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**INITIAL
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
HOMEOWNER'S ASSOCIATION OF MELIA RANCH**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration") is made this 7th day of January, 2014, by Melia Ranch Development, LLC, a Texas limited liability company, (hereinafter referred to as "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant is the owner of that certain real property referred to in Article II and described on Exhibit "A" of this Declaration, which property represents a residential community development known as "Melia Ranch." Declarant desires to provide for the preservation of values and amenities of such real property.

NOW, THEREFORE, Declarant hereby declares that the real property referred to in Article II and described on Exhibit "A," and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes collectively referred to herein as "Covenants and Restrictions") hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding upon all parties having any right, title or interest in the above-described properties or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

The following words when used in this Declaration or any amendment or supplement hereto (unless the context shall otherwise clearly indicate or prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to Homeowner's Association of Melia Ranch, a Texas Non-Profit corporation, which after its formation, but subject to the provisions of this Declaration, shall have the power, duty and responsibility of maintaining and administering the Common properties, and collecting the assessments and charges hereinafter prescribed; and have the right of administering and enforcing the Covenants and Restrictions.

(b) "Common Properties" shall mean and refer to any and all areas of land within the Property which are known, described or designated as private or public neighborhood parks, swimming pool area, playground area, picnic areas, pedestrian trails or areas, common areas, landscape easements, entry treatments, recreational easements, green belts, water detention or retention areas, drainage channels, or open spaces on any recorded subdivision plat of the Property or pursuant to any easements granted to Declarant for greenbelt areas or intended for or devoted to the common use and enjoyment of the Members of the Association, also landscaped medians in public right-of-ways, and entry treatments together with any and all improvements that are now or may hereafter be constructed or installed thereon, and including all equipment, accessories and machinery used in the operation or maintenance of any of such Common Properties and any additions to or replacements of any of such Common Properties. Declarant proposes to hold record title to these Common Properties, consistent with the objectives envisioned therein and subject to the easement rights herein of the Members to use and enjoy the Common Properties, for an indefinite period of time and at a point in time (deemed appropriate and reasonable by the Declarant but prior to January 1, 2030) record title to the Common Properties will be formally transferred from the Declarant to the Association. Declarant reserves the right to affect redesigns or reconfigurations of the Common Properties and execute any open space declarations applicable to the Common Properties that may be permitted by law in order to reduce property taxes.

(c) "Declarant" shall mean and refer to Melia Ranch Development, LLC, and its successors and assigns (if any) of Melia Ranch Development, LLC with respect to the disposition of all (or substantially all) of the assets of Melia Ranch Development, LLC, and/or the disposition of all (or substantially all) of the right, title and interest of Melia Ranch Development, LLC in and to the Property prior to the completion of development thereon of Melia Ranch. No person or entity purchasing one or more Lots from Melia Ranch in the ordinary course of business shall be considered as "Declarant."

(d) "Existing Property" shall mean and refer to the real property that is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration pursuant to section 2.01 of Article II hereof.

(e) "Fencing" shall mean fencing around residential Lots as specified in Section 9.06 of Article IX.

(f) "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map(s) or plat(s) of the Property; as amended from time to time, which is designated as a lot therein and which is or will be improved with a residential dwelling in conformity with the building restrictions herein set forth. Although some portions of the Common Properties may be platted as a "lot" on the subdivision plat, these lots shall be excluded from the definition of "Lot" as used herein. "Adjoining Lot" shall mean and refer to a Lot that is adjacent to any other Lot as shown on any recorded plat of the Property. Any reference in Article IX hereof to the visibility of an item from any Adjoining Lot shall mean the visibility of such item from the ground level of the structure located on the Adjoining Lot and not the second story of a two-story dwelling located thereon.

(g) "Member" shall mean and refer to each Owner of a Lot.

(h) "Owner" shall mean and refer to each and every person or business entity who or which is a record owner of a fee or undivided fee interest in any Lot subject to these Covenants and Restrictions; however, the word "Owner" shall not include person(s) or entity (ies) who hold a bona fide lien or interest in a Lot as security for the performance of an obligation.

(i) "Property" shall mean and refer to all such existing properties, and any additions thereto, as are subject to this Declaration, or any amendment or supplement hereto, prepared and filed of record pursuant to the provisions of Article II hereof. Declarant presently envisions that additional properties adjacent to the Existing Property will be added to the scheme of this Declaration.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

2.01 Existing Property. The Existing Property is located in the City of Arlington, Tarrant County, State of Texas, and is more particularly described on Exhibit "A" attached hereto and incorporated herein by reference for all purposes.

2.02 Additions to Existing Property. Additional land(s) may become subject to this Declaration in any of the following manners:

(a) Subject to compliance with Section 12.04 of this Declaration, Declarant may, without consent of any other Owners, add or annex additional real property to the scheme of this Declaration by filing of record a Supplementary Declaration of Covenants, Conditions and Restrictions which shall extend the scheme of the covenants, conditions and restrictions of this Declaration to such property, provided, however, that such supplementary declaration may contain such complementary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the concept of this Declaration.

(b) Any additions made pursuant to Section 2.02, when made, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added.

(c) Declarant shall have the right and option (with the joiner, approval or consent of such other associations) to cause the Association to merge or consolidate with any similar association then having jurisdiction over real property located (in whole or in part) within one-half (1/2) mile of any real property then subject to the jurisdiction of this Association. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by

operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the Covenants and Restrictions established by this Declaration within the Existing Property together with the covenants, conditions and restrictions established upon any other properties as one scheme.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

3.01 Membership. Every Owner of a Lot shall automatically be and must remain a Member of the Association in good standing. Membership and voting rights of each Member in the Association are appurtenant to, and inseparable from, ownership of a Lot. The Board of Directors may declare that an Owner is not a Member in good standing because of past unpaid dues, fines, late charges, interest, legal fees, and/or any other assessments of any nature. The Board of Directors may temporarily suspend the voting rights of any Member who is not in good standing until the date when such past unpaid amounts are paid in full.

3.02 Voting Rights. The Association shall have three classes of voting membership:

CLASS A: Class A Members shall be all Members other than Class B and Class C Members. Class A Members shall be entitled to one (1) 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 (1) vote be cast with respect to any such Lot.

CLASS B: Class B Members shall be any bona fide Owner who is engaged in the process of constructing a residential dwelling on any Lot for sale to consumers. Class B Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. The Class B Membership as to a particular Lot owned by a Class B Member shall cease, and with respect to that particular Lot the Class B Member shall become a Class A Member on the earlier to occur of:

(i) the date the Class B Member has owned title to that particular Lot for more than one (1) year or;

(ii) on the tenth (10th) anniversary of the date of this Declaration.

CLASS C: The Class C Member shall be Declarant. The Class C Member shall be entitled to six (6) votes for each Lot that it owns.

3.03 Quorum, Notice and Voting Requirements. The quorum, notice and voting requirements of and pertaining to the Association are set forth within the Articles of

Incorporation and Bylaws of the Association, as same may be amended from time to time. Subject to the provisions of Section 3.02 above, any action by or on behalf of the Association may be taken with the assent given in writing and signed by Members who collectively hold or control more than sixty percent (60%) of the outstanding votes of the Association.

ARTICLE IV

GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS

4.01 Powers and Duties. At such time as the Declarant sets up the Board of Directors, the affairs of the Association shall be conducted by its Board of Directors (herein referred to as the "Board"). The Board shall be selected in accordance with the Articles of Incorporation and Bylaws of the Association. The Board, for the benefit of the Common Properties and the Owners, shall provide, and shall pay for out of the maintenance fund(s) provided for in Article VI below, the following:

(a) Care and preservation of the Common Properties and the furnishing and upkeep of any desired personal property for use in the Common Properties;

(b) Any private trash and garbage collection service and security arrangements;

(c) Taxes, insurance and utilities (including, without limitation, electricity, gas, water and sewer charges) which pertain to the Common Properties only;

(d) The services of a person or firm (including Declarant and any affiliates of Declarant) to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by a manager designated by the Board;

(e) Legal and accounting services; and,

(f) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alteration, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of this Declaration.

The Board shall have the following additional rights, powers and duties:

(g) To execute all declarations of ownership for tax assessment purposes with regard to any of the Common Properties owned by the Association;

(h) To enter into agreements or contracts with insurance companies, taxing authorities and the holders of first mortgage liens on the individual Lots with respect to: (i) taxes

on the Common Properties; (ii) insurance coverage (if any) on Common Properties, as they relate to the assessment, collection and disbursement process envisioned by Article V herein; and (iii) utility installation, consumption and service matters;

(i) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit or with prior written consent of two-thirds (2/3s) of each class of Members, secured by such assets of the Association as deemed appropriate by the lender and the Association;

(j) To enter into contracts, maintain one or more bank accounts, and, generally, to have all the powers necessary or incidental to the operation and management of the Association;

(k) To protect or defend the Common Properties from loss or damage by suit or otherwise, to sue or defend in any court of law on behalf of the Association and to provide adequate reserves for repairs and replacements;

(l) To make reasonable rules and regulations for the operation of the Common Properties and to amend them from time to time;

(m) To make available to each Owner within ninety (90) days after the end of each year an annual report;

(n) Pursuant to Article VII herein, to adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property unless Members holding at least seventy-five percent (75%) of the votes in the Association vote not to have the Association make such repairs or replacements; and if proceeds are insufficient to repair damage or replace lost property, to assess the Members in proportionate amounts to cover the deficiency;

(o) To enforce the provisions of this Declaration and any rules made hereunder and to fine, enjoin and/or seek damages from any Owner for violation of such provisions or rules and;

(p) To exercise all rights, powers and privileges set forth in the Articles of Incorporation of the Association, and all amendments and restatements thereof.

4.02 Board Powers, Exclusive. The Board shall have the exclusive right to contract for all goods, services, and insurance, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein. In the event or if for any reason the Board is not deemed authorized to act for and on behalf of the Association and the Members, then Declarant may exercise its power and authority under Section 12.02 hereof to act for and on behalf of the Association and the Members, and the Association shall reimburse Declarant for any and all reasonable expenses incurred in so acting.

4.03 Contracts With Owners. The Board, on behalf of the Association, shall have full power and authority to contract with any Owner (including, without limitation, Declarant) for the performance, on behalf of the Association, of services which the Board is otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable and in the best interest of the Association.

4.04 Liability Limitations. Neither any Member, the Board, any Director, nor any Officer of the Association shall be personally liable for debts contracted for, or otherwise incurred by the Association, or for a tort of another Member, whether such other Member was acting on behalf of the Association or otherwise. Neither Declarant, the Association, its Directors, officers, agents, nor employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portion thereof or for failure to repair or maintain the same. Declarant, the Association or any other person, firm or corporation liable to make such repairs or maintenance shall not be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements or portion thereof. Notwithstanding anything to the contrary contained in this Declaration or in the Articles of Incorporation, Bylaws or other documents applicable to the Association, the Association shall have no obligation to maintain any real or personal property not owned by the Association.

4.05 Reserve Funds. The Board may establish reserve funds that may be maintained and accounted for separately from other funds maintained for annual operating expenses and may establish separate, irrevocable trust accounts in order to better demonstrate that the amounts deposited therein are capital contributions and not net income to the Association.

4.06 Restrictions on Contracts. Neither Declarant nor the Association may directly or indirectly enter into any management agreement or any other contract on behalf of the Association which extends beyond the date Class C memberships cease as provided in Section 3.02 of this Declaration. The Association may, however, following such date, enter into new management agreements or other contracts in accordance with this Declaration.

ARTICLE V

PROPERTY RIGHTS IN THE COMMON PROPERTY

5.01 Members' Easements of Enjoyment. Subject to the provisions of Section 5.03 of this Article, every Member and every tenant of every Member, who resides on a Lot, and each individual who resides with either of them, on such Lot shall have a right and easement of use, recreation and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot, provided, however, such easement shall not give such person the right to make alterations, additions of improvements to the Common Properties. If ingress and egress to a Lot is through the Common Properties, any conveyance or encumbrance of the portion of the Common Properties needed for such ingress or egress shall be subject to an easement for ingress and egress in favor of the Owner of such Lot.

5.02 Title to the Common Properties. Declarant will hold record title to the Common Properties until such time title is conveyed to the Association. Declarant shall have the right and option only with the consent of at least two-thirds (2/3s) of the other Owners (excluding Declarant) to encumber, mortgage, dedicate or convey title to the Common Properties (other than for a conveyance to the Association for which no joinder or consent is required). Declarant shall have the right and option (without the joinder or consent of any person or entity except any consent required by the City of Arlington, Texas) to design, to redesign, reconfigure, alter, improve, landscape and maintain the Common Properties, provided that Declarant fully and timely complies with any and all requirements of the City of Arlington. Declarant will convey title to a portion of the Common Properties to the Association (as herein specified) for the purposes herein envisioned, at no expense to the Association and with all ad valorem taxes prorated to the date of conveyance. Such conveyance of the Common Properties to the Association shall be made to the Association free and clear of any encumbrances. Declarant reserves the right to execute any open space declarations applicable to the Common Properties that may be permitted by law in order to reduce property taxes.

5.03 Extent of Members' Easements. The rights and easements of use, recreation and enjoyment created hereby shall be subject to the following:

(a) The right of Declarant or the Association to prescribe reasonable regulations and policies governing, and to charge fees and or deposits related to, the use, operation and maintenance of the Common Properties;

(b) Liens on mortgages placed against all or any portion of the Common Properties with respect to monies borrowed by Declarant to develop and improve the Property or by the Association to improve or maintain the Common Properties;

(c) The right of the Association to enter into and execute contracts with any party (including, without limitation, Declarant) for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association;

(d) The right of Declarant or the Association to take such steps as are reasonably necessary to protect the Common properties against foreclosure;

(e) The right of Declarant or the Association to suspend the voting rights of any Member and to suspend the right of any individual to use or enjoy any of the Common Properties for any period during which any assessment (including without limitation "fines") against a Lot resided upon by such individual remains unpaid, and for any period deemed reasonable by the Association for an infraction of the then-existing rules and regulations;

(f) The right of Declarant and/or the Association to dedicate or transfer all or any part of the Common Properties to any municipal corporation, public agency, authority, or utility company for such purposes and upon such conditions as may be agreed upon by Declarant and the Members having a majority of the outstanding eligible votes of the Association;

(g) The right of Declarant and/or the Association to convey, sell or lease all or part of the Common Properties upon such terms and conditions as may be agreed upon by Declarant and the Members having a majority of the outstanding eligible votes of the Association; and

(h) The right of the Declarant or the Association to enter into and execute contracts with the owner-operators of any community antenna television system ("CATV") or other similar operations such as telephones, or telecommunications for the purpose of extending cable, telephone, computer or telecommunication equipment or utility service on, over or under the Common Properties to ultimately provide service to one or more of the Lots.

ARTICLE VI

COVENANTS FOR ASSESSMENTS

6.01 Personal Obligation of Assessments. Each Owner of a Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed, as a part of the purchase money consideration for such deed and conveyance, to covenant and agree to pay to the Declarant and/or the Association (or to an independent entity or agency which may be designated by the Declarant and/or the Association to receive such monies):

(a) Regular assessments or charges for maintenance, taxes and insurance on portions of the Properties and the Common Properties;

(b) Special group assessments for capital improvements or unusual or emergency matters, such assessments to be fixed, established and collected from time to time as hereinafter provided;

(c) Special individual assessments levied against individual Owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner and not caused by ordinary wear and tear; and

(d) Individual assessments and fines levied against individual Owners for violations of rules and regulations pertaining to the Association and/or the Common Properties; such assessments to be fixed, established and collected from time to time as hereinafter provided. The regular, special group, and special individual assessments, together with such late charges, interest and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made and shall also be the continuing personal obligation of the then-existing Owner of such Lot at the time which the assessment fell due.

6.02 Creation of Lien. Declarant and the Association hereby reserve a vendor's lien against each Lot to secure the payment of any assessment which may be levied pursuant to the terms and provisions of Sections 6.05, 6.06, Article IX and/or Section 12.06 hereof, and the

expenses incurred in connection with the enforcement thereof, including, without limitation, interest at the maximum rate permitted by law, costs and reasonable attorneys' fees. Such lien may be enforced by appropriate judicial proceedings and the amounts secured thereby shall be the obligation of and chargeable to Owner. Such lien shall be and is subordinate and inferior only to the following: (i) assessments, liens and charges in favor of the State of Texas and any political subdivision thereof for taxes past due and unpaid on the Lot; and (ii) amounts due under any first lien deed of trust duly recorded prior to the recordation of any assessment lien as provided in Section 6.03 of this Article VI.

6.03 Assessment Lien.

(a) All sums assessed but unpaid, including interest thereon at the maximum rate permitted by law from the date such assessments are due until said assessments are paid (subject to the provisions hereof limiting the interest contracted for, charged or received to the maximum permitted by applicable law) shall constitute a lien on the Lot superior to all other liens and encumbrances, except as provided in Section 6.02 of this Article VI. Declarant, or the Board or its duly appointed agent, may (but shall not be required to) prepare a written notice setting forth the amount of such unpaid indebtedness, the name of Owner and a description of the Lot. Such notice shall be signed by Declarant or the Board or its duly appointed agent and may be recorded in the office of the County Clerk of Tarrant County, Texas. Such lien may be enforced by the foreclosure of it upon the Lot by the Declarant or the Board or its duly appointed agent. In any such proceeding, the Owner shall be required to pay the costs, expenses and attorneys' fees incurred in connection with filing the lien, and in the event of any foreclosure proceeding, all additional costs, expenses and attorneys' fees incurred in connection with any such foreclosure proceeding. Declarant or the Board or its duly appointed agent shall have the power to bid on the Lot at foreclosure or other legal sale and to acquire and hold, lease, mortgage, convey or otherwise deal with the same. Any mortgagee holding a lien on the Lot may collect and/or pay, but shall not be required to collect and/or pay any unpaid assessments owing with respect to the Lot, but such payment shall not be deemed a waiver of Owner's default by either Declarant, the Board or such mortgagee. Any failure of an Owner to pay any assessments shall not constitute a default under any mortgage insured by the FHA, VA and/or HUD.

(b) The amount of the assessments assessed against the Lot shall also be a personal obligation or indebtedness of the Owner thereof at the time the assessment is made. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing same.

(c) Owner, by acceptance of the deed to the Property, hereby expressly vests in Declarant, the Board or its agents the right and power to bring all actions against Owner personally for the collection of such charges as a debt, and to enforce the aforesaid liens by all methods available for the enforcement of such liens. No Owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Common Properties or by abandonment of his Lot.

(d) If any assessment remains unpaid at the expiration of thirty (30) calendar days from and after the due date established by the Declarant and/or the Board, a late charge may be assessed, if permitted by applicable law, against the non-paying Owner for each month that any portion of an assessment remains unpaid. The late charge shall be in the amount of Twenty-Five Dollars (\$25.00) per month for all Class A Members and Twelve Dollars and Fifty Cents (\$12.50) for all Class B and Class C Members. A reasonable service charge in an amount established by the Board may be charged for each check that is returned because of insufficient funds. The amounts of late charges and service charges may be adjusted, from time to time, by the Board consistent with any changes in the amounts of regular or special assessments; provided, however, that the amount of any late charges assessed against Class B Members shall be fifty percent (50%) of the amount of the late charge assessed against Class A Members.

6.04 Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purposes of (i) promoting the health, recreation, safety and welfare of the residents of the property; (ii) improving and maintaining any private or public park improvements such as, private walkways, recreational areas or other properties, services and facilities directly related to the use and enjoyment of the Common Properties; (iii) the payment of taxes on the Common Properties and insurance (if any) in connection with the Common Properties and the repair, replacement and additions thereto; (iv) the payment for water, electricity for street lights and exterior lights and the repair, replacement and additions of various items within the Common Properties; (v) trash and garbage collection and security arrangements, as may be determined necessary and appropriate by the Association from time to time; (vi) paying the cost of staff, labor, equipment (including the expense of leasing any equipment) and materials required for, and the management and supervision of, these deed restrictions and the Common Properties; (vii) carrying out the duties of the Board as set forth in Article IV hereof; (viii) carrying out the various matters set forth or envisioned herein or in any amendment or supplement hereto; and (ix) for any matter or thing designated by the City of Arlington in connection with any zoning, subdivision, platting, building or development requirements.

6.05 Basis and Amount of Regular Maintenance Assessments.

(a) Until and unless otherwise determined by the Declarant and/or the Board, the maximum regular assessment shall be Four Hundred-Ninety Dollars (\$490.00) per Lot per year.

(b) The Declarant and/or the Board may establish the maximum annual assessment for each Lot, provided that the maximum annual assessment may not be increased more than the greater of (i) fifteen percent (15%) above the maximum annual assessment of the previous year or, (ii) an amount equal to the increase in the Consumer Price Index, without prior approval of at least two-thirds (2/3s) of each class of the Members of the Association.

(c) After consideration of current maintenance costs and the future needs of the Association, the Declarant and/or the Board shall fix the actual annual assessment at an amount equal to or less than the maximum annual assessment as calculated in paragraph 6.05 (a) and (b).

6.06 Special Assessments for Capital Improvements. In addition to the regular assessments authorized by Section 6.04 hereof, the Association may levy in any fiscal year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including any necessary fixtures and personal property related thereto; provided that any such assessment shall have the affirmative approval of two-third's (2/3s) of each class of the Members of the Association.

6.07 Uniform Rate of Annual and Special Assessments. Both regular and special capital assessments must be fixed at a uniform rate for all Lots. Each Lot owned by a Class A Member shall be charged with one hundred percent (100%) of the established per Lot assessment, while each Lot owned by a Class B Member shall be charged with fifty percent (50%) of the established per Lot assessment, and each Lot owned by Class C Member shall be charged with none (0%) of the established per Lot assessment.

6.08 Date of Commencement of Assessments; Due Dates. The Declarant and/or the Board may prescribe from time to time that the regular base assessments are to be collected on an annual basis, and accordingly, the Declarant and/or the Board shall prescribe the appropriate due dates and, if applicable, the time-price differential rates and due dates. For purposes of the initial due date annual dues will be payable for the full year on January 1st and considered past due on February 1st of each year. All regular base assessments shall be collected in advance. The due date or dates (if it is to be paid in installments) of any other assessments or special assessment under Sections 6.05 and 6.06 hereof, shall be fixed in the respective resolution authorizing such assessment. Notwithstanding anything to the contrary in this Declaration, the annual assessments may begin and be levied before the first FHA, VA or HUD insured mortgage loan is made on any Lot.

6.09 Duties of the Board with Respect to Assessments.

(a) In the event of a revision to the amount or rate of the regular base assessment, or establishment of a special group or special individual assessment, the Declarant (prior to the time the Board is established) or the Board (after such time as the Board is established) shall fix the amount of the base assessment against each Lot, and the applicable due dates for each assessment, at least forty-five (45) days in advance of such date or period, and the Board shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Declarant and/or the Association.

(b) Written notice of the assessment shall thereupon be delivered or mailed to every Owner subject thereto.

(c) The Declarant and/or the Board shall upon demand at any time furnish to any Owner liable for said assessment, a certificate in writing signed by Declarant and/or an Officer of the Association, setting forth whether said assessment has been paid. Such certificate

shall be conclusive evidence of payment of any assessment therein stated to have been paid. The Board for the issuance of such certificate may make a reasonable charge.

6.10 Exempt Property. The following property otherwise subject to this Declaration shall be exempted from the assessments, charges and liens created herein;

- (a) All properties dedicated and accepted by the local public authority and devoted to public use; and,
- (b) All Common Properties as defined in Article I hereof.

ARTICLE VII

INSURANCE: REPAIR AND RESTORATION: SECURITY ARRANGEMENTS

7.01 Right to Purchase Insurance. The Association shall have the obligation, provided the annual cost does not exceed 50% of the prior year's aggregate maximum annual assessment on all Members, to purchase, carry and maintain in force, insurance covering any or all portions of the Common Properties, any improvements thereon or appurtenant thereto, for the interest of the Declarant and/or the Association and of all Members thereof, in such amounts and with such endorsements and coverage as shall be considered good sound insurance coverage for properties similar in construction, location, and use to the subject property. Such insurance may include, but need not be limited to:

- (a) Insurance against loss or damage by fire and hazards covered by a standard extended coverage endorsement in an amount which shall be equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the insurance carrier;
- (b) Public liability and property damage insurance on a broad form basis;
- (c) Fidelity bond for all officers and employees of the Association having control over the receipt or disbursement of funds; and
- (d) Officers' and directors' liability insurance.

7.02 Insurance Proceeds. The Declarant (prior to the time the Board is established) or the Association (after the time the Board is established) and the Members shall use the net insurance proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of insurance paid to the Declarant and/or the Association, as required in this Article VII, remaining after satisfactory completion of repair and replacement, shall be retained by the Association as part of a general reserve fund for repair and replacement of the Common Properties.

7.03 Insufficient Proceeds. If the insurance proceeds are insufficient to repair or replace any loss or damage, the Declarant (prior to the time the Board is established) or the Association (after the time the Board is established) may levy a special assessment as provided for in Article VI of this Declaration to cover the deficiency.

7.04 Other Insurance Matters. The Association will seek to carry public liability insurance generally covering bodily injury and property damage arising out of negligent acts by employees, Members or authorized representatives of the Association. The Association will not carry any insurance pertaining to, nor does it assume any liability or responsibility for, the real or personal property of the Owners (and their respective family members and guests).

Each Owner expressly understands, covenants and agrees with Declarant and the Association that:

(a) Neither Declarant nor the Association has any responsibility or liability of any kind or character whatsoever regarding or pertaining to the real and personal property of each Owner; and

(b) Each Owner shall, from time to time and at various times, consult with reputable insurance industry representatives of each Owner's own selection to select, purchase, obtain and maintain appropriate insurance providing the amount, type and kind of insurance deemed satisfactory to each Owner covering his or her real and personal property;

ARTICLE VIII

USE OF COMMON PROPERTIES

The Common Properties may be used and enjoyed as follows:

8.01 Restrictive Actions by Members. No Member shall permit anything to be done on or in the Common Properties which would violate any applicable public law or zoning ordinance or which will result in the cancellation of or increase of any insurance carried by the Declarant and/or the Association, or which would be in violation of any law or any rule or regulation promulgated by the Board.

8.02 Damage to the Common Properties. To the extent provided by applicable state law, each Member shall be liable to the Declarant and/or the Association for any damage to any portion of the Common Properties caused by the negligence or willful misconduct of the Member or his family and guests.

8.03 Rules of the Board. All Members shall abide by any rules and regulations adopted by the Declarant and/or the Board. The Declarant and/or the Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and a Member determined to have violated said rules and regulations shall be liable to the Association for all damages and costs, including reasonable attorneys' fees.

8.04 Use of Common Properties. Use of the Common Properties shall be limited to Members, their families and guests. With the exception of the regular business activities of Class B Members, the Declarant or the Association, no person or entity shall use any portion of the Common properties to:

- (a) solicit, promote or conduct business;
- (b) distribute handbills, newsletters, flyers, circulars or other printed materials;

without the prior written consent of the Declarant and/or the Association (which consent may be withheld in its sole and absolute discretion).

ARTICLE IX

CONSTRUCTION OF IMPROVEMENTS AND USE OF LOTS - PROTECTIVE COVENANTS

9.01 Residential Use. All Lots (excluding, however, those platted lots on which certain Common Properties may be located) shall be used for residential purposes only. No building or structure shall be erected, altered, placed or permitted to remain on any Lot other than a single-family dwelling and a private garage for two (2) or more automobiles. No building or structure on any lot shall exceed two and one-half (2 1/2) stories in height.

9.02 Minimum Floor Space. Except as hereinafter specified, the total air conditioned "living" area of the main structure on each Lot shall contain a minimum square footage, exclusive of porches, garages and other outbuildings of:

Min 2,000	SF 25%
2,250	SF 25%
2,500	SF 50%

as outlined on subdivision plat. . The total floor area of "living" area in such a residential structure (exclusive of garage, porches, out-buildings, patios, etc.) shall equal or exceed the required total minimum footage areas as set out in this Section 9.02; all of which areas shall be completed and finished simultaneously with first construction of such a structure.

9.03 Garages.

Of the five (5) Product Types (attached as Exhibit B) allowed under the approved plat, the following percentages must be met. If any one builder constructs the required percentage, it will release the other builders from building that specific Product Type

Fifty percent (50%) (ten [10]) of all garages on homes fronting on Street "A" shall be rear entry, side entry, or J-Swing. No more than ½ of the (50%) required shall be J-Swing. Design feature credit for item 9.03(J) below is not available to these (10) homes.

All structures shall comply with a minimum of (3) of the following design features (if marked with an asterisk the design feature qualifies as two design features);

- | | | | |
|-----|---------------------------------------|-----|--|
| A. | Dormer(s) | *J. | Non Front-Loading Garage |
| B. | Gable(s) | *K. | Designer Front Door |
| C. | Recessed Entry | L. | Second Tree in Front Yard or Parkway |
| D. | Covered Front Porch | *M. | Exposed Aggregate/Brick Inlay/Stamped or Other Surface Treatment on Driveway |
| E. | Pillars/Posts/Columns | N. | Varied Roof Height |
| *F. | Wood Windows | O. | Two (2) or more masonry products |
| *G. | Masonry Chimney | | |
| *H. | Wood Facade Treatment on Garage Doors | | |
| *I. | Automatic Iron Driveway Entry Gate | | |

9.04 Roofs. All roofs shall be constructed of slate, tile, 30-year composition shingles or other material first approved by the Committee. The color of such roofing materials shall only be dark gray roofs or other colors approved by the Committee and otherwise are in compliance in all respects with applicable City of Arlington ordinances. The roof pitch elevation of any structure shall be a minimum of seven (7) feet in twelve (12) feet unless otherwise approved by the Committee.

9.05 Building Lines. All residences or dwellings erected or placed on any Lot shall face the road or street adjacent to the Lot on a perpendicular angle as shown on the recorded plat of the Property or as prescribed in the deed from the Declarant conveying the Lot. No portion of such dwelling or residence shall be nearer to the front property line of said Lot than the building line as designated on the recorded plat of the Property.

9.06 Fences. No chain link fences or other wire type fences shall be erected or located on any Lot so as to be visible from the front, side or rear of the Lot. No fence, wall or hedge shall be erected, placed or altered on any Lot nearer to any street than the minimum building setback line indicated on the recorded plat of the Property or by city zoning ordinance, other than (i) model lot enclosure fencing used for subdivision marketing and (ii) hedges planted along the rear or side yard for screening purposes where the Developer has erected a wrought iron fence. In no case shall a fence that attaches to a screening wall be taller than the screening wall. No fence, wall or hedge shall exceed eight (8) feet in height unless otherwise specifically required by the City of Arlington. Wood fencing approved by the Committee will be allowed to extend from the outer perimeter of a home to the side property line, subject to the city ordinances regarding side yard fences. Approval will be subject to thorough consideration of the effect such proposed fencing might have on adjoining Lots and/or dwellings. In addition, such wood fencing must be

recessed from the front building line of the dwelling a minimum distance of five (5) feet unless otherwise approved by the Committee. Any fencing located from the front building line of the Lot to the back of the Lot (perpendicular to the front property line) may be of wood material; provided, however, the good side of the fence must face out when the fence faces any street (i.e., no stringers or posts shall be visible from any residential street), (ii) be composed of pine, spruce, cedar or redwood, (iii) have slats measuring between three (3) and eight (8) inches wide which are installed vertically only (not horizontally or diagonally), (iv) not be painted without the consent of the Committee and (v) if the owner elects to do so, shall be stained or treated with a water repellent solution that is a clear translucent stain liquid treatment on any surface which faces a street, alley or adjoining Lot unless otherwise approved by the Committee. No wood fences will be allowed at the rear of Lots that are adjacent to Eden Rd. where the Declarant has constructed a wall or wrought iron fence.

Use metal poles and 2" x 4" treated wood stringers with Thompson J Clips Stain all wood. Use cap and face board.

Given the great variety of potential fencing and screening configurations and materials, it is understood that the fencing restrictions contained in this Section 9.06 may not be exhaustive; therefore, **no fence or wall shall be erected, placed or altered on any Lot without the prior approval of the Committee.** Fencing details shall be submitted to the Committee along with house plans for approval.

9.07 Signs. No sign or signs shall be displayed to the public view on any Lot, except that: (1) any builder, during the applicable initial construction and sales period, may utilize professional signs on each Lot for advertising and sales purposes, provided that such sign must be approved as to size and number (including, without limitation, any directional signs) by the Committee; (2) thereafter, a dignified "for sale" or "for rent" sign of not more than six (6) square feet in size may be utilized by the Owner of the respective Lot for the applicable sale or rent situation; (3) development-related signs owned or erected by Declarant shall be permitted; and (4) signs displaying the name of a security company shall be permitted, provided that such signs are (i) ground mounted, (ii) limited to two (2) in number (one in the front yard and one in the back yard); (iii) of a reasonable size; and (iv) subject to the prior written approval of the Committee. Signs which are temporary in nature, (i.e. "garage sale" signs) shall only be permitted for a specified period of time upon approval by the Committee of a written request by the individual Lot Owner describing the nature of the sign and the time period for which it will be displayed. Nothing contained in this Section 9.07 shall be applicable to signs placed by Declarant in, on or around the Property.

9.08 Easements; Utilities. All streets, alleys and easements shown on the recorded plat of the Property have been reserved for the purposes indicated. No Owner may erect any permanent structure of any type whatsoever in these easement areas. With respect to these easement areas, as well as any other areas described within recorded easement documents, and the Common Properties, any and all bona fide public utility service companies shall have the right of access, ingress, egress, regress and use of the surface estate for the installation and maintenance of utility facilities.

Except as to special street lighting or other aerial facilities which may be required by the City of Arlington or may be required by the franchise of any utility company, no aerial utility facilities of any type (except meters, risers, service pedestals and other surface installations necessary to maintain or operate appropriate underground facilities) shall be erected or installed within the Property, whether upon Lots, easements, streets, or rights-of-way of any type, either by the utility company or any other person or entity without the consent of the Declarant or the Committee, (including but not limited to any person owning or acquiring any part of the Property) and all utility service facilities (including but not limited to water, sewer, gas, electricity and telephone) shall be buried underground, under recreational easements, Common Properties, streets or utility easement areas for the purpose of serving any structure located on any part of the Property.

In addition to the easements specified above, the Association shall also have an easement for ingress and egress at all times over and upon the Lots to maintain any landscaping easements located on the Lots, including, but not limited to, Lots at the entryways or perimeter areas of the Property. All Owners, and in particular those whose Lots have maintenance easements on them, agree not to remove, alter, change, add to, take from or vary any landscaping, fencing, brick work, sprinkling system, monuments, fountain or electrical systems within the landscaping easement, open space or perimeter areas without prior written consent of the Committee. In the event any Owner violates the provisions of this paragraph, such Owner will be liable for the replacement and/or repair cost in rectifying the violation. Said cost shall become a lien against such Lot in the event of non-payment.

9.09 Temporary Structures. No temporary structure of any kind shall be erected or placed upon any Lot. Temporary structures shall include, but not be limited to, any garage, servant's house or other improvement erected more than one hundred twenty (120) days prior to the completion of the main portion of the single-family dwelling. However, any Class B Member may maintain temporary sales or construction offices, provided such sales or construction offices are removed within thirty (30) days after completion of sales or construction, as the case may be.

9.10 Vehicles; Parking. Any truck, boat, boat trailer, animal trailer, trailer, mobile home, motorhome, campmobile, camper or any motorized vehicle other than a conventional automobile, pickup truck, SUV or motorcycle shall be stored, placed or parked within the garage of the appropriate Owner or so as to be completely hidden from view unless otherwise approved by the Committee.

Not more than two (2) vehicles (in addition to the two (2) vehicles located within any garage on a Lot) may be parked within the driveway of any Lot. No vehicles may be parked on any unpaved driveway on any Lot. No inoperable vehicles may be parked on any driveway or on any street. No vehicles may be parked in the street in front of any Lot for any period in excess of a twenty-four (24) hour period. No variance from this paragraph will be allowed unless first approved in writing by the Committee.

Trucks with tonnage in excess of three-quarters (3/4) ton shall not be permitted to park overnight on the streets, driveways or otherwise within the Property.

9.11 Garbage; Weeds. No Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. All garbage shall be kept in city-approved containers. All garbage containers shall be placed on the street in front of their dwelling on the day of collection, and shall otherwise be in compliance with applicable ordinances of the City of Arlington.

If after ten (10) days of written notice, an Owner in the Declarant and/or the Committee's opinion shall fail to: (i) control weeds, grass and/or other unsightly growth; or (ii) remove trash, rubble, building and construction debris; or (iii) exercise reasonable care or conduct to prevent or remedy an unclean, untidy or unsightly condition, then Declarant or the Board shall have the authority and right to go onto said Lot for the purpose of mowing and cleaning said Lot and shall have the authority and right to assess and collect from the Owner of such Lot a reasonable sum not to exceed Five Hundred Dollars (\$500.00) for mowing or cleaning said Lot on each respective occasion of such mowing or cleaning. The assessments, together with interest (at the highest permitted lawful rate per annum) thereon and any costs of collection thereof, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment, together with interest thereon and costs of collection thereof, shall also be the continuing personal obligation of the Owner of such Lot at the time when the assessment occurred. The lien securing any such assessment shall be subordinate and inferior to the lien of any mortgage and any renewals or extensions thereof existing prior to the assessment date.

9.12 Construction Completion Time. Each residence constructed on each Lot and any other improvements thereto shall be commenced and completed with due diligence promptly after approval by the Committee of the plans and specifications prepared in connection with such construction. All exterior construction of the primary residential structure, garage, porches, and any other appurtenances or appendages of every kind and character on any Lot and all interior construction 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. In the event that a residence is partially or totally damaged by fire or other causes, the Owner of such residence must either rebuild the residence or completely clear the Lot. In the event the Owner desires to rebuild, the construction or restoration of the damaged residence, or portion thereof, must commence within one hundred twenty (120) days after the occurrence causing the damage. No construction or restoration shall commence, however, until plans and specifications have been submitted to the Committee (and are subsequently approved) as required in Article X (b) hereof. In the event the Owner does not desire to rebuild, the Owner must clear away all remaining debris and restore the Lot to the condition in which it existed prior to the initial construction of the damaged residence.

9.13 Offensive Activities; Pets. 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 within the Property or any portion thereof. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept; provided that they are not kept, bred or maintained for commercial purposes and further provided that all Owners shall comply with the applicable ordinances of the City of Arlington. In addition, not more than three (3) household pets may be kept on any Lot and any litters of household pets

which would cause the total number of pets on any Lot to exceed three (3) must be sold or otherwise disposed of within six (6) months from the birth of any such litter so that the total number of pets shall not exceed three (3) after such six (6) month period.

9.14 Exterior Surfaces. Subject to the City of Arlington's building code standards allowing such provisions, the total exterior surface of all residential dwellings shall be of fire resistant masonry construction having at least one-hundred percent (100%) of the total exterior walls above grade level, excluding doors and windows, constructed of brick, stone or material of equal characteristics in accordance with the City of Arlington's building code and fire prevention code. In addition, the front of the dwelling must be of one hundred percent (100%) brick, stone, rock or any other comparable masonry product in adherence to City Code and PD Ordinance 1530. All exterior surfaces, especially any painted or stained wood surfaces (including, without limitation, garage doors) must be maintained in good condition. Other than improvements constructed by the original home builder, but subject to Declarant prior written approval, installation of all types of exterior items and surfaces such as address numbers or external ornamentation, lights, mail chutes, exterior paint or stain, shall be subject to the prior written approval of the Committee. All ornamental lighting and decorations related to holidays including but not limited to Christmas Lights, will be removed within thirty (30) days of the conclusion of the holiday. The installation of solar panels on any roof or other portion of a residence that is visible from any adjacent street is expressly prohibited without the prior written consent of the Committee. All windows that are visible from any residential street shall be covered with draperies or blinds within sixty (60) days after the date on which the main structure is occupied. All tin foil and newspaper window covers are expressly prohibited.

9.15 Antennas and Aerials. Installation of television antennas and other antennas and aerials shall be done according to current local, state and federal laws. It is the preference of the committee that subject to these laws they be located inside the attic or under the roof so as to be completely hidden from view unless otherwise first approved in writing by the Committee. Satellite dishes over 18 inches in diameter shall not be permitted unless specifically approved in writing by the Committee as to location, size, height and color. No towers shall be permitted without express written consent from the Declarant or the Committee.

9.16 Landscaping. Each residence shall be landscaped on the front and side yards within one hundred twenty (120) days after the date on which the carpet has been installed in the residence. The landscaping of each Lot shall be principally grass sod or a landscaping theme as approved by the Committee. The Owner shall keep the yard sufficiently watered to insure adequate growth of the grass. At least two (2) three-inch (3") caliper oak trees or other trees approved by the Committee in writing shall be planted at the completion of construction of the residence on interior lots. One (1) tree shall be planted in the front yard and one (1) tree shall be planted between the sidewalk and the street. On corner lots, at least three (3) three-inch (3") caliper oak trees or other trees approved by the Committee in writing shall be planted at the completion of construction of the residence. One (1) tree shall be planted in the front yard and one (1) tree each between the sidewalk and the street in the front and at the side of the residence. At least one-third (1/3) of all trees planted by each Class A or B Owner under Section 9.16 on the Lot(s) must be oak. All other types of trees, other than ash and maple, which are also approved,

will be subject to the prior written approval of the Committee. The only trees approved to be planted between the sidewalk and the street are oak, elm, and maple. This requirement will be waived by the Committee if, in the opinion of the Committee, adequate existing trees are retained. There shall be a minimum of \$500.00 worth of additional shrubbery or flowers planted along the side of the house facing the street. Yards will be kept mowed and trimmed. Grass should not exceed six (6) inches in height.

9.17 Retaining Walls. Retaining walls located in the front yard area and parallel to the street shall be constructed of stone or other masonry products first approved in writing by the Committee and compatible with the exterior of the dwelling. No crosstie walls allowed.

9.18 Basketball Goals. Basketball goals, backboards and nets shall only be permitted if the Committee approves them in writing with reference to their location and material. Professionally constructed portable basketball goals such as those obtained from an athletic sporting goods retailer are acceptable. The basketball goals may be placed between the garage and the midway point of the driveway. At no time shall the goal be placed in any street right of way or cul-de-sac or in such a way as to endanger those persons utilizing the goal.

9.19 Gazebos, Greenhouses, Storage Sheds, Trampolines, Children's Play Equipment Clotheslines, Etc. No gazebo, greenhouse, storage shed, trampolines, children's play equipment, tree houses, clothesline or other similar structure shall be erected, constructed or placed upon any Lot without prior written approval by the Committee. Storage sheds shall not be taller than eight and one-half feet (8 1/2') measured from natural ground elevation and shall be placed at a location in the back yard approved by the Declarant and/or Committee in writing, and shall be installed subject to any Arlington City ordinance governing their use. They shall be painted a similar color as the house trim and shall have the same material and color as the roof of the house.

9.20 Mail Boxes and Street Address Numbers. All mailboxes shall comply with all applicable laws and ordinances and shall be constructed of the same masonry material as the front of the house, or as otherwise approved by the Committee. The street address of the property shall appear on the mailbox on the side facing the street, and shall be composed of a pre-cast material inset into the brick.

9.21 Pool Equipment. No pool may be erected, constructed or installed without the prior written consent of the Committee. A drainage plan for water leaving the lot shall accompany the pool plan. All pool service equipment shall be fenced and located in either (a) a side yard between the front and rear boundaries of the dwelling; or (b) in the rear yard; and shall not be visible from any residential street or alley or any Adjoining Lot. Under no circumstances will above ground pools be permitted.

9.22 Utility Meters and Air-Conditioning Compressors. All utility meters, equipment, air-conditioning compressors, evaporative coolers and similar items must be located in areas designated by the Committee. No window unit air-conditioning systems shall be permitted on any home.

9.23 Drying of Clothes. The drying of clothes in public view is prohibited. The owners and occupants of any Lots at the intersections of streets or adjacent to parks, playgrounds, open spaces or other facilities where the rear yard is visible to public view shall construct a drying yard or other suitable enclosure to screen from public view the equipment which is incident to normal residences, such as clothes drying equipment, yard equipment and storage piles.

ARTICLE X

ARCHITECTURAL CONTROL

10.01 (a) Architectural controls shall be supervised by an Architectural Control Committee, hereinafter called the "Committee". The Committee shall be composed of a minimum of three (3) individual(s) selected and approved by Declarant or the Declarant himself if he so chooses. The Committee and its successors are hereby vested with the full right and authority to act as such under the provisions of this Declaration. A majority of the Committee may designate a representative to act for it. In the event of the death or resignation of any member of the Committee, the Declarant shall designate a successor. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. The Committee shall not be liable in damages to anyone submitting plans to it for approval or to any Owner or occupant of the Property by reason of error or mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve any such plans. No approval by the Committee shall constitute or be deemed to constitute any representation or warranty of the adequacy or fitness of any improvements approved by the Committee nor shall the Committee have any liability regarding such adequacy or fitness.

(b) No building permit shall be acquired for construction of improvements on any Lot and no building, structure, fence, wall or improvement of any kind or nature shall be erected, placed or altered on any Lot until all plans and specifications requested by the Committee and a plot plan have been submitted to and approved in writing by the Committee:

In the instance of a builder intending to build more than one house in the Property, the Committee shall establish a procedure whereby it may review the building plans and specifications and a typical plot plan for several different types of houses the builder plans to build in the Property and based upon said review, such Committee may approve such plans and specifications and typical plot plan and such builder may thereafter construct houses based on such plans and specifications and typical plot plan on any Lots it owns in the Property and shall not be required to have plans and specifications and a plot plan approved on a Lot by Lot basis.

(c) At least one (1) complete set of final plans and specifications defined as front side and rear elevations, floor plans, foundation plan, plot plan, and roof (approved roof colors being dark gray), are required by the Committee (including all such detail as the Committee shall request) and shall be submitted to the Committee for approval or disapproval prior to construction. At such time as the Committee has reviewed the plans and specifications, a letter indicating either approval, or disapproval or needed items for approval shall be sent to the

Owner or his designated representative. If found not to be in compliance with these Covenants and Restrictions, a reasonable statement of items found not to comply with these Covenants and Restrictions shall be sent to the Owner. Any modification or change to the approved set of plans and specifications must again be submitted to the Committee for its inspection and approval. The approval or disapproval of the Committee, as required in this Declaration, shall be narrative, in writing and must be obtained prior to the requested act or occurrence. If the Committee, or its respective designated representative, fails to approve or disapprove such plans and specifications within thirty (30) days after the date of submission, then approval shall be presumed. Further provided, however, that nothing in this paragraph shall affect in any way the method for seeking or granting variances, as described in the following paragraph, nor shall any failure of the Committee to act on a variance request within any particular period of time constitute the granting or approval of any such variance request.

(d) Upon submission of a written narrative request for same, the Committee may, from time to time, in its sole discretion, permit Owners to construct, erect, or install improvements that are in variance from the Covenants or Restrictions which are provided in this Declaration or which may be promulgated in the future. The address for all submissions to the Committee shall be 5001 US Hwy. 287 South, Suite 105, Arlington, Texas 76017 or such other address as the Committee may designate from time to time to the Association. In any case, however such variances shall be in basic conformity with and shall blend effectively with the general architectural style and design of the community. No member of the Committee shall be liable to any Owner or other person claiming by, through, or on behalf of any Owner, for any claims, causes of action, or damages arising out of the granting or denial of, or other action or failure to act upon, any variance request by any Owner or any person acting for or on behalf of any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Committee's right to strictly enforce these Covenants and Restrictions against any other Owner. Each such written request must identify and set forth in narrative detail the specific restriction or standard from which a variance is sought and described in complete detail the exact nature of the variance sought. Any grant of a variance by the Committee must be in writing and must identify in narrative detail both the standard from which a variance is being sought and the specific variance being granted. Any variance granted by the Committee shall be considered a rule made under this Declaration.

(e) The Committee may from time to time publish and promulgate architectural standards bulletins that shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of these Covenants and Restrictions. Such bulletins shall supplement these Covenants and Restrictions and are incorporated herein by reference. Although the Committee shall have discretion with respect to taste, design and any absolute standards specified herein, the Committee shall not unreasonably withhold approval of requests and shall be responsive to technological advances or general changes in architectural designs and related conditions in future years and use its best efforts to balance the equities between matters of taste and design (on the one hand) and use of private property (on the other hand).

ARTICLE XI

EASEMENTS

11.01 Utility Easements. Easements for installation, maintenance, repair and removal of utilities and drainage facilities over, under and across the Property are reserved as set forth in Section 9.08 above. Full rights of ingress and egress shall be had by Declarant and any bona fide utility company at all times over the easement areas for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility.

11.02 Ingress, Egress and Maintenance by the Association. Full rights of ingress and egress shall be had by the Association at all times over and upon the landscape easements and Common Properties for the purpose of maintaining the Common Properties as set forth herein.

11.03 Police Power Easement. With respect to the Common Properties and streets, easements and rights-of-way within the Property, the City of Arlington and all other governmental agencies and authorities shall have full rights of ingress, egress, regress and access for personnel and emergency vehicles for maintenance, police and fire protection, drainage and other lawful police powers designed to promote the health, safety and general welfare of the residents within the Property.

ARTICLE XII

GENERAL PROVISIONS

12.01 Registration with the Association. Each and every Owner shall have an affirmative duty and obligation to originally provide within fifteen (15) days after such Owner acquires one or more Lots and thereafter revise and update, within fifteen (15) days after a material change has occurred, various items of information to the Association such as: the full name and address of the Owner.

12.02 Power of Attorney. Each and every Owner hereby makes, constitutes and appoints Declarant as his/her true and lawful attorney-in-fact, coupled with an interest and irrevocable, for him/her and in his/her name, place and stead and for his/her use and benefit, to do the following: (subject to the provisions of Article IV and Section 12.04 hereof):

(a) to exercise, do or perform any act, right, power, duty or obligation whatsoever in connection with, arising out of, or relating to any matter whatsoever involving this Declaration, the Association, the Board, and/or the Property;

(b) to sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the terms within this Declaration, or any part hereof, with such clause(s), recital(s), covenant(s), agreement(s) and restriction(s) as

Declarant shall deem necessary, proper and expedient under the circumstances and conditions as may be then existing; and,

(c) to sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the subdivision plat(s) of the Property, or any part thereof, with any easements and rights-of-way to be therein contained as the Declarant shall deem necessary, proper and expedient under the conditions as may then be existing.

The rights, powers and authority of said attorney-in-fact to exercise any and all of the rights and powers herein granted shall commence and be in full force upon recordation of this Declaration in the Tarrant County Clerk's Office and shall remain in full force and effect thereafter until the fifteenth (15th) anniversary of the recordation of this Declaration.

12.03 Duration. The Covenants and Restrictions of this Declaration shall run with and bind the land subject to this Declaration and shall inure to the benefit of and be enforceable by Declarant, the Association and/or the Owners subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term ending January 1, 2050, after which time said covenants shall be automatically extended for two (2) successive periods of ten (10) years each unless an instrument signed by not less than seventy-five percent (75%) of the then Owners has been recorded, agreeing to abolish the Covenants and Restrictions in whole or in part; provided, however, that no such agreements to abolish shall be effective unless made and recorded thirty (30) days in advance of the effective date of such change; and unless written notice of the proposed agreement to abolish is sent to every Owner at least ninety (90) days in advance of any action taken.

12.04 Amendments. Except as provided in Section 12.03 of this Article XII, the Covenants and Restrictions of this Declaration may be amended and/or changed in whole or in part, only with the consent of Declarant and sixty percent (60%) of the other Owners, evidenced by a document in writing bearing each of their signatures, and duly recorded in the land records of Tarrant County, Texas; or after the Board has been formed, a resolution passed by the majority of the Board evidencing the consent of sixty percent (60%) of the Owners and authorizing the President of the Association to execute such document.

12.05 Enforcement. Enforcement of these Covenants and Restrictions shall be by a proceeding initiated by Declarant, any Owner, or the Board or by the City of Arlington, against any person or persons violating or attempting to violate any Covenant or Restriction contained herein, either to restrain or enjoin violation or to recover damages for the violation, or both, or to enforce any lien created by this instrument. Notwithstanding any provision to the contrary in this Declaration, Declarant shall not have any duty, obligation, or responsibility to enforce any of these Covenants and Restrictions. Failure by any party to enforce any Covenant or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. With respect to any litigation hereunder, the prevailing party shall be entitled to recover reasonable attorney's fees from the non-prevailing party. Further, and with respect to any litigation brought against the Declarant, the Board or any of their members or representatives arising out of any

action, failure to act, or performance or non-performance of duties imposed hereby, by the Declarant, the Board or their members or representatives, the Declarant, the Board and/or their members or representatives so sued shall be entitled to recover their reasonable attorneys' fees from the person or entity bringing such action against it or them, unless the Declarant, the Board or their members or representatives shall specifically be adjudicated liable to such claimant.

12.06 Imposition of Violation Fines. In the event that any person fails to cure (or fails to commence and proceed with diligence to completion) the work necessary to cure any violation of the Covenants and Restrictions contained herein within ten (10) days after receipt of written notice from the Board designating the particular violation, the Declarant and/or the Board shall have the power and authority to impose upon that person a reasonable fine for such violation (the "Violation Fine") not to exceed Five Hundred Dollars (\$500.00). If, after the imposition of the Violation Fine, the violation has not been cured or the person has still not commenced the work necessary to cure such violation, the Declarant and/or the Board shall have the power and authority, upon ten (10) days written notice, to impose another Violation Fine that shall also not exceed Five Hundred Dollars (\$500.00). There shall be no limit to the number or the aggregate amount of Violation Fines that may be levied against a person for the same violation. The Violation Fines, together with Interest at the highest lawful rate per annum and any costs of collection, including attorneys' fees, shall be a continuing lien upon the Lot against which such Violation Fine is made.

12.07 Severability. If any one of these Covenants or Restrictions is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining Covenants and Restrictions shall not be affected thereby.

12.08 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.

12.09 Notices to Owners. Any notice required to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mails, postage prepaid, certified mail, return receipt requested, addressed to the last known address of the person who appears as an Owner on the records of the Declarant and/or Association at the time of such mailing.

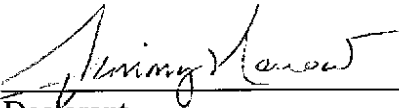
12.10 Proposals of Declarant. The proposals of Declarant, as set forth in various provisions hereinabove, to develop additional parcels of property for residential purposes and/or expand the Common Properties (not only geographically but also in terms of the types of amenities available for use) and items of a related nature are mere proposals and expressions of the existing good faith intentions and plans of Declarant and shall not be deemed or construed as promises, solicitations, inducements, contractual commitments or material representations by Declarant upon which any person or entity can or should rely.

12.11 Disputes. The Declarant and/or the Board shall determine matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions excluding Article IX and issues concerning "substantial completion" of this Declaration or the

Association Bylaws. The Committee shall determine matters pertaining to Articles IX and issues concerning "substantial completion". These respective determinations (absent arbitrary and capricious conduct or gross negligence) shall be final and binding upon all Owners.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed as of the day, month and year first above written.

Melia Ranch Development, LLC
A Texas limited liability company

By: 
Declarant

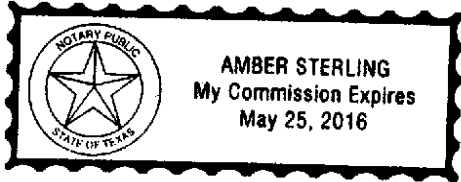
ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF TARRANT §

BEFORE ME, on this 7th day of January, 2014, the undersigned, a NOTARY PUBLIC in and for Tarrant County, Texas, appeared Jimmy Morrow, Member of Melia Ranch Development, LLC, a Texas limited liability company, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of said company, and that he executed the same as the act of such company for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 7th day of January 2014.



Amber Sterling
Notary Public in and for
The State of Texas

My Commission Expires: May 25, 2016

AFTER RECORDING RETURN TO:
Melia Ranch Development, LLC
c/o Jimmy Morrow
5001 US Hwy. 287 South
Arlington, Texas 76017

EXHIBIT "A"

All of the real property consisting of (66) single family residential lots and (Z) open private space lots, described as Lot 11, Block 2 and Lot 31, Block 1, Melia Ranch, Phase I, and Lot 30, Block 1, Melia Ranch, Phase II, and Lots 1-29, Block 1, Lots 1-12, Block 2, Lots 1-22, Block 3, and open space Lots 1X, Block 1 and ZX, Block 2, Melia Ranch, Phase III, to the City of Arlington, Tarrant, County, Texas. These Lots may be re-platted or amended as needed but shall continue to be bound these Covenants & Restrictions.

AREAS OF MAINTENANCE BY HOMEOWNER'S ASSOCIATION OF MELIA RANCH

- 1.) Medians and Entryways at Cost Del Sol Court & Marbella Dr.;
- 2.) All fencing parallel and/or adjacent to Eden Rd.;
- 3.) Eden Rd. ROW North to the edge of paving;
- 4.) Common Area 2X, Block 2;
- 5.) Common Area 1X, Block 1;
- 6.) Trail and approximately 15' on each side between Golf Club Dr. & Common Area 1X, Block 1.