

## DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

NORTHCREST HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION, made this 2/28 day of March, 1972,  
by CENTENNIAL HOMES, INC. ("Declarant"), a Texas corporation;

W I T N E S S E T H:

WHEREAS, Declarant is the owner of the real property referred to in Article II of this Declaration and desires to create thereon a residential community with residential lots, open spaces, and other common facilities for the benefit of the community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of said open spaces and other common facilities; and, to this end, desires to subject the real property referred to in Article II together with such additions as may hereafter be made thereto (as provided in Article II) to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the values and amenities in said community, to create an agency to which would be delegated and assigned the powers of maintaining and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has caused to be incorporated under the laws of the State of Texas, a non-profit corporation, Northcrest Homeowners Association, Inc.

NOW, THEREFORE, Declarant declares that the real property referred to in Article II, 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 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 prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the Northcrest Homeowners Association, Inc., a Texas non-profit corporation.

(b) "Properties" shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplemental Declaration prepared and filed of record pursuant to the provisions of Article II hereof.

(c) "Common Properties" shall mean and refer to those areas of land designated as Common Properties on any recorded subdivision plat of the Properties and intended to be devoted to the common use and enjoyment of the Members of the Association, together with any and all improvements that are now or may hereafter be constructed thereon.

(d) "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map of the Properties, as amended from time to time, which is designated as a lot therein and which is or is to be improved with a residential dwelling.

(e) "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 which is subject by covenant of record to assessment by the Association, including contract sellers. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

(f) "Member" shall mean and refer to each Owner as provided herein in Article III.

(g) "Declarant" shall mean and refer to Centennial Homes, Inc., its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the said Centennial Homes, Inc. for the purpose of development.

(h) "Existing Property" shall mean and refer to the real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration pursuant to Section I of Article II.

(i) "Lot Front Yard" shall mean and refer to that portion of a Lot which lies between the street on which it fronts and the front building wall of any building erected thereon together with any side yard which lies outside any fence erected on such Lot by Declarant.

(j) "Townhouse" shall mean a single family residence unit joined together with at least one more single family residence by a common wall, or walls, and/or roof and/or foundation.

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PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

Section 1. Existing Property: The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration (hereinafter defined as the "Existing Property") is located in Dallas County, State of Texas, and is more particularly described in Exhibit "A" attached hereto and made a part hereof.

Section 2. Additions to Existing Property: Additional lands may become subject to this Declaration in any of the following manners:

(a) The owner of any property who desires to add ~~it to the scheme of~~ this Declaration, may do so upon compliance with the provisions of Paragraph (b) herein 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, conditions 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. In no event, however, shall such Supplementary Declaration modify or add to the covenants established by this Declaration for the Existing Property.

(b) In the event any owner desires the annexation of additional townhouse property and/or common area pursuant to Paragraph (a) herein, such annexation must have the written approval of Declarant to such Supplementary Declaration (unless Declarant no longer owns any lots herein, in which event such written approval shall not be required) and the affirmative approval of two-thirds (2/3) of each class of the Association's Members. Any addition thus made shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added effective upon the filing provided in (a) made after compliance with the provisions of this Paragraph (b).

(c) In addition to other lands which may be added hereto as provided in (a) above, Declarant now contemplates that if the development of the Existing Property is successful it may, but shall not be obligated, add additional land to the Properties and Common Properties so that the total development will contain approximately 17.7 acres. Any and all such additional land owned by Declarant adjacent to the Existing Property and zoned for Townhouse purposes as shown on a preliminary plat on file with the City of Carrollton, may from time to time, be added and annexed by the Declarant without the consent, approval or vote of Members, Owners, Associates or the Association if made within five (5) years of the date of this instrument. Such additional land shall become a part hereof by the Declarant executing and filing for record in the records of the County Clerk of Dallas County, Texas a supplement to these declarations describing such additional land or lands; and, upon such filing, any addition thus made shall automatically extend the jurisdiction,

functions, duties and membership of the Association to the properties added, effective as of the date of such filing.

(d) Upon a merger or consolidation of the Association with another association, as provided in its Articles of Incorporation, 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 and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration for the Existing Property except as hereinafter provided.

### ARTICLE III

#### MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership: Every Owner of a Lot shall automatically be a Member of the Association.

Section 2. Classes of Membership: The Association shall have two classes of voting membership:

CLASS A. Class A Members shall be all Members with the exception of Declarant. 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. The Class B Member(s) shall be the Declarant. The Class B Member(s) shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership. When the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, then the Class B membership shall cease and be converted into Class A membership. Notwithstanding any other provision of this Article, from and after March 1, 1978, the Class B Member(s) shall be entitled to only one vote for each Lot in which it holds the interest required for membership.

Section 3. Quorum and Notice Requirements:

(a) Subject to the provisions of Paragraph (c) of this Section, any action authorized by Sections 5(c) and 6 of Article V shall require the assent of two-thirds (2/3) of each class of Members who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be given to all Members not less than thirty (30) days nor more than sixty (60) days in advance and shall set forth the purpose of such meeting.

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(b) The quorum required for any action referred to in Paragraph (a) of this Section shall be as follows:

At the first meeting called, as hereinafter provided, the presence at the meeting of Members, or of proxies, entitled to cast sixty (60) per cent of all of the votes of each class of membership shall constitute a quorum. If the required quorum is not present at the meeting, one additional meeting may be called, subject to the notice requirement hereinabove set forth, and the required quorum at such second meeting shall be one-half (1/2) of the required quorum at the preceding meeting; provided, however, that no such second meeting shall be held more than sixty (60) days following the first meeting.

(c) Any provision of this Declaration to the contrary notwithstanding, any action referred to in Paragraph (a) of this Section may be taken with the assent given in writing and signed by two-thirds (2/3) of the Members of each class.

(d) Except as specifically set forth in this Declaration, notice, voting and quorum requirements for all action to be taken by the Association shall be as set forth in its Articles of Incorporation and By-laws, as same may be amended from time to time.

(d) Notwithstanding any provision herein to the contrary, unless and until there has been a sale of a Lot to an Owner other than Declarant there shall be no Class A Members and all voting, quorum and other rights shall be vested solely in the Class B Member(s).

#### ARTICLE IV

##### PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Members' Easements of Enjoyment: Subject to the provisions of Section 3 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, respectively, on such Lot shall have a right and easement of use and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to every Lot; PROVIDED, HOWEVER, such easement shall not give such person the right to make alterations, additions or improvements to the Common Properties.

Section 2. Title to the Common Properties: The Declarant shall dedicate and convey the fee simple title to the Common Properties to the Association, subject to the terms and provisions of this Declaration, but free and clear of all encumbrances and liens, prior to the date of the conveyance of the first Lot to an Owner other than Declarant.

Section 3. Extent of Members' Easements: The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to prescribe regulations governing the use, operation and maintenance of the Common Properties (including limiting the number of guests of Members);

(b) Subject to the affirmative approval of two-thirds (2/3) of each class of Members, the right of the Association,

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in accordance with its Articles, to borrow money for the purpose of improving the Common Properties and facilities and in aid thereof to mortgage the Common Properties, and the rights of such mortgagee in the Common Properties shall be subordinate to the rights of the homeowners hereunder;

(c) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against foreclosure;

(d) The right of the Association, as provided in its By-laws, to suspend the voting rights of any Member and to suspend the right of any individual to use any of the Common Properties and/or common facilities for any period during which any assessment against a Lot resided upon by such individual remains unpaid, and for any period not to exceed sixty (60) days for an infraction of its rules and regulations;

(e) The right of the Association to charge reasonable admission and other fees for the use of recreational facilities on the Common Properties; and

(f) Subject to approval by written consent of two-thirds (2/3) of each class of Members, the right of the Association to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility for such purposes and upon such conditions as may be agreed to by the Members.

## ARTICLE V

### COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned by it within the Properties, hereby covenants and agrees, and each purchaser of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association (or to a mortgage company or other collection agency designated by the Association): (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided; (3) individual special assessments levied against individual Lot 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, such assessments to be fixed, established and collected from time to time as hereinafter provided. The regular annual assessments thus collected by the Association shall constitute the maintenance fund of the Association. The annual, special capital and special individual assessments, together with such interest thereon 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. Each such assessment together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments: The assessments levied by the Association shall be used exclusively for the purpose of

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promoting the recreation, health, safety and welfare of the residents of the Properties; and in particular for the improvement and maintenance of private roadways, walkways, club and recreational facilities, or other properties, services and facilities devoted to this purpose and directly related to the use and enjoyment of the Common Properties and of the Townhouses situated upon the Properties; including, but not limited to, the payment of taxes on and insurance in connection with the Common Properties and the repair, replacement and additions thereto; and for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of, the Common Properties; for maintenance and repair of the exteriors of the Townhouses as provided herein in Article VII; for maintenance of the Lot Front Yards as provided herein in Article VII; for furnishing unmetered utilities to each Townhouse as from time to time decided by the Board of Directors; for carrying out the duties of the Board of Directors of the Association as set forth in Article IV hereafter; and for carrying out the purposes of the Association as stated in its Articles of Incorporation.

Section 3. Improvements to Common Properties and Lot Front Yards by Declarant: Declarant has previously made certain improvements on the Common Properties including a clubhouse and swimming pool. Declarant shall have no other obligation or duty to install, construct, make, or cause to be made any other improvement except that Declarant shall grade the Common Properties to drain adequately, and shall seed the same with grass and shall install sufficient watering facilities (not necessarily sprinklered) to adequately water the same. Such additional improvements will be made by Declarant on a schedule commensurate with the development and sale of Lots to Owners.

Section 4. Improvement and Maintenance of the Common Properties Prior to Conveyance to the Association. Until the date of the conveyance of the first Lot to an Owner, the Declarant shall have, at its election, the sole responsibility and duty of improving and maintaining the Common Properties and Lot Front Yards, including, but not limited to, the payment of taxes on and insurance in connection with the Common Properties and the cost of repairs, replacements and additions thereto, and for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of, the Common Properties. In this regard, and until such time, all assessments, both annual and special, collected by the Association (less such amounts required for the operation of the Association) shall be forthwith paid by the Association to Declarant, to the extent that such assessments are required by Declarant to improve and maintain the Common Properties as set forth in this paragraph. The Association shall rely upon a certificate executed and delivered by the Declarant with respect to the amount required by Declarant to improve and maintain the Common Properties hereunder. Until the date of the conveyance of the first Lot to an Owner any sums required by Declarant to improve and maintain the Common Properties and Lot Front Yards, in excess of the assessments collected by the Association, shall be borne and paid exclusively by Declarant.

Section 5. Basis and Amount of Annual Assessments:

(a) Until the year beginning January 1, 1974, the maximum annual assessment shall be Three Hundred Sixty Dollars (\$360.00) for each Lot not owned by Declarant and Seventy-Two Dollars (\$72.00) for each Lot owned by Declarant at the time of each such annual assessment. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

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(b) Commencing with the year beginning January 1, 1974, and each year thereafter, the Board of Directors at its annual meeting or any special meeting next preceding such January 1, 1974, and each January 1 thereafter may set the amount of the maximum annual assessment for the following year for each Lot, provided that the maximum annual assessment may not be increased more than five percent (5%) above the maximum annual assessment for the previous year without a vote of the membership taken in accordance with the provisions of the next succeeding paragraph (c) of this Section 5 of Article V. The maximum assessment for each Lot owned by Declarant, at the time of annual assessment, shall be an amount equal to twenty percent (20%) of the maximum amount assessed against such Lot owned by other Members.

(c) Commencing with the year beginning January 1, 1974, and in each year thereafter, the Board of Directors, at its annual meeting may set the maximum annual assessment for the following year for each Lot at an amount not more than five percent (5%) above the maximum annual assessment for the previous year PROVIDED THAT any such increased assessment shall be approved by each class of the Association's Members, as provided in Section 3 of Article III.

(d) Unless and until otherwise set by the Board of Directors in accordance with the provisions of (a), (b) and (c) above, the annual assessment for any year shall be at the same rate and amount as the preceding year.

(e) Any Lot previously owned by Declarant and assessed accordingly which is sold to an Owner shall automatically become subject to the rate assessed other Owners as of the date title to such Lot is vested in such Owner; and if such date is other than the first day of an annual assessment period the Owner shall only be responsible for annual assessments for the balance of such year prorated as of such closing date.

(f) The assessments herein provided shall become effective as to additional Lots added hereto from and after the date such Lots become subject to the terms and provisions hereof as provided in Article II without further action by the Board of Directors or the Association.

(g) Notwithstanding any provision hereof to the contrary, no Lot owned by Declarant shall be subject to any assessment, nor shall Declarant have any liability therefor, until from and after the date of the completion of the construction of a Townhouse on such Lot and the issuance of a certificate of occupancy therefor; provided, however, that Declarant shall nevertheless have the duty, at its sole cost and expense, to maintain such Lot and any improvements thereon until the issuance of such certificate of occupancy.

Section 6. Special Assessments for Capital Improvements: In addition to the annual assessments authorized by Section 5 hereof, the Association may levy in any assessment 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 the necessary fixtures and personal property related thereto, or the unexpected repair or replacement of any portion of a Lot or Townhouse which the Association is obligated to maintain; PROVIDED THAT any such assessment shall have the affirmative approval of the Association's Members, as provided in Section 3 of Article III.

Section 7. Uniform Rate of Assessments: Both annual and special assessments (excepting therefrom special individual assessments) must be fixed at a uniform rate for all Lots except as provided in Section 5 hereof, and may be collected on a monthly basis, i.e. 1/12th of the annual assessment on each Lot each month.

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Section 8. Date of Commencement of Assessments: Due

Dates: The annual assessments provided for herein shall commence on the date fixed by the Board of Directors of the Association to be the date of commencement, and shall be payable monthly, in advance, on the first day of each month thereafter. The first annual assessment shall be made for the balance of the calendar year in which it is levied. The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 5 hereof as the remaining number of months in that year bear to twelve; provided, however, that if the date of commencement falls on other than the first day of a month, the assessment for such month shall be pro-rated by the number of days remaining in the month. The first annual assessment shall be due and payable, in as many equal installments as there are monthly Payment Dates remaining in the first year, said installment to be due and payable on said Monthly Payment Dates. The same pro rata reduction in the amount of the assessment shall apply to the first annual assessment levied against any Lot which is hereafter added to the Lots now subject to assessment at a time other than the beginning of any assessment period.

The due date or dates, if it is to be paid in installments, of any special assessment under Section 6 hereof or of any special individual assessment under Section 1 hereof, shall be fixed in the respective resolution authorizing such assessment.

Section 9. Duties of the Board of Directors with Respect to Assessments:

(a) The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot and prepare rosters of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by an Owner.

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

(c) The Board of Directors shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by 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. A reasonable charge may be made by the Board for the issuance of such certificates.

Section 10. Effect of Non-Payment of Assessment: 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 (being the dates specified in Section 8 of this Article), 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 in the hands of the Owner, his heirs, executors, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them.

The lien for unpaid assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the assessment provided herein by non-use of the Common Properties or abandonment of his Lot.

(b) If any assessment or part thereof is not paid within thirty (30) days after the delinquency date, the unpaid amount of such assessment shall bear interest from the date of delinquency at the rate of eight per cent (8%) per annum, and the Association may, at its election, acting by its Board of Directors, cease the furnishing of unmetered utilities to the Townhouse of any such delinquent Owner until such delinquencies are paid, and/or 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 assessment the costs of preparing and filing the complaint in such action and in the event a judgment is obtained such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court, together with the costs of the action.

(c) In the event the Association should fail or be unable for any reason to collect the assessments provided for herein, then the City of Carrollton shall be authorized to levy, assess and collect such assessments along with the taxes levied, assessed and collected by the City of Carrollton on such properties.

Section 11. Subordination of the Lien to Mortgages: The lien of the assessments provided for herein shall be subordinate and inferior to the lien of any first mortgage or deed of trust now or hereafter placed upon the Lots subject to assessments; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the sale, whether public or private, of such property pursuant to the terms and conditions of any such deed of trust. Such sale shall not relieve such Lots from liability for the amount of any assessments thereafter becoming due nor from the lien of any such subsequent assessment.

Section 12. Exempt Property: The following property subject to this Declaration shall be exempted from the assessments, charge and lien created herein:

(a) All properties dedicated and accepted by the local public authority and devoted to public use.

(b) All Common Properties as defined in Article I hereof.

(c) All areas reserved by the Declarant on the recorded plat of the Properties.

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GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS  
OF THE ASSOCIATION

Section 1. Powers and Duties: The Board, for the benefit of the Properties and the Owners, shall provide, and shall pay for out of the maintenance fund provided for in Section 1 of Article V above, the following:

(a) Taxes and assessments, and other liens and encumbrances, which shall properly be assessed or charged against the Common Properties, rather than against the individual Owners.

(b) Exterior maintenance of each Townhouse as provided herein in Section 2 of Article VII;

(c) Care and preservation of each Lot Front Yard as provided herein in Section 3 of Article VII.

(d) Care and preservation of the Common Properties and full maintenance of a utility service for the Common Properties; the furnishing and upkeep of any desired personal property for use in the Common Properties; and the maintenance and repair of any common television antenna system for the Properties (whether owned entirely by the Association or otherwise).

(e) The services of a person or firm 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 the manager.

(f) Legal and accounting services.

(g) A policy or policies of insurance insuring the Association against any liability to the public or to the Owners (and/or invitees or tenants), incident to the operation of the Association, in an amount or amounts as determined by the Board of Directors.

(h) A policy or policies of insurance as provided herein in Article XI.

(i) Workmen's Compensation insurance to the extent necessary to comply with any applicable laws.

(j) Such fidelity bonds as may be required by the By-laws or as the Board may determine to be advisable.

(k) Water to each Townhouse and the Common Properties subject to the other provisions hereof.

(l) Any other materials, supplies, insurance, furniture, labor, services, maintenance, repairs, structural alterations, taxes or assessments (including taxes or assessments assessed against an individual Owner) which the Board is required to obtain or pay for pursuant to the terms of this Declaration or by law or which in its

opinion shall be necessary or proper for the enforcement of this Declaration.

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

(m) To execute all declarations of ownership for tax assessment purposes with regard to the Common Properties on behalf of all Owners.

(n) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit.

(o) 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.

(p) To protect or defend the Common Properties from loss or damage by suit or otherwise, and to provide adequate reserves for replacements.

(q) To make reasonable rules and regulations for the operation of the Common Properties and to amend them from time to time, provided that any rule or regulation may be amended or repealed by an instrument in writing signed by a majority of the Members, or, with respect to a rule applicable to less than all of the Properties, by the Members in the portions affected (without limiting the generality of the foregoing language, the rules and regulations may provide for limitations on use of the swimming pools or other common recreational areas during certain periods by youthful persons, visitors or otherwise).

(r) To make available to each Owner within sixty days after the end of each year an annual report.

(s) To adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property; and if proceeds are insufficient to repair damage or replace lost property, to assess the Members in proportionate amounts to cover the deficiency.

(t) To enforce the provisions of this Declaration and any rules made hereunder and to enjoin and seek damages from any Owner for violation of such provisions or rules.

Section 2. Board Powers, Exclusive: The Board shall have the exclusive right to contract for all goods, services, and insurance, payment for which is to be made from the maintenance fund, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

Section 3. Maintenance Contracts: The Board, on behalf of the Association, shall have full power and authority to contract with any Owner for the performance by the Association of services which the Board is not 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 to the best interest of the Association.

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## ARTICLE VII

### MAINTENANCE, OBLIGATIONS OF ASSOCIATION

The Association, for the benefit of the Properties and the Owners, shall provide, and shall pay for out of the maintenance fund, the following:

Section 1. Maintenance of Common Properties: The Association shall provide maintenance and repair to all of the Common Properties which shall include and be limited to (i) maintenance (including painting) of the interior and exterior and all fixtures, equipment and furniture now or hereafter located in the clubhouse facility, (ii) maintenance of the swimming pool including all fixtures, machinery and equipment used in connection therewith, (iii) maintenance of all streets, parking areas and sidewalks, and (iv) maintenance of all of the exterior grounds of the Common Properties, including care of trees, shrubs and grass, which will include the watering and mowing of the grass in such areas as from time to time determined by the Board of Directors of the Association

Section 2. Exterior and Structural Maintenance of Townhouses: The Association shall provide exterior and structural maintenance on each Townhouse, which shall include and be limited to (i) maintenance (including painting) of the exterior walls, downspouts, gutters and roof of each Townhouse, (ii) maintenance of driveways and sidewalks installed by Declarant or the Association on each Lot, (iii) maintenance of fences and carports installed by Declarant or the Association on each Lot, and (iv) maintenance of the foundations and structural soundness of each Townhouse.

Section 3. Lot Front Yard Maintenance: The Association shall provide landscape maintenance for each Lot Front Yard which will include the care of trees, shrubs, grass and any common sprinkler systems located on each Lot Front Yard and the regular watering and mowing of the lawns located thereon. PROVIDED, however, that the maintenance obligations of the Association as above described in Sections 1, 2 and 3 shall expressly exclude all repairs and maintenance not specifically provided herein, including but not limited to (i) all maintenance and repairs necessitated by fire, windstorm or other casualty, except as specifically provided in Article IX hereof, (ii) maintenance or repair of glass or glass surfaces, patios, window and door fixtures and hardware, (iii) maintenance or repair of air conditioning and heating units, and (iv) maintenance or repair of any item for which an individual Owner is responsible as herein provided in Article VIII; PROVIDED FURTHER, that in the event that the need for maintenance or repair is caused through the willful or negligent act of any Owner, his family or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Lot is subject.

## ARTICLE VIII

### REPAIR AND MAINTENANCE OBLIGATIONS OF OWNER

Section 1. Owner's Obligations to Repair and Preserve: Each Townhouse Owner shall be responsible, at his sole cost and expense, to maintain, repair, replace and keep in good condition all portions of his Townhouse and Lot and all improvements thereon except the portions to be maintained, repaired and replaced by the Association. Such maintenance and repair shall be done without disturbing the rights of other Owners. Without limitation, each Townhouse Owner shall be responsible for maintenance and repair of the interior of his Townhouse; all appliances, fixtures, plumbing and heating and air conditioning equipment located in the Townhouse and for the

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maintenance, repair and upkeep of that portion of his Lot not maintained by the Association. An Owner shall not paint or otherwise decorate or change the appearance of any portion of the exterior of any Townhouse. Each Owner shall promptly report to the Association any defect or need for repairs, the responsibility for the remedying of which is that of the Association. In addition, each Owner shall pay the cost of all repairs or the improvements thereon the responsibility of the maintenance of which is the Association necessitated by the negligence, misuse or neglect by such Owner, his family, tenants, guests or invitees.

Section 2. Alteration and Improvement: No Owner shall make any alteration in a Townhouse, or remove any portions thereof, or make any additions thereto, or do anything which would jeopardize the safety or soundness of the Townhouse, or impair any easement, without first obtaining approval in writing of Owners of all other Townhouses affected thereby and the approval of the Board of Directors of the Association.

Section 3. Utilities: Each Owner shall be individually responsible for and shall pay for all telephone, electricity and all other utility services furnished to his Townhouse which are separately metered or billed by the respective utility companies or other party furnishing same. Utilities which are not separately metered or billed to the individual Townhouse shall be a part of the common expenses, and each Townhouse Owner shall pay his pro rata part thereof as in the case of other common expenses.

Section 4. Owner's Failure to Repair: In the event that any Owner shall fail to maintain and repair his Lot and such improvements as required hereunder, the Association, in addition to all other remedies available to it hereunder or by law, and without waiving any of said alternative remedies, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon; and each Owner (by acceptance of a deed for his Lot) hereby covenants and agrees to repay to the Association the cost thereof immediately upon demand, and the failure of any such Owner to pay the same shall carry with it the same consequences as the failure to pay any assessment hereunder when due.

## ARTICLE IX

### USE OF LOTS AND COMMON PROPERTIES - PROTECTIVE COVENANTS

The Properties (and each Lot situated therein) and the Common Properties shall be occupied and used as follows:

Section 1. Residential Purposes Only: Each Lot shall be used exclusively for residential purposes.

Section 2. Obstructions, Etc.: There shall be no obstruction of the Common Properties, nor shall anything be kept or stored in the Common Properties, nor shall anything be altered, or constructed or planted in, or removed from the Common Properties, without the written consent of the Board.

Section 3. Restricted Actions by Owners: No Owner shall permit anything to be done or kept on his Lot or in the Common Properties which will result in the cancellation of or increase of any insurance carried by the Association, or which would be in violation of any law. No waste shall be committed in the Common Properties.

Section 4. Signs: No sign of any kind shall be displayed to the public view on or from any part of the Properties, without the prior consent of the Board, except signs temporarily used by Declarant or any Owner in the development, sale or leasing of Lots.

Section 5. Nuisances: Nothing shall (i) be done in any part of the Properties, nor shall (ii) any noxious or offensive activity be carried on, nor shall (iii) any outside lighting or loudspeakers or other sound-producing devices be used, which in the judgment of the Board, may be or become an unreasonable annoyance or nuisance to the other Owners.

Section 6. Attachments: No permanent attachments of any kind or character whatsoever (including, but not limited to, television and radio antennas) shall be made to the roof or walls of any home, unless such attachments shall have been first submitted to and approved by the Architectural Control Committee hereinafter provided.

Section 7. Damage to the Common Properties: Each Owner shall be liable to the Association for any damage to the Common Properties caused by the negligence or willful misconduct of the Owner or his family, guests, or invitees, to the extent that the damage shall not be covered by insurance.

Section 8. Rules of the Board: All Owners and occupants shall abide by any rules and regulations adopted by the Board. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and an Owner determined by judicial action to have violated said rules and regulations shall be liable to the Association for all damages and costs, including attorneys' fees.

Section 9. Animals: No animals, livestock or poultry shall be raised, bred or kept in any portion of the Property except that dogs, cats or other household pets may be kept, but not for any commercial purposes, provided that they do not create a nuisance.

Section 10. Waste: No Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Waste of any nature shall not be kept on any part of the Properties except in sanitary containers.

Section 11. Boats: No motorboat, houseboat or other similar water-borne vehicle, or any camper, trailer, plane or abandoned vehicle may be maintained, stored or kept on any Lot or on any parcel of property covered by these covenants except, however, the same may be stored or kept in: (a) privately owned carports if wholly contained therein or (b) such special storage spaces on the Common Properties as may from time to time be designated by the Board of Directors.

Section 12. Antennas: Without prior written authorization of the Board of Directors no television or radio antennas of any sort shall be placed, allowed or maintained on any Lot or any portion of the exterior of the improvements located on the property, nor upon any structure situated upon the property.

Section 13. Fixtures and Equipment: All fixtures and equipment installed within a Townhouse, commencing at a point where the utility lines, pipes, wires, conduit or systems enter the exterior walls of the Townhouses, shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will impair the structural soundness or integrity of another Townhouse

or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other Townhouses or their Owners.

Section 14. Parking: No vehicle shall be parked on streets or driveways so as to obstruct ingress and egress by Owners of Lots, their families, guests and invitees except for the reasonable needs of emergency, construction, or service vehicles for a time limited to as briefly as possible. For a period not to exceed forty-eight (48) hours, family, guests and invitees of Owners of Lots may park their vehicles in the guest parking areas provided on the recorded plat of the Properties. Guest parking areas are not intended for use by the Owner of Lots for parking or storing boats, trailers, camping units, or any personal vehicles and the Board of Directors may insure the proper use of said areas in such legal manner as it deems necessary.

Section 15. Private Areas: Except in the individual patio area appurtenant to a Townhouse, no planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon said property, except as installed in accordance with the initial construction of the building or as approved by the Association's Board of Directors or their designated Architectural Control Committee. Maintenance, upkeep and repairs of any patio shall be the sole responsibility of the individual Lot Owner and not in any manner the responsibility of the Association.

Section 16. Not Applicable to Declarant: The foregoing covenants of this Article IX shall not apply to the activities of Declarant during the period of development.

## ARTICLE X

### ARCHITECTURAL CONTROL COMMITTEE

Anything contained in the foregoing Article IX of this Declaration to the contrary notwithstanding, no erection of buildings or exterior additions or alterations to any building situated upon the Properties nor erection of or changes or additions in fences, hedges, walls and other structures, nor construction of any swimming pools or other improvements, shall be commenced, erected or maintained until (1) a preliminary sketch showing basic plan and general specifications of same shall have been submitted to and approved by an Architectural Control Committee (hereinafter called the "Committee") appointed by the Board of Directors of the Association, and (2) the final plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design, appearance, and location in relation to surrounding structures and topography by the Committee, or by three (3) or more representatives appointed by the Committee; provided, however, that the provisions of this Article X shall not apply to buildings, structures, additions

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and alterations commenced, erected or maintained by Declarant. A copy of the approved plans and drawings shall be furnished by the Owner to the Committee and retained by the Committee. In the event the Committee, or its designated representatives, fail to approve or disapprove such design and location within thirty (30) days after the said plans and specifications have been submitted to it, or, in any event, if no suit to enjoin the addition, alteration or change has been commenced prior to the completion thereof, approval will not be required and this Article will be deemed to have been fully complied with. Neither the members of the Committee nor its designated representatives shall be entitled to compensation for, or liable for damages, claims or causes of actions arising out of, services performed pursuant to this Article.

## ARTICLE XI

### INSURANCE

Each Owner shall at his sole expense, at all times maintain in effect the Minimum Required Insurance on his Townhouse. "Minimum Required Insurance" for purposes hereof means fire and extended coverage on such Townhouse for not less than 90% of its full replacement cost (as may from time to time be determined by the Association), plus coverage against vandalism and malicious mischief, insuring and naming as beneficiaries thereof the Owner, the Association as Trustee for all of the Owners, and any mortgagee of the Owner; and containing a provision that it shall not be canceled or substantially modified without ten (10) days' prior written notice to the Association. Each Owner shall furnish the Association satisfactory evidence that such Minimum Required Insurance is in effect at all times.

In the event the Owner does not at all times provide the Minimum Required Insurance, or satisfactory evidence thereof, the Association, acting through its Board of Directors or its duly authorized agent, shall have full authority to obtain such Minimum Required Insurance the expense of which shall be a debt owed by the defaulting Owner and shall be collectible by any lawful procedure permitted by the laws of the State of Texas. In addition, if said debt is not paid within thirty (30) days after notice of such debt, such amount shall automatically become a lien upon such Owner's Lot and Townhouse and shall continue to be a lien until fully paid. This lien shall be subordinate to the lien of any purchase-money and/or improvement mortgages and shall be enforceable in the same manner as any lien created by failure to pay the maintenance assessments.

In addition to the Minimum Required Insurance, any Owner may, if he wishes, at his own expense, insure his own Townhouse unit solely for his own benefit and carry any other insurance he deems advisable. It shall be the individual responsibility of each Owner, at his own expense, to provide, as he sees fit, homeowner's liability insurance, theft and other insurance covering personal property damage and loss.

The Board of Directors, or its duly authorized agent, shall have authority to and shall obtain fire and extended coverage insurance for all the buildings on the Common Properties in an amount sufficient to cover 90% of the full replacement cost thereof and shall also obtain a broad form public liability policy covering all Common Properties, and all damage or injury caused by the negligence of the Association or any of its agents. Said insurance may also include coverage against vandalism and malicious mischief. Premiums for such insurance shall be common expenses and included as part of the assessments hereinabove provided.

Each Owner, by his acceptance of a deed or other instrument of conveyance of a Lot hereunder, irrevocably constitutes and appoints the Association the true and lawful attorney of such Owner with full and complete authority, right and power to make, execute and deliver any instrument or document necessary to collect any insurance proceeds and to repair, reconstruct or replace the improvements so damaged or destroyed to the extent herein provided. In the event of damage or destruction by fire or other casualty to any property covered by insurance written in the name of the Association, either separately or jointly as Trustee, the Board of Directors shall, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the Property to substantially the same condition in which it existed prior to such damage or destruction. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a Federal governmental agency, with the proviso agreed to by said bank or institution: ~~that such funds may be~~ withdrawn only by signature of at least a majority of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. The Board of Directors shall advertise for sealed bids with any licensed contractors, and then may negotiate with any contractor, who may be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed building or buildings. In the event the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding the damaged property to substantially the same condition in which it existed prior to such damage or destruction, the Board of Directors shall levy a special assessment against all of the Owners in the Association. In the event that such insurance proceeds exceed the cost of repair and reconstruction, such excess shall be paid over to the Association.

Each Owner waives any and every claim which arises or may arise in his favor against any other Owner or the Association, and the Association waives any and every claim which arises or may arise in its favor against any Owner, for any and all loss or damage to any property located in or upon any of the Properties, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Each Owner agrees to give to each insurance company which has issued policies of fire and extended coverage to such Owner, written notice of the terms of this mutual waiver, and to have said insurance policies endorsed so as to reflect this mutual waiver.

## ARTICLE XII

### EASEMENTS

Section 1. Utility Easements: Easements for installation, maintenance, repair and removal of utilities and drainage facilities and floodway easements over, under and across the Properties are reserved by Declarant for itself, its successors and assigns. Full rights of ingress and egress shall be had by Declarant and its successors and assigns, at all times over the Properties 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.

Section 2. Overhang Easements: Declarant hereby reserves for itself and each Owner an easement and right of overhang to overhang each Lot in the Properties with the roof and exterior siding of any Townhouse to be constructed on the Properties by

Declarant as any such roof or exterior siding is originally constructed by Declarant.

Section 3. Encroachments: If any portion of any Townhouse or any carport now encroaches upon any other Lot, Townhouse or carport or if any Townhouse or carport hereafter constructed encroaches upon any other Townhouse, Lot or carport or if any such encroachment shall occur hereafter as a result of settling or shifting of the building, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the building shall stand; In the event the improvements shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and then rebuilt, encroachment easements due to such rebuilding shall exist for such encroachments and maintenance thereof for so long as the building shall stand to the same extent and degree as such initial encroachment.

Section 4. Ingress and Egress by the Association: Full rights of ingress and egress shall be had by the Association at all times over and upon each Lot for the maintenance and repair of each Lot 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 minimum inconvenience to the Owner as practical, and any damage caused thereby shall be repaired by the Association at the expense of the maintenance fund.

Section 5. Ingress and Egress by the Association upon Owner's Default: Each Owner expressly grants to the Association, its agents and employees, the right to enter upon each such Owner's Lot for the purpose of terminating and locking any unmetered utility which serves such Lot for and during any period of time that such Owner is and remains delinquent in the payment of any assessment hereunder.

## ARTICLE XIII

### PARTY WALLS

Section 1. General Rules of Law to Apply: Each wall which is built as a part of the original construction of the Townhouses upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance: The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty: If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligence or willful acts or omissions.

Section 4. Weatherproofing: Notwithstanding any other provision of this Article, an Owner who by his negligence or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

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Section 5. Right to Contribution Runs With Land: The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

## ARTICLE XIV

### GENERAL PROVISIONS

Section 1. Duration: The Covenants, Conditions and Restrictions of this Declaration shall run with and bind the land and subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date that this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the Members entitled to cast a majority of the votes of the Association has been recorded, agreeing to abolish said Covenants, Conditions and Restrictions in whole or in part; provided, however, that no such agreements to change shall be effective unless made and recorded one (1) year in advance of the effective date of such change.

Section 2. Amendments: Except as provided in (a) Section 1 of this Article, (b) Section 3 of this Article and (c) Section 2 of Article II, the Covenants, Conditions and Restrictions of this Declaration may be abolished, amended and/or changed in whole or in part, only with the consent of ninety percent (90%) of the Members, if abolished, amended and/or changed during the first twenty (20) year period of this Declaration, and thereafter only with the consent of seventy-five percent (75%) of the Members, and in each case such amendment shall be evidenced by a document in writing bearing each of their signatures, provided that no amendment shall be effective until such amendment is approved in writing by The Planning Director of the City of Carrollton, Texas and by the City Council of Carrollton, Texas, or their delegates whose actions shall be governed by whether the Declaration after such amendment, will continue to contain adequate provision for repair and maintenance of all vehicular and pedestrian access rights for individual property owners, all improvements and physical facilities such as landscaping, walls, fencing, buildings, hydrants, utility facilities, parking areas, floodlights, drainage facilities, recreational areas within the Common Properties, and private streets and driveways and whether the amendment is in conformance with the conditions of approval of the applicable tentative tract map. All amendments, if any, shall be recorded in the office of the County Clerk of Dallas County, Texas.

Section 3. Amendment to Plat: Notwithstanding any provision herein to the contrary, so long as Declarant shall own any Lot it shall have the unrestricted right, from time to time, without the consent, vote or approval of any Owner, Member, Associate or the Association to amend, alter, change, redefine, resubdivide and replat the size, location, configuration, layout and boundaries of any Lot or Lots; provided that the same not increase by more than ten percent (10%) the total number of Lots in the Properties.

Section 4. Enforcement: Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate them, or to recover damages, or to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5. Severability: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

Section 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.

Section 7. Notices: Any notice required to be given 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 mails, postage prepaid, addressed to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 8. Disputes: Matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions of this Declaration or the By-laws, shall be determined by the Board of Directors, which determination shall be final and binding upon all Owners.

IN WITNESS WHEREOF, CENTENNIAL HOMES, INC., a Texas corporation, being the Declarant herein, has caused this instrument to be executed this 15th day of June, 1943.

ATTEST:

CENTENNIAL HOMES, INC.

Ralph Hollman  
Asst. SECRETARY

By W. W. Brown, Secy.

STATE OF TEXAS            I  
    I  
COUNTY OF Harris    I

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared W. W. Brown - Pres. 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 the said Centennial Homes, Inc., a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 15th day of June, 1943.

W. W. Brown  
Notary Public in and for  
Harris County, Texas



by the Association and/or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date that this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the Members entitled to cast a majority of the votes of the Association has been recorded, agreeing to abolish said Covenants, Conditions and Restrictions in whole or in part; provided, however, that no such agreements to change shall be effective unless made and recorded one (1) year in advance of the effective date of such change.

Section 2. Amendments: Except as provided in (a) Section 1 of this Article, (b) Section 3 of this Article, (c) Section 2 of Article II and (d) Article XIV, the Covenants, Conditions and Restrictions of this Declaration may be abolished, amended and/or changed in whole or in part, only with the consent of ninety percent (90%) of the Members, if abolished, amended and/or changed during the first twenty (20) year period of this Declaration, and thereafter only with the consent of seventy-five percent (75%) of the Members, and in each case such amendment shall be evidenced by a document in writing bearing each of their signatures, provided that no amendment shall be effective until such amendment is approved in writing by the Planning Director of the City of Carrollton, Texas and by the City Council of Carrollton, Texas, or their delegates whose actions shall be governed by whether the Declaration after such amendment, will continue to contain adequate provision for repair and maintenance of all vehicular and pedestrian access rights for individual property owners, all improvements and physical facilities such as landscaping, walls, fencing, buildings, hydrants, utility facilities, parking areas, floodlights, drainage facilities, recreational areas within the Common Properties, and private streets and driveways and whether the amendment is in conformance with the conditions of approval of the applicable tentative tract map. All amendments, if any, shall be recorded in the office of the County Clerk of Dallas County, Texas.

Section 3. Amendment to Plat: Notwithstanding any provision herein to the contrary, so long as Declarant shall own any Lot it shall have the unrestricted right, from time to time, without the consent, vote or approval of any Owner, Member, Associate or the Association to amend, alter, change, redefine, resubdivide and re-plat the size, location, configuration, layout and boundaries of any Lot or Lots; provided that the same not increase by more than ten percent (10%) the total number of Lots in the Properties.

Section 4. Enforcement: Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate them, or to recover damages, or to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5. Severability: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

Section 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.

Section 7. Notices: Any notice required to be given 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 mails, postage prepaid, addressed to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 8. Disputes: Matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions of this Declaration or the By-laws, shall be determined by the Board of Directors, which determination shall be final and binding upon all Owners.

IN WITNESS WHEREOF, CENTENNIAL HOMES, INC., a Texas corporation, being the Declarant herein, has caused this instrument to be executed this 31<sup>st</sup> day of March, 1972.

ATTEST:

CENTENNIAL HOMES, INC.

Robert Kellman  
Asst. Secretary

By W. W. Bann



STATE OF TEXAS )

COUNTY OF )

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared M. H. B. 5/155, 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 the said Centennial Homes, Inc., a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 31<sup>st</sup> day of March, 1972.

W. W. Bann  
Notary Public in and for  
County, Texas

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EXHIBIT A

NORTHCREST HOMEOWNERS ASSOCIATION, INC.

That certain tract of land situated in the SAMUEL LOCKHART SURVEY, Abstract No. 822, and the JOHN JACKSON SURVEY, Abstract No. 697, City of Carrollton, Dallas County, Texas; and being more particularly described as follows:

BEGINNING at the most Southerly Southeast corner of NORTHCREST ESTATES NO. 5, an addition to the City of Carrollton, Texas as filed in Volume 69067 at Page 2041 of the Map Records of Dallas County, Texas; said point being in the North line of a Dallas Power & Light Company Right-of-Way, an iron stake for corner;

THENCE, along the Addition Line of said NORTHCREST ESTATES NO. 5, the following:

N.  $0^{\circ}39'W$ , a distance of 383.71 feet, an iron stake for corner;  
N.  $19^{\circ}00'W$ , a distance of 43.55 feet to a point on the Southerly line of SUNRIDGE ROAD (a 60' R.O.W.), said point being the beginning of a curve to the Left, having a central angle of  $71^{\circ}39'$  and a radius of 110.00 feet, an iron stake for corner;  
Northeasterly along said Southerly line of SUNRIDGE ROAD and around said curve to the Left, a distance of 137.56 feet to the end of said curve, an iron stake;  
N.  $0^{\circ}39'W$ , along the East line of said SUNRIDGE ROAD, a distance of 60.90 feet to an iron stake for corner;  
S.  $89^{\circ}59'30"W$ , a distance of 10.00 feet to an iron stake for corner;  
N.  $0^{\circ}39'W$ , along said SUNRIDGE ROAD East line, a distance of 120.01 feet to an iron stake for corner;  
N.  $89^{\circ}59'30"E$ , leaving the said East line of SUNRIDGE ROAD and proceeding a distance of 715.00 feet to an iron stake;  
S.  $0^{\circ}00'30"E$ , a distance of 150.00 feet to an iron stake for corner;  
S.  $40^{\circ}19'E$ , a distance of 216.76 feet to an iron stake for corner;  
S.  $58^{\circ}12'E$ , a distance of 47.27 feet to an iron stake for corner;  
N.  $63^{\circ}59'30"E$ , a distance of 378.90 feet to a point in the West line of SCOTT MILL ROAD (a 60' R.O.W.), said point being the most Easterly Southeast corner of said NORTHCREST ESTATES NO. 5, an iron stake for corner;

THENCE, S.  $0^{\circ}23'30"E$ , leaving said NORTHCREST ESTATES NO. 5 Addition Line, and proceeding along SCOTT MILL ROAD West line, a distance of 553.54 feet to a point in the said North line of a Dallas Power & Light Company Right-of-Way, an iron stake for corner;

THENCE, N.  $89^{\circ}16'W$ , leaving the said West line of SCOTT MILL ROAD and proceeding along the North line of said Dallas Power & Light Company Right-of-Way North line, a distance of 1283.42 feet to the PLACE OF BEGINNING and containing 17.836 acres of land.



STATE OF TEXAS COUNTY OF DALLAS  
I hereby certify that this instrument was  
filed on the date and time stamped hereon  
by me and was duly recorded in the volume  
and page of the same records of Dallas  
County, Texas as stamped hereon by me.

MAR 7 1973



John G. Falls,  
COUNTY CLERK, Dallas County, Texas

73 MAR 7 AM 8:07

COUNTY CLERK  
DALLAS COUNTY

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Attn: Kathy Hauser  
Centennial Homes, Inc.  
5924 Royal Ln., Ste. 250  
Dallas, TX 75230

REC'D MAR 2 1973

PLEASE RETURN TO:

13-18 7736-17 1272

PROPOSED AMENDMENT TO THE DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
NORTHCREST HOMEOWNERS ASSOCIATION, INC.

PROPOSAL NO. ONE

An amendment to raise the amount the Board of Directors may increase the assessment limit in any one year from five per cent (5%) as presently set out in Article V, Section 5 (b) and (c) to eight per cent (8%).

ARTICLE V., SECTION 5 (b) and (c)

(b) Commencing with the year beginning January 1, 1980, and each year thereafter, the Board of Directors at its annual meeting or any special meeting next preceding such January 1, 1980, and each January 1, thereafter may set the amount of the maximum annual assessment for the following year for each Lot, provided that the maximum annual assessment may not be increased more than eight per cent (8%) above the maximum annual assessment for the previous year without a vote of the membership taken in accordance with the provisions of the next succeeding paragraph (c) of this Section 5 of Article V. The maximum assessment for each Lot owned by Declarant, at the time of annual assessment, shall be an amount equal to twenty per cent (20%) of the maximum amount assessed against such Lot owned by other Members.

(c) Commencing with the year beginning January 1, 1980, and in each year thereafter, the Board of Directors, at its annual meeting may set the maximum annual assessment for the following year for each Lot at an amount not more than eight per cent (8%) above the maximum annual assessment for the previous year PROVIDED THAT any such increased assessment shall be approved by each class of the Association's Members, as provided in Section 3 of Article III.

Instructions for Casting Vote: Please mark an "X" by your preference, sign your full name as it appears on your Deed of Ownership of Property.

2007 EMBASSY	Judi Smith	FOR <input checked="" type="checkbox"/>	AGAINST
2033 EMBASSY	Edna Wallaw	FOR <input checked="" type="checkbox"/>	AGAINST
2067 CLUBVIEW	Anty Bailey	FOR <input checked="" type="checkbox"/>	AGAINST
2000 CLUBRIDGE	M. J. Stanley	FOR <input checked="" type="checkbox"/>	AGAINST
2035 EMBASSY	John W. Erickson	FOR <input checked="" type="checkbox"/>	AGAINST
2027 EMBASSY	James E. Leweth	FOR <input checked="" type="checkbox"/>	AGAINST
2025 EMBASSY	K. M. Johnson	FOR <input checked="" type="checkbox"/>	AGAINST
2029 EMBASSY	Stephen Adams	FOR <input checked="" type="checkbox"/>	AGAINST
2031 EMBASSY	Daryl Sullivan	FOR <input checked="" type="checkbox"/>	AGAINST
2037 EMBASSY	Dick H. H.	FOR <input checked="" type="checkbox"/>	AGAINST
2039 EMBASSY	Frank Davis	FOR <input checked="" type="checkbox"/>	AGAINST
2045 EMBASSY	Edith Petty	FOR <input checked="" type="checkbox"/>	AGAINST
2057 EMBASSY	Shirley Watkins	FOR <input checked="" type="checkbox"/>	AGAINST
2061 EMBASSY	Nancy Boyant	FOR <input checked="" type="checkbox"/>	AGAINST
2035 CLUBRIDGE	Sam McLaughlin	FOR <input checked="" type="checkbox"/>	AGAINST
202 CLUBRIDGE	D. J. Boone	FOR <input checked="" type="checkbox"/>	AGAINST

PROPERTY CLERK'S MEMO:  
IF THIS DOCUMENT IS NOT  
RECORDED WHEN RECORDED

In witness whereof, Northcrest Homeowners Association, Inc., being the declarant herein, hereby certifies that the foregoing Proposal No. 1 shall become Amendment No. 1 to the Declaration of Covenants, Conditions and Restrictions for Northcrest Homeowners Association, Inc. originally filed in the Dallas County Deed Records, at Volume 73047, Page 1220, for the premises set out in Exhibit "A", and has been passed and approved by 90% of the Members of such Association in accordance with the terms and conditions of such Declaration of Covenants, Conditions and Restrictions and has therefore caused this instrument to be executed this the 11th day of NOVEMBER, 1980.

NORTHCREST HOMEOWNERS ASSOCIATION, INC.

By [Signature]  
President

ATTEST:

[Signature]  
Secretary

STATE OF TEXAS

COUNTY OF DALLAS

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared J. W. BREAKLEY PRESIDENT, 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 the said NORTHCREST HOMEOWNERS ASSOCIATION, INC., a corporation, and that HE executed the same as the act of such corporation for the purposes and considerations therein expressed, and in the capacity therein stated.

GIVEN UNDER my hand and seal of office this 11th day of NOVEMBER, 1980.

[Signature]  
Notary Public in and for Dallas County, Texas

My Commission expires:

11/30/81

PROPOSED AMENDMENT TO THE DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
NORTHCREST HOMEOWNERS ASSOCIATION, INC.

PROPOSAL NO. THREE

*Amendment* ✓

An amendment to change the reference in Article VII, Section 3 (i) from Article IX to Article XI.

ARTICLE VII., SECTION 3 (i)

"(i) all maintenance and repairs necessitated by fire, wind-storm or other casualty, except as specifically provided in Article XI hereof,"

Instructions for Casting Vote: Please mark an "X" by your preference, sign your full name as it appears on your Deed of Ownership of Property.

2007 EMBASSY	<i>Judith Smith</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2033 EMBASSY	<i>Helma Wallace</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2067 CLUBVIEW	<i>Grady Noble</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2000 CLUBBRIDGE	<i>W. Brubaker</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2035 EMBASSY	<i>John W. Carlsson</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2027 EMBASSY	<i>James E. Jensen</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2025 EMBASSY	<i>John Jensen</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2029 EMBASSY	<i>Allyn Johnson</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2031 EMBASSY	<i>Daryle Sullivan</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2037 EMBASSY	<i>Dick Stetzel</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2039 EMBASSY	<i>Paula Stora</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2045 EMBASSY	<i>Edith L. Petty</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2051 EMBASSY	<i>Shirley Mathews</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2061 EMBASSY	<i>Nancy Bryant</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2035 CLUBBRIDGE	<i>Joe McKenzie Mills</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2033 CLUBBRIDGE	<i>Charles Boone</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2002 CLUBBRIDGE	<i>J. Boone</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2008 CLUBBRIDGE	<i>Paul Dismukes</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2012 CLUBBRIDGE	<i>Thomas H. H. H.</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2014 CLUBBRIDGE	<i>John H. H. H.</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2016 CLUBBRIDGE	<i>Michael West</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2024 CLUBBRIDGE	<i>Mr. Robert A. Ryan</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2026 CLUBBRIDGE	<i>Delia J. Clefante</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2034 CLUBBRIDGE	<i>[Signature]</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>
2031 CLUBBRIDGE	<i>Ann Borton</i>	FOR <input checked="" type="checkbox"/>	AGAINST <input type="checkbox"/>

In witness whereof, Northcrest Homeowners Association, Inc., being the declarant herein, hereby certifies that the foregoing Proposal No. 3 shall become Amendment No. R to the Declaration of Covenants, Conditions and Restrictions for Northcrest Homeowners Association, Inc. originally filed in the Dallas County Deed Records, at Volume 73047, Page 1230, for the premises set out in Exhibit "A", and has been passed and approved by 90% of the Members of such Association in accordance with the terms and conditions of such Declaration of Covenants, Conditions and Restrictions and has therefore caused this instrument to be executed this the 10th day of NOVEMBER, 19 70.

NORTHCREST HOMEOWNERS ASSOCIATION, INC.

By [Signature]  
President

ATTEST:

[Signature]  
Secretary

STATE OF TEXAS

COUNTY OF DALLAS

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared J. M. DICKLEY PRESIDENT, 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 the said NORTHCREST HOMEOWNERS ASSOCIATION, INC., a corporation, and that MF executed the same as the act of such corporation for the purposes and considerations therein expressed, and in the capacity therein stated.

GIVEN UNDER my hand and seal of office this 10th day of NOVEMBER, 19 70.

[Signature]  
Notary Public in and for Dallas County,  
Texas

My Commission expires:

10/2/71



PROPOSED AMENDMENT TO THE DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
NORTHCREST HOMEOWNERS ASSOCIATION, INC.

PROPOSAL NO. FOUR

To Amend Section 2

An amendment to lower the percentage of Members required to amend the Declaration of Covenants, Conditions and Restrictions from 90% during the first twenty (20) years and 75% thereafter as set out in Article XIV, Section 2, to 66-2/3% at any time.

ARTICLE XIV., SECTION 2

Section 2. Amendments: Except as provided in (a) Section 1 of this Article, (b) Section 3 of this Article and (c) Section 2 of Article II, the Covenants, Conditions and Restrictions of this Declaration may be abolished, amended and/or changed in whole or in part, only with the consent of two-thirds (66-2/3%) of the Members, and in each case such amendment shall be evidenced by a document in writing bearing each of their signatures, provided that no amendment shall be effective until such amendment is approved in writing by the Planning Director of the City of Carrollton, Texas, and by the City Council of Carrollton, Texas, or their delegates whose actions shall be governed by whether the Declaration after such amendment, will continue to contain adequate provision for repair and maintenance of all vehicular and pedestrian access rights for individual property owners, all improvements and physical facilities such as landscaping, walls, fencing, buildings, hydrants, utility facilities, parking areas, floodlights, drainage facilities, recreational areas within the Common Properties, and private streets and driveways and whether the amendment is in conformance with the conditions of approval of the applicable tentative tract map. All amendments, if any, shall be recorded in the office of the County Clerk of Dallas County, Texas.

Instructions for Casting Vote: Please mark an "X" by your preference, sign your full name as it appears on your Deed of Ownership of Property.

2007 EMBASSY	Judi Smith	FOR	X	AGAINST
2033 EMBASSY	Thelma Wallace	FOR	X	AGAINST
2007 CLUBSIDE	Ante Noble	FOR	X	AGAINST
2000 CLUBRIDGE	W.S. Sankley	FOR	X	AGAINST
2035 EMBASSY	John W. Esteban	FOR	X	AGAINST
2027 EMBASSY	James E. Lewis	FOR	X	AGAINST
2025 EMBASSY	A. D. Harpwood	FOR	X	AGAINST
2029 EMBASSY	John Johnson	FOR	X	AGAINST
2031 EMBASSY	Dary J. Sullivan	FOR	X	AGAINST
2037 EMBASSY	Dick Settel	FOR	X	AGAINST
2039 EMBASSY	Paul Davis	FOR	X	AGAINST
2045 EMBASSY	Edith L. Petty	FOR	X	AGAINST
2057 EMBASSY	Shirley Mathias	FOR	X	AGAINST
2061 EMBASSY	Nancy Bryant	FOR	X	AGAINST
2035 CLUBRIDGE	Lucy Virginia Dells	FOR	X	AGAINST
2002 CLUBRIDGE	D. J. Boone	FOR	X	AGAINST

COUNTY CLERK'S MENU  
REPRODUCIBLE BY THIS  
OFFICE ONLY

In witness whereof, Northcrest Homeowners Association, Inc., being the declarant herein, hereby certifies that the foregoing Proposal No. 4 shall become Amendment No. 3 to the Declaration of Covenants, Conditions and Restrictions for Northcrest Homeowners Association, Inc. originally filed in the Dallas County Deed Records, at Volume 73047, Page 1230, for the premises set out in Exhibit "A", and has been passed and approved by 90% of the Members of such Association in accordance with the terms and conditions of such Declaration of Covenants, Conditions and Restrictions and has therefore caused this instrument to be executed this the 10th day of NOVEMBER, 19 80.

NORTHCREST HOMEOWNERS ASSOCIATION, INC.

By [Signature]  
President

ATTEST:

[Signature]  
Secretary

STATE OF TEXAS

COUNTY OF DALLAS

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared J. W. BRINKLEY PRESIDENT, 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 the said NORTHCREST HOMEOWNERS ASSOCIATION, INC., a corporation, and that HE executed the same as the act of such corporation for the purposes and considerations therein expressed, and in the capacity therein stated.

GIVEN UNDER my hand and seal of office this 10th day of November, 19 80.

[Signature]  
Notary Public in and for Dallas County,  
Texas

My Commission expires:

10/7/81

AMENDMENT TO  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
NORTHCREST HOMEOWNERS ASSOCIATION, INC.

STATE OF TEXAS  
COUNTY OF DALLAS

WHEREAS, at a regular meeting of the Board of Directors on MAY 25, 1989, the Board of Directors of Northcrest Homeowners Association, Inc., a Texas non-profit corporation, after due notice, consideration and approval by the required sixty-six and two-thirds percent (66 2/3%) of Members of the Association and pursuant to its authority under said Declaration of Covenants, Conditions and Restrictions and the Bylaws of Northcrest Homeowners Association, Inc., passed the following Resolution affecting the Property described on Exhibit "A" attached hereto and incorporated herein for all intents and purposes, said Resolution amending the Declaration of Covenants, Conditions and Restrictions dated March 31, 1972, filed for record in Volume 73047, Page 1208, and Volume 80245, Page 0361, Deed Records, Dallas County, Texas;

RESOLUTION  
OF  
THE BOARD OF DIRECTORS  
OF  
NORTHCREST HOMEOWNERS ASSOCIATION, INC.

RESOLVED, that the Declaration of Covenants, Conditions and Restrictions dated March 31, 1972, recorded in Volume 73047, Page 1208, and Volume 80245, Page 0361, Deed Records, Dallas County, Texas shall be hereby amended as follows:

ARTICLE V.

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned by it within the Properties, hereby covenants and agrees, and each purchaser of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association (or to a mortgage company or other collection agency designated by the Association): (1) annual or monthly assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed established and collected from time to time as hereinafter provided; (3) individual special assessments levied against individual Lot 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, such assessments to be fixed, established and collected from time to time as hereinafter provided. The regular annual or monthly assessments thus collected by the Association shall constitute the maintenance fund of the Association. The annual, special capital and special individual assessments, together with such interest thereon, attorneys' fees, court costs and other 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. Each such assessment together with such interest thereon, attorneys' fees, court costs and other costs of collection thereof as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such property at the time when the assessment fell due.



Section 10. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; the Lien; Remedies of Association:

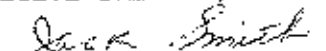
(a) If any assessment or any part thereof is not paid on the date(s) when due (being the dates specified in Section 8 of this Article), then the unpaid amount of such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot of the non-paying Owner which shall bind such Lot in the hands of the Owner his heirs, executors, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. The lien for unpaid assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the assessment provided herein by non-use of the Common Properties or abandonment of his Lot.

(b) If any assessment or part thereof is not paid within ten (10) days after the delinquency date, the unpaid amount of such assessment shall bear interest from the date of delinquency at the rate of ten per cent (10%) per annum, and the Association may, at its elections, acting by its Board of Directors (i) suspend the right of any Owner, its tenants, guests or licensees to use the Common Area or to use or receive common amenities, including the suspension of any cable television service during the period of time that the Owner is in default of its obligations to pay assessments; and/or (ii) bring an action at law against the Owner personally obligated to pay such assessment in order to enforce payment; and/or (iii) to foreclose the lien against the owner's lot. Interest, costs and reasonable attorneys' fees incurred in any such action herein described shall be added to the amount of such assessment or charge.

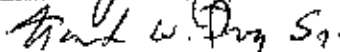
Section 11. Subordination of the Lien to Mortgages: The lien of the assessments provided for herein shall be subordinated only to a first lien mortgage or deed of trust granted or created by the owner of any lot to secure the payment of monies advanced and used for the purpose of purchasing such lot provided such purchase money lien shall have been duly perfected prior to the date such assessment became due. No sale or transfer shall relieve such lot, and the owner thereof, from liability for any assessments thereafter becoming due or from the lien thereof.

BOARD OF DIRECTORS:

  
STEVE SHEERAN, Chairman

  
JACK SMITH, Director

  
EMILY KOZAN, Director

  
FRANK IVY, Director

  
LESLIE FISHER, Director