a Managing Agent or any third parties (including the Declarant, any builder of the initial Building on any Lot, or an affiliate of either of them) for the purpose of providing management, maintenance or other materials or services consistent with the purposes of the Association;

(c) The right of the Association, subject to approval by written consent by the Member(s) having a majority of the outstanding votes of the Association, in the aggregate, regardless of class, to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility company for such purposes and upon such conditions as may be approved by such Members; and

(d) The right of the public to the use and enjoyment of public rights-of-way, if any, located within the Common Properties.

4.4 Restricted Actions by Owners. No Owner or Permitted User shall permit anything to be done on or in the Common Properties which would violate any applicable public law or zoning ordinance (including without limitation any applicable Governmental Requirements), which would result in the cancellation of or increase of any insurance carried by the Association, or which would be in violation of any law. No waste shall be committed in the Common Properties.

4.5 Damage to the Common Properties. Each Owner shall be liable for itself and any Permitted User through such Owner to the Association for all damage, other than ordinary wear and tear, to the Common Properties caused by the Owner or any Permitted User through such Owner, or such Owner's or Permitted User's family, pets, tenants or other occupants of such Owner's Lot or by any guest or invitee of any of the foregoing. The Common Properties may be subject to storm water overflow, natural bank erosion and other natural or man-made events or occurrences which cannot be defined or controlled. **Under no circumstances shall Declarant or the Association, or its Managing Agent, ever be liable, and each person hereafter becoming an Owner hereby waives any right to recovery from Declarant, the Association or the Managing Agent (if any), for any damages or injuries of any kind or character or nature whatsoever resulting from: (i) the occurrence of any natural phenomena; (ii) the failure or defect of any structure or structures situated on or within the Common Properties, including failures or defects occurring through the negligence of contractors employed by Declarant or the Association; or (iii) any negligent or willful act, conduct, omission or behavior of any individual, group of individuals, entity or enterprise occurring on, within or related to the Common Properties.**

4.6 **Risk of Loss - Use of Common Area and Common Amenities. Each Owner shall be individually responsible and assume all risk of loss associated with its use of the Common Properties, and use by Permitted User by, thorough or under such Owner. Neither the Association nor the Declarant, nor any Managing Agent engaged by the Association or Declarant, shall have any liability to any Owner or Permitted User, or to any other Person, arising out of or in connection with the use, in any manner whatsoever, of the Common Properties or any improvements comprising a part thereof from time to time. Declarant shall have no responsibility for maintenance, repair, replacement, or improvement of the Common Properties after initial construction thereof.**

ARTICLE V

PROPERTY OWNERS ASSOCIATION

5.1 Purposes. The Association shall have the duty and responsibility to administer and maintain the Common Properties, to maintain all commonly-owned or maintained road medians located within the Property or which are part of the Common Properties, to discharge any maintenance obligations imposed upon it by the Plat, to discharge the additional maintenance obligations with respect to Lots and Buildings imposed upon it by this Declaration, to procure insurance, to establish and collect assessments and to disburse collected funds as so permitted, to enforce this Declaration, and to perform any other functions imposed upon the Association by this Declaration.

5.2 Membership. Every Owner shall automatically be a Member of the Association.

5.3 Classes of Membership. The Association shall have two (2) classes of membership:

(a) Class A. Class A Members shall be all Owners who are not Class B Members. Class A Members shall be entitled to one vote for each Attached Dwelling Lot and/or Detached Dwelling Lot in which they hold the interest required for membership, and five (5) votes per acre of land within a Commercial Lot or Mixed-Use Lot in which they hold an interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Class A Members; however, the vote for such Lot shall be exercised as the Owners of such Lot jointly determine, among themselves, and such vote shall not be counted if the Owners of such Lot cannot unanimously agree on such vote. The Owners of Lots that are also members of a Sub-Association shall appoint one representative to exercise their votes as a Member of the Association (the "**Sub-Association Representative**") in accordance with the terms of the Sub-Declaration applicable to such Lot(s); provided, however, if such members of a Sub-Association fail to appoint a Sub-Association Representative, the President of the Sub-Association shall serve as the Sub-Association Representative for such Members that are also members of such Sub-Association.

(b) Class B. The sole Class B Member shall be Declarant. The Declarant shall be entitled to fifty (50) votes for each Attached Dwelling Lot and/or Detached Dwelling Lot owned by it and two hundred (200) votes per acre within a Commercial Lot or Mixed-Use Lot owned by it. In determining the number of Lots owned by the Declarant for the purpose of Class B membership status hereunder, the total number of Lots covered by this Declaration, including all Lots annexed thereto in accordance with Section 2.2 herein shall be considered, subject to the terms of Section 13.3 hereof.

(c) Subject to the conditions set in this Declaration, the Class B membership shall be converted to Class A membership upon the earlier of (i) the total votes outstanding in the Class A membership equaling or exceeding the total votes outstanding in the Class B membership, (ii) expiration of the Development Period, or (iii) the recording in the Official Public Records of Collin County, Texas, of a notice signed by the Declarant terminating Class B membership.

5.4 Administration and Maintenance of the Common Properties; Other Maintenance Obligations. The Association shall take the actions required to care for and preserve the Common Properties. The Board of Directors shall be empowered to establish, amend and repeal rules for the use of the Common Properties. The Association shall further be obligated to perform the maintenance obligations on individual Lots required to be performed by the Association pursuant to this Declaration.

5.5 Assessments, Borrowing, Reserve Funds. The Board of Directors shall administer the assessment process described in Article VI hereof. The Board of Directors shall have the authority on behalf of the Association to borrow funds on a secured or unsecured basis without the approval of Declarant or the Members so long as the aggregate outstanding indebtedness with respect to such borrowing(s) does not exceed $200,000.00 at any one time. Any borrowing in excess of such limitation may be made only with the prior approval of Declarant if during the Development Period, or if not during the Development Period then only with the prior approval of Members holding at least a majority of the votes of all Members. If any such borrowing is secured, the security may consist of the assignment of current or future assessments or the pledge of rights against delinquent Owners, provided, however, that the Association shall not have the power to mortgage the Common Properties. The Board of Directors shall have the authority to establish reserve funds in accordance with other provisions of this Declaration or for any other lawful purpose. Reserve funds shall be accounted for separately from other funds.

5.6 Disbursement of Association Funds. The Board of Directors shall have the exclusive right to authorize the Association to contract for all goods, services, and insurance and to hold and disburse Association funds in payment therefore.

5.7 Managing Agent. The Association, through its Board of Directors, shall contract with a Managing Agent to administer the duties and obligations of the Association hereunder or under the other Governing Documents. During the Development Period, neither the Association nor any Members may terminate any management contract entered into with a Managing Agent without the prior written consent and approval of Declarant, which approval may be withheld in Declarant's sole and absolute discretion. The provisions of this Section 5 may not be modified or amended without the written consent of all Owners and, during the Development Period, the Declarant.

5.8 Declaration Enforcement. If, as and when the Board of Directors, in its sole discretion, deems necessary, it may cause the Association to take action to enforce the provisions of this Declaration and any rules made hereunder and to enjoin and/or seek damages from any Owner for violation thereof

5.9 Liability Limitations. Neither any Member nor the Board of Directors (or any member thereof) nor any officer of the Association shall be personally liable for debts contracted for or otherwise incurred by the Association or for the negligence, willful misconduct or other tort of another Member, whether such other Member was acting on behalf of the Association or otherwise. Neither the Declarant nor the Association nor their respective directors, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portion thereof or for failure to repair or maintain the same. Each

Owner further acknowledges that neither Declarant, any Builder, the Association, any Managing Agent, nor their respective members, partners, managers, directors, officers, agents or employees (the "**Indemnified Parties**") will have any responsibility or liability for the safety or security of any person or property with respect to any acts or omissions of any third parties, including criminal acts.

ARTICLE VI

ASSESSMENTS

6.1 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association Regular Assessments, Special Purpose Assessments, Special Member Assessments and other charges to be established and collected as provided herein (collectively, the "**Assessments**"). The obligation of the Owner(s) of a Lot to pay such Assessments and charges, together with interest thereon (if any) for past due payments at a rate or rates of interest determined and established from time to time by the Association (which rate or rates shall in no event exceed the maximum lawful rate of interest permitted under Texas law from time to time prevailing), late charges (in an amount or amounts determined and established from time to time by the Association), and costs incurred by the Association in connection with the collection of any of the foregoing Assessments, charges, and other sums, or in connection with the enforcement of this provision, including without limitation reasonable attorneys' fees incurred by the Association in connection therewith, shall be a continuing charge and lien upon each such Lot as a covenant running with the land, and any such Assessments, interest, costs and other charges assessed or charged and remaining unpaid with respect to any Lot shall constitute a lien and encumbrance on such Lot until the same is paid in full. Declarant hereby reserves such a lien upon each Lot in the name of and for the benefit of the Association. Such lien shall constitute a contractual lien, and a power of sale is hereby granted with respect to such lien for the benefit of the Association as hereinafter set forth. Each such Assessment or other charge, together with interest, late charges, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the person who is the Owner of such Lot at the time the assessment or other charge comes due (the "**Personally Obligated Owner**"); but personal liability for payment of delinquent Assessments or other charges shall not pass to successors in title to the Personally Obligated Owner unless expressly assumed by them.

6.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents and occupants of the Property and in particular for:

(a) (i) the improvement and maintenance of the Common Properties within the Property or any other maintenance necessary or desirable for the use and enjoyment of the Common Properties, and (ii) the Association Lot Maintenance (as defined in Section 7.1(a) hereof). Notwithstanding the foregoing, no maintenance performed by an Owner shall reduce the Assessment payable by him or her to the Association;

(b) the maintenance, repair and reconstruction, when needed as determined by the Association, of (i) private water and/or sewer lines (and any meters or lift stations associated therewith) serving any part of the Common Properties, and driveways, walks, and parking areas situated in the Common Area and (ii) City maintained water and/or sewer lines (and any meters or lift stations associated therewith) serving any Lot;

(c) the payment of taxes and public assessments assessed against the Common Properties;

(d) the procurement and maintenance of insurance in accordance with this Declaration;

(e) the employment of attorneys to represent the Association, when necessary or desirable;

(f) the provision of adequate reserves for the restoration or replacement of capital improvements; including, without limiting the generality of the foregoing, roofs, paving, foundations and any other major expense for which the Association is responsible; and

(g) such other needs as may arise in the performance of the Association's obligations under this Declaration.

The Assessments the Association is authorized to levy under this Section 6.2 and under other applicable provisions of this Declaration shall include, but shall not be limited to, the costs and expenses incurred or to be incurred by the Association in managing, administering, paying for, performing or contracting for the performance of any of the items listed in subparagraphs (a) through (g) above.

6.3 Reserves. The Association may establish and maintain an adequate reserve fund for the periodic maintenance, repair, restoration and/or replacement of (a) improvements in the Common Areas, (b) the front yard (including landscaping and hardscape installed by the Declarant or the Association) located outside of fenced-in areas of the Lots, exterior and structural portions of Attached Dwellings (including, without limitation roof sheer walls), or any other Association Lot Maintenance for which the Association is liable pursuant to this Declaration (but in no event is the Association liable or responsible to maintain, repair, restore or replace any improvements or landscaping installed by an Owner of a Lot which is the subject of any Association Lot Maintenance which has not been approved in writing by the ACC); and (c) those other portions of the Property which the Association may be obligated to maintain. If established, such reserve fund shall be established and maintained, insofar as is practicable, out of Regular Assessments for common expense.

6.4 Regular Assessments.

(a) The Board of Directors shall cause to be prepared an estimated annual budget for each fiscal year of the Association, taking into account all anticipated common expenses, the amount that should be set aside for unforeseen contingencies, the amount that should

be set aside for capital improvements, the anticipated income, if any, of the Association from sources other than assessments, and the existence of any surplus or deficit remaining from the preceding year's budget. Such budget shall segregate costs and expenses of the Association related to the Association Lot Maintenance separately, which costs and expenses are herein referred to as the "**Association Lot Maintenance Costs**." Included in the proposed budget shall be the proposed regular annual assessment (the "**Regular Assessment**") for such fiscal year for (i) each Detached Dwelling Lot based on the common expenses of the Association and the proportionate share of the Association Maintenance Costs attributable to such Detached Dwelling Lot(s) as determined by the Board in its sole discretion, which shall be assessed and charged against each Detached Dwelling Lot (the "**Detached Dwelling Regular Assessment**"), and (ii) each Attached Dwelling Lot based on the common expenses of the Association and the proportionate share of the Association Maintenance Costs attributable to such Attached Dwelling Lot(s) as determined by the Board in its sole discretion, which shall be assessed and charged against each Attached Dwelling Lot (the "**Attached Dwelling Regular Assessment**"), and (iii) each Commercial Lot based on the common expenses of the Association and the proportionate share of the Association Maintenance Costs attributable to such Commercial Lot(s) as determined by the Board in its sole discretion, which shall be assessed and charged against each Commercial Lot (the "**Commercial Regular Assessment**"). The proposed budget may also include any additional Regular Assessments to be levied on any Lots within any certain Development Area(s) related to the use and/or proximity of the Development Area(s) to certain Common Properties. The proposed annual budget and the proposed Regular Assessment against each Lot for each fiscal year shall be approved and adopted by the Board of Directors. A copy of the proposed budget, including the proposed Regular Assessment against each Lot, shall be furnished to each Owner at least thirty (30) days prior to the earlier to occur of (i) the day that the Board of Directors adopts the budget and the Regular Assessment against each Lot, or (ii) the beginning of each fiscal year of the Association. Copies of the proposed budget shall also be available to all Members for inspection during regular business hours at the Association's office during the same periods.

(b) Commencing on the earlier of January 1, 2023 or the date on which the first certificate of occupancy is issued for a Building constructed on a Lot (whichever is earlier) (the "**Assessment Commencement Date**"), (i) the Detached Dwelling Regular Assessment for each such Detached Dwelling Lot shall be **Nine Hundred and No/100 Dollars ($900.00)** per Detached Dwelling Lot, per year, (ii) the Attached Dwelling Regular Assessment for each such Attached Dwelling Lot shall be **Nine Hundred and No/100 Dollars ($900.00)** per Attached Dwelling Lot, per year, and (iii) the Commercial Regular Assessment for each such Commercial Lot shall be (A) **initially Zero and No/100 Dollars ($0.00)** per acre for any undeveloped Commercial Lot, and (B) **Zero and No/100 Dollars ($0.00)** per rentable square foot within the Building(s) constructed on a Commercial Lo; provided, however, prior to and as a condition precedent to an Owner's commencement of development of any Commercial Lot, the Declarant during the Development Period and thereafter the Board of the Association shall determine the Commercial Regular Assessment applicable to such Commercial Lot. During the period ending three years after the Assessment Commencement Date, the Declarant may adjust the Regular Assessments for any and all Lots within the Project based on the adopted budget and/or common expenses (anticipated or actual) for the calendar year in which the Regular Assessments shall be levied, **as determined by Declarant in its sole discretion**. From and after the expiration of such three year period, the Regular Assessment may be increased, decreased or maintained at its then current level by the

Board of Directors effective January 1 of each year without a vote of membership, but subject to the following limitations: if an adopted budget requires a Regular Assessment against the Owners in any fiscal year exceeding one hundred fifty percent (150%) of the Regular Assessment levied during the immediately preceding fiscal year, then upon written petition of Owners holding at least sixty-seven percent (67%) of the outstanding votes of all Members of the Association (both classes taken together) that is received by the Board of Directors within fourteen (14) days after such budget was adopted, the Board of Directors shall call a meeting of the Members of the Association to consider the budget. If no such petition is filed, the increase of the Regular Assessment may be approved by the Board without a vote of membership. If a petition is filed with the Board, and the meeting is held, regardless of whether or not a quorum is actually present at such meeting, the budget shall be deemed ratified by the Members of the Association unless enough votes are cast at such meeting in favor of rejecting the budget to qualify as a majority of all the votes that could have been cast at such meeting, if all Members had been present in person or by proxy at such meeting. In the event that the Board of Directors shall not approve an estimated annual budget or shall fail to determine new Regular Assessments for any year, or shall be delayed in doing so, each Owner shall continue to pay the amount of such Owner's Regular Assessment as last determined. Notwithstanding the foregoing, the Class B Member's liability for Assessments of any kind under this Declaration shall be only as provided in Section 6.14 of this Declaration.

(c) Regular Assessments shall be paid ratably on such monthly, quarterly or other basis as shall be established from time to time by the Board of Directors. The due dates shall be established by the Board of Directors. Once the Regular Assessment for a fiscal year has been established by the Board of Directors, written notice of the monthly or other periodic payment amount with respect to such Regular Assessment shall be sent to every Owner subject thereto by the Association. The Association shall, within ten (10) business days after a request therefor and for a reasonable charge, furnish a certificate signed by an officer of the Association, setting forth whether the Assessments on a specified Lot, including any Regular Assessments, have been paid.

(d) Notwithstanding anything in this Section 6.4 to the contrary, if any amount is assessed against a Lot in accordance with Section 7.1(b) as a result of damage that was caused to said Lot, the Attached Dwelling Building that is located partially on such Attached Dwelling Lot, or to some other part of the Property by the willful or negligent act(s) of the Owner of the assessed Lot, such amount shall not be considered or counted in determining whether a Regular Assessment has been made against such assessed Lot under paragraphs (a) or (b) of this Section.

6.5 Special Assessments. In addition to the Regular Assessments authorized above and any other special assessments authorized by other provisions of this Declaration, the Association may levy in any calendar year special assessments to Class A Members as follows:

(a) Special Purpose Assessments. The Association may impose special assessments ("**Special Purpose Assessments**") the purpose of supplying adequate reserve funds for the restoration and/or replacement of capital improvements or for defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area or the structural portions of any Building(s) located on a Lot(s) which the Association is liable as part of the Association Lot Maintenance hereunder, provided that any such assessment in excess of an amount equal

to fifty percent (50%) of the then current Regular Assessment assessed annually shall require the assent of (i) Declarant, if during the Development Period, or (ii) a majority of the votes of the Members who are present in person or by proxy at a meeting duly called for this purpose, if after the Development Period. At least ten (10 but no more than sixty (60) days prior to any meeting of the Association called to consider any Special Purpose Assessment, the Board shall notify each Owner by written notice specifying the total amount of the Special Purpose Assessment required, the amount thereof imposed on each Lot (which shall be equitably prorated between Owners as determined by the Board and in a manner consistent with the allocation applied to Regular Assessments hereunder), the purpose for such Special Purpose Assessment, and the time and method of payment thereof. The time for paying any Special Purpose Assessment (which may be in installments) shall be as specified in the approved proposal.

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

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

(ii) Paying the maintenance costs, construction delay damages and fines imposed for violations of this Declaration or any other rules and/or regulations promulgated thereby or other amounts chargeable to any Owner as otherwise set forth herein, and/or payment of any amounts expended by such Declarant or the Association in performing a defaulting Owner's obligations as provided for hereunder, including, without limitation as provided for in Section 7.1 hereof.

6.6 Notice and Quorum for Certain Actions Authorized Under Sections 6.4 or 6.5. Written notice of any meeting of Members called for the purpose of taking any action authorized under Sections 6.4 or 6.5 shall be sent to all Members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At a meeting called for the purpose of considering a special assessment under Section 6.5, the presence of Members or of proxies entitled to cast twenty percent (20%) of all the votes of all Members shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be ten percent (10%) of all the votes of all Members. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

6.7 No Offsets; Uniform Rate of Assessment. All Assessments shall be payable in the amount specified by the Association, and, except as may otherwise be expressly provided herein, no offsets against such amount shall be permitted for any reason. Both Regular Assessments and any Special Purpose Assessments shall, except as otherwise specifically provided herein, be fixed at a rate applied in uniform manner to all Lots of the same type (i.e. the same rate shall apply to

all Attached Dwelling Lots but the Attached Dwelling Lots and Detached Dwelling Lots may not necessarily pay the same rate of Regular Assessments hereunder, and Commercial Lots may not necessarily pay the same rate of Regular Assessments hereunder as Lots utilized for Residential Use).

6.8 Reservation, Subordination, and Enforcement of Assessment Lien. Declarant hereby reserves for the benefit of itself and the Association, a continuing contractual lien (the "**Assessment Lien**") against each Lot located on the Property to secure payment of the Assessments imposed hereunder. THE OBLIGATION TO PAY ASSESSMENTS IN THE MANNER PROVIDED FOR IN THIS ARTICLE, TOGETHER WITH INTEREST FROM SUCH DUE DATE AT THE DEFAULT INTEREST RATE SET FORTH IN SECTION 6.9 HEREOF, THE CHARGES AND FEES MADE AS AUTHORIZED IN SECTION 6.9 HEREOF, ALL VIOLATION FINES AND THE COSTS OF COLLECTION, INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES, IS SECURED BY A CONTINUING CONTRACTUAL ASSESSMENT LIEN AND CHARGE ON THE LOT COVERED BY SUCH ASSESSMENT, WHICH SHALL BIND SUCH LOT AND THE OWNERS THEREOF AND THEIR HEIRS, SUCCESSORS, DEVISEES, PERSONAL REPRESENTATIVES AND ASSIGNEES. The continuing contractual Assessment Lien shall attach to the Property and Lots developed or to be developed therein as of the date of the recording of this Declaration in the Official Public Records of Collin County, Texas, and such Assessment Lien shall be superior to all other liens except as otherwise provided in this Section 6.8. Each Owner, by accepting conveyance of a Lot, shall be deemed to have agreed to pay the Assessments herein provided for and to the reservation of the Assessment Lien. The Assessment Lien shall be subordinate only to the liens of any valid first lien mortgage or deed of trust encumbering a particular Lot. Sale or transfer of any Lot shall not affect the Assessment Lien. However, the sale or transfer of any Lot pursuant to a first mortgage or deed of trust foreclosure (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall only extinguish the Assessment Lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability and the Assessment Lien for any Assessments thereafter becoming due. The Assessment Lien may be non-judicially foreclosed by power of sale in accordance with the provisions of Section 51.002 of the Texas Property Code (or any successor provision) or may be enforced judicially. Each Owner, by accepting conveyance of a Lot, expressly grants the Association a power of sale in connection with the foreclosure of the Assessment Lien. The Board is empowered to appoint a trustee, who may be a member of the Board, to exercise the powers of the Association to non-judicially foreclose the Assessments Lien in the manner provided for in Section 51.002 of the Texas Property Code (or any successor statute). The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

6.9 Effect of Nonpayment of Assessments; Remedies of the Association. If any Assessment is not paid within thirty (30) days from the due date thereof, in addition to any interest which may accrue thereon as may be determined by the Board of Directors of the Association at any time and from time to time, a late charge shall be assessed against the non-paying Owner for each month that any Assessment remains unpaid as more specifically provided herein, and if placed in the hands of an attorney for collection or if collected through probate or other judicial proceedings, there shall be reimbursed to the Association its reasonable attorneys' fees. Should

any Assessment provided for herein be payable in installments, the Association may accelerate the entire Assessment and demand immediate payment thereof. A late charge shall be assessed against the non-paying Owner for each month that any Assessment remains unpaid. The late charge shall be in the amount of **Twenty-Five and No/100 Dollars ($25.00)** per month and shall serve to reimburse the Association for administrative expenses and time involved in collecting and processing delinquent Assessments. An additional fee of **Thirty-Five and No/100 Dollars ($35.00)** shall be assessed to an owner's account for every check returned for non-sufficient funds. The Association's Managing Agent shall be entitled to charge an Owner a monthly collection fee of **Fifteen and No/100 Dollars ($15.00)** to compensate Managing Agent for its efforts in collecting delinquent Assessments. The Association, in the Board's discretion, shall have the right to waive any part of or all of such fees and/or interest. The Association may bring an action at law against the Personally Obligated Owner or foreclose the lien against the Lot(s) subject to the unpaid Assessments, interest or other charges, and in either event, the Association shall be entitled to recover the unpaid Assessment, interest or other charges, the late charge specified above, and any expenses and reasonable attorney's fees incurred by the Association in prosecuting such foreclosure and/or such collection. Each Owner of any Lot by acceptance of a deed therefore hereby grants to the Association a power of sale with respect to such Owner's Lot in connection with the enforcement of the lien established by this Article VI, together with the right to appoint and remove a trustee and any number of substitute trustees and to cause the trustee or substitute trustee to foreclose the Association's lien against such Lot pursuant to a non-judicial foreclosure sale conducted in accordance with the provisions of Section 51.002 of the Texas Property Code, as from time to time amended, or its successor provision. However, nothing herein shall prevent the Association from seeking a judicial foreclosure of such lien or any other right or remedy available to the Association with respect to any amounts owed hereunder. No Owner may waive or otherwise escape liability for any Assessment provided for herein by non-use of the Common Properties or abandonment of his Lot.

6.10 Suspension of Right to Use Common Properties. In addition to the other powers herein granted, the Board may suspend the right of an Owner to use any of the Common Properties during the time that such Owner is delinquent in paying any Assessment.

6.11 Working Capital Fund. At the option of the Declarant during the Development Period, and thereafter the Association, through action by its Board, the Declarant or the Association, as applicable, may elect at any time and from time to time to levy an additional assessment in an amount no greater than the then current Regular Assessment for such Lot (the "**Capitalization Fee**") collected by the Association from the purchaser of a Lot upon closing on the transfer to be held as a working capital fund. The purpose of said fund is to ensure that the Association will have adequate cash available to meet expenses contemplated herein, as well as unforeseen expenses, and to acquire additional equipment or services deemed necessary or desirable. Amounts so paid into the working capital fund, if any, shall not be considered an advance payment of Regular Assessments.

6.12 Transfer Fees and Fees for Issuance of Resale Certificates. Pursuant to the terms of Section 5.7 hereof, the Board may enter into a contract with a Managing Agent to oversee the daily operation and management of the Association. The Managing Agent may, and probably will, have fees, which will be charged to an Owner for the transfer of a significant estate or fee simple title to a Lot and the issuance of a "**Resale Certificate**" (herein so called). The Association or its agent

shall not be required to issue a Resale Certificate until payment for the cost thereof has been received by the Association or its agent. Transfer fees and fees for the issuance of a Resale Certificate shall be at such rate as determined by the Board and /ort Managing Agent from time to time and are not refundable and may not be regarded as a prepayment of or credit against Assessments due hereunder, and are in addition to the Capitalization Fee in Section 6.11 above. This Section does not obligate the Board, the Managing Agent or any third party to levy such fees.

6.13 Evidence of Lien. To evidence the Association's lien for unpaid Assessments provided for in this Article VI, the Association may prepare a written notice of the lien setting forth the amount of the unpaid indebtedness, the name of the Owner(s) of the Lot covered by such lien, and a legal description of the Lot covered by such lien. Such notice shall be executed by an officer of the Association and shall be recorded in the real property records of the county in which such Lot is located. Notwithstanding the foregoing, any failure by the Association to record a notice as provided herein with respect to any Lot shall not prevent or otherwise affect the Association's right or ability to seek collection of the Assessment from the Personally Obligated Owner or to enforce the lien against the Lot.

6.14 NO ASSESSMENT OBLIGATION OF DECLARANT. Declarant, on behalf of itself and its successors and assigns to whom its rights as Declarant expressly assigned, are hereby exempt from the obligation to pay Assessments for the Lots that Declarant owns. However, the Declarant may (but is in no way obligated to) annually elect to pay the Association the difference between the amount of Regular Assessments collected on all other Lots subject to assessment and the amount of the actual expenditures incurred to operate the Association during such calendar year (the "subsidy"). The payment by Declarant of a subsidy in any year shall under no circumstances obligate the Declarant to pay a subsidy in a future year or years. Any subsidy may be paid by the Declarant in increments throughout the year as funds are needed by the Association.

6.15 Advances by Declarant during Development Period. In order to maintain the Common Properties and sustain the services contemplated by Declarant during the Development Period, Declarant, in its sole discretion, may provide amounts in excess of the funds raised by the Regular Assessments in order to maintain the Common Properties within reasonable standards. Any such advances made by Declarant during the Development Period shall deemed to be a loan by Declarant to the Association, and shall be a debt of the Association to the advancing party, and may be evidenced by a promissory note payable by the Association to the advancing party including terms based on reasonable market conditions at the time such funds were advanced. In the event of any such loan, interest shall accrue thereon at the prime rate of interest announced from time to time by Bank of America, N A. or another bank designated by the Board at the time the loan is made plus 1% per annum, payable by the Association to the Declarant from future annual Assessments collected by the Association.

ARTICLE VII
COMMUNITY ENHANCEMENT FEE

7.1 Community Enhancement Fee. The Board, acting on behalf of the Association shall levy and collect the Community Enhancement Fee, as further set forth below.

7.2 Community Activities, Services and Programs. The Community Enhancement Fee shall be used to directly benefit the members of the Association and each Lot and Condominium Unit within the Association by providing the Community Enhancement Fee to entities which are exempt from federal income taxes under Sections 501(c)(3) or 501(c)(4), as the Internal Revenue Code may be amended from time to time, that support the educational, charitable and recreational purposes of CISD, in accordance with this Declaration, provided the recipient of the Community Enhancement Fee uses the funds for such stated purposes, in accordance with its bylaws, and not for operations or administration of the receiving entity.

7.3 Community Enhancement Fee Obligations. The covenants, conditions and restrictions set forth below are hereby impressed upon the Property.

7.3.1 *Obligation to Pay Community Enhancement Fee.* Upon the Transfer of any Lot or Condominium Unit within the Property, the Transferor thereof shall be obligated to pay a Community Enhancement Fee to the Association equal to the Transfer Price multiplied by one-tenth of one percent (0.1%) (for example, the Community Enhancement Fee shall be $400 for the Transfer of a $400,000 Lot or Condominium Unit), unless the Transfer in question is excluded under this Declaration. The Community Enhancement Fee is imposed not as a penalty and not as a tax but as a means to provide additional funding to fulfill the goals set forth in this Declaration and this Article VII for the betterment of the Subdivision. As such, the Community Enhancement Fee shall be deemed an Assessment imposed by and subject to all rights, obligations and provisions set forth in this Declaration and this Article VII.

7.3.2 *Liability for the Community Enhancement Fee.* If the Transferor does not pay the Community Enhancement Fee as required by this section, the Community Enhancement Fee payment shall become the personal obligation of the Transferee under the Transfer in question and there shall be a lien against the applicable Lot or Condominium Unit for the amount of the Community Enhancement Fee and any fees or sums associated with collection of same, and, if unpaid, shall be handled in accordance with this Declaration as an unpaid Assessment.

7.3.3 *Deposit of Community Enhancement Fee into Community Investment Fund.* On behalf of the Association, the Board will establish a Community Investment Fund with a reputable financial institution for purposes of depositing, receiving and distributing the proceeds of the Community Enhancement Fee. No other funds will be deposited or held in the Community Investment Fund other than the proceeds of the Community Enhancement Fee and any interest earned thereon. Within sixty (60) days after the end of each calendar year, the Board shall cause to be prepared a Community Enhancement Fee receipts and disbursements schedule which may be in form which may be reviewed, on an annual basis, by a Certified Public Accountant.

7.3.4 *Due on Closing and Method for Payment.* Payment of the Community Enhancement Fee shall be made upon the closing of the Transfer in cash or cash equivalent funds to the Association, at the address and account number specified by the Board from time to time. With such payment, the Transferor shall provide, or cause to be provided by the title company, a written report in a form approved by the Board (the "**Community Enhancement Fee Report**") which: (i) describes the Transfer and the Lot or Condominium Unit; (ii) sets forth the Transfer Price for the Transfer and the names and addresses of Transferor and Transferee; and (iii) provides

such other information as the Board may reasonably require. The Board, at its own expense, shall have the right at any time during regular business hours to inspect and copy all records of a property closing of any Owner or Transferor which are reasonably related to the payment of the Community Enhancement Fee.

7.3.5 *Disbursements*. Upon majority vote, the Board may, from time to time, but no less frequently than bi-annually on June 30th and December 31st of each calendar year, make disbursements from the Community Investment Fund to entities which are exempt from federal income taxes under Sections 501(c)(3) or 501(c)(4), as the Internal Revenue Code may be amended from time to time, that support the educational, charitable and recreational purposes of CISD or to pay costs to administer this Article VII or the Community Investment Fund. The Association waives its statutory right to control a qualified recipient of disbursements hereunder.

7.3.6 *Community Enhancement Fee Lien and Foreclosure*. Each Owner, by accepting an interest in or title to a Lot or Condominium Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay the Community Enhancement Fee to the Association. Each Community Enhancement Fee is a charge on the Lot or Condominium Unit and is secured by a continuing lien on the Lot or Condominium Unit in the same manner as an Assessment Lien arising under this Declaration. Each Owner, and each prospective Owner, is placed on notice that the Owner's title may be subject to the continuing lien for the Community Enhancement Fee attributable to a period prior to the date that the Owner purchased a Lot or Condominium Unit. An express lien on each Lot or Condominium Unit is hereby granted and conveyed by Declarant to the Association to secure the payment of the Community Enhancement Fee which shall be enforced as an Assessment Lien in accordance with the terms and provisions set forth in this Declaration. The Community Enhancement Fee lien is superior to all other liens and encumbrances on a Lot or Condominium Unit, except only for: (i) tax and governmental assessment liens; (ii) all sums secured by a first deed of trust lien recorded in the Official Public Records of Collin County, Texas as such Lot or Condominium Unit is located, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot or Condominium Unit in question; and (iii) home equity loans or home equity lines of credit which are secured by a second deed of trust lien recorded in the Official Public Records of Collin County, Texas as such Lot or Condominium Unit is located; provided that, in the case of subparagraphs (ii) and (iii) above, such deed of trust lien was recorded in the Official Public Records of Collin County, Texas (as such Lot or Condominium Unit is located) before the Community Enhancement Fee lien. The Community Enhancement Fee lien is superior to a lien arising from the construction of improvements to the Lot or Condominium Unit regardless of when recorded or perfected. It is also superior to any recorded assignment of the right to insurance proceeds on a Lot unless the assignment is part of a superior deed of trust lien. Foreclosure of a superior lien extinguishes the Association's claim against the Lot or Condominium Unit for an unpaid Community Enhancement Fee that became due before the sale, but does not extinguish the Association's claim against the former Owner personally for the payment of such Community Enhancement Fee. The Association's lien for the Community Enhancement Fee is created by recordation of this Declaration, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien is required. However, the Association may record a notice of the lien in the Official Public Records of the county in which the Property (or any Lot or Condominium Unit therein) is located. If the debt is cured after a notice has been recorded, the Association will record

a release of the notice of lien at the expense of the curing Owner and may require reimbursement of its costs of preparing and recording the notice of lien before granting the release. By accepting an interest in or title to a Lot or Condominium Unit, each Owner grants to the Association a power of sale in connection with the Community Enhancement Fee lien, which may be exercised in the same manner as the Assessment Lien as set forth in this Declaration.

7.3.7 *Reporting Required for Exclusions from Community Enhancement Fee.* If a Transferor is involved in a Transfer that Transferor believes is excluded from the requirement to pay the Community Enhancement Fee under this Article VII, the Transferor shall provide written notice (the "**Notice of Claim of Exclusion**") to the Board a minimum of five (5) business days prior to the Transfer in question. The Notice of Claim of Exclusion shall include the Transfer details and the reason the Transferor believes such Transfer should be excluded. If, after review of the Notice of Claim of Exclusion, the Board does not concur that the Transfer in question should be excluded from the Community Enhancement Fee, (i) the Board will notify the Transferor or the Transferor's title company of its obligation to pay the Community Enhancement Fee to the Association and (ii) the Transferor shall pay the applicable Community Enhancement Fee. Prior to its decision on any Notice of Claim of Exclusion, the Board may request additional information or clarification from the Transferor submitting a Notice of Claim of Exclusion, and the Transferor shall promptly provide the Board with the additional information being requested by the Board. Copies of all notices and correspondence between the Transferor and the Board under this section shall be provided to the Transferee by the Transferor.

7.3.8 *Exclusions from the Community Enhancement Fee.* The Community Enhancement Fee shall not apply to the following, except to the extent any of the following Transfers (set forth below in subparagraphs i – xiii) are used for the purpose of avoiding the Community Enhancement Fee:

7.3.8.1 *Transfers to Certain Governmental Agencies.* Any Transfer to the City, the CISD, the United States, or any agency or instrumentality thereof, the State of Texas, or any county, city, county, municipality, district or other political subdivision thereof.

7.3.8.2 *Transfer to the Association.* Any Transfer to the Association, or it respective successors or assignees.

7.3.8.3 *Transfer to Declarant.* Any Transfer to Declarant, any affiliate of Declarant or their successors or assignees.

7.3.8.4 *Transfer from Declarant.* Any Transfer from Declarant, any affiliate of Declarant or their successors or assignees.

7.3.8.5 *Transfer to Development Owner.* Any Transfer from Declarant, or its successors, assignees or affiliates to Development Owner. For purposes of this subparagraph, "**Development Owner**" means any Owner who acquires a Lot for the purpose of resale to a Homebuilder; and "Homebuilder" means any Owner who is in

the business of constructing Dwellings for resale to third parties and intends to construct a Dwelling on a Lot or Condominium Unit for resale to a third party.

7.3.8.6 *Exempt Family or Related Transfers.* Any Transfer, whether outright or in trust that is for the benefit of the Transferor or his or her relatives, but only if there is no more than nominal consideration for the Transfer. For the purposes of this exclusion, the relatives of a Transferor shall include all lineal descendants of any grandparent of the Transferor, and the spouses of the descendants. Any person's stepchildren and adopted children shall be recognized as descendants of that person for all purposes of this exclusion.

7.3.8.7 *Exemption for Transfers on Death.* Any Transfer or change of interest by reason of death, whether provided for in a will, trust or decree of distribution.

7.3.8.8 *Exempt Technical Transfers.* Any Transfer made solely for the purpose of confirming, correcting, modifying or supplementing a Transfer previously recorded, making minor boundary adjustments, removing clouds on titles, or granting easements, rights-of-way or licenses.

7.3.8.9 *Exempt Court Ordered Transfers.* Any Transfer pursuant to any decree or order of a court of record determining or vesting title, including a final order awarding title pursuant to a divorce or condemnation proceeding.

7.3.8.10 *Exempt Transfers on Conveyance to Satisfy Certain Debts.* Any Transfer to secure a debt or other obligation or to release property which is security for a debt or other obligation, including Transfers in connection with foreclosure of a deed of trust or Transfers in connection with a deed given in lieu of foreclosure.

7.3.8.11 *Holding Company Exception.* Any Transfer made by a corporation or other entity, for consideration (i) to any other corporation or entity which owns one-hundred percent (100%) of its equity securities (a "**Holding Company**"), or (ii) to a corporation or entity whose stock or other equity securities are owned, directly or indirectly, one-hundred percent (100%) by such Holding Company.

7.3.8.12 *Subsidiary Conveyance Exemption.* Any Transfer from a partially owned direct or indirect subsidiary corporation to its direct or indirect parent corporation where consideration is paid for, or in connection with such transfer.

7.3.8.13 *Exemption for Certain Conveyances of Convenience.* The consecutive Transfer of a Lot or Condominium Unit wherein the interim owner acquires such Lot or Condominium Unit for the sole purpose of immediately re-conveying such Lot or Condominium Unit to the ultimate owner and such interim owner receives no right to use or enjoyment of such Lot or Condominium Unit, provided the Board specifically approves such exemption in each particular case.

ARTICLE VIII

ARCHITECTURAL CONTROL COMMITTEE

8.1 Architectural Control Committee. The Declarant shall establish an architectural control committee (the "**Committee**") for the Commercial Lots and Mixed-Use Lots composed of three (3) individuals which shall, during the Development Period, be selected and appointed by the Declarant. The Committee shall function as the representative of the Association. The Committee shall exist and act for the purposes herein set forth as well as for all other purposes consistent with the creation and preservation of a first-class mixed-use, commercial and residential development. Any one or more of the members of a Committee may be removed from the Committee, with or without cause, by the Declarant during the Development Period and thereafter by the Board of Directors. After the Development Period, the Board of Directors shall appoint members to the Committee and may (but in no event shall be required to) establish separate Committees for the Commercial Buildings and the Mixed-Use Buildings, at the Board's sole discretion. If a separate Committee is established for the Commercial Buildings and Mixed-Use Buildings, (a) the members of the Committee shall be appointed by a majority of the directors or the director of the Board of Directors which has been appointed or elected by the Members owning Lots on which the Commercial Buildings or Mixed-Use Buildings are located (as applicable), (b) such Committee may establish Design Guidelines (as defined below) applicable solely to such Commercial Buildings or Mixed-Use Buildings, as applicable, and (c) such Committee shall have all the rights, duties, powers and authority of the Committee under this Declaration solely with respect to such Commercial Buildings or Mixed-Use Buildings, as applicable.

The Sub-Association(s) established for the Attached Dwelling Lots and Detached Dwelling Lots shall establish their own architectural review committees to perform all actions of the Committee hereunder with respect to such Attached Dwelling Lots and Detached Dwelling Lots.

A majority of the Committee may designate a member to act for it. No member of the Committee shall be entitled to any compensation for services performed hereunder nor be liable for claims, causes, causes of action or damages (except where occasioned by gross negligence or willful misconduct) arising out of services performed pursuant to this Declaration.

8.2 Architectural Approval.

(a) Design Guidelines. The initial Design Guidelines applicable to the Property are attached hereto as **Exhibit C** and incorporated herein by reference. The Committee may, from time to time at its election, publish and promulgate modifications, amendments or restatements of the Design Guidelines, and which shall supplement these Covenants and shall be deemed incorporated herein by reference. The Committee shall have the right from time to time to amend the Design Guidelines, provided such guidelines, as amended, shall be in keeping with the overall quality, general architectural style and design of the community. The Committee shall have the authority to make final decisions in interpreting the general intent, effect and purpose of those matters for which it is responsible in accordance with these Covenants. The Committee shall endeavor to promulgate the Design Guidelines in such a manner that only materials complying with all applicable laws and regulations are specified therein, but each Owner of a Lot (and not the Committee) is responsible for complying with such laws and regulations on his respective Lot. If the Committee should be advised that materials specified by the Design Guidelines do not comply with applicable laws or regulations, the Committee shall use reasonable efforts to inquire into the nature of the non-compliance and to make appropriate revisions of the Design Guidelines.

(b) Required Approval. No building, structure, paving, pools, fencing, hot tubs or improvement of any nature shall be erected, placed or altered on any Lot until the site plan showing the location of such building, structure, driveway, paving or improvement, construction plans and specifications thereof and landscaping and grading plans therefor have been submitted to and approved in writing by the Committee ("**Architectural Approval**") as to: (i) location with respect to Lot lines, setback lines and finished grades with respect to existing topography, (ii) conformity and harmony of external design, color, and texture with existing structures and existing landscaping, (iii) quality of materials, adequacy of site dimensions, and proper facing of main elevation with respect to nearby streets; (iv) conformity with the Design Guidelines; and (v) the other standards set forth within this Declaration or the Design Guidelines. The Committee is authorized to request the submission of samples of proposed construction materials or colors or proposed exterior surfaces.

(c) Procedure. Final plans and specifications shall be submitted in duplicate to the Committee by the Owner for approval or disapproval. If such plans and specifications meet the approval of the Committee, one complete set of plans and specifications will be retained by the Committee and the other complete set of plans will be marked "Approved" and returned to the Owner. If such plans and specifications do not meet the approval of the Committee, one set of such plans and specifications shall be returned marked "Disapproved," accompanied by a reasonable statement of the reasons for such disapproval. Any modification or change to the approved set of plans and specifications or to construction or reconstruction pursuant thereto which materially affects items (i) through (v) of the preceding Section 8.2(b) must again be submitted to the Committee, for its review and approval. The Committee's approval or disapproval as required herein shall be in writing. If the Committee fails to approve or disapprove such plans and specifications within thirty (30) days after they have been submitted to it, then Committee disapproval shall be presumed.

(d) Committee Discretion. The Committee is authorized and empowered to consider and review any and all aspects of Building construction, construction of other improvements and location, quality and quantity of landscaping on the Lots, and may disapprove aspects thereof which may, in the discretion of the Committee, adversely affect the living enjoyment or intended use of one or more Owner(s) of its/their Lots or the value of the Property. As an example, and not by way of limitation, the Committee may impose limits upon the location of window areas of one Dwelling that would overlook the enclosed patio area of an adjacent Dwelling. Also, the Committee is permitted to consider technological advance in design and materials and such comparable or alternative techniques, methods or materials may or may not be permitted, in accordance with the reasonable opinion of the Committee. The action of the Committee with respect to any matter submitted to it shall be final and binding upon the Owner submitting such matter, subject to the provisions of Article XI hereof.

(e) Common Improvements. Declarant shall not be required to obtain Committee approval of the initial Common Improvements.

8.3 Variances. Upon submission of a written request for same, the Committee may, from time to time, in its sole discretion, permit Owners to construct, erect, or install improvements which are in variance from the Design Guidelines or covenants or restrictions provided in this Declaration or the Design Guidelines then in effect. In any such case, variances shall be in basic conformity with and shall blend effectively with the overall quality, general architectural style and design of the community. No member of the Committee shall be liable to any Owner for any claims, cause of action, or damages arising out of the grant of, or the refusal to grant, any variance to an Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the granting of a variance to any Owner shall not constitute a waiver of the Committee's right to strictly enforce this Declaration against any other Owner.

8.4 Nonconforming and Unapproved Improvements. The Board of Directors may require any Owner to restore such Owner's improvements to the condition existing prior to the construction thereof (including, without limitation, the demolition and removal of any unapproved improvement) if such improvements were commenced or constructed in violation of this Declaration, including the Design Guidelines. In addition, the Board of Directors may, in its sole discretion, cause the Association to carry out such restoration, demolition and removal if the Owner fails to do so. The Board of Directors may levy the amount of the cost of such restoration, demolition and removal as a special assessment against the Lot upon which such improvements were commenced or constructed (without the necessity of Member approval) and shall have all the rights and remedies to enforce collection thereof provided by law and by this Declaration. Buildings or other improvements initially constructed in accordance with these Covenants and having received any necessary approval of the Architectural Control Committee in connection with their initial construction, may be repaired, maintained and restored in accordance with the standards in force at the time of their initial construction, notwithstanding any subsequent amendment or revision of these Covenants, the Design Guidelines or the Design Guidelines, subject to any restrictions or requirements of the City or other legal requirements. If such Dwellings or other improvements are totally destroyed or totally replaced, the new Dwellings or other new improvements must conform to the Covenants, the Design Guidelines, and the Design

Guidelines in force at the time of their construction, subject to any restrictions or requirements of the City or other legal requirements.

8.5 No Liability. Neither Declarant, the Association, the Committee, the Board of Directors, nor the officers, directors, members, employees or 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 by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every person who submits plans or specifications and every Owner agrees that he will not bring any action or suit against Declarant, the Association, the Committee, the Board of Directors, or the officers, directors, members, employees or agents of any of them, to recover any such damages and hereby releases, remises, and quitclaims all claims, demands and causes of action arising out of or in connection with any actual or alleged mistake of 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. Approval of plans and specifications by the Committee is not approval thereof for engineering or structural design or adequacy of materials. By approving such plans and specifications neither the Committee, the members thereof, the Declarant, the Association nor the Board of Directors assumes liability or responsibility for safety or adequacy of design, compliance with the Design Guidelines or these Covenants, or for any defect to any structure constructed from such plans and specifications.

ARTICLE IX

INSURANCE AND INDEMNITY

9.1 Association Insurance Coverage. The Association shall obtain insurance coverage on the Property in accordance with the following provisions:

(a) Purchasing Policies; Primary Coverage. The Board of Directors or its duly authorized agent shall have the authority to purchase and shall purchase insurance policies upon the Property sufficient to provide the coverages required by this Section 9.1, for the benefit of the Association and the Owners and their mortgagees, as their interest may appear, and provisions shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of Owners. All policies shall be written with a company licensed to sell insurance in the State of Texas. Except as provided in Section 9.3, in no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual Owners, Lot occupants, or their mortgagees, and the insurance carried by the Association shall be primary.

(b) Casualty.

(i) Common Properties. All buildings and improvements upon the Common Properties and all personal property of the Association located in or upon the Common Properties and/or used to maintain the Common Properties (but specifically excluding any Lots or Buildings and other improvements thereon) shall

be insured by the Association in an amount equal to one hundred percent (100%) insurable replacement value as determined annually by the Association with the assistance of the insurance company providing coverage. Such insurance shall be charged as a common expense to all Owners and shall be included in the Regular Assessment. Such coverage shall provide protection against:

(A) Loss damage by fire and other hazards covered by a standard extended coverage endorsement; and

(B) Such other risks, as determined from time to time, as are customarily covered by casualty policies with respect to buildings of the type then existing on the Common Properties.

(ii) Lots. **EACH OWNER OF A LOT, BUILDING OR OTHER IMPROVEMENTS THEREON WHICH ARE LOCATED ON LOTS SHALL BE SOLELY LIABLE AND RESPONSIBLE FOR OBTAINING ITS OWN POLICIES OF INSURANCE ON SUCH OWNER'S LOT, BUILDING OR OTHER IMPROVEMENTS. THE ASSOCIATION SHALL HAVE NO OBLIGATION TO CARRY CASUALTY INSURANCE ON ANY BUILDINGS OR OTHER IMPROVEMENTS LOCATED ON LOTS FOR OR ON BEHALF OF ANY OWNER AND NO LIABILITY THEREFOR.**

(c) Liability. Public liability insurance shall be secured by the Association with limits of liability of not less than One Million Dollars ($1,000,000.00) per occurrence and shall include an endorsement to cover liability of the Owners as a group to a single Owner. There shall also be obtained such other insurance coverage as the Association shall determine from time to time to be necessary or desirable.

(d) Policy Terms. The Association shall make every reasonable effort to ensure that all policies purchased by the Association contain clauses, endorsements or agreements providing:

(i) for waiver of subrogation;

(ii) that no policy may be canceled or substantially modified without at least thirty (30) days' prior written notice to the Association;

(iii) that the "other insurance" clause in any such policy excludes individual Owners' policies from consideration; and

(iv) for a deductible of no greater than such amount per occurrence as shall from time to time be determined by the Board of Directors.

(e) Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association and shall be charged to Owners as part of the Regular Assessment described in Article VI above; provided however any insurance purchased by the Association

pursuant to Section 9.1(b)(ii) hereof shall be included in the Association Lot Maintenance Costs and shall be allocated solely to Owners of Attached Dwelling Lots.

(f) Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees, as their interest may appear, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustee under this Declaration. Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board of Directors, provided, however, that no mortgagee having an interest in such losses shall be prohibited from participating in the settlement negotiations, if any, related thereto. Upon the payment of proceeds to the Association under any policy, the sole duty of the Association as insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purpose stated herein or stated in the bylaws of the Association and for the benefit of the Owners and their mortgagees in the following shares:

(i) Proceeds on account of damage to the Common Properties shall be held for the Association.

(ii) Proceeds on account of damage to Lots shall be held in undivided shares for the Owners to such damaged Lots in proportion to the cost of repairing the damage suffered by each Owner, which cost shall be determined by the Association.

(iii) In the event a mortgagee or lender loss payable endorsement has been issued for any Lot, the share of the Owner shall be held in trust for the mortgagee and the Owner as their interests may appear.

9.2 Distribution of Insurance Proceeds Received by Association. Proceeds of insurance policies received by the Association as insurance trustee shall be distributed to or for the benefit of the beneficial Owners in the following manner:

(a) Expense of the Trust. All expenses of the insurance trustees shall be first paid or provisions made therefor.

(b) Reconstruction or Repair. The remaining proceeds shall be paid to defray the cost incurred by the Association of performing or obtaining the performance of the repairs, reconstruction or replacement of the damaged improvement(s) or other property, and the Association shall ensure that all mechanic's liens, materialmen's liens or other such liens which may result from such reconstruction, replacement or repair work are waived, satisfied or otherwise removed. Any proceeds remaining after defraying such costs shall be distributed as provided in Section 9.1(f).

In the event that the proceeds are insufficient to fully restore, repair or replace the loss or damage, the Association may levy an assessment to cover the deficiency.

9.3 Restriction on Amendment. This Article IX may not be amended without the written consent and approval of Declarant during the Development Period, and thereafter by the Board of the Association.

ARTICLE X

EASEMENTS

10.1 General. All of the Property, including Lots and Common Areas, shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone, and electric power line and other public utilities as shall be established by the Declarant or by its predecessors in title, prior to the subjecting of the Property to this Declaration; and the Association shall have the power and authority to grant and establish upon, over, under, and across the Common Areas conveyed to it, such further easements as are requisite for the convenient use and enjoyment of the Property. In addition, there is hereby reserved in the Declarant and its agents and employees an easement and right of ingress and egress across all Common Areas, now or hereafter existing, for the purpose of construction and repairing of improvements within the Property, including the right of temporary storage of construction materials on said Common Areas.

10.2 Universal Easements. All Lots and the Common Area shall be subject to easements for the encroachment of initial improvements constructed on adjacent Lots by the Declarant and the Common Improvements to the extent that such initial improvements and Common Improvements actually encroach including, but not limited to, such items as overhanging eaves, privacy fences and party walls, and masonry columns constructed by Declarant as part of the perimeter wall or fencing within portions of the Common Area and adjacent Lots. The Declarant hereby reserves for itself, the Association, the Architectural Control Committee and any Managing Agent an easement and right to enter onto the Common Area and any Common Properties for the purposes of maintenance, repair, and/or replacement of any Common Improvements thereon.

10.3 Reservation of Easements by Declarant. Declarant also reserves access easements over all Lots for construction, either for that Lot or any adjacent Lot or property, and easements over all Common Areas for the installation of public or private utilities and storm drainage (whether subsurface or surface), which easements may serve the Property or any adjacent property or properties (whether such adjacent property is owned by Declarant or a third party).

10.4 Cross Easements. There are non-exclusive reserved non-exclusive cross-access easements for maintenance, repair and construction in favor of Owners of Attached Dwellings which are part of the same Attached Dwelling Building for access to and from each others' Attached Dwelling Lot on which such Attached Dwelling Building is located and the Common Area, if any, adjacent to the Attached Dwelling Lots on which such Attached Dwelling Building is located; however, this does not include access to approved decks, patios or areas within approved fences.

10.5 Declarant/Association Right to Grant Easements. To the extent Declarant deems it necessary or appropriate to execute and file in the appropriate public records any instrument to specifically evidence, identify and/or establish of record any easement reserved generally herein, Declarant is and shall be authorized to grant such easements, in its own name or in the name of the Association, and to execute and record written evidence of the same, without the approval or joiner of any other party, including, but not limited to, the Association, so long as Declarant holds record title to the Common Area. After the conveyance by Declarant to the Association of record title to the Common Area, any such written easement shall be given, if at all, by the Association and shall require the signature of the President of the Association (or any other duly authorized officer of the Association) or, if not the President or other officer duly authorized, then all of its Directors. Any third-party relying on a written and recorded easement instrument granted either by the Declarant or by the Association shall be entitled to rely upon any and all recitations set forth therein as true and correct statements of fact as to ownership of the Common Area and the authority of the person or party executing such easement instrument, and the same shall be deemed presumptively true, correct and legally binding for all purposes on all properties affected thereby, including any Lot(s) or portion(s) of the Common Area described therein or encumbered thereby.

ARTICLE XI

DISPUTE RESOLUTION; LIENS

11.1 Arbitration of Disputes Involving the Declarant.

(a) Arbitration. ANY AND ALL DISPUTES ARISING HEREUNDER BETWEEN AN OWNER AND THE DECLARANT, SHALL BE SUBMITTED TO BINDING ARBITRATION AND NOT TO A COURT FOR DETERMINATION. ARBITRATION SHALL COMMENCE AFTER WRITTEN NOTICE IS GIVEN FROM EITHER PARTY TO THE OTHER, SUCH ARBITRATION SHALL BE ACCOMPLISHED EXPEDITIOUSLY IN COLLIN COUNTY AND SHALL BE CONDUCTED IN ACCORDANCE WITH THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION ("**AAA**"). THE ARBITRATION SHALL BE CONDUCTED BY THREE (3) ARBITRATORS, ONE OF WHOM SHALL BE APPOINTED BY THE OWNER AND ONE OF WHOM SHALL BE APPOINTED BY THE DECLARANT. THE THIRD ARBITRATOR SHALL BE APPOINTED BY THE FIRST TWO ARBITRATORS. THE ARBITRATORS SHALL BE SELECTED FROM A LIST OF ARBITRATORS SUBMITTED BY THE AAA. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATORS MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. ARBITRATION SHALL NOT COMMENCE UNTIL THE PARTY REQUESTING IT HAS DEPOSITED ONE THOUSAND FIVE HUNDRED AND NO/100 U. S. DOLLARS ($1,500.00) WITH THE ARBITRATORS AS A RETAINER FOR THE ARBITRATORS' FEES AND COSTS. THE PARTY REQUESTING ARBITRATION SHALL ADVANCE SUCH SUMS AS ARE REQUIRED FROM TIME TO TIME BY THE ARBITRATORS TO PAY THE ARBITRATORS' FEES AND COSTS, UNTIL THE PREVAILING PARTY IS DETERMINED OR THE PARTIES HAVE AGREED IN WRITING TO AN ALTERNATE ALLOCATION OF FEES AND COSTS. EACH PARTY SHALL PAY ITS OWN LEGAL FEES AND COSTS AND ANY OTHER FEES INCURRED IN CONNECTION WITH AN ARBITRATION PROCEEDING WHICH ARISES OUT OF OR

RELATES IN ANY WAY TO THIS DECLARATION PROVIDED, HOWEVER, THAT THE ARBITRATION PANEL SHALL AWARD THE ARBITRATORS' FEES AND COSTS TO THE PREVAILING PARTY IN ITS ARBITRATION JUDGMENT.

(b) Notwithstanding the Declarant's and Owner's intent to submit any controversy or claim arising out of or relating to this Declaration to arbitration, in the event that a court of competent jurisdiction shall determine or a relevant law shall provide that a particular dispute is not subject to the arbitration provisions in this Section 11.1, then the parties agree to the following provisions: EACH OWNER ACKNOWLEDGES THAT THIS DECLARATION IS A SOPHISTICATED LEGAL DOCUMENT. ACCORDINGLY, JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS DECLARATION ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. EACH OWNER AGREES THAT ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION, WITH RESPECT TO ANY ACTION, PROCEEDING, CLAIM, COUNTERCLAIM, OR CROSSCLAIM, WHETHER IN CONTRACT AND/OR IN TORT (REGARDLESS IF THE TORT ACTION IS PRESENTLY RECOGNIZED OR NOT), BASED ON, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS DECLARATION, ANY COURSE OF CONDUCT, COURSE OF DEALING, VERBAL OR WRITTEN STATEMENT, VALIDATION, PROTECTION, ENFORCEMENT ACTION OR OMISSION OF ANY PARTY SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY.

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

ARTICLE XII

GENERAL PROVISIONS

12.1 Duration. The Covenants of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by Declarant, the Association and each Owner and each of their respective legal representatives, heirs, successors and assigns. This Declaration shall be effective for an initial term ending on December 31, 2096, after which time said Covenants shall be automatically extended for successive periods of ten (10) years each unless, at least one (1) year prior to the expiration of the then current term, an instrument terminating this Declaration is signed by Owners of at least sixty-seven percent (67%) of the Lots, and is recorded in the Official Public Records of Collin County, Texas.

12.2 Amendments. Notwithstanding Section 12.1 of this Article, and in addition to Declarant's rights to amend this Declaration during the Development Period as set forth in Article XIII hereof, this Declaration may be amended or otherwise changed (a) as provided in Section 2.2, or (b) upon the affirmative vote of at least sixty-seven percent (67%) of the outstanding votes of the Members of the Association taken at a meeting of the Members of the Association, duly called at which quorum is present; provided that any amendment to this Declaration during the Development Period shall require the written consent and approval of the Declarant to be effective. Any and all amendments of this Declaration must be recorded in the Official Public Records of Collin County, Texas to be effective.

12.3 Enforcement. Subject to the provisions of Article XI, these Covenants may be enforced against any person or persons violating or attempting to violate them, by any proceeding at law or in equity, including, without limitation, through actions to enjoin violations, to recover damages, or to enforce any lien created by these Covenants. The failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

12.4 Severability. If any provision of this Declaration is determined by judgment or court order to be invalid, or illegal or unenforceable, the remaining provisions of this Declaration shall remain in full force and effect in the same manner as if such invalid, illegal or unenforceable provision had been deleted from this Declaration by an amendment effective as of the date of such determination.

12.5 References. All references in this Declaration to articles, sections, subsections and paragraphs refer to corresponding articles, sections, subsections, and paragraphs of this Declaration. Heading and titles used herein are for convenience only and shall not constitute substantive provisions of this Declaration. The words ''this Declaration," "this instrument," "herein," "hereof, '' "hereby,'' "hereunder" and words of similar import refer to this Declaration as a whole and not to any particular provision unless expressly so limited. Words in the singular form shall be construed to include the plural and vice versa, unless the context otherwise requires. Words in any gender (including the neutral gender) shall include any other gender, unless the context otherwise requires. Examples shall not be construed to limit, expressly or by implication, the matter they illustrate. The word "includes" and its derivatives shall mean "includes, but is not limited to" and corresponding derivative expressions. The word "or" includes "and/or." All references herein to "$" or "dollars" shall refer to U.S. Dollars. All exhibits attached to this Declaration are incorporated herein by reference.

12.6 Notices. Any notice required to be given to the Association, or to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, addressed to the last known address of such person as shown by the records of the Association at the time of such mailing, or delivered by other means permitted under the applicable provisions of the Texas Business Organizations Code, as amended from time to time.

12.7 Notices to Mortgagees. Upon written request delivered to the Association by the mortgagee of a Lot, the Association shall send to the requesting mortgagee written notification of

any default hereunder affecting the mortgagor or the Lot covered by the mortgage of the requesting mortgagee. Any such request shall be in sufficient detail to enable the Association to determine the affected Lot and Owner and shall set forth the mailing address of the requesting mortgagee.

12.8 Liability Limitations; Indemnification. No Declarant, Member, director, officer or representative of the Association or the Board or the Committee shall be personally liable for the debts, obligations or liabilities of the Association. The directors and officers of the Association shall not be liable for any mistake of judgment, whether negligent or otherwise, except for their own individual willful misfeasance or malfeasance, misconduct, bad faith, intentional wrongful acts or as otherwise expressly provided in the Association dedicatory instruments. Declarant and directors, officers and Committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and **THE ASSOCIATION, AS A COMMON EXPENSE OF THE ASSOCIATION, SHALL INDEMNIFY AND HOLD HARMLESS DECLARANT, DIRECTORS, OFFICERS AND MEMBERS OF THE COMMITTEE FROM ANY AND ALL EXPENSES, LOSS OR LIABILITY TO OTHERS ON ACCOUNT OF ANY SUCH CONTRACT OR COMMITMENT (TO THE EXTENT NOT COVERED BY INSURANCE PROCEEDS). IN ADDITION, EACH DIRECTOR AND EACH OFFICER OF THE ASSOCIATION AND EACH MEMBER OF THE COMMITTEE SHALL BE INDEMNIFIED AND HELD HARMLESS BY THE ASSOCIATION, AS A COMMON EXPENSE OF THE ASSOCIATION, FROM ANY EXPENSE, LOSS OR LIABILITY TO OTHERS (TO THE EXTENT NOT COVERED BY INSURANCE PROCEEDS) BY REASONS OF HAVING SERVED AS SUCH DIRECTOR, OFFICER OR COMMITTEE MEMBER AND AGAINST ALL EXPENSES, LOSSES AND LIABILITIES, INCLUDING, BUT NOT LIMITED TO, COURT COSTS AND REASONABLE ATTORNEYS' FEES, INCURRED BY OR IMPOSED UPON SUCH DIRECTOR, OFFICER OR COMMITTEE MEMBER IN CONNECTION WITH ANY PROCEEDING TO WHICH SUCH PERSON MAY BE A PARTY OR HAVE BECOME INVOLVED BY REASON OF BEING SUCH DIRECTOR, OFFICER OR COMMITTEE MEMBER AT THE TIME ANY SUCH EXPENSES, LOSSES OR LIABILITIES ARE INCURRED SUBJECT TO ANY PROVISIONS REGARDING INDEMNITY CONTAINED IN THE ASSOCIATION'S DEDICATORY INSTRUMENTS, EXCEPT IN CASES WHEREIN THE EXPENSES, LOSSES AND LIABILITIES ARISE FROM A PROCEEDING IN WHICH SUCH DIRECTOR, OFFICER OR COMMITTEE MEMBER IS ADJUDICATED GUILTY OF WILLFUL MISFEASANCE OR WILLFUL MALFEASANCE, WILLFUL MISCONDUCT OR BAD FAITH IN THE PERFORMANCE OF SUCH PERSON'S DUTIES OR INTENTIONAL WRONGFUL ACTS OR ANY ACT EXPRESSLY SPECIFIED IN THE ASSOCIATION'S DEDICATORY INSTRUMENTS AS AN ACT FOR WHICH ANY LIMITATION OF LIABILITY SET FORTH IN THE ASSOCIATION'S DEDICATORY INSTRUMENTS IS NOT APPLICABLE; PROVIDED, HOWEVER, THIS INDEMNITY DOES COVER LIABILITIES RESULTING FROM SUCH DIRECTOR'S, OFFICER'S OR COMMITTEE MEMBER'S NEGLIGENCE.** Any right to indemnification provided herein shall not be exclusive of any other rights to which a director, officer or Committee member, or former director, officer or Committee member, may be entitled. The Association shall have the right to purchase and maintain, as a Common Expense, directors', officers', and Committee members', insurance on behalf of any Person who is or was a director or officer of the Association

or the Committee member against any liability asserted against any such Person and incurred by any such Person in such capacity, or arising out of such Person's status as such Person.

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

12.10 Termination of and Responsibility of Declarant. If Declarant shall transfer all of its then remaining right, title and interest in and to the Land and shall additionally expressly assign all its rights, benefits and obligations as Declarant hereunder to the transferee of such remaining interest in the Land, then Declarant shall have no further rights or duties hereunder and such rights and duties of Declarant hereunder shall thereupon be enforceable and performable by such transferee of Declarant's rights hereunder.

12.11 City Provisions. All construction within the Property shall also comply with all applicable City ordinances and regulations. If any ordinance or regulation imposed by the City imposes more demanding, extensive or restrictive requirements than those set forth in this Declaration, such requirements shall govern. No ordinance or regulations adopted by the City shall lessen the requirements set forth in these Covenants.

12.12 Special Valuation of Land. In no event shall the recordation of this Declaration or any Supplemental Declaration be interpreted to prohibit use of undeveloped portions of the Property for agricultural or other uses in order to qualify for special valuation of such undeveloped portions of the Property for ad valorem tax purposes. Neither this Declaration nor any Supplemental Declaration by itself shall be interpreted to be a "*change in use*" or trigger any loss of any special use valuation by agricultural or other uses on such undeveloped portions of the Property for ad valorem tax purposes.

12.13 NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY. (a) By the deed or other document conveying any portion of the Property located within the boundaries of the PID, upon taking title to any such portion of the Property, each Owner is obligated to pay an assessment to a municipality or county for an improvement project undertaken by the PID under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code. The assessment may be due annually or in periodic installments and shall be in addition to the Assessments levied hereunder by the Association or any assessments or charges levied by any Sub-Association under a Sub-Declaration. More information concerning the amount of the assessment and the due dates of that assessment with respect to the PID may be obtained from the City or county levying the assessment. The amount of the assessments levied against any portion of the Property within the PID is subject to change.

An Owner's failure to pay the PID assessments could result in a lien on and the foreclosure of Property owned by it, which lien shall be in addition to the Assessment Lien hereunder.

(b) The following is the current form of statutory notification required by Texas Property Code Section 5.014 to be delivered by the seller of residential property that is located in a public improvement district established under Chapter 372, Local Government Code, to the purchaser of such residential property:

> *NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF CELINA, TEXAS, COLLIN COUNTY, TEXAS CONCERNING THE ASSESSED PARCEL*
>
> *As the purchaser of this parcel of real property, you are obligated to pay assessments to the City of Celina, for improvement projects undertaken by a public improvement district under Subchapter A, Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessments and the due dates of those assessments may be obtained from the City of Celina, Texas.*
>
> *The amount of each of the assessments against your property may be paid in full at any time together with interest to the date of payment. If you do not pay the assessments in full, they will be due and payable in annual installments (including interest and collection costs).*
>
> *The amount of the assessments is subject to change. Your failure to pay the assessments or the annual installments could result in the foreclosure of your property.*

If the form of statutory notification is amended or modified at any time after the date hereof, such amended or modified notification shall be deemed to be incorporated herein by reference. **Each Owner shall deliver or cause to be delivered the then current form of statutory notice of the PID required by the City and/or pursuant to Section 5.014 of the Texas Property Code to any purchaser of such Owner's Lot.**

(c) A Builder for any Lot located within the boundaries of the PID shall attach Notice of Obligation to Pay Public Improvement District Assessment in the form substantially similar to that in Section 12.13 above and current assessment roll approved by the City (or if the assessment roll is not available for such Lot, then a schedule showing the maximum 30 year PID payment for such Lot) as an addendum to any residential homebuyer's contract. A Builder for a Lot located within the boundaries of the PID shall provide evidence of compliance with the foregoing sentence, signed by such residential homebuyer, to the City. If prepared and provided by the City, a Builder for a Lot located within the boundaries of the PID shall distribute informational brochures about the existence and effect of the PID in prospective homebuyer sales packets. A Builder for a Lot located within the boundaries of the PID shall include PID assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective buyers for Lot.

(d) In addition to any Sub-Declaration and this Declaration, the Property is or shall be made subject to the PID Restrictions as set forth in the PID Declaration. In the event of any conflict

between the terms of this Declaration, the Sub-Declaration, and the PID Declaration, the PID Declaration shall control. Any assessments or liens established under the PID Declaration shall be a superior lien prior to the Assessment Lien securing the Assessments hereunder.

12.14 NOTICE OF OBLIGATION TO PAY ASSESSMENTS LEVIED BY MUNICIPAL MANAGEMENT DISTRICT. By acceptance of title to the Property or any portion thereof, each Owner acknowledges the Property is located within a Municipal Management District and may be subject to assessments levied by the Municipal Management District. The assessments levied on Property within the Municipal Management District are secured by a lien against the Property or portion thereof assessed until paid in full, together with any interest accrued thereon. Each Owner and Builder with respect to a Lot shall execute and deliver any notices or other information required by the City or Municipal Management District to be delivered to prospective purchasers of Property. More information concerning the amount of the assessment and the due dates of that assessment with respect to the Municipal Management District may be obtained from the City or county levying the assessment.

ARTICLE XIII

SPECIFIC DECLARANT RIGHTS

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

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

13.3 Effect of Annexation on Class B Membership. In determining the number of Lots owned by the Declarant for the purpose of Class B membership status according to Section 5.3 hereof, the total number of Lots covered by this Declaration and located or to be developed in such Declarant's portion of the Property, including all Lots acquired by the Declarant and annexed thereto, shall be considered. If Class B membership has previously lapsed but annexation of any Adjacent Land or additional property restores the ratio of Lots owned by the Declarant to the number required by Class B membership, such Class B membership shall be reinstated until it expires pursuant to the terms of Section 5.3.

13.4 Specific Declarant Rights to Amend Declaration. During the Development Period, the Declarant may unilaterally amend this Declaration without the joinder or vote of the Board, the Association, the other Owners, or any other party if such amendment is deemed necessary or desirable, in the Declarant's sole judgment for any purpose, including, without limitation, (i) to bring any provisions of this Declaration into compliance with any applicable governmental statute, rule, regulation or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National

Mortgage Association or Federal Home Loan Mortgage Corporation, to purchase, insure, or guarantee mortgage loans on the Lots; (iv) to satisfy the requirements of any local, state or federal governmental agency; or (v) to correct or clarify errors, omissions, mistakes or ambiguities contained herein. No amendment pursuant to this paragraph, however, shall adversely affect the title to any Lot unless the Owner affected thereby shall consent in writing.

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

13.6 Assignment of Declarant Rights. The Declarant may assign its rights to a successor Declarant hereunder by execution of a written document, recorded in the Official Public Records of Collin County, Texas, expressly and specifically stating that such Declarant has assigned its rights as such to a designated assignee and declaring such assignee to be a new "Declarant" hereunder. No Person purchasing or otherwise acquiring one (1) or more Lots shall be considered "Declarant" hereunder, unless Declarant makes an express and specific assignment referenced in and accordance with the terms of the immediately preceding sentence or except in the event of an involuntary disposition of all or any part of the Land owned by Declarant prior to completion of development of the Land as a residential community.

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

13.8 Replatting or Modification of Plat. From time to time, the Declarant reserves the

right to replat its Property or to amend or modify the Plat in order to assure harmonious and orderly development of the Property as herein provided. The Declarant may exercise such rights at any time during the Development Period and no joinder of any other Owner shall be required to give effect to such rights, each Owner consenting to the Declarant's execution of any replat on such Owner's behalf. However, any such replatting or amendment of the Plat shall be with the purpose of efficiently and economically developing the Property for the purposes herein provided or for compliance with any applicable governmental regulation. Any replatting by Declarant pursuant to this Section 13.8 may include, without limitation, the reconfiguration and arrangement of any Lots and/or Common Areas within a Plat. The Declarant's rights under this Section 13.8 shall expire upon expiration of the Development Period.

13.9 Declarant Impositions, Approval and Enforcement Rights. During the Development Period, Declarant hereby reserves and shall have the right and authority (but is in no way obligated by this Declaration) to impose upon the Property or any portion thereof any Applicable Zoning, Plat(s) and PID Restrictions, as adopted and/or approved by the City, and any requirements of the Municipal Management District. In addition to the foregoing, during the Development Period, Declarant hereby reserves and shall have the right and authority (but is in no way obligated by this Declaration) to enforce (i) any Governmental Requirements, including, without limitation, those requirements under any Applicable Zoning, (ii) any requirements under any Plat(s) applicable to the Property, (iii) any requirements and/or restrictions established by the City under the PID, including, without limitation, the PID Restrictions and any assessments levied by or through the PID, and/or (iv) any requirements and/or restrictions established by the Municipal Management District applicable to the Property or any portion thereof, including, without limitation, assessments levied by or through the Municipal Management District.

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

13.11 Termination of the Declarant's Responsibilities. In consideration of the Declarant's deficit funding of the Association, if any, upon the occurrence of any of the following events: (i) conversion of the Declarant's Class B membership status to Class A membership status; (ii) completion of the Common Properties by the Declarant and conveyance of same to the Association; (iii) assignment of the Declarant's rights hereunder pursuant to Section 13.6; or (iv) expiration of the Development Period, then and in such event the Declarant shall be fully released, relieved and forever discharged from any further duty or obligation to the Association or any of its members as the Declarant by reason of the terms and conditions of this Declaration including any amendments thereof or supplements thereto, save and except the duties and obligations, if any, of the Declarant as a Class A member by reason of the Declarant's continued ownership of one or more Lots, but not otherwise. Further, and without regard to whether or not the Declarant has been released from obligations and duties to the Association, during the Development Period or so long as the Declarant holds record title to at least one (1) Lot and holds same for sale in the ordinary course of business, neither the Association nor its Board, nor any member of the Association shall take any action that will impair or adversely affect the rights of the Declarant or cause the Declarant

to suffer any financial, legal or other detriment, including but not limited to, any direct or indirect interference with the sale of Lots. In the event there is a breach of this Section, it is acknowledged that any monetary award which may be available would be an insufficient remedy and therefore, in addition to all other remedies, the Declarant shall be entitled to injunctive relief restraining the Association, its Board or any member of the Association from further breach of this Section.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed as of the date first above written.

DECLARANT:

MM CELINA 3200, LLC,
a Texas limited liability company

By: MMM Ventures, LLC
a Texas limited liability company,
its Manager,

By: 2M Ventures, LLC,
a Delaware limited liability company,
its Manager

By: _____
Mehrdad Moayedi,
Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Mehrdad Moayedi, Manager of 2M Ventures, LLC, a Delaware limited liability company, the manager of MMM Ventures, LLC, a Texas limited liability company, the manager of MM CELINA 3200, LLC, a Texas limited liability company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in his capacity set forth above and on behalf of said limited liability company(ies).

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 30 day of July, 2021.

_____
NOTARY PUBLIC STATE OF TEXAS
Printed Name: Caitlin Simmons
My commission expires: 06-11-2025

CAITLIN PAIGE SIMMONS
Notary ID #131158423
My Commission Expires
June 11, 2025

CONSENT AND SUBORDINATION OF LIENHOLDER

The undersigned, being the beneficiary under that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Financing Statement executed by MM Celina 3200, LLC, ("**Borrower**") and recorded in the Official Public Records of Collin County, Texas prior to this Declaration (as defined below), together with any modifications, supplements, restatements or amendments thereto, hereby consents to the Declaration of Covenants, Conditions and Restrictions for Legacy Hills Addition, City of Celina, Collin County, Texas (the "**Declaration**") to be applicable to the Land, in accordance with the terms thereof, and furthermore subordinates its lien rights and interests in and to the Land to the terms, provisions, covenants, conditions and restrictions under the Declaration so that foreclosure of its lien will not extinguish the terms, provisions, covenants, conditions and restrictions under the Declaration. Deed of Trust, Assignment of Rents, Security Agreement and Fixture Financing Statement.

TREZ CAPITAL (2015) CORPORATION,
a British Columbia corporation

By: Trez Capital Funding II, LLC,
a Delaware limited liability company,
its Administrative Agent

By: _____
Name: John D Hutchinson
Title: President

STATE OF TEXAS §
§
COUNTY OF Dallas §

This instrument was acknowledged before me on the 30th day of July, 2021 by John D Hutchinson, the President of Trez Capital Funding II, LLC, a Delaware limited liability company, Administrative Agent of TREZ Capital (2015) Corporation, a British Columbia corporation, on behalf of said corporation.

_____
Notary Public, State of Texas

ANGELA WILLIAMS
Notary Public, State of Texas
Comm. Expires 02-07-2025
Notary ID 125190354

My Commission Expires: 02-07-2025

EXHIBIT A

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LEGACY HILLS ADDITION, CITY OF CELINA, COLLIN COUNTY, TEXAS

LEGAL DESCRIPTION OF THE LAND

TRACT 1 - 2,142.552 Acres

BEING 2,142.552 acres located in the James Cumba Survey, Abstract No. 242; John Davis Survey, Abstract No. 254; Elias Alexander Survey, Abstract No. 19; Buffalo Bayou, Brazos and Colorado Railroad Company Survey, Abstract No. 131; San Antonio and Mexican Gulf Railroad Company Survey, Abstract No. 876; Phineas Newsom Survey, Abstract No. 665; Henry Cockrum Survey, Abstract No. 192; Stillman B. Rice Survey, Abstract No. 1054; J.F. Smiley Survey, Abstract No. 869; J.K. Worrall Survey, Abstract No. 1036; Jeremiah Queen Survey, Abstract No. 733; and the Joab H. Biggs Survey, Abstract No. 51, and being more particularly described as follows;

BEGINNING at a Dallas North Tollway Authority Right-of-Way Monument found, being in the Northeasterly right-of-way line of Farm to Market Road 455 (90 foot right-of-way) and being the Southeasterly corner of County Road Parcel 42-9, NBSR-2, as recorded in Special Warranty Deed to the Dallas North Tollway as recorded in Document Number 20200720001126930 Official Public Records of Collin County, Texas (O.P.R.C.C.T.);

THENCE in a Northerly direction with the said Dallas North Tollway County Road Parcel 42-9, NBSR-2 the following four(4) calls:

North 17 degrees 49 minutes 26 seconds West, a distance of 166.57 feet to a Dallas North Tollway Authority Right-of-Way Monument found;

North 00 degrees 24 minutes 15 seconds East, a distance of 318.44 feet to a Dallas North Tollway Authority Right-of-Way Monument found;

North 00 degrees 38 minutes 51 seconds East, a distance of 400.05 feet to a Dallas North Tollway Authority Right-of-Way Monument found;

North 00 degrees 26 minutes 26 seconds East, a distance of 5,752.20 feet to a Dallas North Tollway Authority Right-of-Way Monument found, and being the Southwest corner of that tract described by Warranty Deed to the Living Branch Trust, as recorded in Volume 5843, Page 1119, O.P.R.C.C.T.;

THENCE South 89 degrees 16 minutes 46 seconds East, leaving said Dallas North Tollway County Road Parcel 42-9, NBSR-2, and with the Southern line of said Living Branch Trust tract a distance of 2,476.16 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

THENCE North 00 degrees 47 minutes 05 seconds East, with the said Living Branch Trust tract a

distance of 1,013.53 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

THENCE South 89 degrees 00 minutes 32 seconds East, with the said Living Branch Trust tract a distance of 950.81 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", being the most Southwesterly corner of that tract described by Deed to Jody Furlong Lawler as recorded in Document Number 20180828001079900, O.P.R.C.C.T.;

THENCE with the Southerly line of said Lawler tract the following thirteen(13) calls:

North 88 degrees 45 minutes 58 seconds East, a distance of 933.81 feet to a 1/2-inch iron rod found;

North 88 degrees 50 minutes 47 seconds East, a distance of 308.11 feet to a 1/2-inch iron rod found;

North 44 degrees 42 minutes 42 seconds East, a distance of 1,104.82 feet to a 1/2-inch iron rod found;

North 11 degrees 56 minutes 07 seconds East, a distance of 271.39 feet to a fence post;

North 68 degrees 50 minutes 14 seconds East, a distance of 489.91 feet to a 1/2-inch iron rod found;

North 27 degrees 19 minutes 37 seconds East, a distance of 1,077.50 feet to a 5/8-inch iron rod found;

South 87 degrees 23 minutes 57 seconds East, a distance of 273.53 feet to a 6-inch Wood Fence Post;

South 87 degrees 53 minutes 40 seconds East, a distance of 117.29 feet to a 1/2-inch iron rod found;

North 89 degrees 21 minutes 46 seconds East, a distance of 200.18 feet to a 6-inch Wood Fence Post;

North 89 degrees 27 minutes 26 seconds East, a distance of 344.35 feet to a 6-inch Wood Fence Post;

North 88 degrees 19 minutes 53 seconds East, a distance of 709.33 feet to a 6-inch Wood Fence Post;

North 88 degrees 04 minutes 54 seconds East, a distance of 229.50 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

South 84 degrees 49 minutes 29 seconds East, a distance of 407.37 feet to a set Mag Nail with washer stamped "ADAMS SURVEYING COMPANY LLC", being in the centerline of County Road 58 (prescriptive roadway)

THENCE South 01 degrees 38 minutes 55 seconds East, a distance of 886.74 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", being in the Southwesterly edge of said County Road 58;

THENCE South 56 degrees 53 minutes 37 seconds East, a distance of 657.51 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", being in the Southwesterly edge of said County Road 58;

THENCE South 89 degrees 41 minutes 20 seconds East, a distance of 627.77 feet to a fence post;

THENCE South 01 degree 20 minutes 35 seconds West, a distance of 528.60 feet to a set Mag Nail with washer stamped "ADAMS SURVEYING COMPANY LLC", being in the centerline of said County Road 58

THENCE South 00 degrees 47 minutes 54 seconds West, continuing with the centerline of said County Road 58 a distance of 3,181.99 feet to a 1/2-inch iron rod found;

THENCE South 00 degrees 54 minutes 13 seconds West, continuing with the centerline of said County Road 58 a distance of 875.82 feet to a Railroad Spike found;

THENCE South 01 degree 06 minutes 20 seconds West, continuing with the centerline of said County Road 58 a distance of 213.02 feet to a 5/8-inch iron rod found;

THENCE South 01 degree 03 minutes 22 seconds West, leaving the centerline of said County Road 58 a distance of 272.81 feet to a Bois D'Arc Fence Post;

THENCE South 01 degree 38 minutes 19 seconds East, a distance of 562.96 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

THENCE North 89 degrees 46 minutes 59 seconds West, a distance of 66.00 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

THENCE South 00 degrees 42 minutes 37 seconds East, a distance of 271.88 feet to a 1-inch iron pipe found;

THENCE South 00 degrees 42 minutes 37 seconds East a total distance of 2612.39 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

THENCE South 01 degree 35 minutes 06 seconds East, a distance of 268.60 feet to a Bois D 'Arc Fence Post;

THENCE South 02 degrees 19 minutes 26 seconds East, a distance of 699.23 feet to a Fence Post;

THENCE South 01 degree 53 minutes 32 seconds East, a distance of 849.39 feet to a 1-inch iron pipe found, being in the Northerly corner of that tract described by Corrected Warranty Deed to Ownsby 1880 Farms as recorded in Volume 4332, Page 1047, Deed Records Collin County, Texas, and being a Southwesterly corner of that tract described by Warranty Deed to Willie Douglas

Moore Revocable Trust, as recorded in Document Number 20160526000647060, O.P.R.C.C.T.;

THENCE South 89 degrees 08 minutes 09 seconds West, a distance of 2,113.62 feet to a 6-inch Wood Fence Post;

THENCE South 88 degrees 19 minutes 27 seconds West, a distance of 977.13 feet to a 6-inch Wood Fence Post;

THENCE South 89 degrees 47 minutes 32 seconds West, a distance of 506.89 feet to a 6-inch Wood Fence Post;

THENCE South 88 degrees 13 minutes 42 seconds West, a distance of 241.95 feet to a 6-inch Wood Fence Post;

THENCE South 89 degrees 28 minutes 14 seconds West, a distance of 36.66 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

THENCE South 01 degree 05 minutes 28 seconds East, a distance of 64.03 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

THENCE North 73 degrees 55 minutes 37 seconds West, a distance of 1,830.49 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", being in the Northeasterly right-of-way of said Farm to Market Road 455;

THENCE with the Northeasterly right-of-way of said Farm to Market Road 455 the following fourteen (14) calls: North 16 degrees 02 minutes 25 seconds East, a distance of 40.00 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

North 73 degrees 57 minutes 35 seconds West, a distance of 200.16 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

North 51 degrees 38 minutes 45 seconds West, a distance of 617.89 feet to a TXDOT monument found;

North 38 degrees 21 minutes 15 seconds East, a distance of 10.12 feet to a TXDOT monument found;

North 47 degrees 50 minutes 13 seconds West, a distance of 256.41 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", being the beginning of a tangent curve to the left;

With said curve to the left having a radius of 1,130.00 feet, an arc length of 538.88 feet, a central angle of 27 degrees 19 minutes 25 seconds, and a chord of North 69 degrees 46 minutes 34 seconds West, 533.79 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

North 83 degrees 26 minutes 16 seconds West, a distance of 899.11 feet to a TXDOT monument found;

South 87 degrees 27 minutes 08 seconds West, a distance of 255.47 feet to a TXDOT monument found;

North 88 degrees 57 minutes 29 seconds West, a distance of 83.16 feet to a TXDOT monument found, being the beginning of a tangent curve to the right;

With said curve to the right having a radius of 1,545.00 feet, an arc length of 150.43 feet, a central angle of 05 degrees 34 minutes 43 seconds, and a chord of North 86 degrees 10 minutes 06 seconds West, 150.37 feet to a TXDOT monument found;

North 83 degrees 22 minutes 45 seconds West, a distance of 111.05 feet to a TXDOT monument found;

South 06 degrees 37 minutes 15 seconds West, a distance of 10.00 feet to a to a TXDOT monument found;

North 83 degrees 23 minutes 36 seconds West, a distance of 827.40 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", being the beginning of a tangent curve to the right;

With said curve to the right having a radius of 527.96 feet, an arc length of 283.72 feet, a central angle of 30 degrees 47 minutes 23 seconds, and a chord of North 67 degrees 59 minutes 54 seconds West, 280.31 feet to a set 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

North 52 degrees 37 minutes 00 seconds West, a distance of 455.10 feet to the POINT OF BEGINNING containing 2,142.552 acres more or less.'

TRACT 2 – 913.082 Acres

BEING 913.082 acres located in the John W. Haynes Survey, Abstract No. 453; Henry Cockrum Survey, Abstract No. 191; Jeremiah Queen Survey, Abstract No. 733; John Cumba Survey, Abstract No. 242; German Emigration Company Survey, Abstract No. 356; and the John Ragsdale Survey, Abstract No. 735, and being more particularly described as follows;

BEGINNING at a Dallas North Tollway Authority Right-of-Way Monument found, being in the Southwesterly right-of-way line of Farm to Market Road 455 (90 foot right-of-way) and being the Northeasterly corner of County Road Parcel 42-9, NBSR-1, as recorded in Special Warranty Deed to the Dallas North Tollway as recorded in Document Number 20200720001126930 Official Public Records of Collin County, Texas (O.P.R.C.C.T.);

THENCE with the Southerly right-of-way line of said Farm to Market Road 455 the following five (5) calls:

South 52 degrees 37 minutes 00 seconds East, a distance of 392.53 feet to a 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", for the beginning of a

tangent curve to the left;

With said curve to the left having a radius of 617.96 feet, an arc length of 332.08 feet, a central angle of 30 degrees 47 minutes 23 seconds, and a chord of South 67 degrees 59 minutes 54 seconds East, 328.10 feet to a 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

South 83 degrees 23 minutes 36 seconds East, a distance of 2,223.49 feet to a 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", for the beginning of a tangent curve to the right;

With said curve to the right having a radius of 1,277.33 feet, an arc length of 237.45 feet, a central angle of 10 degrees 39 minutes 03 seconds, and a chord of South 78 degrees 04 minutes 04 seconds East, 237.10 feet to a 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

South 72 degrees 44 minutes 36 seconds East, a distance of 160.86 feet to a Point For Corner, being in the centerline of a creek;

THENCE with the centerline of said creek the following forty-six (46) calls:

South 14 degrees 19 minutes 00 seconds West, a distance of 55.84 feet to a Point For Corner;

South 28 degrees 44 minutes 29 seconds West, a distance of 44.56 feet to a Point For Corner;

South 51 degrees 26 minutes 18 seconds West, a distance of 32.63 feet to a Point For Corner;

North 77 degrees 17 minutes 39 Seconds West, a distance of 30.57 feet to a Point For Corner;

South 29 degrees 43 minutes 18 seconds West, a distance of 55.66 feet to a Point For Corner;

South 55 degrees 37 minutes 53 seconds West, a distance of 66.29 feet to a Point For Corner;

South 26 degrees 34 minutes 40 seconds West, a distance of 93.04 feet to a Point For Corner;

South 52 degrees 02 minutes 58 seconds West, a distance of 103.92 feet to a Point For Corner;

South 14 degrees 19 minutes 31 seconds West, a distance of 53.80 feet to a Point For Corner;

South 32 degrees 55 minutes 09 seconds East, a distance of 78.65 feet to a Point For Corner;

South 61 degrees 50 minutes 04 seconds East, a distance of 22.34 feet to a Point For Corner;

South 79 degrees 31 minutes 52 seconds East. A distance of 52.83 feet to a Point For Corner;

South 43 minutes 15 minutes 24 seconds East, a distance of 40.65 feet to a Point For Corner;

South 05 degrees 12 minutes 29 seconds East, a distance of 80.83 feet to a Point For Corner;

South 05 degrees 21 minutes 57 seconds West, a distance of 30.05 feet to a Point For Corner;

South 26 degrees 28 minutes 39 seconds West, a distance of 29.66 feet to a Point For Corner;

South 57 degrees 53 minutes 36 seconds West, a distance of 146.81 feet to a Point For Corner;

South 44 degrees 35 minutes 07 seconds West, a distance of 97.49 feet to a Point For Corner;

South 87 degrees 13 minutes 58 seconds West, a distance of 37.76 feet to a Point For Corner;

South 54 degrees 41 minutes 22 seconds West, a distance of 31.11 feet to a Point For Corner;

South 40 degrees 00 minutes 52 seconds West, a distance of 27.63 feet to a Point For Corner;

South 22 degrees 52 minutes 49 seconds West, a distance of 115.21 feet to a Point For Corner;

South 11 degrees 03 minutes 29 seconds West, a distance of 42.62 feet to a Point For Corner;

South 32 degrees 10 minutes 50 seconds East, a distance of 49.36 feet to a Point For Corner;

North 87 degrees 26 minutes 24 seconds East, a distance of 38.40 feet to a Point For Corner;

South 70 degrees 36 minutes 39 seconds East, a distance of 29.56 feet to a Point For Corner;

South 49 degrees 45 minutes 58 seconds East, a distance of 31.66 feet to a Point For Corner;

South 57 degrees 12 minutes 33 seconds East, a distance of 29.90 feet to a Point For Corner;

South 79 degrees 13 minutes 16 seconds East, a distance of 28.44 feet to a Point For Corner;

South 42 degrees 26 minutes 12 seconds East, a distance of 35.47 feet to a Point For Corner;

South 13 degrees 46 minutes 20 seconds East, a distance of 18.11 feet to a Point For Corner;

South 00 degrees 07 minutes 14 seconds East, a distance of 40.69 feet to a Point For Corner;

South 03 degrees 21 minutes 22 seconds West, a distance of 48.82 feet to a Point For Corner;

South 03 degrees 32 minutes 33 seconds East, a distance of 64.21 feet to a Point For Corner;

South 22 degrees 04 minutes 33 seconds West, a distance of 21.00 feet to a Point For Corner;

South 38 degrees 13 minutes 56 seconds West, a distance of 14.56 feet to a Point For Corner;

South 59 degrees 04 minutes 39 seconds West, a distance of 22.14 feet to a Point For Corner;

South 74 degrees 59 minutes 50 seconds West, a distance of 25.97 feet to a Point For Corner;

South 38 degrees 18 minutes 39 seconds West, a distance of 53.27 feet to a Point For Corner;

South 49 degrees 03 minutes 19 seconds West, a distance of 35.48 feet to a Point For Corner;

South 76 degrees 19 minutes 48 seconds West, a distance of 49.94 feet to a Point For Corner;

South 59 degrees 15 minutes 32 seconds West, a distance of 24.54 feet to a Point For Corner;

South 84 degrees 41 minutes 43 seconds West, a distance of 42.37 feet to a Point For Corner;

South 72 degrees 52 minutes 50 seconds West, a distance of 41.08 feet to a Point For Corner;

North 78 degrees 05 minutes 25 seconds West, a distance of 23.62 feet to a Point For Corner;

North 52 degrees 56 minutes 46 seconds West, a distance of 11.21 feet to a Point For

Corner;

THENCE South 00 degrees 32 minutes 21 seconds West, a distance of 754.04 feet to a 5/8-inch iron rod found;

THENCE North 86 degrees 48 minutes 52 seconds East, a distance of 1,465.37 feet to a 5/8-inch iron rod found;

THENCE North 89 degrees 22 minutes 20 seconds East, passing a 3/4-inch iron rod found at a distance of 523.25 feet, continuing a total distance of 524.91 feet to a 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", being in the Westerly right-of-way of said Farm to Market Road 455;

THENCE South 03 degrees 09 minutes 55 seconds West, with the Westerly right-of-way of said Farm to Market Road 455 a distance of 42.89 feet to a 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC", being the beginning of a tangent curve to the left;

THENCE with said curve to the left having a radius of 1,477.39 feet, an arc length of 573.73 feet, a central angle of 22 degrees 15 minutes 00 seconds, and a chord of South 07 degrees 57 minutes 35 seconds East, 570.13 feet to a 5/8-inch capped iron rod stamped "ADAMS SURVEYING COMPANY LLC";

THENCE South 19 degrees 05 minutes 05 seconds East, distance of 350.94 feet to a 1/2-inch capped iron rod stamped "DIETZ ENG";

THENCE South 89 degrees 28 minutes 02 seconds West, leaving the Westerly right-of-way of said Farm to Market Road 455, a distance of 976.10 feet to a 1/2-inch iron rod found;

THENCE South 00 degrees 17 minutes 15 seconds East, a distance of 1,735.25 feet to a 1/2-inch iron rod found;

THENCE South 00 degrees 03 minutes 32 seconds West, a distance of 246.00 feet to a 1/2-inch iron rod found;

THENCE South 01 degree 10 seconds 58 minutes East, a distance of 2,284.99 feet to a Bois D 'Arc Fence Post;

THENCE South 01 degree 13 minutes 16 seconds East, a distance of 407.50 feet to a Bois D 'Arc Fence Post;

THENCE North 88 degrees 24 minutes 10 seconds East, a distance of 1,140.39 feet to a 1/2-inch capped iron rod stamped "Peiser & Mankin";

THENCE South 01 degree 28 minutes 55 seconds East, a distance of 1,962.07 feet to a Railroad Spike Found, being in the centerline of County Road 9 (prescriptive roadway);

THENCE South 89 degrees 45 minutes 03 seconds West, with the centerline of said County Road 9 a distance of 5,377.45 feet to a 1/2-inch iron rod found;

THENCE North 04 degrees 16 minutes 00 seconds East, leaving the centerline of said County Road 9 a distance of 32.86 feet to a Dallas North Tollway Authority Right-of-Way Monument found, being the Southerly corner of said County Road Parcel 42-9, NBSR-1 and being the beginning of a non-tangent curve to the right;

THENCE with said non-tangent curve to the right having a radius of 5,528.84 feet, an arc length of 684.84 feet, a central angle of 07 degrees 05 minutes 49 seconds, and a chord of North 03 degrees 56 minutes 58 seconds East, 684.41 feet to a Dallas North Tollway Authority Right-of-Way Monument found;

THENCE North 07 degrees 32 minutes 26 seconds East, continuing with the Westerly line of said County Road Parcel 42-9, NBSR-1, a distance of 911.97 feet to a Dallas North Tollway Authority Right-of-Way Monument found, being the beginning of a tangent curve to the left;

THENCE with said curve to the left, having a radius of 5,929.99 feet, an arc length of 725.81 feet, a central angle of 07 degrees 00 minutes 46 seconds, and a chord of North 03 degrees 54 minutes 42 seconds East, 725.36 feet to a Dallas North Tollway Authority Right-of-Way Monument found;

THENCE North 00 degrees 24 minutes 19 seconds East, a distance of 7,981.69 feet to a Dallas North Tollway Authority Right-of-Way Monument found;

THENCE North 48 degrees 13 minutes 22 seconds East, a distance of 64.58 feet to the POINT OF BEGINNING containing 913.082 acres more or less.

TRACT 3 – 94.448 Acres

BEING 94.448 acres located in the John Davis Survey, Abstract No. 254; William P. Allen Survey, Abstract No. 24; and the JTRACT 3 - 94.448 Acresorthwesterly corner of that tract described by Warranty Deed to the Living Branch Trust, as recorded in Volume 5843, Page 1119, O.P.R.C.C.T.;

THENCE North 00 degrees 26 minutes 26 seconds East, with the East line of said County Road Parcel 42-9, NBSR-3 a distance of 1,213.31 feet to a Dallas North Tollway Authority Right-of-Way Monument found, being a Southwesterly corner of that tract described by Deed to Jody Furlong Lawler as recorded in Document Number 20180828001079900, O.P.R.C.C.T.;

THENCE South 89 degrees 48 minutes 21 seconds East, with the South line of said Jody Furlong Lawler tract a distance of 3,411.57 feet to a 1/2-inch iron rod found;

THENCE South 00 degrees 17 minutes 04 seconds East, with the Westerly line of said Jody Furlong Lawler tract a distance of 1,193.27 feet to a point for corner in a pond, being the Northeast corner of said Living Branch Trust tract;

THENCE South 89 degrees 51 minutes 31 seconds West, with the North line of said Living Branch Trust tract a distance of 3,426.82 feet to the POINT OF BEGINNING, containing 94.448 acres more or less.

Save and Except

Tract 1

BEING that certain 27.783 acre tract of land situated in the JOHN DAVIS SURVEY, ABSTRACT No. 254, Collin County, Texas, being a part of that certain called 100.474 acre tract of land described in the deed to Dynavest Joint Venture recorded in Volume 2288, Page 119, Deed Records, Collin County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8" iron rod with plastic cap stamped "Landpoint" set (herein referred to as capped iron rod set) in the North line of said 100.474 acre tract, same being in the West line of a 947.705 acre tract of land described in deed to Jody Furlong Lawler, recorded under Instrument No. 20180828001079900, Official Public Records, Collin County, Texas, from which a 1/2" iron rod found at the Northeast corner of said 100.474 acre tract bears, S 89° 47' 54" E a distance of 2411.57 feet;

THENCE S 00° 26' 50" W, severing said 100.474 acre tract, a distance of 1207.15 feet to a capped iron rod set in the South line of said 100.474 acre tract, same being the North line of a remainder of 100 acre tract of land described in the deed to Marvin L. Bunch or Linda K. Rogers, Trustee of the Bunch Living Trust, recorded in Volume 5843, Page 1119, Official Public Records, Collin County, Texas;

THENCE S 89° 50' 48" W, with the South line of 100.474 acre tract, same being the North line of said remainder of 100 acre tract, a distance of 1000.05 feet to a capped iron rod set in the East right-of-way line of the Dallas North Tollway, same being the East line of a tract of land described as County Road Parcel 42-9 NBSR-2 conveyed to North Texas Tollway Authority in deed of record under Instrument No. 20200720001126930, Official Public Records, Collin County, Texas;

THENCE N 00° 26' 50" E, with the East right-of-way line of the Dallas North Tollway, same being the East line of the tract of land described as County Road Parcel 42-9 NBSR-2 conveyed to North Texas Tollway Authority, a distance of 1213.34 feet to a capped iron rod set, from which a found nail near the Northwest corner of the 100.474 acre tract bears, N 89° 47' 54" W a distance of 169.56 feet;

THENCE S 89° 47' 54" E, with the North line of the 100.474 acre tract, same being the West line of the 947.705 acre tract, a distance of 1000.01 feet to the POINT OF BEGINNING and containing 27.783 acres of land.

Tract 2

Being 11.105 acres of land situated in the German Emigration Co., Abstract No. 356 and the J. Ragsdale Survey, Abstract No. 735, Collin County, Texas, being a part of that certain called 957.743 acre tract of land conveyed to Dynavest Joint Venture, by deed of record in Volume 2288, Page 114 of the Deed Records of Collin County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod stamped "Landpoint" set for the Southeast corner of said

957.743 acre tract of land conveyed to Dynavest Joint Venture, by deed of record in Volume 2288 Page 114 of the Official Public Records of Collin County, Texas, same being the Northeast corner of a 10.009 acre tract of land conveyed to Ravishanker G. Yatnatti and Shubha Yatnatti by deed of record in Document No. 20180814001017400, of the Official Public Records of Collin County, Texas; from which a iron rod found in the East line of a future 15 foot wide right-of-way dedication from which a iron rod found for reference bears N89°27'53"E, a distance of 15.80 feet and a point in the West right-of-way line of F.M. 455;

THENCE severing said 122.299 acre tract of land, the following five (5) courses and distances:

1. S89°27'53"W, along said North line of a 10.009 acre tract of land conveyed to Ravishanker G. Yatnatti and Shubha Yatnatti by deed of record in Document No. 20180814001017400, of the Official Public Records of Collin County, Texas, a distance of 842.06 feet;

2. N03°11'10"W a distance of 632.52 feet to a capped iron rod set;

3. N86°48'50"E a distance of 183.02 feet to a capped iron rod set;

4. N89°22'18"E a distance of 510.80 feet to a capped iron rod set;

5. Along a tangential curve to the left, having a radius of 1492.39 feet, an arc length of 314.61 feet, a central angle of 12°04'43", and a chord which bears S12°50'30"E a distance of 314.03 feet to a capped iron rod set for a point of tangency;

THENCE S18°51'52"E a distance of 352.19 feet to the POINT OF BEGINNING and containing 11.105 acres of land.

Tract 3

Being a 13.575 acre tract of land situated in the German Emigration Co., Abstract No. 356, Collin County, Texas, and being a part of that certain called 957.743 acre tract of land conveyed to Dynavest Joint Venture by deed of record in Volume 2288, Page 114 of the Official Public Records of Collin County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod found at the Southwest corner of a called 69.84 acre tract of land conveyed to Cow Mountain Investors, L.P., by deed of record in Volume 5608, Page 1493 of the Official Public Records of Collin County, Texas and being an angle point in said 957.743 acre tract of land;

THENCE with the South line of said 69.84 acre tract of land, same being the North line of said 957.743 acre tract of land, the following Two (2) courses and distances:

1. N86°48'56"E a distance of 1465.45 feet to a 5/8-inch iron rod found for corner;
2. N89°21'10"E, continuing with the South line of said 69.84 acre tract of land and a North line of said 957.743 acre tract of land, a distance of 509.00 feet to a 5/8-inch iron rod with plastic cap stamped "Landpoint" set (herein referred to as capped iron rod set) in the West line of a future 15 foot wide right-of-way dedication from which a 5/8-inch iron rod found for reference bears N89°21'10"E, a distance of 14.16 feet and a point in the West right-of-

way line of F.M. 455 for the Southeast corner of said 69.84 acre tract of land, the most Easterly Northeast corner of said 957.743 acre tract of land bears N89°21'10"E, a distance of 15.03 feet;

THENCE S03°11'58"W, with the West line of said future 15 foot wide right-of-way dedication, a distance of 39.84 feet to a capped iron rod set for the beginning of a curve to the left, from which a 6-inch wood monument found for reference bears S61°44'23"E, a distance of 15.36 feet and a capped iron rod stamped "Adams" found for reference bears S78°51'17"E, a distance of 15.96 feet;

THENCE continuing with said West line of said future 15 foot right-of-way dedication, with said curve to the left, an arc length of 260.52 feet, a central angle of 10°00'07", a radius of 1492.39 feet and a chord that bears S01°48'05"E, a distance of 260.19 feet to a capped iron rod set for the Southeast corner of said tract herein described, from which a 6-inch wood monument found for reference bears S35°36'43"E, a distance of 29.92 feet;

THENCE severing said 957.743 acre tract of land, the following Three (3) courses and distances:

1. S89°22'18"W, a distance of 510.80 feet to a capped iron rod set for corner;
2. S86°48'50"W, a distance of 1472.27 feet to a capped iron rod set for the Southwest corner of said tract herein described;
3. N00°30'19"E, a distance of 300.13 feet to the POINT OF BEGINNING and containing 13.575 acres of land.

EXHIBIT A-1

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LEGACY HILLS ADDITION, CITY OF CELINA, COLLIN COUNTY, TEXAS

LEGAL DESCRIPTION OF THE PORTION OF THE LAND WHICH MAY INCLUDE ATTACHED DWELLING LOTS

NONE

EXHIBIT B

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LEGACY HILLS ADDITION, CITY OF CELINA, COLLIN COUNTY, TEXAS

CERTIFICATE OF FORMATION, ORGANIZATIONAL CONSENT AND BYLAWS OF LEGACY HILLS ADDITION MASTER PROPERTY OWNERS' ASSOCIATION, INC.

[NOT AVAILABLE AT THE TIME OF RECORDING]

EXHIBIT C

LEGACY HILLS ADDITION, CITY OF CELINA, TEXAS
DESIGN GUIDELINES

Being approximately 3,268.6 acres generally located along the future expansion of Dallas North Tollway Phase 4B in Collin County, Celina, TX and as further described by metes and bounds and depicted in Exhibit 'A' attached hereto (the "Property"), this Planned Development Ordinance ("PD" or "Planned Development") provides the ability to encourage and accommodate the development of a variety of uses for the Property. These uses include commercial, retail, office, mixed-use and residential uses within the City of Celina.

It is the intent of this PD to amend Planned Development #117 and adopt the City's base zoning districts SF-R, C, Flex, MF-2, and MF-3 at set forth in the City regulations, together with the uses and development regulations as designated therein, subject to modifications in this PD. Any conflict between this PD and the Zoning Ordinance or Neighborhood Vision Book shall be resolved in favor of those regulations set forth in this PD, or as may be ascertained through the intent of this PD. Uses and development regulations which otherwise are not specifically modified in this PD shall be controlled by the Zoning Ordinance, as it may be amended from time to time.

This PD, and all attachments or exhibits, amends Planned Development #117 and supersedes any existing zoning, use and development regulations for the Property. The following development regulations shall apply to the entire Property and vary the Zoning Ordinance as set forth in this PD herein.

Concept Plan

The subject property shall generally develop per the Concept Plan attached as Exhibit 'B'. The Concept Plan displays the general location and configuration of land uses, arterials, and other area features. Minor modifications for pragmatic purposes are contemplated at time of plan review and permitting, and such modifications shall not be unreasonably withheld, subject to review and approval by the Director of Development Services. Major modifications, such as major relocations of various land uses, shall require a revision to the governing Planned Development (PD) district zoning. If the PD requires an amendment, either via text or exhibit, only the areas being amended, including Subdistricts or individual Parcels, must be noticed and included in the rezoning process.

The vision for the community includes extensive open space and amenities dispersed throughout the development, and activating the floodplain areas with concrete trails that preserve the public view of the natural beauty. Below are the required elements:

Open Space

1. Meaningful incorporation of open space in alignment with the Neighborhood Vision Book through use of pocket parks and activated open space throughout the community, per the Master Open Space Exhibit.

2. Parties will work together to create a Master Linear Park Plan to satisfy Park Dedication requirements, including determinations of private and public ownership and maintenance, along with a golf course or alternate public park improvements and amenities along the creek (if the golf course is not constructed).
3. The open space requirements for all SF-R tracts within the development for Subdistrict 'A' shall be a minimum of 10% open space within each 'Parcel', as shown on the Concept Plan attached as Exhibit B; provided, however, that other than the percentage of open space provided here, the development of the open space shall generally comply with the City's Neighborhood Vision Book.
4. Open space and neighborhood green space will not be required to build parking

Amenities

The amenities set forth herein satisfy all amenity requirements for the all SF-R tracts within the development for Subdistrict 'A'. Below are the required elements for the amenities:

1. Amenity centers dispersed throughout, generally per the Concept Plan, with no fewer than 7, all with a minimum pool, bathrooms, shade structure, and playground, and with at least 2 being large, which includes indoor, conditioned, usable space.

2. Neighborhood Trails
    a. Developer agrees to construct or cause the construction of a network of neighborhood concrete trails with main spine trails being twelve feet (12') in width and side trails and connections being eight feet (8') in width, in conformance with the Mater Parks & Trails Plan.

Zoning

The following development regulations shall apply to all of the Property, other than the portion known as Cow Mountain, which is Parcels 1-14 as shown on the Concept Plan ("Subdistrict A") and the portion of the Property known as Cow Mountain, which is Subdistrict B as shown on the Concept Plan ("Subdistrict B") and vary the Zoning Ordinance as set forth in this PD herein. The base zoning shall be per the land use categories displayed on the Concept Plan, and shall abide by the design standards of the City, as found in the Zoning Ordinance, Subdivision Ordinance, and other applicable regulations. The project shall abide by all City regulations, and as may be amended, except as follows:

1. **Subdistrict A - SF-R (Parcels 9-14)**
   Areas designated as Single Family Detached Residential may contain any detached single-family unit (including patio/zero-lot-line), or single-family attached, whereas the total Development Area density shall not exceed 6 (six) units per net developable acre or maximum of 7,000 lots as illustrated on the Concept Plan. The below lot mix shall govern the SF-R area of the development:

	Lot Type A	Lot Type B	Lot Type C
Min. Width	40'	50'	60'

Lot % (Min/Max)	(0/40)	N/A	(15/0)

a. Any lot less than 50' in width shall be alley rear entry garage served, and any lot 50' in width or greater may be front entry garage.
b. Architectural flexibility shall be provided for roof pitches, modern color schemes (specifically white), and incorporation of stucco as an exterior building material, so long as the front façade's materials remain primarily brick/stone (except for 100% stucco homes attempting a Mediterranean style).
c. Sites reserved for schools may develop per the above lot mix if the school district fails to exercise rights within the development agreement.
d. Single family shall be allowed to slightly encroach into the DNTO overlay as shown on the attached Concept Plan.

2. <u>Subdistrict A - Flex Tracts (Parcels 1-8)</u>
The flex tracts are generally located along the Dallas North Tollway. These tracts may develop as Flex, MF-2 (Urban Edge multi-family), MF-3 (Urban Living multi-family), or C (Commercial, Office, & Retail). Parcels located within the Dallas North Tollway Overlay District shall comply with the Zoning Ordinance, except as provided herein.

a. <u>C (Commercial, Office, Retail)</u>
The City's base non-residential district anticipates a broad range of retail, office, and commercial land uses that are allowed within 100% of the Flex Tracts. Government facilities, medical office, hospital, general office, and child care uses are allowed by right. A wholesale/distribution center requires an SUP. No less than 100 acres shall be reserved for commercial, office, and retail land uses along the DNT. An additional 30 acres north of GA Moore may be converted to Flex if not used for single-family purposes.

b. <u>MF-2 & MF-3 (Urban Edge & Urban Living)</u>
The maximum number of multi-family units within the Flex Tracts of Subdistrict A shall not exceed 4,100 units and shall develop per the regulations of the MF-2 and MF-3 districts. The maximum density is 80 units per acre. "Dwelling, senior living, assisted living facility" and "Dwelling, senior living, advanced care" shall be allowed by Specific Use Permit in these Parcels, and such units shall not count towards the 4,100 maximum units as set forth herein. "Dwelling, senior living, independent living" shall be allowed by right in these Parcels, and such units shall count towards the 4,100 maximum units as set forth herein. The out-parcel commonly known as Cow Mountain (Subdistrict B below) shall not count toward the 4,100 units in Subdistrict A.
(i) Parcel (1) will not exceed 1,100 units
(ii) Parcel (2) will not exceed 432 units
(iii) Parcel (3) will not exceed 480 units

(iv) Parcel (4) will not exceed 480 units

c. **Dallas North Tollway Overlay District (DNTO)**

i. The following permitted uses are allowed by right within all Subzones, unless otherwise stated herein, of the Dallas North Tollway Overlay District:

1. Alcohol sales, primary
2. Dwelling, senior living, independent living
3. Gas pumps/ fuel sales – Suburban Subzone only

ii. The following permitted uses are allowed by Specific Use Permit within all Subzones of the Dallas North Tollway Overlay District

1. Dwelling, senior living, assisted living facility
2. Dwelling, senior living, advanced care

iii. Single family residential is a prohibited use except as identified in Pod 3 on the Concept Plan

3. **Subdistrict B.**

Subdistrict B is generally located at the SW corner of the intersection of G. A. Moore Pkwy and Legacy Drive. This tract may develop as MF-2 (Urban Edge multi-family), or MF-3 (Urban Living multi-family), or C (Commercial, Office, & Retail).

4. **Overall**

Some land uses are allowed in all areas, such as churches, schools, government facilities, and critical infrastructure necessary to serve the area.

5. **Architecture; Screening**

The subject Property is an architecturally, historically, and culturally significant tract of land that is meaningfully located along a principal regional waterway and along a regionally significant thoroughfare; thus, all structures shall abide by the City's architectural standards, landscape standards, screening standards, and neighborhood design, and as may be amended, except as set forth below.

a. **Screening**

i. Required screening between residential and non-residential or multifamily uses will be constructed by owners of non-residential or multifamily uses in accordance with City regulations and by owners of residential uses at time of vertical construction.

EXHIBIT D

LEGACY HILLS ADDITION, CITY OF CELINA, TEXAS
CONCEPT PLAN

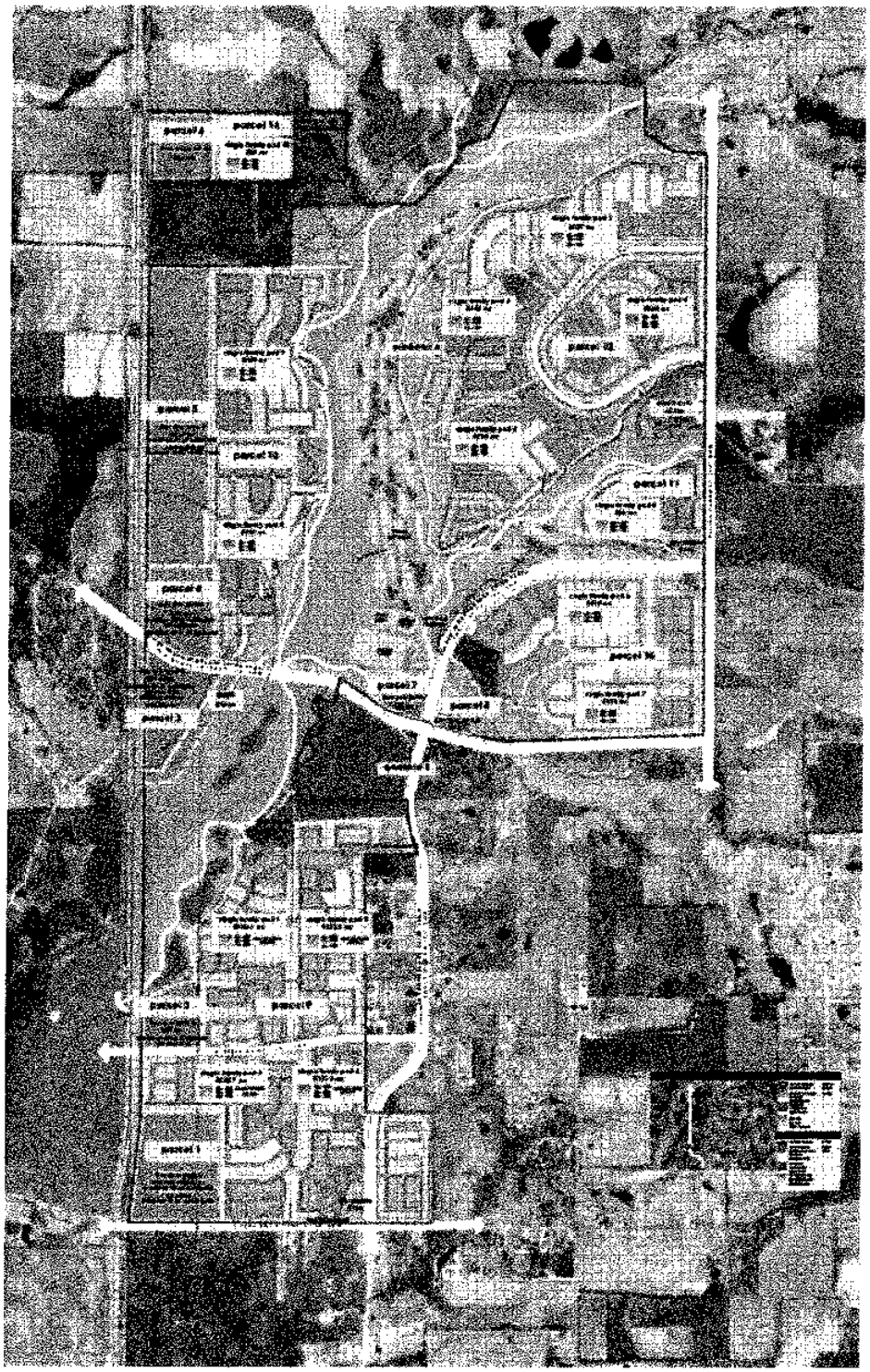

EXHIBIT E

LEGACY HILLS ADDITION, CITY OF CELINA, TEXAS
DESCRIPTION AND/OR DEPICTION OF CERTAIN COMMON IMPROVEMENTS

1. Amenity Center(s) as defined in the Development and Annexation Agreement
2. Regional Amenity Complex(es)as defined in the Development and Annexation Agreement
3. Linear Park and Neighborhood Trails as defined and/or described in the Development and Annexation Agreement, to the extent same are not included in the common area to be owned and/or maintained by any Sub-Association
4. Golf Course and related improvements, as defined and/or described in the Development and Annexation Agreement
5. Any and all other monument signs, landscaping, amenities or other land or improvements developed within the Property ad conveyed to the Association to be held as Common Area or part of the Common Properties hereunder.

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
08/04/2021 02:12:02 PM
$318.00 TBARNETT
20210804001571340