

On: Dec 14, 2005 at 12:54P

By,
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After Recording Please Return To:

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00343492

**MASTER DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
HEATH CROSSING
HEATH, TEXAS**

STATE OF TEXAS §
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COUNTY OF ROCKWALL §

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THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HEATH CROSSING (the "Declaration") is made as of this 13th day of December, 2005, by TR HEATH PARTNERS, LTD., a Texas limited partnership (the "Declarant").

W I T N E S S E T H :

WHEREAS, Declarant is the owner of the real property described on Exhibit A (the "Land");
and

WHEREAS, Declarant desires to create on the Land a residential community with certain amenities for the common benefit of residents of the community; and

WHEREAS, Declarant desires to provide for, among other matters, certain restrictions to protect and preserve the desired character of the community and, to this end, desires to subject the Land and such additional land as may hereafter be made subject to this Declaration to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Land and its present and future owners; and

WHEREAS, Declarant intends to provide for additional restrictions to protect and preserve the desired character of specific neighborhoods within the community by means of adopting Supplemental Declarations (hereinafter defined) containing additional covenants, conditions, restrictions, easements, charges and liens as may be set forth in such Supplemental Declarations, each and all of which will be for the benefit of that portion of the Land within such specific neighborhoods and the present and future owners of Lots (as hereinafter defined) within such neighborhoods; and

WHEREAS, Declarant has deemed it desirable to provide for the creation of agencies to which would be delegated and assigned the powers, duties and rights as may be provided for under this Declaration and the Supplemental Declarations.

NOW, THEREFORE, Declarant declares that the Land and such additional real property as may hereafter be made subject to this Declaration is and shall be held, transferred, sold, conveyed, used and occupied subject to the following covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions") hereinafter set forth.

ARTICLE I

DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall otherwise prohibit) shall have the following meanings:

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

"Association" means and refers to the HEATH CROSSING HOMEOWNERS ASSOCIATION. Prior to conveying any Lot to any other Owner, Declarant shall cause such entity to be organized as a Texas non-profit corporation.

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

"Common Area" means the portion of the Land now or hereafter so designated by Declarant that is not situated within a Lot, and any other property rights within the Land which are known, described or designated or which shall subsequently be intended for or devoted to, the common use and enjoyment of all the Members, and the portion of the Land now or hereafter designated by Declarant as Exclusive Common Area.

"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.

"Common Properties" means the Common Area and Common Improvements, collectively.

"Declarant" means TR Heath Partners, Ltd. and the successors in interest to the Land of either through (i) a voluntary disposition of all (or substantially all) of the assets of such limited partnership and/or the voluntary disposition of all (or substantially all) of the right, title and interest of such

limited partnership 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 limited partnership as Declarant, or (ii) 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. No Person purchasing one or more Lots from such limited partnership in the ordinary course of business shall be considered as "Declarant."

"Exclusive Common Area" means certain portions of the Common Area now or hereafter so designated by Declarant which are for the exclusive use and benefit of Owners and occupants of Lots within a particular Neighborhood or Neighborhoods and are not available for use by all Owners. All costs associated with maintenance, repair, replacement and insurance of Exclusive Common Areas shall be assessed against the Owners of Lots in only the Neighborhood or Neighborhoods which are benefited thereby as a Neighborhood Assessment. By way of illustration and not limitation, Exclusive Common Area may include recreational facilities reserved for the exclusive use of the Owners within a particular Neighborhood or Neighborhoods. Exclusive Common Area shall be designated as such and the exclusive use thereof shall be assigned in the deed conveying it to the Association or on any Subdivision Plat.

"Land" means the real property in Rockwall 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 residential lot shown as such on any Subdivision Plat and which is or is intended to be improved with a dwelling. Some portions of the Common Area may be platted as a "lot" on a recorded Subdivision Plat; however, these lots are expressly excluded from the definition of "Lot" as used herein.

"Member" means a member of the Association.

"Modifications Committee" shall have the meaning assigned to such term in Section 8.5 hereof.

"Neighborhood" means each separately designated and denominated residential Subdivision or Subdivisions within the Land comprised of one or more types of housing, whether or not governed by an additional property owners association. Declarant shall designate in a Supplemental Declaration that such Subdivision or Subdivisions shall constitute a separate Neighborhood. All property subject to this Declaration which is not included within a designated Neighborhood shall be considered a part of a single unnamed Neighborhood.

"New Construction Committee" shall have the meaning assigned to such term in Section 8.1 hereof.

"Ordinance" means Ordinance No. 030404C of the Town of Heath, Texas pursuant to which a Concept Plan for Development of Land was approved.

"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, each owner shall be an Owner for purposes of this Declaration. A Person 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" means any natural person, corporation, joint venture, partnership, association, trust or other legal entity.

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

"Subdivision" means any subdivision of land within the Land created by the filing of a map or plat thereof in the Map or Plat Records of Rockwall County, Texas.

"Subdivision Plat" means a subdivision plat covering a portion of the Land that is recorded in the Map or Plat Records of Rockwall County, Texas, as such plat may be modified and amended from time to time hereafter.

"Supplemental Declaration" means (i) an amendment to this Declaration subjecting Additional Land to this Declaration and (ii) an instrument which designates a Neighborhood and/or imposes additional restrictions on a portion of the Land already subject to this Declaration which may be enforced by the Association.

"Voting Group" means the group of Members who are represented by one (1) or more Voting Members who vote on a common slate for election of directors to the Board of Directors, as more particularly described in Section 6.4.

"Voting Member" means the representative of each Neighborhood responsible for casting all votes attributable to the Lots within the Neighborhood for election of directors to the Board of Directors, amending this Declaration or the By-Laws of the Association, and all other matters provided for in this Declaration and in the By-Laws. The Voting Member from each Neighborhood shall be the senior elected officer (e.g., Neighborhood Committee chairman or Neighborhood Association president) from that Neighborhood. The alternate Voting Member shall be the next most senior officer.

ARTICLE II

PROPERTIES SUBJECT TO THE DECLARATION; ADDITION THERETO

2.1 Initial Properties. From and after the recording of this Declaration in the Deed Records of Rockwall County, Texas, the Properties shall be subject to this Declaration.

2.2 Addition to Properties. Declarant contemplates that additional land ("Additional Land") in the vicinity of the Land may be made subject to this Declaration. Such addition may be accomplished by the recordation in the Deed Records of Rockwall County, Texas of a Supplemental Declaration, signed by Declarant, which shall extend the scheme of the Declaration to the Additional Land, automatically extending the jurisdiction, functions, rights, and duties of the Declarant, the Association (including membership therein), the New Construction Committee, and one or more Modifications Committees to the Additional Land so added. If Declarant is not a Member immediately prior to the recordation of such Supplementary Declaration, then upon the recordation of such Supplementary Declaration, Declarant shall become a Class B Member. No consent or approval of the Board of Directors or of any Owner shall be required in order to extend the scheme of this Declaration to the Additional Land. If the Additional Land is made subject to this Declaration, then, without the necessity of any further action, the Additional 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 Additional Land. If the Additional Land is made subject to this Declaration and at any time thereafter any portion of the Additional Land owned by Declarant is not platted into residential Lots, for the purposes of determining at that time the number of votes Declarant is entitled to cast and whether the Class B Membership has ceased, Declarant shall be deemed to own four (4) Lots per gross acre contained in such unplatted portion of the Additional Land owned by Declarant. Upon the subsequent platting of any such portion of the Additional Land owned by Declarant into residential Lots, the number of votes Declarant is entitled to cast with respect to such Lots shall be determined with reference to the actual number of such Lots owned by Declarant.

ARTICLE III

USE OF PROPERTIES AND LOTS - PROTECTIVE COVENANTS

The Properties and each Lot situated thereon shall be constructed, developed, occupied and used as follows:

3.1 Residential Purposes. Each Lot (including land and improvements) shall be used and occupied for single family residential purposes only. No Owner or other occupant shall use or occupy a residence on such Owner's Lot, or permit the same or any part thereof to be used or occupied, for any purpose other than as a private single family detached residence for the Owner or such Owner's tenant and their families and domestic servants employed on the premises, provided however that a limited number of private single family attached residences may be constructed in a specifically designated section of the Land properly platted for such purpose and approved by all

appropriate governmental authorities. As used herein the term "single family residential purposes" shall be deemed to prohibit specifically, but without limitation, the use of any Lot for apartment use.

3.2 Replatting. No Lot shall be resubdivided; provided, however, that Declarant shall have and reserves the right, at any time, or from time to time, to file a replat of all or any part of the Land to effect a reconfiguration of any Lots in the Land then owned by 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.

3.3 Combining Lots. Any Person owning two or more adjoining Lots in a single Subdivision 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 Properties, including, without limitation, replatting of the combined lots. 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 Subdivision Plat applicable thereto and any required abandonment or relocation of any such easements shall require the prior written approval of Declarant (if Declarant owns any Lots within the affected Subdivision) or the Association (if Declarant does not own any such Lots) as well as the prior written approval of 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 building construction on a Lot, the Owner of such Lot shall cause such Lot to be graded so that surface water will flow to streets, drainage easements, or Common Properties across no more than one (1) other Lot. No Person shall obstruct or divert the natural drainage of the Land. Any applicable grading plan must be complied with in connection with the construction of a home on a Lot

3.5 Removal of Dirt. 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. Each dwelling situated on a Lot shall be connected to the water and sewer lines as soon as practicable. No privy, or cesspool, 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 New Construction Committee, and, if so approved, the New Construction 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 Properties or from any other Lot.

3.7 Access. No driveways or roadways may be constructed on any Lot to provide access to any adjoining Lot except as expressly provided on any Subdivision Plat, or with the explicit, itemized approval of the New Construction Committee.

3.8 Driveways. Each Lot must be accessible to an adjoining street by a driveway suitable for such purposes and approved as to design and location by the New Construction Committee before the dwelling located on any such Lot may be occupied or used.

3.9 Building Location. The location of the main dwelling on each Lot and the facing of the main elevation with respect to nearby streets shall be subject to the approval of the New Construction Committee. No dwelling or other structure of any type shall be erected on any Lot nearer to the property lines than indicated by the minimum building setbacks established in the Supplemental Declaration applicable to the Neighborhood in which the Lot is located. For the purposes of this Section, eaves, steps, and open porches or driveways shall not be considered as a part of the dwelling or other structure.

3.10 Height. No dwelling or other structure on any Lot shall have a height in excess of the maximum height allowed by the City of Heath.

3.11 Construction Requirements.

(a) All electric service shall be underground and no overhead power lines or telephone lines are permitted except as otherwise approved by Declarant.

(b) No above ground-level swimming pools shall be installed on any Lot. Upon explicit, itemized approval of the New Construction Committee, above ground-level hot tubs are permitted.

(c) No projections of any type shall be placed or permitted to remain above the roof of any structure with the exception of one or more chimneys on the dwelling and one or more vent stacks, without the explicit, itemized approval of the New Construction Committee for that particular structure.

(d) Basketball backboards may be installed above garage doors which are no closer than twenty (20) feet from any curb if, after installation, the basketball backboards do not face, and are not visible from, adjacent streets or Common Areas. Free standing and moveable basketball goals are permitted only in back yards.

3.12 Garages. All garage doors shall be closed at all times when not in use. Every garage and accessory building (except a greenhouse) shall correspond in style and architectural and exterior building materials with the dwelling to which it is appurtenant. Porte coheres must be approved by the New Construction Committee. 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 cohere. No garage shall ever be changed, altered, reconstructed or otherwise converted for any purposes inconsistent with the garaging of automobiles.

3.13 Window Coolers. No window or wall type air conditioners or water coolers shall be permitted to be used, erected, placed or maintained on any part of the Properties.

3.14 Antenna, Satellite Dishes and Solar Collectors. No Owner may erect, maintain, or alter a television or radio receiving or transmitting antenna, satellite dish or similar implement or apparatus, or solar collector panels or equipment upon any Lot unless (a) such apparatus is erected and maintained in such a way that it is screened from public view and (b) the Owner has received the explicit, itemized approval from the New Construction Committee as to the size, location and screening of such apparatus; or (c) the antenna or satellite dish is permitted by the Telecommunications Act of 1996.

3.15 Fences. No fence, wall or hedge shall be erected, placed or altered on any Lot without the approval of the New Construction Committee and the design of and materials used in the construction of fences and walls shall comply with the minimum fencing requirements set forth in the applicable Supplemental Declaration and have the explicit, itemized approval of the New Construction Committee. No fence, wall or hedge shall be erected, placed or altered on any Lot within the front yard setback prescribed in the applicable Supplemental Declaration except for open fences which shall not exceed three feet in height. No fence, wall or hedge shall exceed eight (8) feet in height. The foregoing height limitation shall not apply to fences, walls and hedges along the perimeter of the Land. The posts and rails of any fences built on any Lot must be on interior side of fence or Common Area. "Good-neighbor" fencing is permitted along the common rear property line of abutting Lots. No chain link fences or other wire type fences shall be erected on the property line of any Lot or otherwise on any Lot so as to be visible from any street, common area, or any other Lot, except for temporary fencing installed at the direction of Declarant along the perimeter of the Land. All service and sanitation facilities, clothes lines and wood piles must be enclosed within fences, walls and/or landscaping so as not to be visible from any streets or Common Areas.

3.16 Retaining Walls. The design and materials for all retaining walls shall be limited to those designs and materials listed in the Architectural Guidelines, if any, and must have the explicit, itemized approval of the New Construction Committee for each particular retaining wall. Any

retaining wall exceeding three feet in height, shall be engineered by a State of Texas certified structural engineer.

3.17 Landscaping. Each Lot shall be fully landscaped within ninety (90) days after the Certificate of Occupancy is obtained for the dwelling constructed on such Lot. Thereafter, the plans for any alterations, changes or additions to any landscaping of front yards and of side yards not enclosed by solid fencing must be approved by the Modifications Committee and shall comply with the requirements listed in the Architectural Guidelines. All such plans must be approved by the Modifications Committee on or before the date on which any alterations, changes or additions to any such landscaping are commenced. No more than five percent (5%) of any Lot that is not covered by the dwelling, garage, sidewalks and driveway may be covered by gravel without the explicit, itemized approval of the New Construction Committee.

3.18 Mailboxes, Trash Receptacles and Collection. Each mailbox serving a Lot shall be of a design and material consistent with the design and material of the dwelling constructed on the Lot, shall be of a material listed in the Architectural Guidelines, and shall be located and constructed as approved by the New Construction Committee. The New Construction Committee, in its discretion, may require the use, in designated Neighborhoods, of mailbox locations that are common to contiguous Lots or of gangboxes where appropriate. Each Lot Owner shall make or cause to be made appropriate arrangements with the City of Heath, Texas, for collection and removal of garbage and trash on a regular basis. Each and every Owner shall observe and comply with any and all regulations or requirements promulgated by the City of Heath, Texas, 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 which shall be maintained in a clean and sanitary condition. An Owner may place trash on the street curb abutting its Lot only on those days designated by the City of Heath, Texas as trash collection days. On all other days, an Owner must keep all trash, garbage and other waste material hidden from public view. 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.

3.19 Parking. On-street parking is restricted to approved deliveries, pick-up or short-term guests and short-term invitees and shall be subject to such reasonable rules and regulations as shall be adopted by the Board of Directors. Parking, but not storage, of automobiles in driveways is permitted.

3.20 Temporary Structures and Vehicles. No temporary structure of any kind shall be erected or placed upon any Lot. No trailer, mobile, modular or prefabricated home, tent, shack, barn or any other structure or building, other than the dwelling to be built thereon, shall be placed on any Lot except that yard barns are allowed when screened and approved by the New Construction Committee. Any truck, bus, boat, boat trailer, trailer, mobile home, camp mobile, camper or any other vehicle other than conventional automobile shall, if brought within the Properties, be stored,

placed or parked within the garage of the appropriate Owner and concealed from view or parked as approved by the New Construction Committee. However, Declarant reserves the exclusive right to erect, place and maintain, and may in its sole discretion, permit builders to erect, place and maintain, such construction, sale and presale facilities and construction trailers upon the Properties as may be necessary or convenient in connection with construction, development and sale activities. Such facilities may include, without limitation, temporary construction or sales offices, storage areas and portable toilet facilities. Declarant and builders shall also have the temporary right to use a dwelling situated on a Lot as an office or model home in connection with construction and sales operations on the Properties.

3.21 Signs, Flags and Other Yard Displays. No signs, emblems, flags or other yard displays shall be placed on any Lot to public view without the explicit, itemized approval of the New Construction Committee, as to form, content, and color, with the following exceptions:

(a) An Owner may erect on its Lot one (1) sign of customary dimensions (2' x 3' maximum) fastened only to a stake in the ground and extending not more than four (4) feet above the surface of the Lot in order to advertise its house or Lot for sale.

(b) Declarant may erect and maintain a sign or signs deemed reasonable and necessary for the construction, development, operation, promotion, leasing and sale of the Lots.

(c) An Owner may make the patriotic display of the Texas and/or U.S. Flag not exceeding 4' x 6' in size in the yard of, and on the dwelling constructed on, its Lot.

(d) An Owner may place tasteful and traditional holiday displays and lights in the yard of, and on the dwelling constructed on, its Lot.

(e) A builder of a dwelling on any Lot may utilize one professional sign (of not more than six (6) square feet in size) per Lot for advertising and sales promotion of such Lot. A builder may also use flags and a larger sign or signs in connection with the operation of a sales center or model homes on the Land if such flags and sign or signs have received the specific approval of the New Construction Committee.

(f) Political signs no larger than 2'x3' may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, provided that such signs shall not be erected more than thirty (30) days in advance of the election to which they pertain and shall be removed within ten (10) days after such election.

(g) Signs containing information about one or more children residing in the dwelling on a Lot and the school they attend shall be permitted so long as the sign is not more than 2' x 3' in size. There shall be no more than one sign for each child under the age of eighteen (18) years residing in such dwelling. Banners are not permitted.

(h) Signs or stickers provided to an Owner by a commercial security or alarm company providing service to a dwelling on a Lot shall be permitted so long as the sign is not more than 1' x 1' in size or the sticker is not more than 4" x 4" in size. There shall be no more than one sign per Lot and stickers on no more than half of the windows and one on the front door or front entry area.

3.22 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, reptiles, livestock, poultry or birds of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other household pets may be kept, not to exceed a total of three (3) such animals, provided that they are not kept, bred or maintained for any commercial purpose. The foregoing limitation on number of pets shall not apply to hamsters, small birds, fish or other constantly caged animals, nor shall it apply to require the removal of any litter born to a permitted pet prior to the time that the animals in such litter are three (3) months old. Horses, poisonous reptiles or reptiles longer than six (6) inches, ponies, goats, sheep, hogs, pigs, monkeys, chickens, ducks, peacocks, pigeons, guinea fowl, all feline animals, except domesticated cats, and exotic animals (such as llamas, emus, pot belly pigs, raccoons, cheetahs) shall not be deemed as household pets and are expressly prohibited. If any animal may, in the sole discretion of the Board, endanger the health, make objectionable noise, or constitute a nuisance, risk, or inconvenience to the Owners of other Lots, such animal shall be removed upon request of the Board. If the owner of such animal fails or refuses to honor such request of the Board, the animal may be removed at the direction of the Board. The cost and expense of such removal, shall be the sole responsibility of the owner of the animal removed. Such cost and expense shall attach to and become part of the Assessments and be secured in the manner described in Article VII of this Declaration.

3.23 Drilling and Mining Operations. No oil drilling, water drilling 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. Notwithstanding the above prohibition, water wells for the exclusive purpose of supplying water for the Lakes or Common Area irrigation are not prohibited but must have the prior written approval of ACC and, if required, the Town of Heath.

3.24 Duty of Construction.

(a) All construction on any Lot shall be completed not later than one (1) year following the commencement of construction. For the purposes hereof, the term "commencement of construction" shall be deemed to mean the date on which the foundation forms are set. For purposes hereof, construction shall be deemed completed when the exterior of the dwelling is visually complete and a Certificate of Occupancy has been issued by the City of Heath.

(b) In the event of destruction (total or partial) to the improvements on any individual Lot due to fire or any other cause, each Owner covenants and agrees to complete all necessary repairs or

reconstruction of the damaged improvements or remove all remaining improvements within one (1) year following the date that the damage occurs.

3.25 Maintenance of Lots and Improvements Thereon.

(a) Owners and occupants (including lessees) of any Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep such Lot and all buildings, improvements, grounds or drainage easements thereon or other rights-of-way incident thereto, and all vacant land thereon, in a well-maintained, clean and attractive condition at all times. Such maintenance shall include, but shall not be limited to, the following:

- (i) Prompt mowing of weeds, grass or other unsightly growth on vacant Lots;
- (ii) Prompt removal of all litter, trash, refuse and waste;
- (iii) Lawn mowing, on a regular basis;
- (iv) Tree and shrub pruning;
- (v) Watering landscaped areas;
- (vi) Keeping exterior lighting in working order;
- (vii) Keeping lawn and garden areas alive, free of weeds, and attractive;
- (viii) Keeping parking areas and driveways in good repair;
- (ix) Complying with all government health and police requirements;
- (x) Repairing of improvements;
- (xi) Cleaning and maintaining of landscaped areas lying between street curbs and Lot lines, unless such streets or landscaped areas are expressly designated to be maintained by applicable governmental authorities or the Association;
- (xii) Maintaining all exterior surfaces;
- (xiii) Maintaining and repairing fences, walls and retaining walls; and
- (xiv) Prompt removal of any ponding water on a Lot that contains or is adjacent to a completed dwelling.

(b) Notwithstanding the foregoing, the New Construction Committee will be free to approve landscaping plans that take into account the condition of the local environment and permit the installation of landscaping that will survive and flourish with little care or irrigation. The foregoing maintenance requirements shall be interpreted recognizing the nature of the permitted landscaping and, if that is the case, that the landscaping may be designed to require little mowing, trimming or watering.

(c) If, in the opinion of the Board of Directors, any such Owner or occupant has failed in any of the foregoing duties or responsibilities (giving due consideration to Section 3.25 (b) hereof), then the Association may give such Person written notice of such failure and such Person must within ten (10) days after receiving such notice, perform the repairs and maintenance or make arrangements with the Association for making the repairs and maintenance required. Should any such Person fail to fulfill this duty and responsibility within such period, then the Association, through its authorized agent or agents, shall have the right and power to enter onto the premises and perform such repair and maintenance without any liability for damages for wrongful entry, trespass or otherwise to any Person. The Owners of any part of the land on which such work is performed shall jointly and severally be liable for the cost of such work (such costs constituting a Special Assessment as specified in Section 7.5(b) hereof) and shall promptly reimburse the Association for such cost including a reasonable charge for administrative costs attributable thereto.

3.26 Tree Preservation. No Person shall damage or destroy any tree on, or remove any tree from, a Lot prior to the commencement of construction of a dwelling on such Lot. In connection with the construction of a dwelling on such Lot, a builder or Owner shall have the right to remove any tree on the Lot that is located within (a) the building pads for the dwelling and garage, (b) sidewalks and driveways, (c) easements, and (d) a five (5) foot buffer zone surrounding any of the foregoing. No Person shall damage any other tree on a Lot. No Person shall destroy any other tree on, or remove any other tree from, a Lot unless such tree is dead, diseased or, because of its condition, otherwise presents a risk of damage to property or injury to person.

3.27 Supplemental Declarations. Any portions of the Land may be subjected to further covenants, conditions, restrictions, easements, charges and liens pursuant to Supplemental Declarations filed in the Deed Records of Rockwall County, Texas, by Declarant. The covenants, conditions, restrictions, easements, charges and liens of such Supplemental Declarations shall apply to the Neighborhoods created or expanded by such Supplemental Declarations and shall be enforceable against the property covered thereby in the same manner as the Covenants and Restrictions created by this Declaration.

3.28 Maintenance of Common Properties. The Association or its designee shall maintain the Common Properties, including, without limitation, any landscape buffer, open space and trail improvements required by governmental authorities.

ARTICLE IV

PROPERTY RIGHTS IN COMMON PROPERTIES

4.1 Title to the Common Properties. The Declarant may 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. The Declarant may, in its sole discretion, subsequently dedicate and convey fee simple title to additional Common Area to the Association.

4.2 Owner's Easement of Enjoyment. Subject to the provisions of Section 4.3 of this Article, every Owner and every tenant of every Owner, who resides on a Lot, and each individual who resides with either of them, respectively, on such Lot shall have a right and easement of use and enjoyment in and to the Common Properties, except those portions thereof which have been designated as Exclusive Common Area as herein provided, and such easement shall be appurtenant to and shall pass with the title of every Lot; provided, however, such easement shall not give any 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 assess fines against Owners violating such rules and regulations. 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 or Assessments or violating rules and regulations of the Association.

(b) The right of the Association to enter into and execute contracts with third parties (including the Declarant, or an affiliate of the Declarant) for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association;

(c) The right of the Association, 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 shall permit anything to be done on or in the Common Properties that would violate any applicable public law or zoning ordinance, that would result in the cancellation of, or increase of any premium for, insurance carried by the Association,

that would be in violation of any law, or that would create a nuisance for other Owners. No waste shall be committed in the Common Properties.

4.5 Rights of Declarant During Construction and Sale Period. Notwithstanding any provisions contained in this Declaration, as long as Declarant owns any portion of the land, it shall be expressly permissible for Declarant and any Owner approved by Declarant to maintain and carry on, upon such portion of the Land as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be required, convenient, or incidental to Declarant's and such Owner's development, construction, and sales activities related to their properties, including, without limitation: the right of access, ingress and egress for pedestrian and vehicular traffic over, under, on or in the Land; the right to tie into any portion of the Land with driveways, parking areas and walkways; the right to tie into and/or otherwise connect and use (without a tap-on or any other fee to Declarant or such Owner, but with applicable tap-on and other fees to the Person providing utility services for so doing), replace, relocate, maintain and repair any device which provides utility or similar services including, without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Land; the right to carry on sales and promotional activities in the Land; the right to place signs in the Common Area and in road rights-of-way within the Land; and the right to construct and operate business offices, construction trailers, model dwellings, information and sales offices. Declarant and any such Owner may use Lots owned or leased by Declarant or such Owner as model dwellings and sales offices; and Declarant shall be entitled, without the consent or joinder of any other Person, to amend this Declaration in any respect to the extent that it applies to any portion of the Land that, at the time of such amendment, has not been subjected to a specific Supplemental Declaration creating or extending a specific Neighborhood.

4.6 Damage to the Common Properties. Each Owner shall be liable to the Association for all damage, other than ordinary wear and tear, to the Common Properties caused by the Owner or such Owner's family, pets, tenants or other occupants of such Owner's Lot. 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 ever be liable, and each Person hereafter becoming an Owner hereby waives any right to recovery from Declarant or the Association, 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; and (iii) any negligent or willful act, conduct, omission or behavior of any Owner, or other individual, group of individuals, entity or enterprise occurring on, within or related to the Common Properties.

ARTICLE V

EASEMENTS

5.1 Universal Easement. Each Lot within the Properties and the Owner of such Lot are hereby declared to have an easement on adjoining Lots not to exceed one (1) foot in width from the common property line of such Lots for the purpose of maintaining and repairing any dwelling or other structure that encroaches over the boundary line of a Lot due to inadvertent surveying errors, inadvertent engineering errors, errors in original construction, settlement or shifting of the dwelling or other structure, or any other cause. Declarant hereby reserves the same one (1) foot in width easement over all Lots and over all Common Areas for the purpose of maintaining and repairing improvements constructed by it that encroach onto adjoining Lots or Common Areas. However, the benefits of the easements reserved or created in this Section 5.1 shall not be available with respect to an encroachment occurring due to willful misconduct of any Owner. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall be appurtenant to the Lots and Common Area benefitted by such easements and shall run with the land and inure to the benefit of successive owners of such Lots or Common Area.

5.2 Utility Easements and Use of Surface Areas. Easements for installation and maintenance of underground utilities and lighting within the Common Areas are or will be reserved as shown and provided for on any applicable Subdivision Plat. All utility, paving, and other improvement decisions shall be at the discretion of Declarant.

5.3 Emergency and Public Service Vehicles. An easement is hereby granted to all police, fire protection, ambulance and other emergency vehicles and other public service vehicles and personnel to enter upon the Common Properties, including the private streets, in the performance of their duties. In addition, an easement is hereby granted to the Association, its officers, agents, employees and management personnel to enter the Common Properties to render any service.

5.4 Ingress and Egress by the Association. The Association is hereby granted full rights of ingress and egress over and upon all Lots at all times for the maintenance and repair of each Lot and the Common Properties in accordance with the provisions hereof, and for the carrying out by the Association of its functions, duties and obligations hereunder; provided that any such entry by the Association upon any Lot shall be made with as little inconvenience to the Owner as practical, and any damage caused by the Association's entry, other than damages caused by the failure of the Owner to comply herewith, shall be repaired by the Association at the expense of the Association.

ARTICLE VI

HOMEOWNERS ASSOCIATION

6.1 Purposes. The Association shall have the duty and responsibility to administer and maintain the Common Properties, to establish and collect Assessments and to disburse collected funds as so permitted, to enforce this Declaration, and to engage such contractors, vendors, employees or agents as it deems necessary to carry out the foregoing purposes.

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

6.3 Classes of Membership. The Association shall have two classes of voting membership:

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 Lot in which they hold the interest required for membership. When more than one Person holds such interest or interests in any Lot, all such Persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot.

CLASS B. Class B Members shall be Declarant and any Owner who acquires a Lot for the purpose of constructing a dwelling on any Lot for sale to consumers. If at any time any portion of the Land owned by Declarant is not platted into residential Lots, for the purposes of determining at that time the number of votes Declarant is entitled to cast and whether the Class B Membership has ceased, Declarant shall be deemed to own four (4) Lots per gross acre contained in such unplatted portion of the Land owned by Declarant. Upon the subsequent platting of any such portion of the Land owned by Declarant into residential Lots, the number of votes Declarant is entitled to cast with respect to such Lots shall be determined with reference to the actual number of such Lots owned by Declarant. Declarant shall be entitled to five (5) votes for each Lot owned by a Class B Member. Class B Members other than Declarant shall be non-voting Members. The Class B membership shall cease, and each Class B Member shall become a Class A Member, on the first to occur of (i) the date on which the total number of votes outstanding in the Class A membership is five (5) times greater than the total number of votes outstanding in the Class B membership; or (ii) the last to occur of the date that is the tenth (10th) anniversary of (x) the date of this Declaration or (y) if so added, the date the Additional Land is added to the coverage of this Declaration. If the Additional Land is added to the coverage of this Declaration, and if Class B membership has theretofore ceased, then the Class B membership shall be reinstated effective as of the date the Additional Land is so added.

6.4 Voting Members and Voting Groups.

(a) Every Lot shall be located within a Neighborhood. The Lots within a particular Neighborhood may be subject to additional covenants and/or the Owners therein may all be members of another property owners association ("Neighborhood Association") in addition to the Association, but no such Neighborhood Association shall be required except as may be required by law. Any

Neighborhood that does not have a Neighborhood Association shall elect a Neighborhood Committee, as described in the By-Laws of the Association, to represent the interests of the Owners in such Neighborhood. The senior elected officer of each Neighborhood Association or Neighborhood Committee shall serve as the Voting Member for such Neighborhood and shall cast all votes attributable to the Lots in the Neighborhood (as determined in accordance with Section 6.3) on all Association matters requiring membership vote, unless otherwise specified in this Declaration or the By-Laws of the Association. The next most senior officer shall be the alternate Voting Member and may cast such votes in the absence of the Voting Member. The Voting Member may cast all such votes as it, in its discretion, deems appropriate.

(b) In order to guarantee representation on the Board of Directors for various groups having dissimilar interests and to avoid a situation in which the Voting Members representing similar Neighborhoods are able to elect the entire Board of Directors after the Class B Membership shall cease, excluding representation of others, the Declarant may establish one (1) or more Voting Groups for election of directors to the Board of Directors. The Declarant shall establish Voting Groups not later than the date the Class B Membership shall cease by filing with the Association and in the Deed Records of Rockwall County, Texas, a Supplemental Declaration identifying each Voting Group and designating the Neighborhoods within each group. Such designation may be amended from time to time by Declarant, acting alone, at any time prior to the date on which the Class B Membership shall cease. If Declarant fails to establish Voting Groups, all Neighborhoods shall be assigned to the same Voting Group. The Voting Members representing the Neighborhoods within each Voting Group shall be entitled to elect a member of the Board of Directors as specified in the By-Laws of the Association. All other members of the Board of Directors shall be elected at large by all Voting Members without regard to Voting Groups.

6.5 Administration and Maintenance of the Common Properties. 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.

6.6 Assessments, Reserve Funds. The Board of Directors shall administer the Assessment process described in Article VII hereof. The Board of Directors may establish reserve funds from Assessments for the purpose of accumulating funds to pay the cost of repairing, refurbishing and replacing any Common Properties. Reserve funds shall be accounted for separately from other funds.

6.7 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, but no liability or obligation shall attach to the Board of Directors.

6.8 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.

6.9 Liability Limitations. Neither any Member nor the Board of Directors (or any of them) nor the officers (if any) 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 the Association or of another Member, whether such other Member was acting on behalf of the Association or otherwise. Neither the Declarant nor the Association, its directors, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portions thereof or for failure to repair or maintain the same. The organizational documents of the Association shall provide to the Board of Directors, the officers of the Association, and its employees, the maximum exculpation from liability and indemnification permitted under applicable Texas law.

ARTICLE VII

ASSESSMENTS

7.1 Creation of the Lien and Personal Obligation of Assessments. For each Lot owned by each Owner, such Owner shall be deemed to covenant and agree to pay to the Association (or to an entity or collection agency designated by the Association): (1) all annual maintenance assessments or charges ("Maintenance Assessments") assessed against its respective Lot or Lots, which assessments shall be on a calendar year basis; (2) all special assessments for capital improvements ("Capital Assessments") assessed against its respective Lot or Lots, such assessments to be fixed, established and collected from time to time as herein provided; (3) all assessments for payment of the actual and estimated expenses incurred by the Association for the benefit of the Owners of a particular Neighborhood or Neighborhoods ("Neighborhood Assessments"), if applicable, which may include a reasonable reserve for capital repairs and replacements; and (4) all individual special assessments ("Special Assessments") levied against such Owner to reimburse the Association for the costs for maintenance and/or repairs to Common Properties caused by the willful or negligent acts of the individual Owner or such Owner's family, pets, tenants or other occupants of such Owner's Lot, and for maintenance or repair to the Owner's Lot or improvements thereon in accordance with Section 3.25(c) hereof. Such assessments shall be fixed, established and collected from time to time as herein provided. The Maintenance, Capital, Neighborhood and Special Assessments (in general "Assessments"), together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge and a continuing lien upon each Lot against which each such Assessment is made. Each such Assessment together with interest thereon and costs of collection thereof as hereinafter provided, shall also be the continuing personal obligation of each Person who was an Owner of such Lot at the time when the Assessment became due. Notwithstanding any provision of this Declaration seemingly to the contrary, no Assessments shall be assessed or payable with respect to any portion of the Land that is not platted into residential Lots.

7.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, welfare, common benefit, and enjoyment of the residents of the Lots, including in particular for the maintenance of the Common Properties and improvements thereto, and, if deemed desirable by the Board of Directors, other property not owned by the Association, and for their management and supervision, and for carrying out the duties of the Association or the Board of Directors as set forth in this Declaration or in the articles of incorporation or By-Laws of the Association.

7.3 Initial Improvement and Maintenance of the Common Properties. Initially, all improvement of the Common Properties shall be the responsibility of the Declarant and shall be undertaken by Declarant at its sole cost and expense with no right to reimbursement from the Association. The exact scope and nature of improvement to the Common Properties shall be within the sole discretion of the Declarant. Following the conveyance of the Common Properties to the Association, the responsibility for maintenance of Common Properties shall automatically be assumed by the Association, and Declarant's responsibility therefor shall be limited to that described in Section 7.4(c) below.

7.4 Basis and Amount of Maintenance Assessments.

(a) The Board of Directors may impose an initial capital/maintenance assessment at the closing of the sale of each Lot in an amount not to exceed \$1,000 per Lot.

(b) At least once a year, the Board of Directors shall set the amount of the Maintenance Assessment that may be levied against each Lot for the succeeding year. If in any year the Board of Directors fails to set a Maintenance Assessment for such year, the Maintenance Assessment shall be deemed to be the same as the Maintenance Assessment for the preceding year.

(c) When the Maintenance Assessment is computed for Lots, all or a portion of such Maintenance Assessment shall be payable to the Association by the Member according to the status of such Member as follows:

(i) When the Lot is owned by a Class A Member the full Maintenance Assessment shall be payable.

(ii) When the Lot is owned by a Class B Member one-fourth (1/4) of the Maintenance Assessment shall be payable.

(d) Notwithstanding anything herein contained to the contrary, (i) the first Maintenance Assessment shall be made January 1, 2006; and (ii) prior to January 1, 2009, the full Maintenance Assessment chargeable against any Lot for which a full Maintenance Assessment is payable shall not exceed \$150.00 per month unless approved by a majority of the votes of the then existing Class A Members. In order to maintain the Common Properties and sustain the services contemplated by Declarant, Declarant anticipates that during the period of time prior to January 1, 2009, it may, in its

discretion, provide amounts in excess of the funds raised by the Maintenance Assessments in order to maintain the Common Properties within reasonable standards. If, in any year prior to January 1, 2009, Declarant advances funds for maintenance in excess of the Maintenance Assessment, such excess shall be a debt of the Association to Declarant payable out of any Maintenance Assessments received by the Association. The Board of Directors may evidence such debt with a promissory note from the Association repayable to Declarant on such terms as the Board of Directors shall determine.

(e) Written notice of the Maintenance Assessment to be paid by each Member shall be sent to every Member, but for Lots having more than one Owner, only one Member for such Lot shall be entitled to notice. The Member to whom notice shall be sent shall be as requested in writing by the Owners of such Lot and in the event of conflicting or uncertain instruction, the recipient of such notices shall be determined by the Association.

7.5 Capital Assessments and Special Assessments.

(a) The Association may levy in any assessment year a Capital Assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Properties or Common Properties, including the necessary fixtures and personal property related thereto; provided that if the total amount of the Capital Assessment against all of the Lots would exceed \$50,000 in the aggregate, such Capital Assessment shall be made only after it has received the affirmative approval of a majority of the votes of Class A Members.

(b) Upon an affirmative vote of a majority of the members of the Board of Directors of the Association, the Association may levy Special Assessments against any individual Owner for reimbursement for maintenance or repairs, for other than ordinary wear and tear, occasioned by the willful or negligent acts of such individual Owner or such Owner's family, pets, tenants or other occupants of such Owner's Lot, for maintenance or repair to the Owner's Lot or improvements thereon in accordance with Section 3.25(c) hereof, and for any other cost incurred by the Association in performing the obligations of the Owner under this Declaration or any applicable Supplemental Declaration.

7.6 Basis and Amount of Neighborhood Assessments.

(a) The Association shall levy in any assessment year, equally against all of the Lots in a particular Neighborhood, to cover the expenses incurred by the Association that benefit only that Neighborhood. Such expenses may include, without limitation, maintenance and repair of the following items and provision of the following services within a particular Neighborhood: private streets, trash and garbage door pick-up service as opposed to curb-side service, lighting, mailboxes, and operation and maintenance of Exclusive Common Areas, landscaping, fountains, and signage within the particular Neighborhood.

(b) Upon written request by the Owners representing a majority of the total votes within a Neighborhood, the Board of Directors shall either initiate a service benefitting only that particular Neighborhood (which shall be paid for by a Neighborhood Assessment) or the Board of Directors shall discontinue a service previously provided to a Neighborhood.

7.7 Uniform Maintenance and Capital Assessments. Except as otherwise provided in Section 7.4(b), Maintenance Assessments and Capital Assessments must be fixed at a uniform amount for all Lots.

7.8 Date of Commencement of Assessments; Due Date. The Board of Directors may, from time to time, establish the date that particular Assessments provided for herein shall be payable and may provide for payment of Assessments in monthly, quarterly, semi-annual or annual installments.

7.9 Effect of Non-Payment of Assessments: The Personal Obligation of the Owner; the Lien; Remedies of Association.

(a) If any Assessment or any part thereof is not paid on the date(s) when due, then the unpaid amount of such Assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot of the non-paying Owner which shall bind such Lot, and shall be a personal obligation of the Owner of such Lot and its heirs, executors, devisees, personal representatives, successors or assigns. The Association shall have the right to reject partial payments of an Assessment and demand the full payment thereof. The personal obligation of the then-existing Owner to pay such Assessment, however, shall remain its personal obligation and shall not be a personal obligation of his or its successors in title unless expressly assumed by them. However, the lien for unpaid Assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. By accepting a deed or other conveyance to a Lot or Lots every Person hereafter acquiring any interest in such Lot or Lots shall be deemed to have covenanted and agreed to pay the Assessments provided for herein in the same manner as if the covenant and agreement to pay were expressly set forth in such deed or other conveyance, without regard to whether such covenant and agreement shall actually be so expressed in any such deed or other conveyance. No Owner may waive or otherwise escape personal liability for the Assessments provided herein by non-use of the Common Properties or abandonment of its Lot.

(b) The Association may give written notification to the holder(s) of the mortgage on the Lot of the non-paying Owner of such Owner's failure to pay any Assessment when such payment has not been received within ten (10) days after the date such Assessment was due.

(c) If any Assessment or part thereof is not paid when due, the unpaid amount of such Assessment shall bear interest from the due date at a rate equal to the lesser of (i) eighteen percent (18%) per annum or (ii) the highest non-usurious rate of interest permitted by applicable law, and the Association may, at its election, bring an action at law against the Owner personally obligated to pay

the same in order to enforce payment and/or to foreclose the lien against the property subject thereto, and there shall be added to the amount of such unpaid Assessment any and all costs of collection incurred by the Association, including reasonable attorneys' fees.

(d) Without limiting the other remedies available to the Association hereunder, for the purpose of further securing the payment and performance of each Owner's obligations hereunder, by accepting title to a Lot, the Owner thereof shall be deemed to have granted to the Association a contract lien covering such Lot, 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 conducted in accordance with the provisions of Section 51.002 of the Texas Property Code.

(e) In addition to the other remedies available to the Association under this Section 7.9, the Association shall have the authority to exercise all of the remedies contemplated by Section 4.3(a) hereof against Owners that fail to pay Assessments in a timely manner.

7.10 Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate and inferior to the lien of any bona fide first lien mortgage or deed of trust now or hereafter placed upon the Lots subject to Assessment; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a foreclosure of such lien pursuant to the terms and conditions of any such mortgage or deed of trust. Such sale shall not relieve such Lots or the purchaser thereof from liability for the amount of any Assessments thereafter becoming due nor from the lien of any such subsequent Assessment. Upon request by an Owner, the Board of Directors shall consider and may, in its sole discretion, approve or disapprove the subordination of the lien of this Declaration to liens other than first lien mortgages or deeds of trust.

7.11 Exempt Property.

The following property subject to this Declaration shall be exempted from the Assessments, charges and liens created herein:

- (i) All properties dedicated and accepted by the local public authority and devoted to public use.
- (ii) All Common Properties.

ARTICLE VIII

ARCHITECTURAL CONTROL

8.1 New Construction Committee. The New Construction Committee, hereinafter sometimes called "the Committee," shall be composed of three (3) individuals selected and appointed by Declarant if, at the time of appointment, Declarant owns any portion of the Land and shall be selected and appointed by the Board of Directors if, at the time of appointment, Declarant does not own any portion of the Land. The Committee shall function as the representative of Declarant during the time Declarant owns any portion of the Land and shall function as the representative of the Association from and after the time Declarant owns no portion of the Land. 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 residential development. Any one or more of the members of the Committee may be removed from the Committee, with or without cause, by the Declarant if, at the time of removal, Declarant owns any portion of the Land or by the Board of Directors if, at the time of removal, Declarant does not own any portion of the Land.

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. At any time, the Declarant may delegate and assign to the Board of Directors any of Declarant's rights in respect to the Committee. Such action by the Declarant shall be effective upon recordation of a written instrument properly reflecting same.

8.2 Architectural Approval.

(a) Architectural Guidelines. The Committee may, from time to time, publish and promulgate Architectural Guidelines which shall supplement these Covenants and Restrictions and the covenants, conditions, and restrictions set forth in any Supplemental Declaration and which are incorporated herein by reference. The Committee shall have the right from time to time to amend the Architectural 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 and Restrictions. The Committee shall endeavor to promulgate the Architectural 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 its respective Lot. If the Committee should be advised that materials specified by the Architectural 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 Architectural Guidelines.

(b) Required Approval. No dwelling, 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 dwelling, structure, paving, pools, fencing, hot tubs or other improvement, construction plans and specifications thereof, and landscaping and grading plans therefor have been

submitted to and approved in writing by the Committee as to: (i) location with respect to Lot lines, setback lines, and finished grades with respect to existing topography and other dwellings; (ii) conformity and harmony of location of the proposed improvements, external design, color, and texture with existing structures and existing landscaping; (iii) quality of materials; adequacy of site dimensions; proper facing of main elevation with respect to nearby streets; and (iv) the other standards set forth within this Declaration, any applicable Supplemental Declaration or the Architectural Guidelines. The Committee is authorized to request the submission of samples of proposed construction materials or colors of 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 (iv) of the preceding paragraph 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 ten (10) days after they have been submitted to it, then the Owner shall notify the Board of Directors in writing of such failure. If the Committee thereafter fails to approve or disapprove such plans and specifications within ten (10) days after the Owner's written notice is given to the Board of Directors, then Committee approval shall be presumed.

(d) Committee Discretion. The Committee is authorized and empowered to consider and review any and all aspects of dwelling 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 of one or more Owner(s) or the value of the Properties. As examples, and not by way of limitation, the Committee may impose limits upon the location of window areas of one dwelling which would overlook the enclosed patio area of an adjacent dwelling, or the location and height of a proposed improvement that would materially interfere with the views 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 Section 9.9 hereof.

(e) Drought Resistant Plant Material. The Committee shall discourage the use of plant material which requires extraordinary irrigation. The Committee shall encourage the use of drought-resistant plant material.

(f) 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 this Declaration, any applicable Supplemental Declaration, or the Architectural Guidelines. The Committee shall not have the right to grant a variance to, or waiver of, compliance with Section 3.22 hereof. 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 in writing to the New Construction Committee 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 or any applicable Supplemental 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 Architectural Guidelines, and the covenants, conditions, and restrictions set forth in any applicable Supplemental Declaration. 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 and shall have all of the rights and remedies to enforce collection thereof provided by law and by this Declaration. Dwellings or other improvements initially constructed in accordance with these Covenants and Restrictions and the covenants, conditions, and restrictions set forth in any applicable Supplemental Declaration and having received any necessary approval of the New Construction 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 and Restrictions, of the covenants, conditions, and restrictions set forth in any applicable Supplemental Declaration, or of the Architectural Guidelines. If such dwellings or other improvements are totally destroyed or totally replaced, the new dwellings or other new improvements must conform to the Covenants and Restrictions, the covenants, conditions, and restrictions set forth in any applicable Supplemental Declaration, and the Architectural Guidelines in force at the time of their construction.

8.5 Modifications Committee.

(a) The Board of Directors may also establish a Modifications Committee (herein so called) for each Neighborhood. Each Modifications Committee shall consist of three (3) members, all of whom shall be appointed by the Board of Directors. A minimum of one (1) member of each

Modifications Committee for each Neighborhood shall be an individual designated by the Declarant unless the Declarant owns no Lots in the applicable Neighborhood or unless the Declarant has delivered written notice to the Board of Directors that it no longer wishes to designate an individual to serve on a specified Modifications Committee. Each Modifications Committee shall have exclusive jurisdiction over modifications, additions, or alterations made on Lots on which construction of a dwelling has been completed, or to the improvements on such Lots, within the Neighborhood for which it has responsibility. Each Modifications Committee may delegate this authority to the appropriate board or committee of any Neighborhood Association subsequently created or subsequently subjected to this Declaration so long as the Modifications Committee has determined that such board or committee has in force review and enforcement practices, procedures, and appropriate standards at least equal to those of the Modifications Committee. Such delegation may be revoked and jurisdiction resumed at any time by written notice delivered to the Neighborhood Association.

(b) The Modifications Committee may promulgate detailed standards and procedures governing its area of responsibility and practice for the Neighborhood over which it has responsibility. In addition thereto, the following shall apply: plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions, or alterations, shall be submitted to the Modifications Committee for approval as to the aesthetic nature of the design and the harmony of external design with existing structures, and as to the location in relation to surrounding structures, topography, and finish grade elevation.

(c) Operating, approval and variance procedures described above and applicable to the Committee shall also be applicable to the Modifications Committee to the extent such procedures are relevant.

8.6 No Liability. Neither Declarant, the Association, the Committee, any Modifications Committee, any Neighborhood Association, 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 it will not bring any action or suit against Declarant, the Association, the Committee, any Modifications Committee, any Neighborhood Association, 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 or any Modifications Committee is not approval thereof for engineering or structural design or adequacy of materials. By approving such plans and specifications neither the Committee, any Modifications Committee, the members of either, the Declarant, the Association, any Neighborhood Association, nor the Board of Directors

assumes liability or responsibility for safety or adequacy of design, nor for any defect to any structure constructed from such plans and specifications.

ARTICLE IX

GENERAL PROVISIONS

9.1 Duration. The Covenants and Restrictions of this Declaration shall run with and bind the Land, and shall inure to the benefit of and be enforceable by the Declarant, the Association, and (upon compliance with Section 9.4) each Owner, and each of their respective legal representatives, heirs, successors and assigns. This Declaration shall be effective for an initial term of thirty-five (35) years from the date that this Declaration is recorded in the Deed Records of Rockwall County, Texas, after which time such Covenants and Restrictions shall be automatically extended for successive periods of ten (10) years 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 seventy percent (70%) of the Lots, and is recorded in the Deed Records of Rockwall County, Texas.

9.2 Amendments. Notwithstanding Section 9.1 of this Article, this Declaration may be amended and/or changed upon the express written consent of Declarant (for so long as Declarant owns at least one Lot) AND Members having at least seventy percent (70%) of the total outstanding votes of all Members of the Association without regard to class. In addition, the Declarant shall be entitled, without the consent or joinder of any other Person, to amend this Declaration in any respect to the extent that it applies to any portion of the Land owned by Declarant and no other owners. Any and all amendments of this Declaration shall be recorded in the Deed Records of Rockwall County, Texas.

9.3 Supplemental Declarations. The Declarant may establish additional covenants, conditions, restrictions, easements, charges and liens applicable to the Neighborhoods created or expanded by such Supplemental Declarations, by filing the same in the Deed Records of Rockwall County, Texas. No consent or approval of the Board of Directors or of any Owner shall be required in order to prepare and file any such Supplemental Declaration.

9.4 Enforcement. These Covenants and Restrictions may be enforced by the Declarant and the Association 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 Declarant or the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. If an Owner believes that these Covenants and Restrictions have been violated, such Owner (the "Notifying Owner") may deliver written notice thereof to the Board of Directors identifying the violation and the Person violating the Covenants and Restrictions

and requesting the enforcement thereof. If, within ninety (90) days after receiving such notice and request, the Board of Directors fails or refuses to commence to enforce these Covenants and Restrictions against the Person identified in such written notice as violating them, the Notifying Owner shall have a private right to enforce the Covenants and Restrictions so violated against the Person identified as the violator thereof in the written notice to the Board of Directors.

9.5 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.

9.6 Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

9.7 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 delivery service with receipt.

9.8 Notices to Mortgagees. Upon written request delivered to the Association by a 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.

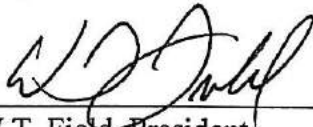
9.9 Disputes. Matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions of this Declaration or the bylaws of the Association or the Architectural Guidelines, shall be determined by the Declarant if at the time of the determination Declarant continues to have authority to appoint members of the New Construction Committee and shall be determined by the Board of Directors if at the time of determination the Board of Directors has the right to appoint the members of the New Construction Committee. The determination of Declarant or the Board of Directors, as the case may be, shall be final and binding upon all Owners.

9.10 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.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed as of the date set forth in the first paragraph of this Declaration.

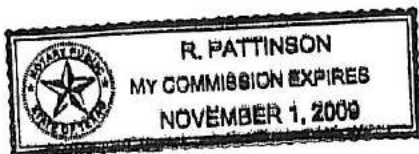
TR HEATH PARTNERS, LTD.
a Texas limited partnership

By: Thompson Realty Development Corporation,
its general partner

By: 
W.T. Field, President

STATE OF TEXAS §
 §
COUNTY OF Collin §

This instrument was acknowledged before me on the 13th day of December, 2005, by W.T. Field, President of Thompson Realty Development Corporation, the general partner of TR Heath Partners, Ltd. a Texas limited partnership, on behalf of said partnership.



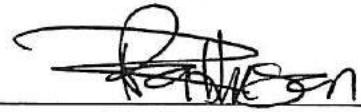

Notary Public in and for the State of Texas

EXHIBIT A
LEGAL DESCRIPTION
OF LAND

EXHIBIT A
THE LAND
134.68 ACRES

BEING a 134.68-acre tract of land situated in the Edward Teal Survey, Abstract No. 207, Rockwall County, Texas, said tract being all of 4 tracts of land described in deed to TR Heath Partners, Ltd., (Parcel A, Parcel B, Parcel D and Parcel E), as recorded in Volume 3346, Page 100, Deed Records Rockwall County, Texas (D.R.R.C.T.) and all of a tract of land described in deed to TR Heath Partners, Ltd. (5.414 acres), as recorded in Volume 3346, Page 116, D.R.R.C.T., said tract being more particularly described as follows:

BEGINNING at a found 1/2-inch iron rod with cap stamped "RPLS 5439" (hereinafter referred to as "with cap") for the northwest corner of said 5.414 acre tract, said corner being within White Road;

THENCE North 89 degrees 39 minutes 28 seconds East, along the north line of said 5.414 acre tract and along said White Road, passing a found 1/2-inch iron rod with cap at a distance of 725.99 feet for the northwest corner of said Parcel D, continuing along the north line of said Parcel D, for a total distance of 745.99 feet to a found 1/2-inch iron rod with cap for corner;

THENCE South 00 degrees 10 minutes 39 seconds East, along the north line of said Parcel D, a distance of 12.79 feet to a found 1/2-inch iron rod with cap for corner;

THENCE North 89 degrees 00 minutes 08 seconds East, along the north line of said Parcel D a distance of 200.72 feet to a found 1/2-inch iron rod with cap for the southwest corner of said Parcel B;

THENCE North 00 degrees 59 minutes 52 seconds West, along the west line of said Parcel B, a distance of 125.87 feet to a found 1/2-inch iron rod with cap for corner;

THENCE North 07 degrees 30 minutes 17 seconds East, along the west line of said Parcel B, a distance of 428.75 feet to a found 1/2-inch iron rod with cap for corner;

THENCE North 01 degrees 48 minutes 36 seconds West, along the west line of said Parcel B, a distance of 26.08 feet to a found 1/2-inch iron rod with cap for the northwest corner of said Parcel B;

THENCE North 69 degrees 41 minutes 40 seconds East, along the north line of said Parcel B, a distance of 577.86 feet to a found 1/2-inch iron rod with cap for the northwest corner of said Parcel E;

THENCE North 70 degrees 01 minutes 45 seconds East, along the north line of said Parcel E, a distance of 407.84 feet to a found 1/2-inch iron rod with cap for corner, said corner being on the south line of a tract of land described in deed to Robert Allen, Trustee (89.75 acres), as recorded in Volume 1942, Page 72, D.R.R.C.T.;

THENCE Southwesterly, along the north and east lines of said Parcel E the following calls:

South 76 degrees 45 minutes 44 seconds East, a distance of 101.72 feet to a found 1/2-inch iron rod with cap for corner;

North 61 degrees 33 minutes 28 seconds East, a distance of 314.93 feet to a found 1/2-inch iron rod with cap for corner;

North 85 degrees 19 minutes 09 seconds East, a distance of 171.48 feet to a found 1/2-inch iron rod with cap for corner;

South 39 degrees 13 minutes 37 seconds East, a distance of 111.16 feet to a found 1/2-inch iron rod with cap for corner;

South 81 degrees 03 minutes 37 seconds East, a distance of 17.00 feet to a found 1/2-inch iron rod with cap for corner;

South 79 degrees 38 minutes 47 seconds West, a distance of 100.00 feet to a found 1/2-inch iron rod with cap for corner;

South 10 degrees 21 minutes 13 seconds East, a distance of 250.00 feet to a found 1/2-inch iron rod with cap for corner;

North 79 degrees 38 minutes 47 seconds East, a distance of 405.36 feet to a found 1/2-inch iron rod with cap for corner;

North 10 degrees 21 minutes 13 seconds West, a distance of 193.22 feet to a found 1/2-inch iron rod with cap for corner;

North 65 degrees 43 minutes 59 seconds East, a distance of 79.19 feet to a found 1/2-inch iron rod with cap for corner;

South 23 degrees 14 minutes 22 seconds East, a distance of 149.40 feet to a found 1/2-inch iron rod with cap for corner;

South 67 degrees 26 minutes 13 seconds East, a distance of 232.73 feet to a found 1/2-inch iron rod with cap for corner;

South 32 degrees 25 minutes 36 seconds East, a distance of 315.56 feet to a found 1/2-inch iron rod with cap for corner;

South 38 degrees 20 minutes 52 seconds East, a distance of 214.20 feet to a point for corner within Buffalo Creek;

THENCE South 16 degrees 01 minutes 05 seconds East, along the east line of said Parcel E and the meanders of Buffalo Creek, a distance of 200.82 feet to a point for corner along Buffalo Creek;

THENCE South 04 degrees 45 minutes 00 seconds West, along the east line of said Parcel E and the meanders of Buffalo Creek, a distance of 108.40 feet to the southeast corner of said Parcel E;

THENCE Southwesterly, along the southeast line of said Parcel E, the following calls:

South 70 degrees 26 minutes 36 seconds West, departing said Buffalo Creek, along the south line of said Parcel E, a distance of 413.92 feet to a found 1/2-inch iron rod with cap for corner;

South 76 degrees 31 minutes 26 seconds West, a distance of 180.23 feet to a found 1/2-inch iron rod with cap for corner;

South 88 degrees 17 minutes 59 seconds West, a distance of 202.39 feet to a found 1/2-inch iron rod with cap for corner;

South 88 degrees 34 minutes 08 seconds West, a distance of 80.14 feet to a found 1/2-inch iron rod with cap for corner;

South 73 degrees 56 minutes 52 seconds West, a distance of 149.19 feet to a found 1/2-inch iron rod with cap for corner;

South 43 degrees 59 minutes 07 seconds East, a distance of 292.90 feet to a found 1/2-inch iron rod with cap for corner;

South 59 degrees 50 minutes 21 seconds East, a distance of 56.31 feet to a found 1/2-inch iron rod with cap for corner;

South 43 degrees 37 minutes 37 seconds East, a distance of 119.94 feet to a found 1/2-inch iron rod with cap for the point of curvature of a circular curve to the left, having a radius of 275.00 feet and whose chord bears South 50 degrees 11 minutes 17 seconds East, a distance of 62.85 feet;

Southeasterly, along said curve to the left, through a central angle of 13 degrees 07 minutes 21 seconds, an arc distance of 62.98 feet to a found 1/2-inch iron rod with cap for corner;

South 46 degrees 04 minutes 51 seconds West, a distance of 418.35 feet to a found 1/2-inch iron rod with cap for the most southerly corner of said Parcel E, said corner being on the northeast line of said Parcel A;

THENCE South 45 degrees 29 minutes 00 seconds East, along said northeast line, a distance of 1347.05 feet to a found 1/2-inch iron rod with cap for the most easterly corner of said Parcel A;

THENCE Southwesterly, along said Parcel A the following calls:

South 11 degrees 45 minutes 24 seconds West, a distance of 470.81 feet to a found 1/2-inch iron rod with cap for corner;

South 20 degrees 51 minutes 10 seconds West, a distance of 214.26 feet to a found 1/2-inch iron rod with cap for corner;

South 38 degrees 54 minutes 03 seconds West, a distance of 229.77 feet to a found 1/2-inch iron rod with cap for corner;

North 88 degrees 49 minutes 02 seconds West, a distance of 238.42 feet to a found 1/2-inch iron rod with cap for corner on the north line of a tract of land described in deed to Mark Word and Judy Word, as recorded in Volume 873, Page 64, D.R.R.C.T.;

South 86 degrees 53 minutes 26 seconds West, along said north line, a distance of 91.62 feet to a point for corner;

South 71 degrees 16 minutes 26 seconds West, continuing along said north line, passing at a distance of 139.53 feet the southeast corner of Lot 18, Block A, Crestridge Meadows, Phase Two, an addition to the City of Heath, as recorded in Cabinet C, Slide 85, Plat Records Rockwall County, Texas (P.R.R.C.T.), continuing along the east line of said Lot 18, a total distance of 145.78 feet to a found 1/2-inch iron rod with cap for corner;

South 78 degrees 12 minutes 26 seconds West, continuing along said east line, a distance of 81.13 feet to a found 1/2-inch iron rod with cap for corner;

North 16 degrees 02 minutes 04 seconds West, continuing along said east line, a distance of 15.29 feet to a found 1/2-inch iron rod with cap for corner;

South 78 degrees 52 minutes 26 seconds West, continuing along said east line, a distance of 28.94 feet to a found 1/2-inch iron rod with cap for corner;

North 23 degrees 47 minutes 14 seconds West, continuing along said east line, a distance of 112.95 feet to a point for corner;

North 06 degrees 08 minutes 34 seconds West, continuing along said east line, passing at a distance of 47.80 feet the most southerly northeast corner of Lot 17, Block A, Crestridge Meadows, Phase Two, continuing along the east line of said Lot 17, a total distance of 58.12 feet to a found 1/2-inch iron rod with cap for the northeast corner of said Lot 17;

South 76 degrees 55 minutes 39 seconds West, along the north line of said Lot 17, a distance of 41.28 feet to a found 1/2-inch iron rod with cap for the southeast corner of Lot 16, Block A, Las Lomas, an addition to the City of Heath, as recorded in Cabinet C, Slide 256, P.R.R.C.T.;

North 29 degrees 15 minutes 30 seconds West, along the east line of said Las Lomas, a distance of 667.79 feet to a found 1/2-inch iron rod with cap for the most northerly northeast corner of Lot 19, Block A, of said Las Lomas;

North 50 degrees 31 minutes 24 seconds West, departing said east line, a distance of 496.38 feet to a found 1/2-inch iron rod with cap for corner;

North 51 degrees 20 minutes 10 seconds West, a distance of 434.30 feet to a to a found 1/2-inch iron rod with cap for corner;

North 56 degrees 15 minutes 46 seconds West, a distance of 41.49 feet to a to a found 1/2-inch iron rod with cap for corner;

North 31 degrees 03 minutes 23 seconds West, a distance of 306.16 feet to a found 1/2-inch iron rod with cap for corner;

North 45 degrees 14 minutes 57 seconds West, a distance of 212.48 feet to a found 1/2-inch iron rod with cap for corner on the southeast line of Willow Springs No. 1, an addition to the City of Heath, as recorded in Cabinet D, Slide 83, P.R.R.C.T., said corner being the southwest corner of Willow Springs, Phase 2B, an addition to the City of Heath, as recorded in Cabinet F, Slide 79, P.R.R.C.T.;

THENCE North 87 degrees 52 minutes 38 seconds East, along the south line of said Willow Springs, Phase 2B, a distance of 350.95 feet to a found 1/2-inch iron rod with cap for corner;

THENCE North 82 degrees 26 minutes 25 seconds East, along said south line, a distance of 210.18 feet to a found 1/2-inch iron rod with cap for the southeast corner of said Willow Springs, Phase 2B;

THENCE North 18 degrees 47 minutes 16 seconds West, along the east line of said Willow Springs, Phase 2B, a distance of 300.69 feet to a found 1/2-inch iron rod with cap for corner;

THENCE North 79 degrees 08 minutes 32 seconds East, along said east line, a distance of 67.19 feet to a found 1/2-inch iron rod with cap for corner;

THENCE North 17 degrees 07 minutes 58 seconds West, along said east line, a distance of 208.08 feet to a found 1/2-inch iron rod with cap for the northeast corner of said Willow Springs, Phase 2B, said corner being on a circular curve to the right having a radius of 440.00 feet and whose chord bears South 84 degrees 21 minutes 08 seconds West, a distance of 243.29 feet;

THENCE Southwesterly, along the north line of said Willow Springs, Phase 2B and said curve to the right, through a central angle of 32 degrees 05 minutes 55 seconds, an arc distance of 246.50 feet to a found 1/2-inch iron rod with cap for the point of tangency of said curve;

THENCE North 74 degrees 21 minutes 36 seconds West, along the north line of said Willow Springs, Phase 2B, passing at a distance of 111.50 feet a found 1/2-inch iron rod with cap for the northeast corner of Willow Springs, Phase 2A, an addition to the City of Heath, as recorded in Cabinet F, Slide 23, P.R.R.C.T., and continuing along the north line of said Willow Springs, Phase 2A, a total distance of 326.10 feet to a found 1/2-inch iron rod with cap for corner;

THENCE North 57 degrees 28 minutes 36 seconds West, along the north line of said Willow Springs, Phase 2A, a distance of 143.35 feet to a found 1/2-inch iron rod with cap for the southeast corner of the aforementioned Parcel D;

THENCE South 75 degrees 05 minutes 38 seconds West, along the south line of said Parcel D, a distance of 256.35 feet to a found 1/2-inch iron rod with cap for the southwest corner of said Parcel D and the southwest corner of the aforementioned 5.414 acre tract, said corner being on the north line of said Willow Springs No. 1;

THENCE North 82 degrees 52 minutes 06 seconds West, along the south line of said 5.414 acre tract and the north line of said Willow Springs No. 1, a distance of 301.58 feet to a found 1/2-inch iron rod with cap for corner;

THENCE South 74 degrees 17 minutes 19 seconds West, along said south line and said north line, a distance of 305.54 feet to a found 1/2-inch iron rod with cap for corner;

THENCE North 77 degrees 05 minutes 16 seconds West, along said south line and departing said north line, a distance of 53.17 feet to a found 1/2-inch iron rod with cap for corner;

THENCE South 88 degrees 46 minutes 14 seconds West, along said south line, a distance of 127.95 feet to a found 1/2-inch iron rod with cap for the southwest corner of said 5.414 acre tract;

THENCE North 00 degrees 18 minutes 13 seconds West, along the west line of said 5.414 acre tract, a distance of 351.40 feet to the POINT OF BEGINNING AND CONTAINING 5,866,633 square feet or 134.684 acres of land more or less.

SAVE AND EXCEPT ANY PROPERTY PLATTED AS PUBLIC RIGHT OF WAY.