

DEED 205

THE STATE OF TEXAS }
COUNTY OF HOOD } KNOW ALL MEN BY THESE PRESENTS:

The REPUBLIC LAND COMPANY, a Texas Corporation, d/b/a PECAN PLANTATION (hereinafter referred to as Dedicator) is the owner of certain land in Hood County, Texas, and described in Exhibit A attached hereto, a map or plat of which is also attached hereto as Exhibit B, which plat is adopted by Dedicator as its plan for subdividing said land into lots or blocks as shown thereon, the same to be known as "PECAN PLANTATION, UNIT IV", an Addition in Hood County, Texas.

WHEREAS, Dedicator desires to subdivide and plat said real property and other land in and near UNIT IV of PECAN PLANTATION in installments, from time to time, so as to develop the same in an orderly manner with areas for single family residences, areas for condominiums, areas for apartments, areas for commercial development, areas for marinas, and areas for recreational uses, with their allied facilities; and

WHEREAS, Dedicator desires to create and carry out an orderly plan for development, improvement and use of all the lots in PECAN PLANTATION, UNIT IV, so as to provide for the preservation of the values and amenities in said development and the maintenance of facilities thereof for the benefit of the present and future owners of said lots; and

WHEREAS, Dedicator intends that the real property covered by this instrument (save and except Lots 1879 and 1880) shall be developed for apartment and condominium projects but Dedicator expressly reserves the right to further subdivide and replat, in whole or in part, the real property covered hereby for sale and development as sites for single family residences;

NOW, THEREFORE, REPUBLIC LAND COMPANY, d/b/a PECAN PLANTATION declares that the above described property designated as PECAN PLANTATION, UNIT IV, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easement charges and liens hereinafter set forth.

I. DEFINITIONS

As issued herein the following terms shall have the meaning indicated:

A. "Dedicator" shall mean, and where appropriate shall include the successors and assigns of REPUBLIC LAND COMPANY, d/b/a PECAN PLANTATION.

B. "The property" shall mean the real property described in Exhibit A attached hereto.

C. "Lot" shall mean a single piece or parcel of land shown as a separate parcel or tract identified by the letters "A" through "R" and the numbers 1879 and 1880 on the plat attached as Exhibit B, or a single piece or parcel of land shown as a single parcel of land or tract on a subsequent replat or further subdivision filed by Dedicator in accordance with Paragraph III. C.1. hereof. The term shall not include any area or tract designated as a recreational facility or as a private way or any area shown as "undeveloped".

D. "Outbuilding" shall mean any building improvement which is located on a lot but not connected to any residential structure.

E. "Owner" shall mean the beneficial owner of any lot or condominium unit and shall not include the mortgagee of any such lot or unit unless and until such mortgagee acquires title to the same pursuant to foreclosure or any proceeding in lieu of foreclosure.

F. "Association" shall mean the PECAN PLANTATION OWNERS ASSOCIATION, INC., a non-profit corporation organized for the purposes stated in paragraph III C 6 below, and shall include the successors and assigns of such corporation.

G. "Apartment project" shall mean a lot and a building or buildings thereon containing a number of separate residential suites designed for independent housekeeping and wherein there is no separate ownership of the individual residential units. The individual residential units contained in an apartment project are referred to herein as "apartments".

H. "Condominium project" shall mean a lot and a building or buildings thereon containing a number of separate residential suites designed for independent housekeeping and which have been dedicated to a condominium regime under the pertinent Texas statutes. The individual residential units in a condominium project are referred to herein as "condominium units".

II. EASEMENTS

A. Easements designated on the plat as "private ways" shall provide Dedicator, its successors and assigns and the owners of the lots with the right of ingress and egress to the area and facilities thereof and to adjoining land and are reserved as private ways, and no right of the public generally shall accrue in and to any of such ways. Dedicator reserves to itself the right to convey said easements or right therein to the Association, to be retained by said Association for the benefit of the properties or, in the discretion of the Association, to be dedicated to the public as public ways and easements.

B. Easements designated as "private river and lake access easements" are reserved for the exclusive use of the designated lots adjoining such easements to provide ingress and egress to the Brazos River.

C. Dedicator reserves to itself an easement and right to construct and maintain in, over and across the easements and private ways shown on said plat, utilities of every kind, including but not limited to sewers, water mains, gas mains, irrigation and drainage systems, power and communication lines and all pipes, lines, culverts and other appurtenances in connection therewith. An easement 10 feet in width is hereby reserved along the front and an easement of 6 feet in width is hereby reserved along each side and back boundary line of each lot as may be necessary for the installation and maintenance of said utilities and lines, except as to river front lots and no utility easement is reserved along the property line adjacent to the river. Dedicator, its successors and assigns, may, in its sole discretion and by written instruments duly recorded, abandon to the owner of a lot all or any part of a utility easement on said owner's lot if such easement is not being used for one or more of the above mentioned purposes at the time of such abandonment.

III. RESTRICTIONS, COVENANTS AND DECLARATIONS

A. USE OF LAND

1. Residential use only. No lot shall be used for other than residential purposes and no building shall be erected, altered, or permitted to remain on any lot other than apartment or condominium buildings with appropriate garages or other parking facilities and customary outbuildings approved under Paragraph B. 1. below. It is provided, however, that in the event Dedicator exercises its reserved right under Paragraph C. 1. below to further subdivide and replat all or any part of the lot or lots covered hereby and to designate such replatted lots for development as single family residences, then, in such event, the lots so designated shall not be used for other than residential purposes, and no building shall be erected, altered, or permitted to remain on such lot other than a single family dwelling with a private garage, appropriate outbuildings, boat houses and servants' houses for use of bona fide servants. In this regard, Lots 1879 and 1880 are designated for use as single-family residences. No soil or trees shall be removed for any commercial use. No commercial activities of any sort shall be conducted or permitted on any lot; provided, however, the owners of apartment projects may, at their option and for the convenience of their tenants, provide or arrange for an area within the apartment project in which may be located vending machines for food, non-alcoholic beverages, tobacco products and ice and an area to be used as a laundry room with coin-operated washing and dry cleaning machines, but any such vending or laundry area shall be completely enclosed and Dedicator reserves the right to approve the location and design thereof. The owners of such apartment projects shall not encourage or permit the use of such vending area and laundry room by anyone other than tenants of such apartment project.

2. Temporary Structures. No structure of a temporary character, trailer, mobile or movable home, tent, shack, garage, or other outbuilding shall be placed or used on any lot at any time as a residence, either temporarily or permanently.

VOL PAGE
233 640

AMENDMENT TO DEDICATION AND RESTRICTIONS

STATE OF TEXAS |
 | KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HOOD |

THAT, WHEREAS, REPUBLIC LAND COMPANY, a Texas corporation, d/b/a PECAN PLANTATION (hereinafter referred to as Dedicator) has heretofore filed a Declaration of Restrictions recorded at Volume 205, page 140, Deed Records of Hood County, Texas, covering certain lands located in Hood County, Texas, and known as and designated by Dedicator as UNIT IV of PECAN PLANTATION; and

WHEREAS, said Declaration of Restrictions and plat recorded in connection therewith at Volume 2, page 40, Plat Records of Hood County, Texas, reflected and constituted Dedicator's plan for the subdivision of the lands covered thereby and none of said land has been sold by Dedicator and is still wholly owned by Dedicator; and

WHEREAS, Dedicator has revised and replatted said UNIT IV, PECAN PLANTATION, and desires to file its revised plan for the subdivision thereof, which revised plan includes the addition of land in UNIT IV; and

WHEREAS, Dedicator desires to subdivide and plat the lands described in Exhibit "A" attached hereto, a map and plat of which is being recorded contemporaneously herewith at Volume 3, page 11, of the Plat Records of Hood County, Texas, which plat is adopted by Dedicator as its revised plan for subdividing said lands into the lots as shown thereon, as PECAN PLANTATION, UNIT IV, and being:

Tracts A through S, inclusive, and Lots 1879 and 1880, of Pecan Plantation, Unit IV, in the James W. Moore Survey, Abstract 344, Hood County, Texas; and

WHEREAS, except for the above mentioned changes in Exhibit "A" and the map or plat recorded in Volume 3, page 11,

01417

SPECIAL WARRANTY DEED

THE STATE OF TEXAS

X

COUNTY OF HOOD

X

KNOW ALL MEN BY THESE PRESENTS:

X

That REPUBLIC LAND COMPANY, a Corporation, duly organized and existing under the Laws of the State of Texas, hereinafter referred to as Grantor, for and in consideration of the sum of Ten and No/100 (\$10.00) Dollars, and other good and valuable consideration, to it in hand paid by HLG & W DEVELOPMENT CORPORATION, a Corporation, duly organized and existing under the Laws of the State of Texas, hereinafter referred to as Grantee, as follows:

All cash, the receipt and sufficiency of which is hereby acknowledged and confessed,

has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY, unto the said HLG & W DEVELOPMENT CORPORATION, Grantee, whose mailing address is c/o Fair-Tex Builders, Inc., 11311 Stemmons Freeway, Suite 7, Dallas, Texas 75229, all that certain land lying and being situated in Hood County, Texas, described as follows:

SURFACE ESTATE ONLY IN AND TO those certain 40 lots in PECAN PLANTATION, a subdivision in Hood County, Texas, according to plats thereof recorded in the Plat Records of Hood County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof.

This conveyance is given and accepted SUBJECT TO the following:

1. Grantor does hereby reserve unto itself, its successors and assigns, all of the oil, gas and other minerals in and under and that may be produced from any of the property conveyed hereby;

2. Grantor does hereby reserve unto itself, its successors and assigns, all riparian rights including property rights necessary to support a claim for riparian rights by Grantor herein or its predecessors in title;

3. This conveyance is made subject to all easements, rights-of-way, covenants, agreements, restrictions, reservations, reversions and other matters appearing of record and all present and future requirements of law and governmental regulation;

1003-672

Vol 1350 Page 164
07966

CONDOMINIUM DECLARATION
FOR
FAIRWAY CONDOMINIUMS

Hood County, Texas

08777

PHASE I - EXHIBIT "C"

TO

CONDOMINIUM DECLARATION

FOR FAIRWAY CONDOMINIUMS

Building Number	Unit Number	Area S.F.	Carport Number	Patio Number	Balcony Number	% Ownership in common elements (also determinative of voting and pro rata share of common expenses)
D	116	1382	CP-116	P-116		2.1528
D	117	1382	CP-117	P-117		2.1528
D	118	1382	CP-118	P-118		2.1528
D	119	1382	CP-119	P-119		2.1528
D	216	1275	CP-216		B-216	1.9861
D	217	1275	CP-217		B-217	1.9861
D	218	1275	CP-218		B-218	1.9861
D	219	1275	CP-219		B-219	1.9861
E	120	1263	CP-120	P-120		1.9675
F	121	1263	CP-121	P-121		1.9675
E	122	1263	CP-122	P-122		1.9675
E	123	1263	CP-123	P-123		1.9675
E	220	1212	CP-220		B-220	1.8880
E	221	1212	CP-221		B-221	1.8880
E	222	1212	CP-222		B-222	1.8880
E	223	1212	CP-223		B-223	1.8880

(cont.)

AMENDMENT TO CONDOMINIUM DECLARATION FOR FAIRWAY CONDOMINIUMS
HOOD COUNTY, TEXAS

STATE OF TEXAS §

COUNTY OF HOOD §

09416

This amendment to the Condominium Declaration for Fairway Condominiums, Hood County, Texas is made on the 20th day of October, 1989 by Custom Condominium Investments, Inc., hereinafter referred to as the "Owner", acting by and through its duly authorized agent and attorney-in-fact John Suzuki. The Owner is the successor in title to the original declarant H L G & W Development Corporation, a Texas corporation, and the Owner's interest in Fairway Condominiums, Hood County, Texas constitutes all of the ownership of Fairway Condominiums including all units, buildings, in common and limited elements.

The undersigned Owner therefore adopts the following amendments to the condominium declaration for Fairway Condominiums, Hood County, Texas which was dated May 23, 1984 and recorded in Volume 1060, Page 164 of the Real Records of Hood County, Texas.

(1) Paragraph 1.1 definition, i Declarant of the Condominium Declaration for Fairway Condominiums, Hood County, Texas recorded at Volume 1060, Page 164, Real Records, Hood County, Texas is supplemented by adding the following. The definition of Declarant shall include Custom Condominium Investments, Inc.

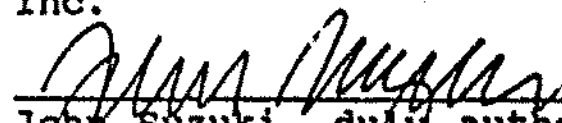
(2) Paragraph 4.2 DECLARANT CONTROL of the Condominium Declaration for Fairway Condominiums, Hood County, Texas recorded at Volume 1060, Page 164 Real Records, Hood County, Texas is hereby deleted in its entirety and the following paragraph 4.2 DECLARANT CONTROL is substituted therefore:

4.2 DECLARANT CONTROL. Paragraph 4.1 notwithstanding, and for the benefit and protection of the Unit Owners and any First Mortgagees of record for the sole purpose of insuring a complete and orderly buildout as well as a timely sellout of the Condominium Project, including any annexations as provided in Paragraph 2.11, the Declarant will retain control of and over the Association for a maximum period not to exceed November 1, 1991, or one hundred twenty (120) days from the closing of sales of seventy-five percent (75%) of the Units, including any annexations, or when in the sole opinion of the Declarant, the Project becomes viable, self-supporting and operational, whichever occurs first. It is expressly understood, the Declarant will not use said control for any advantage over the Unit Owners by way of retention of any residual rights or interests in the Association or through the creation of any management agreement with a term longer than three (3) years without majority Association approval upon relinquishment of Declarant control. Within sixty (60) days from the end of the Declarant Control Period, or sooner at the Declarant's option, the Declarant, through the Board of Directors, shall call the first annual meeting of the Association for the purpose of electing, by ballot of Owners, a Board of Directors and to transact such other business of the Association as may properly come before it.

EXECUTED THIS THE 20 day of October, 1989.

Custom Condominium Investments,
Inc.

By:


John Suzuki, duly authorized agent
and attorney-in-fact

ABANDONMENT OF RESTRICTION

STATE OF TEXAS §

10662

COUNTY OF HOOD §

This Abandonment of Restriction is executed by Republic Land Company d/b/a Pecan Plantation, a Texas Corporation hereinafter called Developer and Pecan Plantation Owner's Association, Inc., a Texas Non-Profit Corporation hereinafter called Association. Previously, the Developer, by virtue of the Declaration of Covenant and Restrictions for Pecan Plantation, Unit Four, a subdivision in Hood County, Texas recorded in Volume 205, Page 140, of the Deed Records of Hood County, Texas, reserved to itself easements, the nature and extent of which are described as follows:

" III. RESTRICTIONS, COVENANTS AND RESERVATIONS.
B. CONSTRUCTION OF IMPROVEMENTS

4. Building lines. No building, fence or structure of any kind shall be erected or maintained on any lot within 25 feet of a front line or within 15 feet of the side line of any lot. No building, fence or structure of any kind shall be erected or maintained within 20 feet of any lot boundary adjoining the golf course or within 30 feet of any lot boundary adjoining the river. For the purpose of these restrictions, eaves, steps and porches shall be considered as part of the building. Lots shall be deemed to front on all adjoining private ways. Dedicator may, in its discretion, grant exceptions in writing to any or all of the requirements of this paragraph."

WHEREAS, Custom Condominiums Investments, Inc. are the owners of Lots I-R-1, J-R-1, J-R-2, J-R-3, K-R-1, K-R-2 and K-R-3 of Pecan Plantation, Unit Four, a subdivision in Hood County, Texas according to the Revised Plat thereof recorded in Slide A-343-B of the Plat Records of Hood County, Texas;

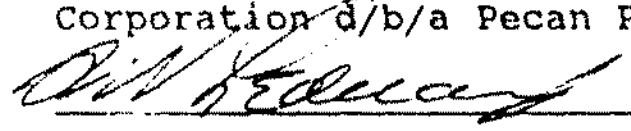
WHEREAS, George H. McClanahan and wife, Jeffery N. McClanahan are the owners of Lot I-R-3 of Pecan Plantation, Unit Four, a subdivision in Hood County, Texas according to the Revised Plat thereof recorded in Slide A-343-B of the Plat Records of Hood County, Texas; and Donald E. Orban and wife, Ellen R. Orban are the owners of Lot I-R-4 of Pecan Plantation, Unit Four, a subdivision in Hood County, Texas according to the Revised Plat thereof recorded in Slide A-343-B of the Plat Records of Hood County, Texas;

WHEREAS, the owners or their successors or assigns may construct improvements which will encroach into the 15' side setback building line, and therefore, require that the Developer and the Association abandon the above restriction as it applies to such 15' building setback along the side lot lines of the above described lots.

NOW THEREFORE, for and in consideration of the sum of \$10.00, the sufficiency of which is hereby acknowledged, the Association and the Developer agree that the above described restriction and all rights in connection therewith as it applies to the 15' side setback building line is now hereby relinquished, abandoned, quitclaimed, and the Association and the Developer does hereby grant such exception to encroach upon the said setback line unto Custom Condominiums Investments, Inc., its successors or assigns forever.

EXECUTED this the 31st day of October, 1990.

Republic Land Company, A Texas
Corporation d/b/a Pecan Plantation

By: 

R. W. Leonard

BY-LAWS OF
FAIRWAY CONDOMINIUMS OWNERS ASSOCIATION, INC.,
A TEXAS NON-PROFIT CORPORATION

00780

ARTICLE ONE

OFFICES

Principal Office The principal office of the Corporation shall be located at Pecan Plantation, in the Counties of Hood and Johnson, State of Texas. The Corporation may have such other offices as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

ARTICLE TWO

DEFINITIONS

The following words or phrases, when used in these Bylaws (unless the context shall prohibit), shall have the following meanings:

(a) "Association" and "Corporation" shall mean and refer to this non-profit Corporation.

(b) "The Property" shall mean and refer to The Fairway Condominiums at Pecan Plantation located within the Pecan Plantation Subdivision in Hood County, Texas, as delineated and depicted in the various plats and maps of said subdivision or parts thereof placed of record either by the Developer; by Republic Land Company d/b/a Pecan Plantation, a Texas Corporation; by Pecan Plantation Owners Association, Inc.; or by the Association from time to time.

(c) "Association Property" and "Common Facilities" shall mean and refer to the property owned by the Association, including the streets, roads and other public ways, fences, gates, fire and security equipment, and any other real and personal property used for the acquisition, ownership, construction, management, maintenance and care of "Association Property" and "Common Facilities."

(d) "Condominium Unit" and "Unit" shall mean and refer to each unit within the condominium buildings comprising the Fairway Condominiums at Pecan Plantation.

(e) "Owner" shall mean and refer to the owner or purchaser of record under a Contract of Sale or Deed, whether one or more person or entities, of the fee simple title to any Condominium Unit, but notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgage of any unit unless and until such mortgagee has acquired title to such unit pursuant to foreclosure or any proceeding in lieu of foreclosure.

(f) "Developer" shall mean and refer to Custom Condominiums, Investments, Inc. a Texas Corporation, and its successors and assigns.

ARTICLE THREE

RESPONSIBILITIES OF CORPORATION - IN GENERAL

Section 1. Declaration of Covenants and Restrictions Binding on Corporation. The Declarations of Restrictions, Covenants, Easements and Liens recorded by Republic Land Company, d/b/a Pecan Plantation, with respect to Pecan Plantation Subdivision; and the Condominium Declaration, the exhibits, addendums, and amendments thereto recorded by the Developer, with respect to the property and all additional and further Restrictions, Covenants, Easements and Liens which may be filed of record on any part of the Property are acknowledged to be valid and binding upon the Association and its members.

Section 2. Functions of Corporation - In General. This Corporation shall have, exercise and enjoy all of the rights, privileges and remedies, and shall perform all of the functions and duties assigned to, delegated to, granted to and required of it by the terms and provisions of said Condominium Declaration and such further rights and powers as may be appropriate under the Articles of Incorporation and applicable law.

ARTICLE FOUR

USE, ENJOYMENT, MANAGEMENT AND OWNERSHIP OF ASSOCIATION PROPERTY AND COMMON FACILITIES

Section 1 Membership in the Pecan Plantation Owners Association. The Fairway Condominiums are a part of Pecan Plantation which is governed by the Pecan Plantation Owners Association. Prospective owners of Condominium Units must be accepted as members of Pecan Plantation Owners Association as a condition precedent to membership in this Association and they have the dual obligation to maintain membership in both associations and to pay all dues, assessments and charges as they become due.

Section 2 Use of Association Property and Common Facilities. The use and enjoyment of the Association Property and Common Facilities is limited to those persons or entities who are members of both the Association and the Pecan Plantation Owners Association, as hereinafter set forth, and their respective families and guests, subject to Section 3 hereof. Use and enjoyment of Association Property and Common Facilities shall, pursuant to rules and regulations established by the Board of Directors, be limited to members who are current in payment of assessments as provided herein.

Section 3 Regulations for use of Association Property and Common Facilities. Such rules and regulations as may be necessary for the orderly use and management of Association Property and Common Facilities, including, but not limited to, rules and regulations concerning the rights and

privileges of tenants and guests of members, shall be made by the Board of Directors of this Association or by committees appointed by the Board of Directors for such purposes; subject, however, to the provisions contained in these By-laws concerning appointment or designation of such committees.

Section 4 Management of Association Property and Common Facilities. The Association, by and through its Board of Directors, has the sole responsibility and liability for the ownership, maintenance, improvement, management, administration and regulation of the Association Property and Common Facilities, and funds for such purposes, including all taxes on said Association Property and Common Facilities, shall be secured by the Association from the Assessments as hereinafter provided, or such other funds as may be available to the Corporation.

ARTICLE FIVE

MEMBERS AND VOTING RIGHTS

Section 1. Requirements for Membership.

(a) Persons or entities who own a fee interest (under contract of sale or deed) in a Condominium Unit shall automatically be members of the Association; provided however that a person or entity holding legal title to a Condominium Unit as security for the performance of an obligation shall not be a member.

(b) The Board of Directors may, consistent with the Restrictions and Covenants of Pecan Plantation Subdivision, regulate or limit the number of memberships available to the owners of undivided interests in a Condominium Unit and may limit the memberships to one per Condominium Unit.

(c) Membership shall automatically terminate when the applicable requirement as to ownership ceases or when the member dies.

(d) Continued membership shall be conditioned upon the member's observance and compliance with these Bylaws, the restrictive covenants, other rules and regulations promulgated by the Board of Directors and payment, when due, of all dues and assessments levied by the Board of Directors and other charges incurred by the member.

Section 2. Suspension or Revocation of Membership Rights. The Board of Directors may suspend or revoke the membership rights (in whole or in part) of any member who fails to comply with applicable Bylaws, restrictive covenants, rules and regulations or who fails to pay dues or assessments or other charges due by such member, whether to the Association or to Pecan Plantation Owners Association. Such suspension or revocation shall not be ordered until after the member involved has been given an opportunity to appear before the Board to explain the delinquency or noncompliance with rules or regulations. Such suspension or revocation shall not have the effect of denying the member access to his condominium unit. Such suspension or revocation shall not affect the continuing obligation of the owner to pay assessments or other charges previously accrued or thereafter accruing.

Section 3 Voting Rights. of Members. Members in good standing of the Association shall be entitled to vote on a percentage basis such being the percentage interest of the member's unit as it bears to the entire Project, the same being identified in the Declaration. Where a condominium unit is owned by a corporation, firm or other entity or by more than one individual, one individual designated by the owner shall be entitled to vote for such owner. A member who is sixty (60) days or more delinquent in payment of any assessment or other charge due to the Association or to the Pecan Plantation Owners Association shall be ineligible to vote until such assessments or charges have been paid in full. Developer shall have a percentage vote for each Condominium Unit owned by it at the time of the voting.

ARTICLE SIX

MEETINGS OF MEMBERS

Section 1 Annual Meeting. An Annual Meeting of the voting members shall be held on the first Saturday in the month of July in each year, for the purpose of electing Directors and for the transaction of such other business as may properly come before the meeting. If the day fixed for the Annual Meeting shall be a legal holiday in the State of Texas, such meeting shall be held on the next succeeding Saturday. If the election of Directors shall not be held on the day designated herein for any Annual Meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members.

Section 2 Special Meetings. Special meetings of the voting members may be called by the President, the Board of Directors or by the Members holding the voting rights to not less than one tenth (1/10) of the total votes outstanding as defined in Article Five, Section 3.

Section 3 Place of Meeting. The Board of Directors shall designate the place of meeting for any Annual Meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be at the Pecan Plantation Subdivision; but if all of the voting members shall meet at any time and place and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 4. Notice of Meeting. Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meetings as of the time the notice is sent, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the Notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 5 Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney—in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

Section 6. Quorum. The members holding ten (10) percent of the total voting rights of the Corporation shall constitute a quorum at a membership meeting. If a quorum is not present at any meeting of members, a majority of the voting members present in person or by proxy may adjourn the meeting from time to time without further notice.

Section 7. Procedures for Electing Directors at Annual Meeting.

(a) At least ninety (90) days before the Annual Meeting, the Board of Directors shall appoint a Nominating Committee of two (2) members who may or may not be members of the Board.

(b) Announcement of the Nominating Committee members shall be made to the membership by mail at least sixty (60) days before the Annual Meeting. Members shall be requested to suggest names and qualifications of Association members who, in their opinion, would be effective members of the Board.

(c) At least thirty (30) days before the Annual Meeting, the Nominating Committee shall announce to the membership by mail the names and qualifications of its nominees.

(d) Thereafter, additional nominations may be made by the membership at large by submitting the names and qualifications of such additional proposed Board members accompanied by the written endorsement of ten (10) members. Such additional nominations must be received at the Association office not later than twenty (20) days prior to the meeting in order to qualify. Notice of additional nominees shall be mailed to the membership no less than ten (10) days before meeting.

(e) The Nominating Committee shall be instructed to nominate twice the number of vacancies to be filled and these, plus any additional nominees provided in the preceding paragraph, shall constitute the slate to be voted on. The nominees receiving the largest number of votes shall be deemed elected.

(f) The Board shall designate the time and place for voting, providing that the place shall be at or convenient to the meeting place, and the period of time for voting shall be the time set for the Annual Meeting, voting to cease no later than at the time the meeting adjourns. The Board shall establish such other voting procedures as are necessary for a fair and orderly election.

ARTICLE SEVEN

BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the Association shall be managed by its Board of Directors. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a residential Condominium Project. The Board of Directors may do all such acts and things that are not by these Bylaws or by the Condominium Declaration directed to be exercised and done by the Owners.

Section 2 Number, Tenure and Qualifications. The number of Directors shall be three (3). At the first election of Directors one (1) of the Directors shall be elected for a term of one (1) year, one (1) of the Directors shall be elected for a term of two (2) years and, one (1) of the Directors shall be elected for a term of three (3) years. After the first election and at the expiration of the term of the first Director, the subsequent terms of such Directors' positions shall all be for three (3) years. Each member of the Board of Directors of the Association except the initial Directors named in the Articles of Incorporation must be a fulltime resident at the Fairway Condominiums and be a member in good standing of the Association. A Director who ceases to be a fulltime resident of the Condominium shall resign his office.

Section 3 Regular meetings. The Board of Directors shall determine a time that is agreeable to all board members for their regular meeting without other notice than this by-law. The Board of Directors shall meet not less frequently than once every quarter.

Section 4 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix any place within the State of Texas as the place for holding any special meeting of the Board called by them.

Section 5 Notice. Notice of any special meeting of the Board of Directors may be given by telephone or by written notice delivered in person, by mail or by telegram. Notice by telephone or personal delivery of notice shall be given at least three (3) days in advance of the meeting. Notice by mail or telegram shall be given at least five (5) days in advance of the meeting and such notice shall be deemed delivered when deposited in the U.S. first class mail, properly addressed and with postage prepaid or when delivered to the telegraph company for transmittal. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice to such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

Section 6 Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

Section 8 Vacancies. Any vacancy occurring in the Board of Directors shall be filled temporarily by the Board of Directors with such Director to serve until the next election of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors expenses of attendance may be allowed for attendance at each regular or special meeting of the Board. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefore.

Section 10 Limitation on Capital Expenditures. The Board of Directors shall have the authority to commit the Corporation for further capital additions and improvements in an amount not to exceed \$10,000.00 during any one fiscal year. Capital additions and improvements in excess of said amount in any one fiscal year must be approved by a majority vote of the members of the Corporation present at any regular or special meeting of the members at which a quorum is present. "Capital additions and improvements" refer to land, buildings, equipment and improvements beyond those currently existing, and do not refer to assets presently in existence which need replacement or repair because of obsolescence or wear and tear.

Section 11. Informal Action by Directors. Any action required by law to be taken at a meeting of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

ARTICLE EIGHT

OFFICERS

Section 1 Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including an Assistant Secretary, as it shall be deemed desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Vice President. The President must be a member of the Board of Directors, whereas the other officers may or may not be members of the Board.

Section 2 Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until he is relieved or until his successor shall have been duly elected.

Section 3 Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Corporation would be served.

Section 4. Vacancies. A vacancy in any office, because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired term of office.

Section 5 President. The President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the members and of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Corporation; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6 Vice President. In the absence of the President or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article Nine of these Bylaws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meeting of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the Corporation and affix it to all documents, the execution of which on behalf of the Corporation under its seal

is duly authorized in accordance with the provisions of these Bylaws; keep a register of the post office address of each member which shall be furnished to the Secretary by such members; and in general perform all duties as from time to time may be assigned to him by the President or by the Board of Directors.

ARTICLE NINE

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Association.

Section 3. Deposits. All funds of the Corporation shall deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board Directors may select and designate by appropriate resolution.

Section 4. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Corporation.

ARTICLE TEN

ACCOUNTING & BUDGET

The funds and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses;

(a) "Current expenses," which shall include all funds and expenditures to be made within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements, or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

(b) "Reserve for deferred maintenance," which shall include funds for maintenance items which occur less frequently than annually.

(c) "Reserve for replacement," which shall include funds for repair or replacement required because of damage, depreciation, or obsolescence.

(d) "Additional improvements," which shall include the funds to be used for capital expenditures for additional improvements or additional personal property which will be part of the common elements.

The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray common expenses and to provide funds for the accounts hereinabove listed in these Bylaws. The budget shall take into account the following items:

(a) "Current expense," the amount for which shall not exceed 105% of the budget for this account for the prior year.

(b) "Reserve for deferred maintenance," the amount for which shall not exceed 105% of the budget for the account for the prior year.

(c) "Reserve for replacement," the amount of which shall not exceed 105% of the budget for this account for the prior year.

(d) "Additional improvements," the amount for which shall not exceed \$10,000.00; provided, however, that in the expenditure of this fund no sum in excess of \$10,000.00 shall be expended for a single item or purpose without approval of the members of the Association.

(e) "Operations," the amount of which may be to provide a working fund or to meet losses.

The amount for each budgeted item may be increased over the foregoing limitations when approved by unit owners entitled to cast not less than sixty-seven percent (67%) of the votes of a quorum present at a meeting of the Association. Until the Developer has completed and sold seventy-five percent (75%) of the apartments of the condominium, or until the Developer elects to terminate its control of the condominium, whichever shall first occur, the Board of Directors may omit from the budget all allowances for contingencies and reserves. Copies of the budget and proposed assessments shall be transmitted to each member sixty (60) days prior to the Annual Meeting. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each member.

ARTICLE ELEVEN

BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members. All books and records of the Corporation may be inspected by any member eligible to vote, or his agent or attorney, for any proper purpose, during normal office hours.

ARTICLE TWELVE

FISCAL YEAR

The fiscal year for the Corporation shall begin on the first day of January and end on the last day of December of the following year.

ARTICLE THIRTEEN

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE FOURTEEN

AMENDMENTS TO BYLAWS

Section 1. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the vote of sixty-seven percent (67%) of the members of the Corporation present at any regular or special meeting of the members at which a quorum is present, in person or by proxy, provided, that no such proposal to alter, amend, repeal or enact new Bylaws shall be entitled to be voted on at such meeting unless the written notice of such proposal hereinafter provided for shall have been given. Until the first election of directors, all directors must approve any amendment.

Section 2. Written notice of proposals to alter, amend, repeal or enact new Bylaws shall be given to the members at least thirty (30) days and not more than fifty (50) days prior to the membership meeting at which the proposal is to be presented. Such notice shall state the substance of the proposed change, alteration or amendment (or state same verbatim) and shall briefly state the proponent's reasons therefore.

Section 3 Any such proposal to be made by a member shall be submitted in writing to the Board at least sixty (60) days prior to the membership meeting at which the proposal is to be presented, whereupon it shall be the duty of the Board to include notice of such proposal in the notice of the meeting to be given to the members.

Section 4. No amendment shall discriminate against any unit owner or against any unit or class or group of units unless the unit owners so affected shall consent. No amendment shall change any unit nor the share in the common elements appurtenant to it, nor increase the owner's share of the common expenses, nor change the voting rights of members, unless the record owner of the unit concerned and all record owners of liens thereon shall join in the execution of the amendment.

Section 5. A copy of each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded in the Deed Records of Hood County, Texas.

ARTICLE FIFTEEN

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. The Association shall indemnify every Director or officer, his heirs executors and administrators, against all loss, cost and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except in matters of gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters in which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association in connection with the foregoing indemnification provision shall be treated and handled by the Association as Common Expenses; provided, however, nothing contained in this Article shall be deemed to obligate the Association to indemnify any Member or Owner of a Condominium Unit, who is or has been a Director or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Condominium Declaration as a Member or Owner of a Condominium Unit covered thereby.

ARTICLE SIXTEEN

COMPLIANCE

Section 1. These Bylaws are set forth to comply with the requirements of the State of Texas Condominium Act. If any of these Bylaws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

Section 2 The Property is subject to restrictions, covenants, rules and regulations by Republic Land Company d/b/a Pecan Plantation and by Pecan Plantation Owners Association, Inc. These Bylaws are set forth to comply with such restrictions, covenants, rules and regulations. If any of these Bylaws conflict with said instruments, it is hereby agreed and accepted that the provisions of said instrument will apply; that these Bylaws will be subordinate thereto.

ARTICLE SEVENTEEN

NON-PROFIT ASSOCIATION

Section 1. This Association is not organized for profit. No Unit Owner, member of the Board of Directors or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as a salary or as compensation to or distributed to or inure to the benefit of any Member of the Board of Directors; provided, however, always (1) that reasonable compensation may be paid to any Member while acting as an agent or employee of the Association for services rendered in effecting one (1) or more of the purposes of the Association and (2) that any Member of the Board of Directors may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE EIGHTEEN

EXECUTION OF INSTRUMENTS

The persons who shall be authorized to execute any and all instruments of conveyance or encumbrances, including promissory notes, shall be the President and the Secretary of the Association.

ARTICLE NINETEEN

DEFINITIONS OF TERMS

The terms used in these Bylaws, to the extent they are defined in said Declaration, shall have the same definition as set forth in the Declaration for the Property, as the same may be amended from time to time, recorded in the office of the County Clerk of Hood County, Texas.

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under Federal law.
STATE OF TEXAS COUNTY OF HOOD
I hereby certify that this instrument was filed on the date and at the time stamped hereon by me and was duly RECORDED in the OFFICIAL PUBLIC RECORDS OF HOOD COUNTY TEXAS, in the Volume and Page as shown hereon.



Sally Oubre
SALLY OUBRE, County Clerk
Hood County, Texas

FILED FOR RECORD
AT 3:30 PM.

JAN 15 2003

Sally Oubre
County Clerk, Hood County, TX

1305 DATE 180

Pecan Plantation Owner's Association,
Inc., a Texas Non-Profit Corporation

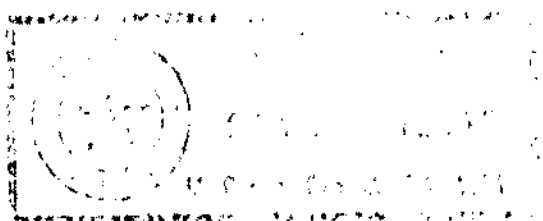
By:

[Signature]

STATE OF TEXAS §

COUNTY OF TARRANT §

This instrument was acknowledged before me this the 31st day
of October, 1990, by R. W. Leonard of Republic
Land Company, A Texas Corporation on behalf of said corporation.

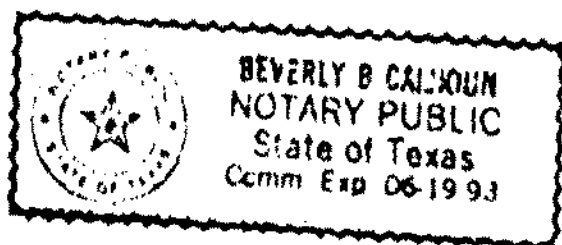


Betty P. Thomas
Notary Public, State of Texas
Notary's printed name: Betty P. Thomas
Notary's commission expires: 6/4/94

STATE OF TEXAS §

COUNTY OF HOOD §

This instrument was acknowledged before me this the 31st day
of October, 1990, by J. L. Allen, General Manager of Pecan
Plantation Owner's Association, Inc., a Texas Non-Profit
Corporation on behalf of said corporation.



Beverly B. Calhoun
Notary Public, State of Texas
Notary's printed name:
Notary's commission expires:

Witness to:
CENTRAL TEXAS TITLE
RECORDS
GRANDPURY, TEXAS 76048

NOTED FOR RECORDED WITH RESTRICTS
FOR SALE, LEASE, OR USE OF THE DE-
SCRIBED REAL PROPERTY BECAUSE OF
FEDERAL LAW IS INVALID AND UNEN-
FORCEABLE UNDER FEDERAL LAW.

STATE OF TEXAS
COUNTY OF HOOD
I hereby certify that this instrument was FILED in the public records and
stamped hereon by me and was duly RECORDED in the OFFICIAL PUBLIC
RECORDS OF HOOD COUNTY, TEXAS, in the Volume and Page as shown
hereon.



Anjanette Ables
ANJANETTE ABLES, County Clerk
Hood County, Texas

FILED FOR RECORD
AT 430P M.

NOV 07 1990

Anjanette Ables
County Clerk, Hood County, TX

STATE OF TEXAS §

COUNTY OF HOOD §

This instrument was acknowledged before me this the 20 day of October, 1989, by John Suzuki, duly authorized agent and attorney-in-fact for Custom Condominium Investments, Inc. a Texas corporation on behalf of said corporation.

Sherry L. Haverth
Notary Public, State of Texas
Notary's printed name:
Notary's commission expires:

SHERRY L. HAVERTH
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES 12/31/91

Chg CTT - \$5.00
Rtn. to -
CTT
Rt. 2, Box 81
Glen 76048

ANY PROVISION HEREIN WHICH RESTRICTS
THE SALE, RENTAL, OR USE OF THE DE-
SCRIBED REAL PROPERTY BECAUSE OF
COLOR OR RACE IS INVALID AND UNEN-
FORCEABLE UNDER FEDERAL LAW.

STATE OF TEXAS
COUNTY OF HOOD

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the OFFICIAL PUBLIC RECORDS OF HOOD COUNTY, TEXAS, in the Volume and Page as shown hereon.



Anjanette Ables
ANJANETTE ABLES, County Clerk
Hood County, Texas

FILED FOR RECORD
AT 11:55 M.

OCT 26 1989

Anjanette Ables
Clerk County Court, Hood County, TX

Building Number	Unit Number	Area S.F.	Carport Number	Patio Number	Balcony Number	% Ownership in Common Elements
F	124	1263	CP-124	P-124		1.9675
F	125	1263	CP-125	P-125		1.9675
F	126	1263	CP-126	P-126		1.9675
F	127	1263	CP-127	P-127		1.9675
F	128	1000	CP-128	P-128		1.5578
F	129	1000	CP-129	P-129		1.5578
F	130	1263	CP-130	P-130		1.9675
F	131	1263	CP-131	P-131		1.9675
F	132	1263	CP-132	P-132		1.9675
F	133	1263	CP-133	P-133		1.9675
F	224	1212	CP-224		B-224	1.8880
F	225	1212	CP-225		B-225	1.8880
F	226	1212	CP-226		B-226	1.8880
F	227	1212	CP-227		B-227	1.8880
F	228	981	CP-228		B-228	1.5281
F	229	981	CP-229		B-229	1.5281
F	230	1212	CP-230		B-230	1.8880
F	231	1212	CP-231		B-231	1.8880
F	232	1212	CP-232		B-232	1.8880
F	233	1212	CP-233		B-233	1.8880
G	134	1382	CP-134	P-134		2.1528
G	135	1382	CP-135	P-135		2.1528
G	136	1000	CP-136	P-136		1.5578
G	137	1000	CP-137	P-137		1.5578
G	138	1382	CP-138	P-138		2.1528
G	139	1382	CP-139	P-139		2.1528
G	140	1382	CP-140	P-140		2.1528
G	141	1382	CP-141	P-141		2.1528
G	234	1275	CP-234		B-234	1.9861
G	235	1275	CP-235		B-235	1.9861
G	236	981	CP-236		B-236	1.5281
G	237	981	CP-237		B-237	1.5281
G	238	1275	CP-238		B-238	1.9861
G	239	1275	CP-239		B-239	1.9861
G	240	1275	CP-240		B-240	1.9861
G	241	1275	CP-241		B-241	1.9861
TOTALS						100%

TABLE OF CONTENTS
FOR THE DECLARATION OF
FAIRWAY CONDOMINIUMS

	<u>Page</u>
INTRODUCTORY	1
ARTICLE I - DEFINITIONS AND TERMS	
Paragraph 1.1 - DEFINITIONS AND TERMS	2
ARTICLE II - CONDOMINIUM UNIT DESIGNATIONS AND DESCRIPTIONS	
Paragraph 2.1 - RECORDATION OF PLAT	7
Paragraph 2.2 - DESIGNATION OF UNITS	7
Paragraph 2.3 - LIMITED COMMON ELEMENTS	8
Paragraph 2.4 - REGULATION OF COMMON AREAS	8
Paragraph 2.5 - INSEPARABLE UNITS	8
Paragraph 2.6 - DESCRIPTIONS	8
Paragraph 2.7 - ENCROACHMENTS	9
Paragraph 2.8 - GOVERNMENTAL ASSESSMENT	9
Paragraph 2.9 - USE AND OCCUPANCY RESTRICTIONS	9
Paragraph 2.10 - RESERVATION OF VARIANCE	15
Paragraph 2.11 - RESERVATION OF RIGHT OF MERGER AND ANNEXATION	16
ARTICLE III - RIGHTS AND OBLIGATIONS OF OWNERSHIP	
Paragraph 3.1 - OWNERSHIP	18
Paragraph 3.2 - PARTITION	18
Paragraph 3.3 - EXCLUSIVENESS OF OWNERSHIP	18
Paragraph 3.4 - ONE-FAMILY RESIDENTIAL DWELLING	18
Paragraph 3.5 - MECHANIC'S AND MATERIALMAN'S LIENS	18
Paragraph 3.6 - RIGHT OF ENTRY	19
Paragraph 3.7 - OWNER MAINTENANCE	19
Paragraph 3.8 - ALTERATION	19
Paragraph 3.9 - RESTRICTION OF OWNERSHIP	19
Paragraph 3.10 - LIABILITY FOR NEGLIGENT ACTS	20
Paragraph 3.11 - SUBJECT TO DECLARATION AND BY-LAWS	20
ARTICLE IV - MANAGEMENT AND ADMINISTRATION	
Paragraph 4.1 - BY-LAWS	20
Paragraph 4.2 - DECLARANT CONTROL	20

	<u>Page</u>
ARTICLE IV - CONTINUED	
Paragraph 4.3 - TEMPORARY MANAGING AGENT	21
Paragraph 4.4 - SPECIFIC POWER TO RESTRICT USE AND ENJOYMENT	21
Paragraph 4.5 - MEMBERSHIP, VOTING, QUORUM, PROXIES	23
Paragraph 4.6 - INSURANCE	24
ARTICLE V - MAINTENANCE ASSESSMENTS	
Paragraph 5.1 - ASSESSMENTS FOR COMMON EXPENSES	26
Paragraph 5.2 - PURPOSE OF ASSESSMENTS	26
Paragraph 5.3 - DETERMINATION OF ASSESSMENTS	27
Paragraph 5.4 - INITIAL ASSESSMENT AND MAXIMUM MONTHLY ASSESSMENT	27
Paragraph 5.5 - SPECIAL ASSESSMENTS FOR IMPROVEMENTS	28
Paragraph 5.6 - COMMENCEMENT OF ASSESSMENTS	28
Paragraph 5.7 - NO EXEMPTION	29
Paragraph 5.8 - LIEN FOR ASSESSMENTS	29
Paragraph 5.9 - SUBORDINATION OF THE LIEN TO MORTGAGES	30
Paragraph 5.10 - STATEMENT OF ASSESSMENTS	31
Paragraph 5.11 - OBLIGATION OF DECLARANT FOR ASSESSMENTS AND MAINTENANCE	32
ARTICLE VI - DESTRUCTION OR OBSOLESCENCE OF IMPROVEMENTS	
Paragraph 6.1 - DESTRUCTION OR OBSOLESCENCE	32
Paragraph 6.2 - JUDICIAL PARTITION	37
Paragraph 6.3 - CONDEMNATION	37
ARTICLE VII - PROTECTION OF MORTGAGEE	
Paragraph 7.1 - NOTICE TO ASSOCIATION	41
Paragraph 7.2 - NOTICE OF DEFAULT; LAPSE IN INSURANCE	41
Paragraph 7.3 - EXAMINATION OF BOOKS	41
Paragraph 7.4 - RESERVE FUND	41
Paragraph 7.5 - ANNUAL AUDITS	41
Paragraph 7.6 - NOTICE OF MEETINGS	41
Paragraph 7.7 - NOTICE OF DAMAGE OR DESTRUCTION	42
Paragraph 7.8 - MANAGEMENT AGREEMENTS	42
Paragraph 7.9 - TAXES, ASSESSMENTS AND CHARGES	42

ARTICLE VIII - MISCELLANEOUS PROVISIONS

Paragraph 8.1 - AMENDMENTS TO DECLARATION; APPROVAL OF OWNERS AND MORTGAGEES	42
Paragraph 8.2 - CORRECTION OF ERROR	45
Paragraph 8.3 - OWNERSHIP OF COMMON PERSONAL PROPERTY	46
Paragraph 8.4 - CHANGE IN DOCUMENTS	46
Paragraph 8.5 - NOTICE	46
Paragraph 8.6 - CONFLICT BETWEEN DECLARATION AND BY-LAWS	46
Paragraph 8.7 - INVALIDATION OF PARTS	46
Paragraph 8.8 - OMISSIONS	47
Paragraph 8.9 - TEXAS CONDOMINIUM ACT	47
Paragraph 8.10 - CENDER	47

CONDOMINIUM DECLARATION

FOR

FAIRWAY CONDOMINIUMS

STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF HOOD §

THAT, WHEREAS H L G & W DEVELOPMENT CORPORATION, a Texas corporation, having its principal office at 12240 Inwood Road, Suite 304, Dallas, Texas, 75243, hereinafter called "Declarant", is the Owner of certain real property situated in the County of Hood, State of Texas, being described more fully on Exhibit "A", which by this reference is made a part hereof; and

WHEREAS, Declarant desires to establish a Condominium Regime under the Condominium Act of the State of Texas, Title 7, Chapter 81, Texas Property Code, herein called the "Act"; and

WHEREAS, Declarant has prepared plans for the construction of a cluster of four (4) multifamily Buildings and other improvements appurtenant thereto on the Property described in said Exhibit "A", which when completed shall consist of fifty-two (52) separately designated Condominium Units and which will be known as FAIRWAY CONDOMINIUMS; and

WHEREAS, Declarant does hereby establish a plan for the individual ownership in fee simple of estates consisting of the area or space contained in each of the Units, herein called the "Condominium Regime", in the four (4) Buildings and the co-ownership by the individual and separate Unit Owners thereof, as tenants in common, of all the remaining property, which includes both Limited Common Elements and General Common Elements, as hereinafter defined in Paragraph 1.1 hereof, and which are hereinafter collectively referred to as the "Common Elements" or "Common Areas".

NOW, THEREFORE, Declarant does hereby submit the real property described on the attached Exhibit "A", and all improvements thereon, to the provisions of the Act and the Condominium Regime, and does hereby publish and declare that the following terms, covenants, conditions, easements, restrictions, uses, limitations and obligations shall be deemed to run with the land and shall be a burden and a benefit to Declarant, its successors and assigns and to any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees and assigns.

ARTICLE I

DEFINITIONS AND TERMS

1.1 DEFINITIONS OF TERMS. As used in this agreement, the following terms shall have the following meanings unless the context shall expressly provide otherwise:

a. "Board" or "Board of Directors" shall refer to the Board of Directors of FAIRWAY CONDOMINIUMS OWNERS ASSOCIATION, INC.

b. "Common Assessment" means the charge against each Unit Owner and his Unit, representing a portion of the total costs to the Association of maintaining, improving, repairing, replacing, managing and operating the Property, which are to be paid uniformly by each Unit Owner of the Association, as provided in Paragraph 5.4a herein. This shall also include charges assessed against each Unit Owner to maintain a reserve for replacement fund and to cover costs incurred by the Association to participate in any condemnation suit, as provided in Paragraph 6.3 hereof.

c. "Common Elements" means and includes all of the Property described in Exhibit "A", and all of the improvements thereto and thereon located, excepting all Units. Common Elements shall consist of the General Common Elements and the Limited Common Elements.

d. "Common Expenses" means and includes:

(1) All sums lawfully assessed against the Common Elements by the Managing Agent or Board;

(2) All expenses of administration and management, maintenance, operation, repair or replacement of and addition to the Common Elements (including unpaid special assessments);

(3) Expenses agreed upon as Common Expenses by the Unit Owners; and

(4) Expenses declared to be Common Expenses by this Declaration or by the By-Laws.

e. "Completed Unit" means a completely finished Unit, including, but not limited to, the installation of all appliances and utilities, rendering it ready for occupancy by an Owner other than the Declarant.

f. "Condominium Owners Association" or Association means FAIRWAY CONDOMINIUMS OWNERS ASSOCIATION, INC., a Texas non-profit corporation, the By-Laws of which shall govern the administration of this Condominium Property and the membership of which shall be composed of all the Owners of the Condominium Units according to such By-Laws.

g. "Condominium Unit" shall mean an individual Unit together with the interest in the Common Elements (General or Limited) appurtenant to such Unit.

h. "Construction Period" means that period of time during which Declarant is developing the Premises and selling the Condominium Units, which time period shall extend from the date hereof until such time as the Declarant transfers title to all of the Condominium Units, including all Units annexed to this Condominium Regime pursuant to the provisions of Paragraph 2.11 hereof.

i. "Declarant" shall mean H L G & W DEVELOPMENT CORPORATION, a Texas corporation, or its successors or assigns, who is developing the Property as a condominium.

j. "Declaration" shall mean this Condominium Declaration instrument as the same may be amended pursuant to Paragraph 2.11 hereof.

k. "General Common Elements" means a part of the Common Elements and includes:

(1) The real property described in Exhibit "A" attached hereto, less and except the Units;

(2) All foundations, bearing walls and columns, roofs, halls, lobbies, stairways and entrances and exits or communicationways;

(3) All basements, roofs, yards and gardens, except as otherwise herein provided or stipulated;

(4) All premises for the lodging of janitors or persons in charge of the Buildings, except as otherwise herein provided or stipulated;

(5) All compartments or installations of central services, such as power, light, gas, cold and hot water,

refrigeration, central air conditioning and central heating reservoirs, water tanks and pumps, swimming pool, storage room for equipment, elevator, and the like;

(6) All elevators and shafts, garbage incinerators and, in general, all devices or installations existing for common use;

(7) Unassigned parking spaces; and

(8) All other elements of the Buildings desirably or rationally of common use or necessary to the existence, upkeep and safety of the Condominium Regime established by this Declaration.

l. "Lienholder" and "First Mortgagee" shall mean the holder of a first mortgage lien on any Unit in the Condominium Project.

m. "Limited Common Elements" means and includes those Common Elements which are reserved for the exclusive use of an individual Owner of a Unit or a certain number of individual Owners of Units, for the exclusive use of those Owners, which may include:

(1) "Air handlers", pipes, ducts, electrical wiring and conduits located entirely within a Unit or adjoining Units and serving only such Unit or Units, and such portions of the perimeter walls, floors and ceilings, doors, vestibules, windows, entryways, and all associated fixtures and structures therein, and patio and/or balcony structures as lie outside the Unit boundaries; and

(2) Carport parking spaces designated as an appurtenance to a Unit; and

(3) Separate storage area designated as an appurtenance to a Unit.

n. "Majority of Unit Owners" means those Owners with fifty-one percent (51%) of the votes entitled to be cast, as weighted as herein provided.

o. "Occupant" means a person or persons in possession of a Unit, regardless of whether said person is a Unit Owner.

p. "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof, who owns, of record, title to one (1) or more Condominium Units.

(1) Nothing shall be stored in the Common Elements without prior consent of the Board, except in storage areas or as otherwise herein expressly provided;

(2) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or the Common Elements which will result in the cancellation of insurance on any Unit, or any part of the Common Elements, or which will be in violation of any law;

(3) No waste shall be committed in or on the Common Elements;

(4) Subject to Declarant's rights under Paragraph 2.9e(14)(d) of this Declaration, no sign of any kind shall be displayed to the public view on or from any Unit or Common Elements without the prior written consent of the Board or the written consent of the Managing Agent acting in accord with the Board's direction;

(5) No noxious or offensive activity shall be carried on, in or upon the Common Elements, nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any other Unit Owner. No loud noises or noxious odors shall be permitted on the Property, and the Board shall have the right to determine in accordance with the By-Laws if any such noise, odor or activity constitutes a nuisance. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, large power equipment or large power tools, unlicensed off-road motor vehicles, except golf carts, or other items which may unreasonably interfere with television or radio reception of any Unit Owner in the Property, shall be located used or placed on any portion

q. "Plat", "Survey Map", "Map" and "Plans" mean or include the engineering survey of the land, locating thereon all of the improvements, the floor and elevation plans and any other drawing or diagrammatic plan depicting a part of, or all of, the improvements, same being herewith filed, labeled Exhibit "B" and incorporated herein. It is expressly agreed and each and every Purchaser of a Unit, his heirs, executors, administrators, assigns and grantees hereby agree that the square footage, size and dimensions of each Unit as set out or shown in this Declaration or in the survey Plate exhibited hereto are approximate and are shown for descriptive purposes only. The Declarant does not warrant, guarantee or represent that any Unit actually contains the area, square footage or dimensions shown by the Plat thereof. Each Purchaser and Owner of a Unit or interest therein agrees that the Unit has been or will be purchased as actually and physically existing at the time such purchase is closed. Each Purchaser of a Unit expressly waives any claim or demand which he may have against the Declarant or any person whosoever on account of any difference, shortage or discrepancy between the Unit as actually and physically existing and as it is shown on the respective Plat thereof exhibited hereto. It is specifically agreed that in interpreting deeds, mortgages, deeds of trust and other instruments for any purposes whatsoever or in connection with any matter, the existing physical boundaries of the Unit shall be conclusively presumed to be the boundaries regardless of settling, rising or lateral movements of the Building, and regardless of variances between boundaries as shown on the Plat and those of the Buildings.

r. "Premises", "Project", or "Property" means and includes the land, the Buildings and all improvements and structures thereon and all rights, easements and appurtenances belonging thereto.

s. "Special Assessments". In addition to the common assessments described above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of deferring, in whole or in part:

- (1) The cost of any construction, reconstruction, repair or replacement of a capital improvement upon the

Common Area, including fixtures and personal property related thereto; or

(2) The expense of any other contingencies or unbudgeted costs; provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the Members who are voting in person or by proxy at a meeting duly called for this purpose. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to the interest in the Common Elements owned by each. The Association, after due notice and hearing, shall also have the authority to establish and fix a special assessment upon any Unit to secure the liability of the Owner of such Unit to the Association for any breach by such Owner of any of the provisions of this Declaration, which breach shall require an expenditure by the Association for repair or remedy. Special assessments may be billed or collected on a monthly basis. The above mentioned liability of any Owner is to be established as set forth in this Declaration.

t. "Unit" shall mean the elements of an individual Condominium Unit which are not owned in common with the Owners of the other Condominium Units in the Project as shown on the Maps, which are exhibits attached hereto, and each Unit shall include the air space assigned thereto. The boundaries of each such Unit shall be and are the interior surfaces of the perimeter walls, floors, ceilings, window frames, doors, door frames and trim, and exterior surfaces of the patios and balconies; and the space includes both the portions of the Building so described and the air space so encompassed, excepting the Common Elements. In interpreting deeds, mortgages, deeds of trust and other instruments, the existing physical boundaries of the Unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries, regardless of settling, rising or lateral movement of the Building and regardless of variances between boundaries shown on the Plat and those of the Building. The individual ownership of each Unit space herein defined shall further

include the interior construction, partitions, appliances, fixtures and improvements which are intended to exclusively serve such Unit space, such as interior room walls, floor coverings or finish, closets, cabinets, shelving, individual bathroom and kitchen fixtures, plumbing and appliances, individual lighting and electrical fixtures and other separate items or chattels belonging exclusively to such Unit, any of which may be removed, replaced, disposed of or otherwise treated without affecting any other Unit space or ownership, use or enjoyment thereof. None of the land in this Project or which any Unit space or porch space is located shall be separately owned, as all land in this Project shall constitute part of the "Common Elements" of the Property as herein defined, and shall be owned in common by the Owners of the Units in this Condominium Project. It is intended the term "Unit", as used in this Declaration, shall have the same meaning as the term "Apartment" as used in the Act.

ARTICLE II

CONDOMINIUM UNIT DESIGNATIONS AND DESCRIPTIONS

2.1 RECORDATION OF PLAT. The Plat shall be filed for record simultaneously with the recording of this Declaration as a part hereof, and prior to the first conveyance of any Condominium Unit. Such Plat consists of and sets forth:

- a. The legal description of the surface of the land;
- b. The linear measurements and location, with reference to the exterior boundaries of the land, of the Buildings and all other improvements constructed, or to be constructed, on said land by Declarant;
- c. The exterior boundaries and number of each Unit, expressing its square footage, and any other data necessary for its identification, which information will be depicted by a Plat of such floor of each Building showing the letter of the Building, the number of the floor and the number of the Unit; and
- d. The location of the Limited Common Elements.

2.2 DESIGNATION OF UNITS. The Property is hereby divided into fifty-two (52) separately designated Units contained within the four (4) Buildings.

Each Unit is identified by number and each Building is identified by letter on the Map. The remaining portion of the Premises, referred to as the Common Elements, shall be owned in common by the Owners. The Owners of each Unit shall own an undivided interest in said Common Elements, the percentage or fraction thereof for each Unit being as shown on the attached Exhibit "C".

2.3 LIMITED COMMON ELEMENTS. Portions of the Common Elements are set aside and reserved for the exclusive use of the individual Owners, such areas being Limited Common Elements. The Limited Common Elements reserved for the exclusive use of the individual Owners are the assigned automobile carport parking spaces, patio and balcony structures, and separate storage spaces. Such spaces and structures are allocated and assigned by the Declarant to the respective Units, as indicated on the Plat. Such Limited Common Elements shall be used in connection with the particular Unit, to the exclusion of the use thereof by the other Owners, except by invitation.

2.4 REGULATION OF COMMON AREAS. Portions of the Common Areas are intended as recreation areas, and are improved with green areas, swimming pool, storage room for equipment, elevator, and other facilities. Reasonable regulations governing the use of such facilities by Owners and by their guests and invitees shall be promulgated by the Declarant, or by the Board of Directors of the Association after the same has been elected. Such regulations shall be permanently posted at the office and/or elsewhere in said recreational areas, and all Owners shall be furnished with a copy thereof. Each Owner shall be required to strictly comply with said Rules and Regulations, and shall be responsible to the Association for the compliance therewith by the members of their respective families, relatives, guests or invitees, both minor and adult.

2.5 INSEPARABLE UNITS. Each Unit and its corresponding pro-rata interest in and to the Common Elements appurtenant thereto shall be inseparable and may not be conveyed, leased or encumbered separately, and shall at all times remain indivisible.

2.6 DESCRIPTIONS. Every deed, lease, mortgage, trust deed or other instrument may legally describe a Condominium Unit by its identifying Building letter and Unit number, as shown on the Map, followed by the words FAIRWAY CONDOMINIUMS and by reference to this recorded Declaration and Map. Every such description shall be deemed good and sufficient for all purposes to convey, transfer, encumber or otherwise affect the Common Elements.

2.7 ENCROACHMENTS. If any portion of the Common Elements encroaches upon a Unit or Units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion or portions of a Unit or Units encroach upon the Common Elements, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. A valid easement also exists to that portion of the General Common Elements and of the Limited Common Elements occupied by any part of an Owner's Unit not contained within the physical boundaries of such Unit, including, but not limited to, space occupied by heating and air conditioning equipment, utility lines and similar equipment which serves only one (1) Unit. For title or other purposes, such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or the individual Units.

2.8 GOVERNMENTAL ASSESSMENT. Declarant shall give written notice to the Assessor's Office of the creation of Condominium Ownership of this Property, as is provided by law, so that each Unit and its percentage or fraction of undivided interest in the Common Elements shall be deemed a separate parcel and subject to separate assessment and taxation.

2.9 USE AND OCCUPANCY RESTRICTIONS.

a. Subject to the provisions of this Declaration and By-Laws, no part of the Property may be used for purposes other than housing and the related common purposes for which the Property was designed. Each Unit or any two (2) or more adjoining Units used together shall be used for residential purposes or such other uses permitted by this Declaration, and for no other purposes. The foregoing restrictions as to residence shall not, however, be construed in such manner as to prohibit a Unit Owner from:

- (1) Maintaining his personal professional library;
- (2) Keeping his personal business or professional records or accounts; or
- (3) Handling his personal business or professional telephone calls or correspondence, which uses are expressly declared customarily incidental to the principal residential use and not in violation of said restrictions.

b. That part of the Common Elements separating and located between and exclusively serving two (2) or more adjacent Units used

together (including, without limitation, portions of any hallway and any walls) may be altered with written consent of the Board, as provided in Paragraph 3.8 herein, to afford ingress to and egress from such Units and to afford privacy to the Occupants of such Units when using such Common Elements, and that part of the Common Elements so altered may be used by the Unit Owner or Owners of such Units as a licensee pursuant to a license agreement with the Association, provided:

(1) The expense of making such alterations shall be paid in full by the Unit Owner or Owners making such alterations;

(2) Such Unit Owner or Owners shall pay in full the expense of restoring such Common Elements to their condition prior to such alteration in the event such Units shall cease to be used together, as aforesaid; and

(3) Such alteration shall not interfere with use and enjoyment of the Common Elements (other than the aforesaid part of the Common Elements separating such adjacent Units), including, without limitation, reasonable access and ingress to and egress from the other Units in the hallway affected by such alteration.

c. The Common Elements shall be used only by the Unit Owners and their agents, servants, tenants, family members, customers, invitees and licensees for access, ingress to and egress from the respective Units and for other purposes incidental to use of the Units; provided, however, receiving rooms, swimming pool, storage room for equipment, elevator, and any other areas designed for specific use shall be used for the purposes approved by the Board.

d. The use, maintenance and operations of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner, and may be subject to lease, concession or easement, presently in existence or entered into by the Board at some future time.

e. Without limiting the generality of the foregoing provisions of this Paragraph 2.9, use of the Property by the Unit Owners shall be subject to the following restrictions:

of the Property or exposed to the view of other Unit Owners without the prior written approval of the Board;

(6) Except as expressly provided hereinabove, nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board;

(7) No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuildings shall be permitted on the Property at any time temporarily or permanently, except with the prior written consent of the Board; provided, however, that temporary structures may be erected for use in connection with the repair or rebuilding of the Buildings or any portion thereof;

(8) No rubbish, trash or garbage or other waste material shall be kept or permitted upon any Unit or the Common Elements, except in sanitary containers located in appropriate areas, and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other Property in the vicinity thereof or to its Occupants. There shall be no exterior fires whatsoever except barbecue fires contained within receptacles designed in such a manner that no fire hazard is created. No clothing or household fabrics shall be hung, dried or aired in such a way in the Property as to be visible to other Property and no lumber, grass, shrub or tree clippings, plant waste, metals, bulk material, scrap, refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Property, except within an enclosed structure or if appropriately screened from view;

(9) No Unit Owner shall park, store or keep any vehicle, except wholly within the parking space designated therefor, and any inoperable vehicle shall not be stored in a parking space or within the Common Elements in general. No Unit Owner shall park, store or keep within

or adjoining the Property any large commercial-type vehicle (dump truck, cement-mixer truck, oil or gas truck, delivery truck and any other vehicle equipment, mobile or otherwise, deemed to be a nuisance by the Board), or any recreational vehicle (camper unit, motor home, truck, trailer, boat, mobile home or other similar vehicle) deemed to be a nuisance by the Board. No Unit Owner shall conduct major repairs or major restorations of any motor vehicle, boat, trailer, aircraft or other vehicle upon any portion of the Common Elements. Parking spaces shall be used for parking purposes only;

(10) Except within Individual Units, no planting, transplanting or gardening shall be done, except where provided, and no fences, hedges or walls shall be erected or maintained upon the Property, except as originally provided by Declarant or as approved by the Board;

(11) Motorcycles, motorbikes, motor scooters or other similar vehicles shall not be operated within the Property except for the purpose of transportation directly from a parking space to a point outside the Property, or from a point outside the Property directly to a parking space;

(12) No animals, livestock, reptiles, or poultry of any kind shall be raised, bred or kept in any Unit or the Common Elements. Dogs, cats, fish, birds and other household pets may be kept in Units subject to rules and regulations adopted by the Association, provided they are not kept, bred or maintained for commercial purposes or in unreasonable quantities. As used in this Declaration, "unreasonable quantities" shall ordinarily mean more than two (2) pets per household; provided, however, the Association may determine a reasonable number in any instance to be more or less, and the Association may limit the size and weight of any household pets allowed. The Association, acting through the Board, shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the Board, a nuisance to any other Unit Owner. Animals belonging to Unit Owners,

Occupants or their licensees, tenants or invitees within the Property must be kept either within an enclosure, an enclosed patio or on a leash being held by a person capable of controlling the animal. The enclosure must be so maintained that the animal cannot escape therefrom and shall be subject to the approval of the Board. Should any animal belonging to a Unit Owner be found unattended out of the enclosure and not being held on a leash by a person capable of controlling the animal, such animal may be removed by Declarant (for so long as it has control over the Association) or a person designated by Declarant to do so, and subsequent thereto by the Association or its Managing Agent, to a pound under the jurisdiction of the local municipality in which the Property is situated and subject to the laws and rules governing said pound, or to a comparable animal shelter. Furthermore, any Unit Owner shall be absolutely liable to each and all remaining Unit Owners, their families, guests, tenants and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Property by a Unit Owner or members of his family, his tenants or his guests; and it shall be the absolute duty and responsibility of each such Unit Owner to clean up after such animals which have used any portion of the Common Elements;

(13) No Unit Owner shall be permitted to lease less than the entire Unit. Every such lease shall be in writing. Every such lease shall provide that the lessee shall be bound by and subject to all of the obligations under the Declaration and By-Laws, of the Unit Owner making such lease and failure to do so shall be a default thereunder. The Unit Owner making such lease shall not be relieved thereby from any of said obligations; and

(14) In order that Declarant may establish the Property as a fully occupied Condominium, no Unit Owner nor the Association shall do anything to interfere with, and nothing in the Declaration shall be understood or construed to:

(a) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from doing in any Unit owned by them whatever they determine to be necessary or advisable in connection with the completion of any work thereon;

(b) Prevent Declarant, its successors or assigns, or its or their representatives, from erecting, constructing, and maintaining on the Common Elements or any Unit owned or controlled by Declarant, its successors or assigns, or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing any work and establishing the Property as a Condominium and disposing of the same by sale, lease or otherwise;

(c) Prevent Declarant, its successors or assigns, or its or their representatives, from maintaining a Sales Office and maintaining and showing model Units to aid in the marketing of the Units during the Construction Period; or

(d) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from maintaining such sign or signs for marketing of Units in the Property.

2.10 RESERVATION OF VARIANCE. The Declarant reserves unto itself, as allowed by law, the exclusive right to amend the Condominium Plat and to vary the size, shape, physical lay-out or location of the unsold Units and to correspondingly adjust the sales price and the percentage or fraction of ownership of the Common Elements or the respective Units remaining unsold.

Such adjustment in the percentage or fraction of ownership of the Common Elements will only affect those Units owned by the Declarant, and will not change or affect the percentage or fraction of ownership of any other Unit. This reservation shall be effective for any annexed and merged Condominium Regimes but shall not work to readjust or reallocate any vested interests in the Common Elements appurtenant to any sold Units.

2.11 RESERVATION OF RIGHT OF MERGER AND ANNEXATION.

a. For a period of five (5) years from the date of recordation of this Declaration, the Declarant reserves the right, authority and power, as allowed by law, to annex the adjoining land described in the attached Exhibit "D" for the purpose of establishing, annexing and merging one or more additional Phases. It is contemplated that Declarant will annex approximately one hundred forty-two (142) additional Units to the Project, but nothing contained herein shall restrict Declarant to this number of Units or obligate Declarant to annex this number of Units. The Phase(s) may be created simultaneously or staggered and, notwithstanding Paragraph 2.10 hereof, shall conform in basic respects to the general restrictions, limitations and benefits contained in this Declaration. The intended improvements in the future annexation tracts must be substantially completed prior to annexation. Upon the recordation of Condominium Declaration Supplements or Declarations of Annexation and Merger in compliance with this Paragraph 2.11, this Declaration shall further apply to and affect all of the Property described in this Declaration and the Property described in such Declaration Supplements or Declarations of Annexation and Merger, and shall also bind all Owners of any part of the subsequent Phases with the same effect as if the Phases were originally subject to and described in this Declaration. Thereafter, the powers and responsibilities of the Board and Association shall be coextensive with regard to all Property included within the expanded Condominium and the Board and Association shall, pursuant to the provisions of this Declaration, constitute the Board and Association for the entire Condominium, as expanded. The rights, obligations and duties of each Owner shall be

the same and identical to the rights, obligations and duties of the Owners prior to recordation of such Declaration Supplements or Declarations of Annexation and Merger, except as each Owner's percentage or fraction of ownership interest may be modified as herein provided. The assessments and voting rights will become effective for the annexed Units upon filing of the Supplemental Declaration.

b. The Association shall continue to maintain one (1) Common Expense Fund for the collection and disbursement of monies as required and permitted hereby for the maintenance, repair, replacement and operation of the expanded Condominium and in all respects and meanings, the Condominium, as expanded, shall be deemed to be a single Condominium Project for the purposes of and in accordance with the provisions of this Declaration and the Act.

c. Any annexation and merger shall entail Buildings, amenities and Units of comparable design, size and quality and shall be accomplished by the filing of appropriate Declaration Supplements or Condominium Declarations of Annexation and Merger. Said documents shall be recorded in the Condominium Records of Hood County, Texas, which will, inter alia:

(1) Be executed by only the Declarant or its successors or assigns;

(2) Contain a legal description of the land to be annexed to the Condominium;

(3) Contain a sufficient description of the Units built or to be built on the annexed land;

(4) Contain a reallocation of percentage or fraction of ownership interest in the Common Elements (as expanded by annexation) among all Units in the Condominium. Such reallocation will be calculated by determining the square footage of the individual Units in proportion to the new total square footage of all the Units; and

(5) Any other information required by law or necessary to effectuate the intent of this Article.

d. This Declaration, including, but not limited to this Paragraph 2.11, does not presently create any interest in or with

respect to the Property shown as Exhibit "D" which may be annexed, and this Declaration shall not affect in any manner all or any part of such Property unless and until a Supplemental Declaration or Declaration of Annexation and Merger is filed thereto in accordance with this Paragraph 2.11.

ARTICLE III

RIGHTS AND OBLIGATIONS OF OWNERSHIP

3.1 OWNERSHIP. A Condominium Unit will be a fee simple estate and may be held and owned by any person, firm, corporation or other entity singularly, as joint tenants, as tenants in common, or in any real property tenancy relationship recognized under the laws of the State of Texas.

3.2 PARTITION. The Common Elements (both General and Limited) shall be owned in common by all of the Owners of the Condominium Units and shall remain undivided, and no Owner shall bring any action for partition or division of the Common Elements other than that as specifically provided for hereinafter in Paragraph 6.2, "Judicial Partition", and, in any event, all mortgages must be paid prior to the bringing of an action for partition or the consent of all Mortgagees must be obtained. Nothing contained herein shall be construed as limitation of the right of partition of a Condominium Unit between the Owners thereof, but such partition shall not affect any other Condominium Unit.

3.3 EXCLUSIVENESS OF OWNERSHIP. Each Owner shall be entitled to exclusive ownership and possession of his Unit. Each Owner may use the Common Elements in accordance with the purposes for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners.

3.4 ONE-FAMILY RESIDENTIAL DWELLING. Each Condominium Unit shall be occupied and used or leased by the Owner only as and for a residential dwelling for the Owner, his family, his social guests or his tenants.

3.5 MECHANIC'S AND MATERIALMAN'S LIENS. No labor performed or materials furnished and incorporated in a Unit, notwithstanding the consent or request of the Owner, his agent, contractor or subcontractor, shall be the basis for filing of a lien against the Common Elements owned by such other Owners. Each Owner shall indemnify and hold harmless each of the other Owners from and against all liability arising from the claim of any lien against the Unit of any other Owner or against the Common Elements for construction performed or for labor, materials, services or other products incorporated in the Owner's Unit at such Owner's request.

3.6 RIGHT OF ENTRY. The Association shall have the irrevocable right to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom, or at any time for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit or Units.

3.7 OWNER MAINTENANCE. An Owner shall maintain and keep in repair the interior, patio and/or balcony space, and storage space of his own Unit, including the fixtures thereof. All fixtures and equipment installed with the Unit, commencing at a point where the utility lines, pipes, wires, conduits or systems (which for brevity are hereafter referred to as "utilities") enter the Unit, shall be maintained and kept in repair by the Owner thereof; and an Owner shall be obliged to promptly repair and replace any broken or cracked glass in windows and doors. An Owner shall be totally responsible for his own heating and cooling system.

3.8 ALTERATION. An Owner shall do no act nor any work that will impair the structural soundness and integrity of the Building or impair any easement or hereditament. No Owner shall in any way alter, modify, add to or otherwise perform any work whatever upon any of the Common Elements, Limited or General, without the prior written consent and approval in writing by the Board of Directors. Any such alteration or modification shall be in harmony with the external design and location of the surrounding structures and topography, and shall not be considered until submission to the Association of complete plans and specifications showing the nature, kind, shape, size, materials, color and location for all proposed work. The Board shall have the obligation to answer within thirty (30) days after receipt of notice of the proposed alterations. Failure to so answer within the stipulated time shall mean that there is no objection to the proposed alteration or modification. During the Construction Period, Declarant shall have the sole right to approve or reject any plans and specifications submitted for consideration by an Owner.

3.9 RESTRICTION OF OWNERSHIP. As a restriction of the ownership provisions set forth in Paragraph 1.1t, "Unit", an Owner shall not be deemed to own the unfinished surfaces of the perimeter walls, floors, ceilings, balconies, patios and roofs surrounding his Unit, nor shall such Owner be deemed to own the utilities running through his Unit which are utilized for, or serve, more than one (1) Unit, except as a tenant in common with the other

Owners. An Owner shall be deemed to own and shall maintain the inner, finished surfaces of the perimeter and interior walls, floors and ceilings, doors, windows and other such elements consisting of paint, wallpaper and other such finishing material.

3.10 LIABILITY FOR NEGLIGENT ACTS. In the event the need for maintenance or repair is caused through the willful or negligent act of an Owner, his family, guests or invitees, and is not covered or paid for by insurance either on such Unit or the Common Elements, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Unit is subject, pursuant to Article IV hereof. Such liability is limited to the liability Owner has under Texas law.

3.11 SUBJECT TO DECLARATION AND BY-LAWS. Each Owner and the Association shall comply strictly with the provisions of this Declaration, the By-Laws and the decisions and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or for injunctive relief, or both, maintainable by the Association on behalf of the Owners or, in proper case, by an aggrieved Owner against another Owner or against the Association.

ARTICLE IV

MANAGEMENT AND ADMINISTRATION

4.1 BY-LAWS. The administration of this Condominium Property shall be governed by the By-Laws of FAIRWAY CONDOMINIUMS OWNERS ASSOCIATION, INC., a non-profit corporation, referred to herein as the "Association". An Owner of a Condominium Unit, upon becoming an Owner, shall be a Member of the Association and shall remain a Member for the period of his ownership. The Association shall be managed by a Board of Directors, duly appointed or elected, pursuant to the terms and conditions of the By-Laws. In addition, the Association shall enter into a management agreement upon the terms and conditions established in the By-Laws, and said management agreement shall be consistent with this Declaration.

4.2 DECLARANT CONTROL. Paragraph 4.1 notwithstanding, and for the benefit and protection of the Unit Owners and any First Mortgagees of record for the sole purpose of insuring a complete and orderly buildout as well as a timely sellout of the Condominium Project, including any annexations as

provided in Paragraph 2.11, the Declarant will retain control of and over the Association for a maximum period not to exceed November 1, 1988, or one hundred twenty (120) days from the closing of sales of seventy-five percent (75%) of the Units, including any annexations, or when in the sole opinion of the Declarant, the Project becomes viable, self-supporting and operational, whichever occurs first. It is expressly understood, the Declarant will not use said control for any advantage over the Unit Owners by way of retention of any residual rights or interests in the Association or through the creation of any management agreement with a term longer than three (3) years without majority Association approval upon relinquishment of Declarant control. Should Declarant elect not to annex any of the adjoining tracts, then its control shall extend no longer than three (3) years from the recordation of this Condominium Declaration. Within sixty (60) days from the end of the Declarant Control Period, or sooner at the Declarant's option, the Declarant, through the Board of Directors, shall call the first annual meeting of the Association for the purpose of electing, by ballot of Owners, a Board of Directors and to transact such other business of the Association as may properly come before it.

4.3 TEMPORARY MANAGING AGENT. During the period of administration of this Condominium Regime by Declarant, the Declarant may employ or designate a temporary manager or managing agent, who shall have and possess all of the rights, powers, authority, functions and duties as may be specified in the contract of employment or as may be delegated by Declarant to him. The Declarant may pay such temporary manager or managing agent such compensation as it may deem reasonable for the services to be rendered, which compensation shall constitute a part of the Common Expenses of this Condominium Regime and shall be paid out of the Association budget.

4.4 SPECIFIC POWER TO RESTRICT USE AND ENJOYMENT. Every Owner and the Declarant shall have a beneficial interest of use and enjoyment in the Common Elements subject to the following limitations, restrictions and provisions:

a. The right of the Association to publish rules and regulations governing use of the Common Areas and the improvements and facilities located thereon, and to establish and enforce penalties for infractions thereof;

b. The right of the Association to charge reasonable fees for the use of the Common Elements, if such facilities are not used by all Members equally;

c. The right of the Association, as allowed by law, to borrow money and mortgage the Common Area and improvements for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property; providing, however, that the rights of any such Mortgagee in such property shall be subordinate to the rights of the Owners hereunder, and in no event shall any such Mortgagee have the right to terminate the Condominium Regime established by this Declaration;

d. The right and duty of the Association to suspend the voting rights and the right to the use of the recreational facilities by an Owner for any period during which any assessment against the Owner's Condominium Unit remains unpaid;

e. The right of Declarant or the Association after the Declarant Control Period to dedicate or transfer all or any part of the Common Area for utility easements to any public agency, authority or utility for the purposes, and subject to the conditions, of such agency, authority or utility. No such dedication or transfer shall be effective unless approved by all First Mortgagees and two-thirds (2/3) vote of the quorum of Owners present at a meeting of the Association specifically called for the purpose of approving any such dedication or transfer, and unless an instrument signed by the Board of Directors reflecting such vote of the Owners agreeing to such dedication or transfer and First Mortgagee approval has been duly recorded in the Condominium Records of Hood County, Texas;

f. The right of the Association to adopt, implement and maintain a private security system for the Premises consistent with applicable laws;

g. The right of the Association to establish rules and regulations governing traffic within the Common Area, and to establish sanctions for any violation or violations of such rules and regulations;

h. The right of the Association to regulate noise within the Premises, including, without limitation, the right of the Association to require mufflers on engines and to prohibit the use of devices producing excessive noise; and

1. The right of the Association to control the visual attractiveness of the property, including, without limitation, the right to require Owners to eliminate objects which are visible from the Common Area and which, in the Association's judgment, detract from the visual attractiveness of the Property.

4.5 MEMBERSHIP, VOTING, QUORUM, PROXIES.

a. Membership. Any person on becoming an Owner of a Condominium Unit shall automatically become a Member of the Association. Such membership shall terminate without any formal Association action whenever such person ceases to own a Condominium Unit, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with FAIRWAY CONDOMINIUMS during the period of such ownership and membership of the Association, or impair any rights or remedies which the Board of Directors of the Association or others may have against such former Owner and Member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue one (1) membership card to the Owner(s) of a Condominium Unit. Such membership card shall be surrendered to the Secretary whenever ownership of the Condominium Unit designated thereon shall terminate.

b. Voting. Unit ownership shall entitle the Owner(s) to cast one (1) vote per Unit in the affairs of the Association, which vote will be weighted to equal the proportionate share of ownership of the Unit Owner in the Common Elements. Voting shall not be split among more than one (1) Unit Owner. The present number of votes that can be cast by the Unit Owners is fifty-two (52). Should additional property be annexed in accordance with Paragraph 2.11 hereof, the total number of votes shall be increased accordingly, and the weighted average adjusted to total one hundred percent (100%).

c. Quorum. The requirements for a quorum are defined in Article III, Paragraph 3.4 of the By-Laws.

d. Proxies. Votes may be cast in person or by proxy. Proxies may be filed with the Secretary before the appointed time of each meeting.

4.6 INSURANCE.

a. The Association shall obtain and maintain at all times insurance of the type and kind provided hereinafter, including such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to any Condominium Buildings, fixtures, equipment and personal property, similar in construction, design and use, issued by responsible insurance companies authorized to do business in the State of Texas. The insurance shall be carried in blanket policy form naming the Association and all Mortgagees as the insured. In addition, each policy or policies shall identify the interest of each Condominium Unit Owner and shall provide for a standard, noncontributory mortgage clause in favor of each First Mortgagee and the Association. Further, the policy shall insure against loss or damage by fire, vandalism, malicious mischief or such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the Common Elements and the Units, and against such other hazards and for such amounts as the Board may deem advisable. Each Owner irrevocably designates the Owners Association, as Attorney In Fact, to administer and distribute such proceeds as is elsewhere provided in this Declaration. Such insurance policy shall also provide that it cannot be cancelled by either the insured or the insurance company until after thirty (30) days prior written notice to each First Mortgagee. The Board of Directors shall, upon request of any First Mortgagee, furnish a certified copy of each blanket policy and a separate certificate identifying the interest of the Mortgagor.

b. The Association shall keep a comprehensive policy or policies of public liability insurance covering the Common Elements of the Project with a contractual liability endorsement, and such policy or policies shall include a "Severability of Interest Endorsement" or equivalent coverage which will preclude the insurer from denying the claim of a Unit Owner because of negligent acts by

the Association, its Board of Directors or a Unit Owner. Such policy or policies shall be in amounts of not less than One Hundred Thousand Dollars (\$100,000.00) per person, Three Hundred Thousand Dollars (\$300,000.00) per accident and Fifty Thousand Dollars (\$50,000.00) property damage, plus an umbrella policy for not less than One Million Dollars (\$1,000,000.00) for all claims for personal injury, including death, and/or property damage arising out of a single occurrence; and the policy shall include water damage liability, liability for non-owned and hired automobiles, liability for property of others and such other coverage as is customarily deemed necessary with respect to projects similar in nature.

c. The Association shall keep a policy or policies of (i) liability insurance insuring the Board of Directors, officers and employees of the Association against any claims, losses, liabilities, damages or causes of action arising out of, or in connection with, or resulting from any act done or omission to act by any such person or entities, (ii) workmen's compensation as required under the laws of the State of Texas, and (iii) such other insurance as deemed reasonable and necessary in order to protect the Project, the Unit Owners and the Association.

d. The Association shall be responsible for obtaining insurance upon the Units, including all fixtures, installations or additions thereto contained within the unfinished interior surfaces of the perimeter walls, floors and ceilings of such Unit, as initially installed or replacements thereof. The Association shall not be responsible for procurement or maintenance of any insurance covering the liability of any Unit Owner not caused by or connected with the Association's operation or maintenance of the Project. Each Unit Owner may obtain additional insurance at his own expense for his own benefit. Insurance coverage on the furnishings and other items of personal property belonging to a Unit Owner and casualty and public liability insurance coverage within each Unit are specifically made the responsibility of each Unit Owner, and each Unit Owner must furnish a copy of his insurance policy to the Association.

e. The Association shall obtain fidelity bond coverage as provided in Paragraph 5.12 of the By-Laws.

f. Any insurance obtained by the Association or a Unit Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against the Unit Owners, Association or their respective servants, agents or guests.

ARTICLE V

MAINTENANCE ASSESSMENTS

5.1 ASSESSMENTS FOR COMMON EXPENSES. All Owners shall be obligated to pay the assessments imposed by the Association to meet the Common Expenses. Assessments for the estimated Common Expenses shall be due monthly in advance on or before the first day of each month. Failure to pay by the fifteenth (15th) day of each month shall require the imposition and assessment of a late charge to be set by the Board of Directors in the Rules and Regulations of the Association. Contribution for monthly assessments shall be prorated if the ownership of a Condominium Unit commences on a day other than the first day of the month.

5.2 PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively for the purposes of promoting the health, safety, welfare and recreation of the residents in the Property, and in particular for the improvement, maintenance and preservation of the Property, the services and the facilities devoted to said purposes that are related to the use and enjoyment of both the Common Elements and the Units situated upon the Property. Such uses may include, but are not limited to, the cost to the Association of the following: all insurance, repair, replacement and maintenance of the Common Elements; fire, extended coverage, vandalism, malicious mischief and liability insurance for the Condominium Units; management costs, taxes, legal and accounting fees as may from time to time be authorized by the Association; construction of other facilities; maintenance of easements upon, constituting a part of, appurtenant to or for the benefit of the Property; mowing grass, caring for the grounds and landscaping; caring for the swimming pool and equipment, storage room for equipment, and elevator; roofs and exterior surfaces of all Buildings and carports; garbage pickup; pest control; street maintenance; outdoor lighting; security service for the Property; water and sewer service furnished to the Property by or through the Association; discharge of any liens on the Common Elements; and other charges required by this Condominium Declaration, or other charges that the

Association is authorized to incur. In addition, the Association shall establish a reserve for repair, maintenance and other charges as specified herein.

5.3 DETERMINATION OF ASSESSMENTS. The assessments shall be determined by the Board of Directors based upon the cash requirements necessary to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Elements. This determination may include, among other items, taxes, governmental assessments, landscaping and grounds care, Common Area lighting, repairs and renovation, garbage collections, wages, water charges, legal and accounting fees, management costs and fees, expenses and liabilities incurred by the Association under or by reason of this Declaration, expenses incurred in the operation and maintenance of recreation and administrative facilities, payment of any deficit remaining from a previous period and the creation of a reserve contingency fund. The omission or failure of the Board to fix the assessment for any month shall not be deemed a waiver, modification or a release of the Owners from the obligation to pay.

5.4 INITIAL ASSESSMENT AND MAXIMUM MONTHLY ASSESSMENT.

a. The monthly assessments shall be made according to each Owner's proportionate or percentage interest in and to the Common Elements provided in Exhibit "C" attached hereto and shall commence upon conveyance of the Unit to the Owner.

b. At least thirty (30) days prior to January 1st, the Board of Directors shall determine the annual budget for the Association and shall set the monthly assessment for the next succeeding twelve (12)-month period. Said monthly assessment shall not exceed one hundred twenty percent (120%) of the monthly assessment allowed for January of the preceding year. At any time during the calendar year, the Board shall have a right to adjust the monthly assessments, as long as any such adjustment does not exceed the maximum permitted herein, with thirty (30) days' written notice given to each Owner. Written notice of the monthly assessment adjustment shall be sent to every Owner subject thereto. The due date shall be established by the Board, and unless otherwise provided or unless otherwise agreed by the Association, the Board shall collect the assessments monthly in accordance with Paragraph

5.1 hereof. If the Board determines at any time during the calendar year that a greater increase of the monthly assessment is required to adequately perform the duties and responsibilities of the Association and pay all expenses thereof, then the Board may call a special meeting of the Owners. By the assent of a two-thirds (2/3) vote of the quorum of Owners, present at such meeting, the monthly assessment may be set at what level such Owners approve. The new assessment shall become the basis for future annual increases, using the one hundred twenty percent (120%) formula, as above outlined.

c. In the event that the Board shall not approve an estimated annual budget or shall fail to determine new assessments for any year, or shall be delayed in doing so, each Unit Owner shall continue to pay each month the amount of his respective monthly assessment as last determined.

d. The Board of Directors shall have authority to lower the monthly assessment, if it deems feasible.

5.5 SPECIAL ASSESSMENTS FOR IMPROVEMENTS. In addition to the annual assessments authorized above, the Association, through the Board of Directors, may levy at any time during the calendar year a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, Common Expenses not anticipated by the annual budget, contingency or reserve funds, including the cost of construction or reconstruction, repair or replacement of the Common Elements, as well as the necessary fixtures and personal property related thereto. Any such assessment must be approved by a two-thirds (2/3) vote of the quorum of Owners voting in person or by proxy at a meeting duly called for this purpose. The Declarant will be treated as all other Unit Owners for purposes of special assessments. Said special assessments shall be assessed against each Owner in proportion to his Unit's ownership interest in the Common Elements as set forth herein.

5.6 COMMENCEMENT OF ASSESSMENTS. The monthly assessments provided for herein shall be due on the first day of the month. The assessments shall be prorated if the ownership of a Unit commences on a day other than the first day of the month. On Units owned by the Declarant, the assessment shall commence on the first day of the month after the Declarant Control Period is terminated, in accordance with Paragraph 5.11 herein.

5.7 NO EXEMPTION. No Owner may exempt himself from liability for his contribution towards the Common Expenses by waiver of the use or enjoyment of any of the General or Limited Common Elements or by abandonment of his Unit.

b. LIEN FOR ASSESSMENTS.

a. All common monthly assessments and special assessments assessed but unpaid by a Unit Owner for its share of Common Expenses chargeable to its respective Condominium Unit, including interest thereon at ten percent (10%) per annum, plus any Attorney's fees incurred by the Association in order to enforce compliance by any Owner with the terms of this Declaration, the By-Laws, Articles of Incorporation, or Rules and Regulations of the Association, shall constitute a lien on such Unit superior (prior) to all other liens and encumbrances, except only for:

(1) All taxes and special assessments levied by governmental and taxing authorities; and

(2) All liens securing sums due or to become due under any prior recorded purchase money mortgage, vendor's lien or deed of trust.

b. To evidence such lien the Association may, but shall not be required to, prepare written notice setting forth the amount of such unpaid indebtedness, the name of the Owner of the Condominium Unit and a description of the Condominium Unit. Such notice shall be signed by one (1) of the Board of Directors and may be recorded in the Office of the Clerk and Recorder of Hood County, Texas. Such lien for the Common Expenses shall attach from the date of the failure of payment of the assessment. Such lien may be enforced by foreclosure of the defaulting Owner's Condominium Unit by the Association. Any such foreclosure sale is to be conducted in accordance with the provisions applicable to the exercise of powers of sale in mortgages and deeds of trust, as set forth in Section 51.002 of the Texas Property Code, as amended by Acts 1983, 68th Leg., Ch. 915 (Sec. 3810 Revised Civil Statutes), or in any manner permitted by law. Each Owner, by accepting a deed to his Unit, expressly grants to the Association a power of sale, as set forth in said Section 51.002, in connection with the assessment lien. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the

notice or claim of lien and all reasonable attorney's fees. The Owner shall also be required to pay to the Association a reasonable rental for the Condominium Unit during the period of foreclosure, that being the point in time after the foreclosure is posted, and the Association shall be entitled to a receiver to collect same. The Association shall have the power to bid in the Condominium Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey same.

c. The amount of the Common Expenses assessed against each Condominium Unit shall also be a debt of the Owner thereof at the time the assessment is made. Suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosing or waiving the lien securing same.

d. In addition, to the extent permitted by law, Declarant reserves and assigns to the Association, without recourse, a vendor's lien against each Unit to secure payment of a common assessment or special assessment which is levied pursuant to the terms hereof. Said liens may be enforced by appropriate judicial proceedings and the expenses incurred in connection therewith, including, but not limited to, interest, costs and reasonable attorney's fees, shall be chargeable to the Owner in default. Such lien shall be subordinated and inferior to those liens listed in Subparagraphs 5.8a(1) and (2).

e. Any encumbrancer holding a lien on a Condominium Unit may pay any unpaid Common Expense payable with respect to such Unit, and upon such payment, such encumbrancer shall have a lien on such Unit for the amount paid of the same rank as the lien of his encumbrance.

5.9 SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any recorded mortgage or mortgages granted or created by the Owner of any Condominium Unit to secure the payment of monies advanced and used for the purpose of purchasing and/or improving such Unit. Sale or transfer of any Unit shall not affect the assessment lien; provided, however, that the sale or transfer of any Condominium Unit pursuant to a foreclosure, a deed in lieu of foreclosure, assignment in lieu of foreclosure under such purchase money or improvement mortgages or deeds of trust shall extinguish the lien of such assessments as

to payments thereof coming due prior to such sale or transfer, except for claims for its pro-rata share of such assessments resulting from a reallocation among all Units, which reallocation, if necessary, will require a readjustment of the common assessment as provided in Paragraph 5.4b. No sale or transfer shall relieve such Condominium Unit, or the Owners thereof, from liability for any assessments thereafter becoming due or from the lien thereof.

5.10 STATEMENT OF ASSESSMENTS. Upon the written request of any Owner or any encumbrancer or prospective encumbrancer of a Condominium Unit, the Association, by its Board of Directors, shall issue a written statement setting forth the unpaid assessments, if any, with respect to the subject Unit, the amount of the current monthly assessments, the date of such assessment and the due date, credit for advance payments or for prepaid items, including, but not limited to, insurance premiums, which shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request for a statement of indebtedness shall be complied with within ten (10) days, all unpaid assessments which become due prior to the date of making of such request shall be subordinate to the lien of the person requesting such statement.

The Purchaser, Donee or other transferee of a Unit, by deed or other writing (herein called "Grantee"), shall be jointly and severally liable with the transferor of such Unit (herein called "Grantor") for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the Grantee's right to recover from Grantor the amounts paid by the Grantee, but such transferee shall be personally liable only if he expressly assumes such liability. The Grantee shall be entitled to a statement from the Board of Directors, setting forth the amount of the unpaid assessments, if any, with respect to the subject Unit, the amount of the current monthly assessment and the date such assessment becomes due, as well as any credit for advanced payments or for prepaid items, including, but not limited to, insurance premiums. This statement shall be conclusive upon the Association. Unless such request for a statement of indebtedness shall be complied with within ten (10) days of such request, such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments against the subject Condominium Unit accruing prior to such ten (10)-day period.

5.11 OBLIGATION OF DECLARANT FOR ASSESSMENTS AND MAINTENANCE. During the Declarant Control Period, as provided in Paragraph 4.2 hereof, the Declarant shall be responsible for the difference between the cost of maintenance and assessments received from the other Unit Owners and shall not be limited to the regular monthly assessments for Units owned by Declarant until the end of the Declarant Control Period or until Declarant, at its option, chooses to make regular monthly payments, whichever first occurs. Should Declarant elect not to make regular monthly assessments, Declarant shall provide any additional funds necessary to pay actual cash outlays required to fund current operating expenses of the Association. After the Declarant Control Period is terminated or earlier at Declarant's option, Declarant shall pay the regular monthly assessment for each Unit or Units it owns. In no event shall Declarant's liability for assessments be less than required by the Act.

ARTICLE VI

DESTRUCTION OR OBSOLESCENCE OF IMPROVEMENTS

6.1 DESTRUCTION OR OBSOLESCENCE.

a. This Declaration hereby makes mandatory the irrevocable appointment of an Attorney In Fact to deal with the Property upon its destruction, obsolescence or condemnation. Title to any Condominium Unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any Grantee of a deed from the Declarant or from any Owner shall constitute appointment of the Attorney In Fact herein provided. All of the Owners irrevocably constitute and appoint FAIRWAY CONDOMINIUMS OWNERS ASSOCIATION, INC., or its successor non-profit corporation, if same be hereafter organized, their true and lawful Attorney in their name, place and stead, for the purpose of dealing with the Property upon its destruction, obsolescence or condemnation, as hereinafter provided. As Attorney In Fact, the Association, by its authorized officers shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or any other instrument with respect to the interest of a Condominium Unit Owner which is necessary and appropriate to exercise the powers herein granted.

b. Repair and reconstruction of the improvement(s), as used in the succeeding subparagraphs, means restoring the improvement(s)

to substantially the same condition in existence prior to the damage, with each Unit and Common Elements having the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be made available to the Association for the purpose of repair, restoration or replacements, unless all of the Owners and all of the First Mortgagees agree not to rebuild in accordance with the provisions set forth hereinafter:

(1) In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s), shall be applied by the Association, as Attorney In Fact, to such reconstruction, and the improvement(s) shall be promptly repaired and reconstructed.

(2) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is not more than sixty-six and two-thirds percent (66-2/3%) of all the Common Elements as determined by a majority of the Unit Owners, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as Attorney In Fact, using the proceeds of insurance and the proceeds of an assessment to be made against all of the Owners and their Condominium Units. Such deficiency assessment shall be a special assessment made pro rata according to each Owner's proportionate interest in and to the Common Elements and shall be due and payable within thirty (30) days after written notice thereof. The Association shall have the authority to cause the repair or restoration of the improvements using all of the insurance proceeds for such purpose notwithstanding the failure of an Owner to pay the assessment. The assessment provided for herein shall be a debt of each Owner and a lien on his Condominium Unit and may be enforced and collected as is provided in Article V hereof. The lien provided for herein shall be subordinate to any recorded first mortgage lien, as provided in Paragraph 5.9 of this Declaration. Should the Association

choose to foreclose said lien, as provided in Article V, the proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Association, as Attorney In Fact, in the following order:

(a) For payment of taxes and special assessment liens in favor of any governmental assessing entity;

(b) For payment of the balance of the lien of any duly recorded mortgage instrument;

(c) For payment of unpaid Common Expenses;

(d) For payment of junior liens and encumbrances in the order and extent of their priority; and

(e) The balance remaining, if any, shall be paid to the Condominium Unit Owner.

(3) If more than sixty-six and two-thirds percent (66-2/3%) of all of the Common Elements as determined by a majority of Unit Owners, not including land, are destroyed or damaged, and if the Owners representing the aggregate ownership of one hundred percent (100%) of the Common Elements, do not voluntarily, within one hundred (100) days thereafter, make provision for reconstruction, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary, the entire remaining Premises shall be sold by the Association, as Attorney In Fact for all of the Owners, free and clear of the provisions contained in this Declaration, the Plat and the By-Laws. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each Unit Owner's interest (as such interests appear on the policy or policies), and such divided proceeds shall be paid into separate accounts, one such account for each Condominium Unit. Each such account shall be in the name of the Association, and shall be further identified by the number

W11000.202

of the Unit and the name of the Owner. From each separate account, the Association, as Attorney In Fact, shall use and disburse the total amount (of each) of such accounts, without contribution from any one (1) account to another, toward the full payment of the lien of any first mortgage against the Condominium Unit represented by such separate account. There shall be added to each such account, the apportioned amount of the proceeds derived from the sale of the entire Property. Such apportionment shall be based upon each Condominium Unit Owner's proportionate interest in the Common Elements. The total funds of each account shall be used and disbursed, without contribution from one (1) account to another, by the Association, as Attorney In Fact, for the same purposes and in the same order as is provided in Subparagraphs b(2)(a) through (e) of Paragraph 6.1 hereof. Any decision to terminate the condominium status as herein provided must have the approval of First Mortgagees as provided in Paragraph 8.1c herein.

(4) If the Owners representing a total ownership interest of one hundred percent (100%) of the Common Elements adopt a plan for reconstruction, then all of the Owners shall be bound by the terms and provisions of such plan. Any assessment made in connection with such plan shall be a Common Expense and made pro rata according to each Owner's proportionate interest in the Common Elements and shall be due and payable as provided by the terms of the plan. The Association shall have the authority to cause the repair and restoration of the improvements using all of the insurance proceeds for such purpose notwithstanding the failure of an Owner to pay the assessment. The assessment provided for herein shall be a debt of each Owner and a lien on his Condominium Unit and may be enforced and collected as is provided in Paragraph 5.8 hereof, but will be subordinate to any duly recorded first mortgage lien, as provided in Paragraph 5.9 hereof. Should the Association foreclose said assessment lien, as

provided in said Paragraph 5.8, the proceeds derived from sale of such Condominium Unit shall be used and disbursed by the Association, as Attorney In Fact, for the same purposes and in the same order as is provided in Subparagraphs b(2)(a) through (e) of Paragraph 6.1 hereof.

(5) The Owners representing an aggregate ownership interest of sixty-six and two-thirds percent (66-2/3%) of the Common Elements or more, may agree that the Common Elements of the Property are obsolete and that the same should be renewed or reconstructed. In such instance, the expenses thereof shall be payable by all of the Owners as Common Expenses.

(6) Any restoration, reconstruction or repair of the Project shall be performed substantially in accordance with this Declaration and the original Plans and specifications, unless other action is approved by the holders of mortgages on Units which have at least fifty-one percent (51%) of the votes of the Association.

(7) The Owners representing an aggregate ownership interest of one hundred percent (100%) of the Common Elements and all holders of first mortgages may agree that the Common Elements of the Property are obsolete and that the same should be sold. In such instance, the Association shall record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's authorized officers, the entire Premises shall be sold by the Association, as Attorney In Fact, for all of the Owners, free and clear of the provisions contained in this Declaration, the Plat and the By-Laws. The sales proceeds shall be apportioned between the Owners and First Mortgagees as their interests may appear on the basis of each Owner's percentage or fraction of interest in the Common Elements, and such apportioned proceeds shall be paid into separate accounts, one such account for each Condominium Unit. Each such account shall be in the name of the Association, and shall be further identified

by the number of the Unit and the name of the Owner. From each separate account, the Association, as Attorney In Fact, shall use and disburse the total amount of each of such funds, without contribution from (1) fund to another, for the same purposes and in the same order as is provided in Subparagraphs b(2)(a) through (e) of Paragraph 6.1 hereof.

6.2 JUDICIAL PARTITION. There shall be no judicial partition of the Common Elements, nor shall Declarant or any person acquiring any interest in the Project or any part thereof seek any such judicial partition, until the happening of the conditions set forth in Paragraph 6.1 hereof in the case of damage or destruction or unless the Property has been removed from the provisions of the Texas Condominium Act; provided, however, that if any Condominium Unit shall be owned by two (2) or more co-tenants, as tenants in common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition between such co-tenants, but such partition shall not affect any other Condominium Unit.

6.3 CONDEMNATION.

a. If all or any part of the Property is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association, as Attorney In Fact, and each Owner shall be entitled to participate in proceedings incident thereto at their respective expense. The Association shall give timely written notice of the existence of such proceedings to all Owners and to all First Mortgagees known to the Association to have an interest in any Condominium Unit. The expense of participation in such proceedings by the Association shall be borne by the Common Fund. The Association, as Attorney In Fact, is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for any such taking shall be deposited with the Association, as Attorney In Fact, and such damages or awards shall be applied as provided herein. In the event that an action in eminent domain is brought to condemn a

portion of the Common Elements (together with or apart from any Condominium Unit), the Association, as Attorney In Fact, in addition to the general powers set out herein, shall have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such Property to the condemning authority in lieu of such condemnation proceeding.

b. With respect to any such taking, all damages and awards shall be determined for the taking of the individual Units and for the taking of the Common Elements and for each Owner's interest therein. After the damages or awards for such taking are determined, such damages or awards shall be paid to the account of each Owner for the loss of the individual Unit plus an amount in proportion to his percentage or fractional ownership interest in the Common Elements to be applied or paid as set forth in Subparagraphs 6.1b(2)(a) through (e) hereof, unless restoration takes place as herein provided. The Association, if it deems advisable, may call a meeting of the Owners, at which meeting the Owners, by a majority vote, shall decide whether to replace or restore, as far as possible, the Common Elements so taken or damaged. In the event it is determined that such Common Elements should be replaced or restored by obtaining other land or building additional structures, this Declaration and the Map attached hereto shall be duly amended by instrument executed by the Association as Attorney In Fact, on behalf of the Owners. In the event that such eminent domain proceeding results in the taking of or damage to one (1) or more, but less than sixty-six and two-thirds percent (66-2/3%) of the total number of Condominium Units, then the damages and awards for such taking shall be determined for each Condominium Unit and the following shall apply:

(1) The Association shall determine which of the Condominium Units damaged by such taking may be made tenantable for the purposes set forth in this Declaration, taking into account the nature of this Condominium Project and the reduced size of each Condominium Unit so damaged.

(2) The Association shall determine whether it is reasonably practicable to operate the remaining

Condominium Units of the Project, including those damaged Units which may be made tenantable, as a Condominium in the manner provided in this Declaration.

(3) In the event that the Association determines that it is not reasonably practicable to operate the undamaged Condominium Units and the damaged Units which can be made tenantable, then the Condominium Project shall be deemed to be regrouped and merged into a single estate owned jointly in undivided interest by all Owners, as tenants in common, in the proportionate ownership interest previously owned by each Owner in the Common Elements.

(4) In the event that the Association determines it will be reasonably practicable to operate the undamaged Condominium Units and the damaged Units which can be made tenantable as a Condominium Unit, then the damages and awards made with respect to each Unit which has been determined to be capable of being made tenantable shall be applied to repair and to reconstruct such Condominium Unit so that it is made tenantable. The restoration shall be performed in accordance with this Declaration and the original Plans and specifications, unless other action is approved by holders of mortgages on the remaining Units which have at least fifty-one percent (51%) of the votes in the Association. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against those Condominium Units which are tenantable. With respect to those Units which cannot be tenantable, the award made shall be paid as set forth in Subparagraphs 6.1b(2)(a) through (e) hereof; and the remaining portion of such Units, if any, shall become part of the Common Elements. Upon the payment of such award for the account of such Owner as provided herein, such Condominium Unit shall no longer be a part of the Condominium Project, and the proportionate ownership interest in the Common Elements appurtenant to each remaining Condominium Unit which shall continue as part of

the Condominium Project shall be equitably adjusted to distribute the ownership of the undivided interest in the Common Elements among the reduced number of Owners based upon the square footage of the individual remaining Units in proportion to the total square footage of all the remaining Units.

(5) If sixty-six and two-thirds percent (66-2/3%) or more of the Condominium Units are taken or damaged by such taking, all damages and awards shall be paid to the accounts of the Owners of Units, as provided herein; and this Condominium Regime shall terminate upon such payment. Such termination of condominium status shall require the approval of the Mortgagees as provided in Paragraph 8.1C herein. Upon such termination, the Condominium Units and Common Elements shall be deemed to be regrouped and merged into a single estate owned in undivided interest by all Owners as tenants in common in the proportionate ownership interest previously owned by each Owner in the Common Elements. The Owners representing an aggregate ownership interest of sixty-seven percent (67%) of the Common Elements and holders of first mortgages on Units which have at least sixty-seven percent (67%) of the votes on Units subject to first mortgages may agree that the Property should be sold. In such instance, the Association shall record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's authorized officers, the entire Premises shall be sold by the Association, as Attorney in Fact, for all of the Owners, free and clear of the provisions contained in the Declaration, the Plat and the By-Laws. The sales proceeds shall be apportioned between the Owners and First Mortgagees as their interests may appear on the basis of each Owner's proportionate ownership interest in the regrouped estate. Any damages, awards, or sales proceeds provided in this paragraph to be paid to or for the

account of any Owner by the Association shall be applied as set forth in Subparagraphs 6.1b(2)(a) through (e) hereof.

ARTICLE VII

PROTECTION OF MORTGAGEE

7.1 NOTICE TO ASSOCIATION. An Owner who mortgages his Unit shall notify the Association, giving the name and address of his Mortgagee. Each Mortgagee shall be permitted to notify the Association of the fact that such Mortgagee holds a deed of trust or mortgage on a Condominium Unit. The Board shall maintain such information in a book entitled "Mortgagees of Condominium Units".

7.2 NOTICE OF DEFAULT; LAPSE IN INSURANCE. The Association shall notify a First Mortgagee in writing, upon written request of such Mortgagee identifying the name and address of the Mortgagee and the Unit number, of any default by the Mortgagor in the performance of such Mortgagor's obligations, as set forth in this Declaration, which is not cured within sixty (60) days. The Association, upon written request, shall notify a First Mortgagee of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

7.3 EXAMINATION OF BOOKS. The Association shall permit First Mortgagees to examine the books and records of the Association upon request.

7.4 RESERVE FUND. The Association shall establish adequate reserve funds for replacement of Common Element components and fund the same by regular monthly payments rather than by extraordinary special assessments. In addition, there shall be established a working capital fund for the initial operation of the Condominium Project equal to at least two (2) months' estimated Common Assessments charge for each Unit, said deposit to be collected at closing of Unit sale.

7.5 ANNUAL AUDITS. Upon written request the Association shall furnish each First Mortgagee an annual audited financial statement of the Association within ninety (90) days following the end of each fiscal year of the Association.

7.6 NOTICE OF MEETINGS. The Association shall furnish each First Mortgagee upon request of such Mortgagee, prior written notice of all meetings of the Association and permit the designation of a representative of such Mortgagee to attend such meetings, one (1) such request to be deemed to be a request for prior written notice of all subsequent meetings of the Association.

7.7 NOTICE OF DAMAGE OR DESTRUCTION. The Association shall furnish the First Mortgagees timely written notice of any substantial damage or partial destruction of any Unit on which the First Mortgagee holds the mortgage if such loss exceeds One Thousand Dollars (\$1,000.00) and of any part of the Common Elements if such loss exceeds Ten Thousand Dollars (\$10,000.00).

7.8 MANAGEMENT AGREEMENTS. Any management agreement and/or service contract entered into by the Association will be terminable by the Association without cause and without payment of a termination fee upon ninety (90) days' written notice or with cause upon thirty (30) days' written notice, and the term of such management agreement will not exceed the period of three (3) years, renewable by agreement of the parties to such agreement for successive one (1)-year periods. In the event of the termination of the management agreement, as provided herein, the Association shall enter into a new management agreement with a new management agent prior to the effective date of the termination of old management agreement. Any decision to establish self-management by the Owners Association shall require the prior consent of Owners of Units to which at least sixty-seven percent (67%) of the votes are allocated and the approval of first mortgage holders holding mortgages on Units which have at least fifty-one percent (51%) of the votes of the Association.

7.9 TAXES, ASSESSMENTS AND CHARGES. All taxes, assessments and charges which may become liens prior to the First Mortgage under local law shall relate only to the individual Condominium Units and not to the Condominium Project as a whole.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1 AMENDMENTS TO DECLARATION; APPROVAL OF OWNERS AND MORTGAGEES.

a. The consent of the Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated and the approval of First Mortgagees holding mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to mortgages shall be required to add or amend any provisions to this Declaration including those provisions which provide for, govern or regulate any of the following:

- (1) Voting;
- (2) Assessments, assessment liens or subordination of such liens;
- (3) Reserves for maintenance, repair and replacement of the Common Elements;
- (4) Insurance or fidelity bonds;
- (5) Rights to use of the Common Elements;
- (6) Responsibility for maintenance and repair of the Units and Common Elements;
- (7) Expansion of the Project, except as provided in Paragraph 2.11 herein;
- (8) Boundaries of any Unit, except as provided in Paragraph 2.10 herein;
- (9) Convertibility of Units into Common Elements, or Common Elements into Units;
- (10) Leasing of Units;
- (11) Imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his Unit;
- (12) A decision by the owners' association to establish self management when professional management had been required previously by an eligible mortgage holder;
- (13) Restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents;
- (14) Any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or
- (15) Any provisions which are for the express benefit of first mortgage holders, insurers, or guarantors of first mortgages.

b. The consent of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated and the approval of First Mortgagees holding mortgages on Units which have at least sixty-seven percent (67%) of the votes of Units subject to Mortgages. shall be required to:

(1) partition or subdivide any Unit. In addition to the approval of the Owner any mortgage holder, if any, must be obtained;

(2) by act or omission, seek to abandon, partition, subdivide, encumber, or transfer the Common Elements, other than the granting of easements for public utilities or other public uses except where a greater percentage is required, as provided in Paragraph 3.2 hereof, or by the Act; or

(3) use Hazard Insurance proceeds for losses to any condominium property for other than the repair, replacement or reconstruction of such property, except as provided by statute in the case of substantial loss, and as provided in Paragraph 6.1b(3).

c. The consent of Owners of Units to which at least one hundred percent (100%) of the votes of the Association are allocated and the approval of First Mortgagees holding mortgages on Units which have at least sixty-seven percent (67%) of the votes of Units subject to mortgages shall be required to terminate or abandon the condominium status of the Project by act or omission, except where a different percentage is mandated by the Act in the event of a termination due to destruction or condemnation.

d. Any amendment which would change the percentage or fraction of interest of the Unit Owners in the Common Elements, except as provided in Paragraph 2.11 herein, will require the consent of Owners of sixty-seven percent (67%) of the votes allocated in the Association and the approval of First Mortgagees holding mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to mortgages, provided that the change of percentage or fraction of ownership must have the approval of each Unit Owner affected by said amendment.

e. Any amendment to the Declaration must be approved by the requisite percentages of ownership interest at a meeting called by the Association, so long as such meeting is required by law. Should the meeting requirement not be mandated by law, an amendment may be effected with the certification by the Secretary of the Association

that the necessary Owner approval was obtained, or by obtaining the signature of the Owners who hold the requisite percentage of the Units.

f. No Amendment to the Declaration may alter or destroy the Unit or a Limited Common Element without the consent of the Owners affected and the owners' First Mortgagees.

g. Any First Mortgagee who receives a written request to approve additions or amendments to the Declaration or By-Laws, and who does not deliver or post to the requesting party a negative response within thirty (30) days, shall be deemed to have approved such request. The Association shall give timely written notice to all First Mortgagees of any proposed action which would require the consent of a specified percentage of First Mortgagees.

h. Unless otherwise provided in this Paragraph 8.1 or elsewhere in this Declaration, any of the provisions hereir may be amended by the consent of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated, provided that:

(i) No amendment shall affect the rights given to the Declarant, herein, without the consent of the Declarant;

(ii) No action to challenge the validity of an amendment adopted by the Association under this section or Paragraph 8.2 may be brought more than one (1) year after the amendment is recorded; and

(iii) To be effective, each amendment to the Declaration must be in writing, signed and acknowledged by the Board, indicating the required approval of such Owners and/or Mortgagees, or by the Declarant in the case of an amendment pursuant to Paragraph 8.2. Any such instrument shall be duly recorded in the Condominium Records of Hood County, Texas.

8.2 CORRECTION OF ERROR. Declarant reserves, and shall have the continuing right, until the end of the Construction Period, without the consent of the other Owners or any Mortgagee to amend this Declaration or the By-Laws for the purpose of resolving or clarifying any ambiguities or

conflicts herein, or correcting any inadvertent misstatements, errors or omissions herein, or to comply with the requirements of Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration or Federal Housing Administration, as allowed by law.

8.3 OWNERSHIP OF COMMON PERSONAL PROPERTY. Upon termination of the construction period, as defined herein, Declarant shall execute and deliver a bill of sale to the Association transferring all items of personal property located on the premises, furnished by Declarant, and intended for the common use and enjoyment of the Condominium Unit Owners and occupants. No owner shall have any other interest and right thereto, and all such right and interest shall absolutely terminate upon the Owner's termination of possession of his Condominium Unit.

8.4 CHANGE IN DOCUMENTS. Upon written request, the holder of any mortgage covering any of the Condominium Units shall be entitled to written notification from the Association thirty (30) days prior to the effective date of any change in the Condominium documents.

8.5 NOTICE. All notices, demands or other notices intended to be served upon an Owner shall be sent by ordinary or certified mail, postage prepaid, addressed in the name of such Owner in care of the Unit number and Building address of such Owner. All notices, demands or other notices intended to be served upon the Board of Directors of the Association or the Association, shall be sent by ordinary or certified mail, postage prepaid, to 2500 Westover, Pecan Plantation, Granbury, Texas, 76048, until such address is changed by a notice of address change duly recorded in the Hood County Condominium Records.

8.6 CONFLICT BETWEEN DECLARATION AND BY-LAWS. Whenever the application of the provisions of this Declaration conflict with the application of any provision of the By-Laws adopted by the Association, the provisions or application of this Declaration shall prevail.

8.7 INVALIDATION OF PARTS. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word or the application thereof in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this Declaration and the application of any provision, paragraph, sentence, clause, phrase or word in any other circumstance shall not be affected thereby.

8.8 OMISSIONS. In the event of the omission from this Declaration of any word, sentence, clause, provision or stipulation which shall be necessary for the accomplishment of the intent and purposes hereof, or any part hereof, then such omitted matter shall be supplied by inference and/or by reference to the Act.

8.9 TEXAS CONDOMINIUM ACT. The provisions of this Declaration shall be in addition and supplemental to the Condominium Act of the State of Texas and to all other provisions of law.

8.10 GENDER. That whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be signed, sealed and delivered by its proper corporate officers and its corporate seal to be affixed, this 23rd day of May, A.D., 1984.

H L G & W DEVELOPMENT CORPORATION

By: Alan M. Weiss
Alan M. Weiss, Vice President

ATTEST:

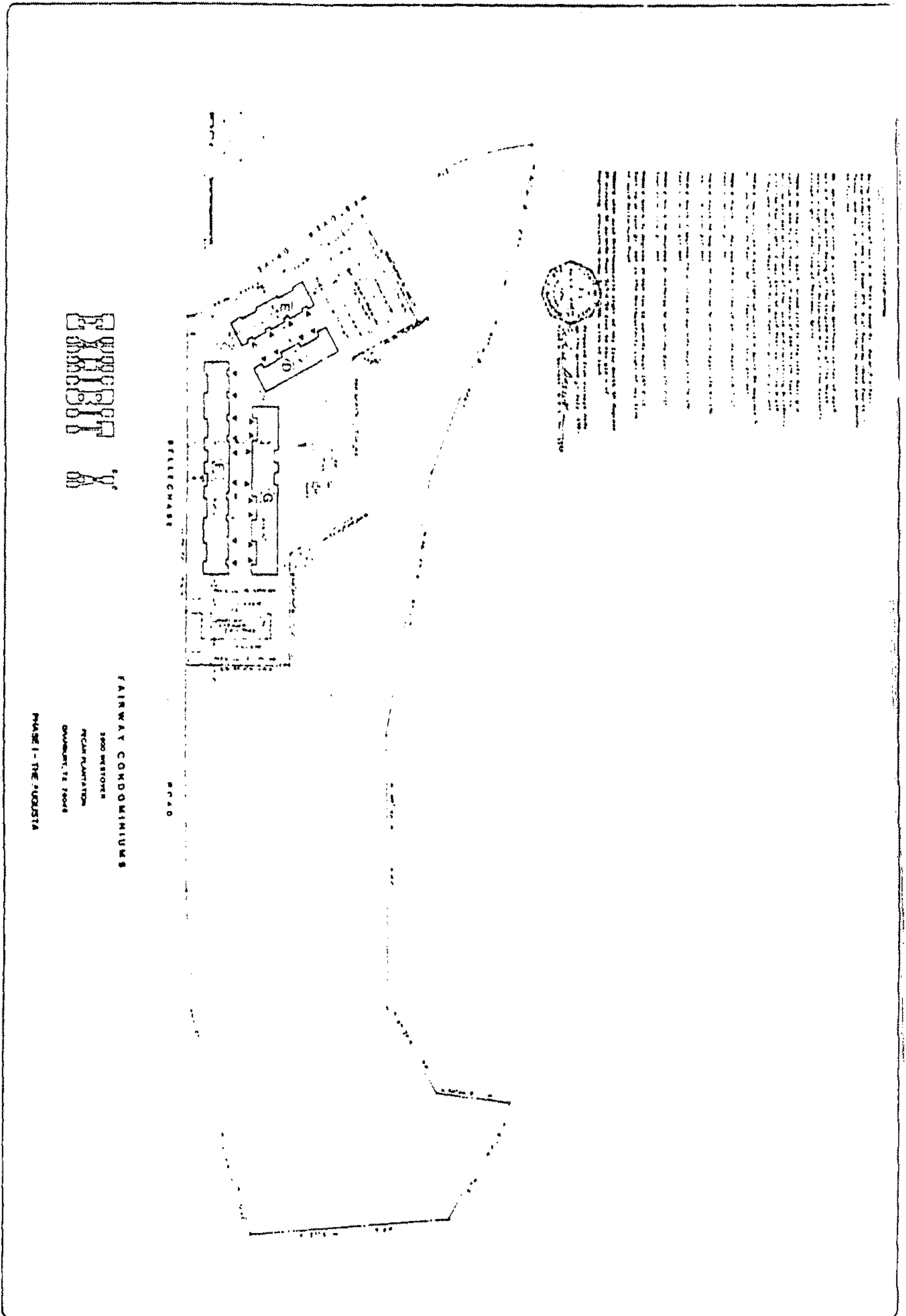
Alan M. Weiss
Secretary

STATE OF TEXAS §
COUNTY OF HOOD §

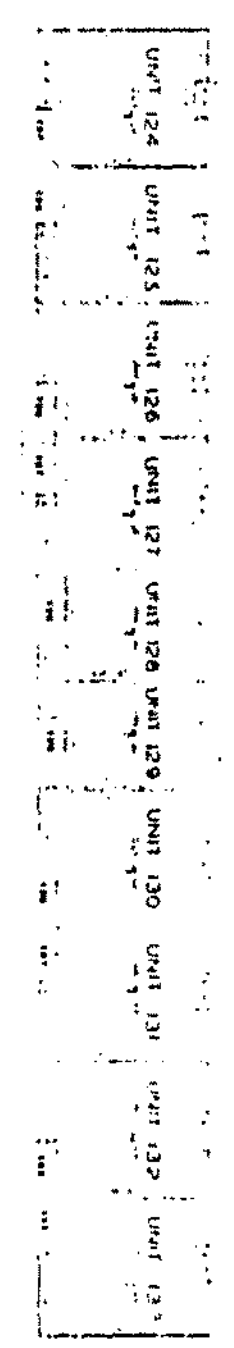
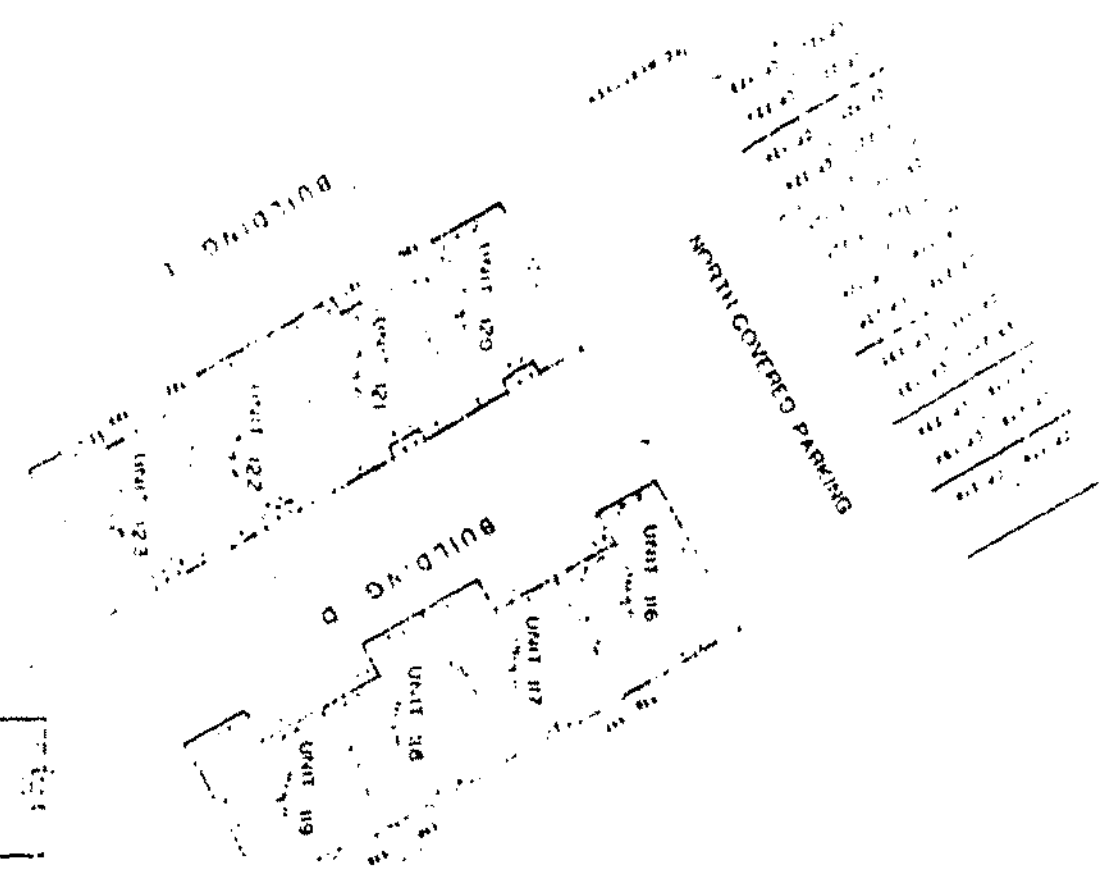
BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Alan M. Weiss, Vice President of HLG&W Development Corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of 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 23rd day of May, A.D., 1984.

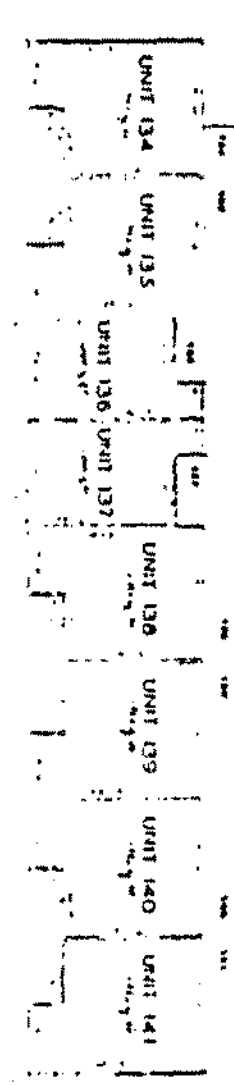
Dee Linnell
Notary Public in and for
The State of Texas
My Commission Expires: 8/30/86



72



BUILDING F
FIRST FLOOR

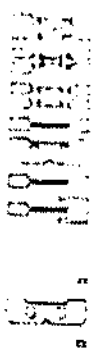


BUILDING G

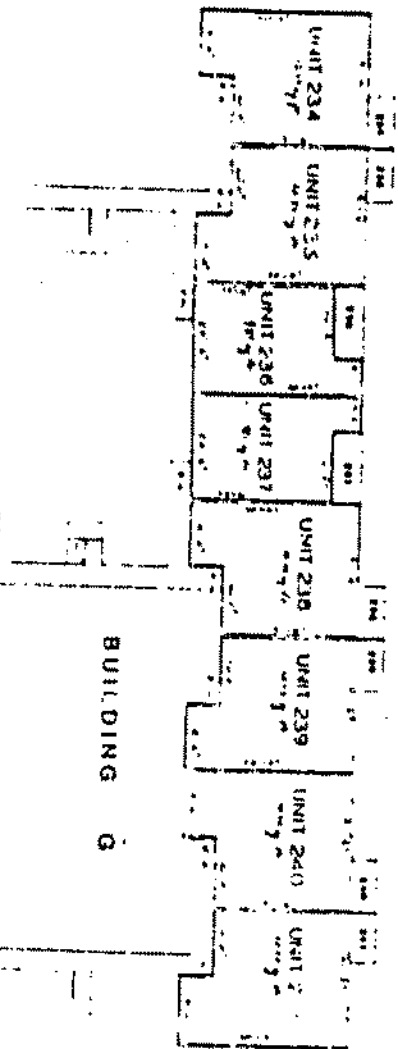
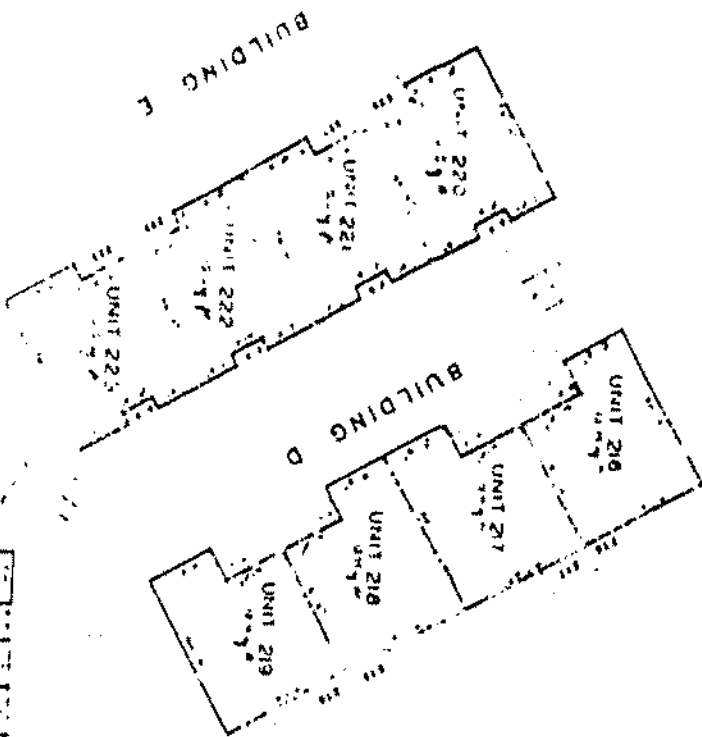
EAST COVERED PARKING

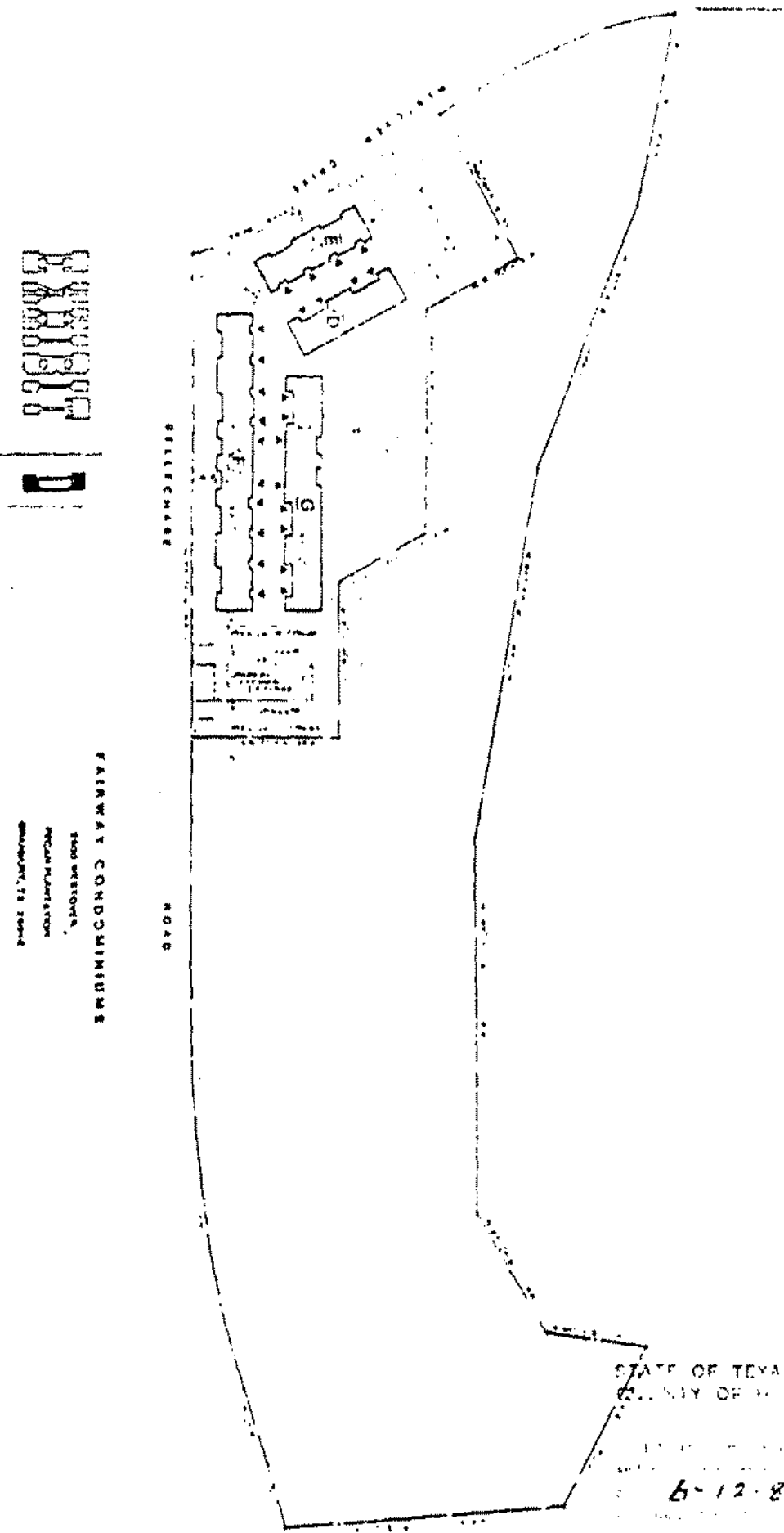
[illegible][illegible]

Raymond & Lambert Associates
 10000 Wilshire Blvd., Suite 1000
 Los Angeles, CA 90024
 Tel: 310-760-1000



BUILDING F
SECOND FLOOR





FAIRWAY CONDOMINIUMS

PHASE I - THE AUGUSTA

BELLCHASE ROAD

STATE OF TEXAS)
COUNTY OF HARRIS)

FILED FOR RECORD
AT 10:20 A.M.
JUN 11 1984
Clerk County Court, Harris County, TX.

6-12-84

Carroll H. Miller

REYMOND A. LAMBERT & ASSOCIATES
ARCHITECTS

Billie Meyer

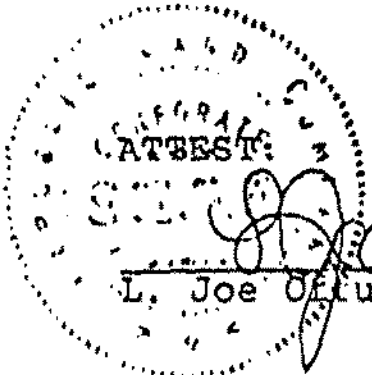
4. Notwithstanding any other agreement, Grantee herein shall not erect, maintain or permit to exist on Lots K-R, J or I in Unit Four of Pecan Plantation, a subdivision in Hood County, Texas, more particularly described in Exhibit "A" attached hereto, more than sixteen (16) units for each acre (excluding fractional acreage) within the Lot, units being individual residential units in an apartment project or a condominium project, and these restrictions shall be covenants running in the land and shall be fully binding upon Grantee herein, its successors and assigns, and shall continue in effect during the duration of all of the restrictions and covenants set forth in the Declaration of Restrictions appearing of record with respect to Unit Four, Pecan Plantation, a subdivision in Hood County, Texas;

5. This conveyance is also made subject to all of the covenants, reservations, terms and conditions contained in that certain Agreement, effective as of August 1, 1978, between Grantor herein and Pecan Plantation Owners Association, Inc., as amended, including all exhibits thereto, and Grantor herein reserves unto itself, its successors and assigns, all of the rights (including remedies) of the Developer under said Agreement, and it is understood and agreed that Grantee herein will acquire none of those rights or remedies by virtue of this Deed; however, this paragraph 5 shall not be construed as denying to Grantee herein any of the rights to which Grantee herein may be otherwise entitled under paragraph 9 of said Agreement;

6. Taxes and assessments on the property herein described having been prorated to date hereof, Grantee herein assumes and agrees to pay all taxes and assessments for the year 1983 and subsequent years on said property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said HLG & W DEVELOPMENT CORPORATION, its successors and assigns forever, and the said Grantor herein does hereby bind itself, its successors and assigns, to WARRANT and FOREVER DEFEND, all and singular the said premises unto the said HLG & W DEVELOPMENT CORPORATION, its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof, by, through or under it, but no further or otherwise.

IN WITNESS WHEREOF, the said Corporation has caused these presents to be signed by its duly authorized officers and to be sealed with the Seal of the Corporation, at Fort Worth, Texas, this 3rd day of February, 1983.



THE STATE OF TEXAS
COUNTY OF TARRANT

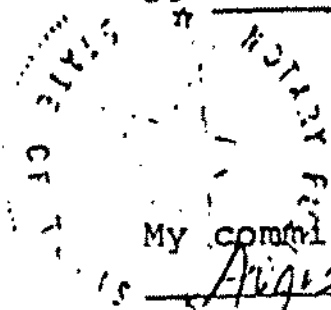
REPUBLIC LAND COMPANY

By: Jesse W. Graham
Jesse W. Graham, Vice-President

X
X
X

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared JESSE W. GRAHAM, Vice-President of REPUBLIC LAND COMPANY, a corporation, 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 REPUBLIC LAND COMPANY, 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 3rd day of February, 1983.



My commission expires:
August 16, 1984

John A. Muller
Notary Public, State of Texas

EXHIBIT "A"

THE SURFACE ESTATE ONLY in and to the following described lots in PECAN PLANTATION, a subdivision of Hood County, Texas, according to plats recorded in the Plat Records of Hood County, Texas:

Lots 75 and 239, UNIT ONE, PECAN PLANTATION, a Subdivision of Hood County, Texas, according to the plat thereof as recorded in Volume 1, Page 134, Plat Records of Hood County, Texas.

Lots 297 and 340, UNIT TWO, PECAN PLANTATION, a Subdivision of Hood County, Texas, according to the plat thereof as recorded in Volume 2, Page 14, Plat Records of Hood County, Texas.

Lot 395, UNIT TWO, PECAN PLANTATION, a Subdivision of Hood County, Texas, according to the plat thereof as recorded in Volume 3, Page 6, Plat Records of Hood County, Texas.

Lots 1930 and 1931, UNIT THREE, PECAN PLANTATION, a Subdivision of Hood County, Texas, according to the plat thereof as recorded in Volume 3, Page 10, Plat Records of Hood County, Texas.

Lots I, J and K-R, UNIT FOUR, PECAN PLANTATION, a Subdivision of Hood County, Texas, according to the plat thereof as recorded in Volume 2, Page 40, and Volume 1, Page 205, Plat Records of Hood County, Texas.

Lot 523, UNIT FIVE, PECAN PLANTATION, a Subdivision of Hood County, Texas, according to the plat thereof as recorded in Volume 1, Page 137, Plat Records of Hood County, Texas.

Lots 1579, 1581 and 1630, UNIT SEVEN, PECAN PLANTATION, a Subdivision of Hood County, Texas, according to the plat thereof as recorded in Volume 2, Page 48, Plat Records of Hood County, Texas.

Lots 2288, 2291, 2296, 2301, 2305, 2308, 2350, 2355, 2359, 2360, 2368, 2451, 2454, 2455, 2456, 2458, 2459, 2461, 2462, 2466, 2467, 2468, 2481, 2500, 2512 and 2524, UNIT SEVENTEEN, PECAN PLANTATION, a Subdivision of Hood County, Texas, according to the plat thereof as recorded in Volume 3, Page 70, and Volume 1, Page 195, Plat Records of Hood County, Texas.

*Return to:
HLG & W Development Corp.
c/o Fair-Dea Builders, Inc.
11311 Stemmons Freeway
Suite 7
Dallas Texas 75229*

STATE OF TEXAS
COUNTY OF HOOD }

I hereby certify that this instrument was FILED on the
date and at the time signed herein by me and was duly
RECORDED in the Public and State of the Nation RECORDS
of Hood County, Texas, as stamped herein by me



*2/11/83
Corynette Ables*

County Clerk, Hood County, Texas

(Attached to and made a part of Special Warranty Deed dated
February 3, 1983, from Republic Land Company, as Grantor, to
HLG & W Development Corporation, as Grantee)

FILED FOR RECORD
AT 11:15 A.M.

FEB 9 1983

Corynette Ables

Clark County Court, Hood County, TX.

of the Plat Records of Hood County, Texas, there are no other changes in the Dedication recorded in Volume 205, page 140, Deed Records of Hood County, Texas;

NOW, THEREFORE, D. Licator declares that the property specifically described in Exhibit "A", designated as:

Tracts A thru S, inclusive, and Lots 1879 and 1880, of Pecan Plantation, Unit IV, in the James W. Moore Survey, Abstract 344, Hood County, Texas,

is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens as set forth in Declaration of Restrictions recorded at Volume 205, page 140, Deed Records of Hood County, Texas, covering certain lands located in Hood County, Texas, and known by Dedicator and designated as UNIT IV, PECAN PLANTATION; and such covenants, restrictions, easements, charges and liens and any amendments and additions made thereto are hereby incorporated as a part hereof.

EXECUTED this the 14th day of January, 1975.



Phyllis Patras, Asst. Secretary

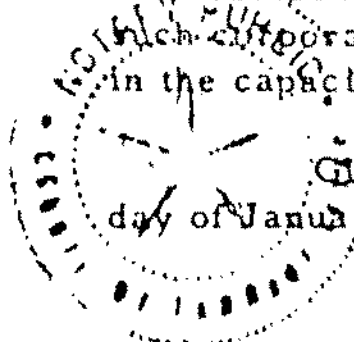
REPUBLIC LAND COMPANY,
d/b/a PECAN PLANTATION

By Obie P. Leonard, Jr.
Vice-President

STATE OF TEXAS |

COUNTY OF TARRANT |

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared OBIE P. LEONARD, JR., Vice-President of REPUBLIC LAND COMPANY, d/b/a PECAN PLANTATION, a corporation, 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 REPUBLIC LAND COMPANY, d/b/a PECAN PLANTATION, 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 14th day of January, 1975.

Betty Jane Lewis
Notary Public, Tarrant County, Texas

VOL PAGE
233 642

December 30, 1974

FIELD NOTES
PECAN PLANTATION, UNIT FOUR, MAP ONE
Hood County, Texas

All that certain lot, tract or parcel of land out of the JAMES W. MOORE Survey, Abstract 344, Hood County, Texas, and being more particularly described in four tracts by metes and bounds as follows:

FIRST TRACT

BEGINNING at the Northwest corner of Lot 686, Pecan Plantation, Unit Five, according to the plat recorded in Volume 1, Page 137, Plat Records, Hood County, Texas;

THENCE North 69 degrees 18 minutes West 50-0/10 feet to the beginning of a curve to the left having a radius of 354-71/100 feet in the West right-of-way line of Brierfield Road;

THENCE in a Southerly direction with said right-of-way line around the arc of said curve 107-8/10 feet to the Northeast corner of Lot 687 of said Pecan Plantation, Unit Five;

THENCE with the North line of said Lot 687, North 86 degrees 43 minutes West 120-0/10 feet to its Northwest corner;

THENCE with the West line of said Lot 687, South 16 degrees 17 minutes West 94-3/10 feet to its Southwest corner;

THENCE South 58 degrees 06 minutes West 273-2/10 feet to a point;

THENCE North 56 degrees 48 minutes West 75-0/10 feet to a point;

THENCE North 73 degrees 10 minutes West 144-95/100 feet to a point;

THENCE North 28 degrees 43 minutes West 850-0/10 feet to a point;

THENCE South 89 degrees 02 minutes East 345-3/10 feet to a point;

THENCE South 69 degrees 18 minutes East 540-0/10 feet to a point;

THENCE South 83 degrees 36 minutes East 263-0/10 feet to a point;

Field Notes
Pecan Plantation, Unit Four, Map One
Sempeco, Inc.
December 30, 1974
Page 2 of 6

VOL PAGE
233 643

THENCE North 20 degrees 42 minutes East 60-0/10 feet to a point;

THENCE North 54 degrees 48 minutes West 439-25/100 feet to a point;

THENCE North 58 degrees 20 minutes West 375-0/10 feet to a point;

THENCE North 87 degrees 24 minutes West 556-1/10 feet to a point;

THENCE North 18 degrees 30 minutes West 95-0/10 feet to a point;

THENCE South 71 degrees 30 minutes West 73-0/10 feet to a point in a curve whose center bears North 54 degrees 32 minutes West 54-0/10 feet;

THENCE Southwesterly with the arc of said curve to the right having a radius of 54-0/10 feet a distance of 72-65/100 feet to a point;

THENCE South 54 degrees 25 minutes West, mostly with the face of an existing concrete curb line, in all 168-25/100 feet to a point in a curve whose center bears South 86 degrees 16 minutes West 54-0/10 feet;

THENCE Southerly with the arc of said curve to the right having a radius of 54-0/10 feet a distance of 60-8/10 feet to a point;

THENCE South 35 degrees 35 minutes East 44-35/100 feet to a point;

THENCE South 54 degrees 25 minutes West 20-0/10 feet to a point;

THENCE North 35 degrees 35 minutes West 50-7/10 feet to a point in a curve whose center bears North 6 degrees 48 minutes West 54-0/10 feet;

THENCE Northerly with the arc of said curve to the right having a radius of 54-0/10 feet a distance of 197-3/10 feet to a point;

THENCE North 54 degrees 25 minutes East mostly with the face of an existing concrete curb line, in all 165-55/100 feet to a point in a curve whose center bears North 84 degrees 48 minutes East 56-34/100 feet;

THENCE Northeasterly with the arc of said curve to the right having a radius of 56-34/100 feet a distance of 75-4/10 feet to its point of tangency;

THENCE North 71 degrees 30 minutes East 6-65/100 feet to a point;

THENCE North 36 degrees 50 minutes 30 seconds West 199-8/10 feet to a point;

VOL PAGE
233 644

Field Notes
Pecan Plantation, Unit Four, Map One
Sempco, Inc.
December 30, 1974
Page 3 of 6

THENCE North 14 degrees 20 minutes East 251-4/10 feet to a point;

THENCE North 59 degrees 54 minutes West 122-1/10 feet to a point;

THENCE South 5 degrees 50 minutes West 111-2/10 feet to a point;

THENCE North 84 degrees 40 minutes West 209-5/10 feet to elevation 696+, Brazos River Authority Datum, on the East shore of a small lake;

THENCE Northeasterly and Westerly with said elevation 696+ and the meanders of said shoreline approximately 300 feet to a point;

THENCE, departing said shoreline, North 7 degrees 05 minutes East approximately 235-0/10 feet to a point in the South line of Elmscourt, a 50 foot wide street as dedicated herein;

THENCE North 60 degrees 25 minutes West 59-71/100 feet to the beginning of a curve to the right having a radius of 50-0/10 feet, and in a Northwesterly direction around the arc of said curve 38-47/100 feet to a point;

THENCE South 73 degrees 40 minutes West 19-0/10 feet to a point;

THENCE North 49 degrees 05 minutes West 310-0/10 feet to a point;

THENCE North 45 degrees 40 minutes East 100-25/100 feet to a point;

THENCE South 65 degrees 25 minutes East 465-0/10 feet to a point;

THENCE South 75 degrees 25 minutes East 380-0/10 feet to a point;

THENCE South 83 degrees 31 minutes East 214-5/10 feet to a point in a curve to the right having a radius of 726-40/100 feet, from which point the radius point of said curve bears South 76 degrees 15 minutes East 726-40/100 feet;

THENCE in a Northeasterly direction around the arc of said curve 195-56/100 feet to the Southeast corner of Lot 323, Pecan Plantation, Unit Two, according to the plat recorded in Volume 2, Page 14, Plat Records of Hood County, Texas;

THENCE with the South line of said Pecan Plantation, Unit Two, South 60 degrees 36 minutes East 100-0/10 feet to the Southwest corner of Lot 322 of said Pecan Plantation, Unit Two, and a point in a curve to the left having a radius of 626-40/100 feet;

THENCE in a Southerly direction around the arc of said curve 94-01/100 feet to a point;

THENCE South 60 degrees 03 minutes East 95-0/10 feet to a point;

THENCE South 37 degrees 02 minutes East 427-5/10 feet to a point;

Field Notes
Pecan Plantation, Unit Four, Map One
Sempco, Inc.
December 30, 1974
Page 4 of 6

THENCE South 48 degrees 29 minutes East 396-3/10 feet to a point;
THENCE South 58 degrees 20 minutes East 410-0/10 feet to a point;
THENCE South 89 degrees 20 minutes East 150-0/10 feet to a point;
THENCE North 40 degrees 04 minutes East 110-0/10 feet to a point;
THENCE South 31 degrees 10 minutes East 196-2/10 feet to the
Northwest corner of Lot 622 of said Pecan Plantation, Unit Five;
THENCE with the West line of said Lot 622, South 27 degrees 21
minutes West 310-0/10 feet to the Southwest corner of said Lot 622;
THENCE South 21 degrees 05 minutes West 50-0/10 feet to a point
in the curved South right-of-way line of Bellechase Road, from
which point the radius point of said curve bears South 21 degrees
05 minutes West 567-21/100 feet;
THENCE with said right-of-way line in a Southeasterly direction
around the arc of said curve to the right 9-65/100 feet to the
Northwest corner of Lot 623 of said Pecan Plantation, Unit Five;
THENCE with the West line of said Lot 623, South 23 degrees 33
minutes West 141-2/10 feet to the Southwest corner of said Lot 623;
THENCE North 68 degrees 35 minutes West 125-8/10 feet to a point;
THENCE South 20 degrees 42 minutes West 240-0/10 feet to a point;
THENCE South 32 degrees 05 minutes East 95-7/10 feet to a point;
THENCE South 45 degrees 58 minutes East 72-0/10 feet to the
Northwest corner of Lot 684 of said Pecan Plantation, Unit Five;
THENCE with the West line of said Lot 684, South 29 degrees
14 minutes West 124-6/10 feet to the common Southwest corner
of said Lot 684 and the Northeast corner of Lot 686, Pecan
Plantation, Unit Five;
THENCE with the North line of said Lot 686, North 69 degrees
18 minutes West 142-0/10 feet to the place of beginning.

SECOND TRACT

BEGINNING at the West corner of Lot 347, Pecan Plantation, Unit
Two, according to the plat recorded in Volume 2, Page 14, Plat
Records of Hood County, Texas;

THENCE South 38 degrees 36 minutes East 392-0/10 feet to the
beginning of a curve to the right having a radius of 50-0/10

VOL PAGE
233 646

Field Notes
Pecan Plantation, Unit Four, Map One
Sempco, Inc.
December 30, 1974
Page 5 of 6

feet, and around the arc of said curve in a Southerly direction, 78-55/100 feet to a point;

THENCE South 38 degrees 36 minutes East 225-0/10 feet to a point;

THENCE South 8 degrees 24 minutes West 160-0/10 feet to a point;

THENCE South 50 degrees 49 minutes West approximately 300 feet to a point on the East bank of the Brazos River;

THENCE downstream with said bank and in a Northwesterly direction approximately 900 feet to a point in the Southeast right-of-way of the Texas Power and Light Company electric transmission line right-of-way;

THENCE with said Southeast line of said right-of-way, North 59 degrees 24 minutes East approximately 522 feet to a point;

THENCE departing said right-of-way, South 30 degrees 36 minutes East 50-0/10 feet to the place of beginning.

THIRD TRACT

BEING a twenty foot wide easement for access to Lot "S" Pecan Plantation Unit Four and a golf cart path, said easement lying 10 feet on each side of the following described centerline:

BEGINNING at a point in the East line of Westover Drive having a bearing and distance of North 54 degrees 25 minutes East 20-0/10 feet, said point being North 54 degrees 25 minutes East 10-0/10 feet from the Southeast corner of Westover Drive, as described herein;

THENCE departing the East line of Westover Drive with the arc of a curve to the right having a radius of 62-81/100 feet a distance of 60-8/10 feet to its point of tangency;

THENCE South 19 degrees 53 minutes West 79-8/10 feet to the beginning of a curve to the left having a radius of 105-76/100 feet, and continuing with the arc of said curve, a distance of 73-3/10 feet to the end of the curve;

THENCE South 19 degrees 49 minutes East 87-0/10 feet to a point for the Easterly end of said easement, and the West line of Lot S, Pecan Plantation Unit Four, as described herein.

FOURTH TRACT

BEGINNING at the Easterly end of the easement centerline hereinabove described under "Third Tract";

Field Notes
Pecan Plantation, Unit Four, Map One
Sempco, Inc.
December 30, 1974
Page 6 of 6

THENCE North 70 degrees 11 minutes East 8-9/10 feet to the Northwest corner of Lot S;

THENCE South 24 degrees 40 minutes East 466-5/10 feet to a point;

THENCE South 64 degrees 15 minutes West approximately 315 feet to a point on the Northeast bank of the Brazos River;

THENCE Northwesterly and downstream with the meanders of said Northeast bank approximately 510 feet to a point;

THENCE ing said bank, North 70 degrees 11 minutes East
y 350 feet to the place of beginning.

SEMPCO, INC.
1195

1-16-75

RECORDED
INDEXED
TA

FILED FOR RECORD THE 10 DAY OF Jan 1975 AT 11:00 M.

RECORDED THE 10 DAY OF Jan 1975 AT 2:00 M.

BY: [Signature]
DEPUTY

DORIS DYER, COUNTY CLERK
HOOD COUNTY, TEXAS

3. **Storage.** No lot shall be used for temporary or permanent storage of equipment, material or vehicles except such as may be used in direct connection with the use or enjoyment of any lot as residential property. No tank for the storage of any fluid or gas may be constructed or maintained on any lot above the surface thereof.

4. **Animals.** No animals, livestock, or poultry of any kind shall be raised, bred, boarded or kept on any lot, excepting (a) dogs, cats or other household pets not kept for commercial purposes, and (b) horses kept on lots as agreed upon subsequent hereto by Dedicator.

5. **Firearms.** Use of firearms on any part of the property is prohibited except in areas that may be designated for such purpose by the Dedicator.

6. **Nuisance.** No noxious, offensive, dangerous or noisy activity shall be conducted on any lot, nor shall anything be done thereon which may be or become a nuisance to the neighborhood in which said lot is located. Lots shall be kept clean and free of trash, garbage, and debris, and fires shall be contained in safe enclosures. No grass or weeds shall be allowed to grow to a height which is unsightly in the opinion of Dedicator or the Association. Dedicator or the Association shall have the right, after 7 days written notice to the owner of a lot, to remove from such lot accumulated trash, garbage or debris and to cut and remove unsightly grass and weeds and to charge the lot owner for all reasonable costs thereby incurred.

7. **Towers and Wires.** No radio or television towers or aerial wires shall be maintained (a) over any part of any lot not occupied by a structure or (b) at a height of more than 30 feet from the ground.

8. **Drilling and Excavation.** No oil drilling, development, refining, quarrying or mining operation shall be permitted upon or in any lot. No sand, gravel or earth shall at any time be excavated or dug out of any lot, except for the purpose of laying the foundation of authorized improvements thereon, erecting such authorized improvements or improving the gardens or grounds thereof. No lot abutting on the Brazos River shall be increased in size by filling in the water it abuts.

9. **Water Wells.** No water wells shall be drilled upon any lot so long as water for domestic use shall otherwise be available to the owners of said lots, but nothing herein shall be construed to prohibit Dedicator or its assignee or nominee from drilling and equipping a well or wells on any property located in or near the subdivision for the purpose of supplying water to the owners of any lots.

10. **Advertising Signs.** All advertising signs are prohibited without written consent of the Dedicator.

B. CONSTRUCTION OF IMPROVEMENTS

1. **Approval of plans.** No building, fence or structure of any kind shall be erected or altered on any lot until Dedicator (or the architectural committee of the Association if Dedicator has transferred its right of approval to such committee) has approved in writing:

(a) a plan for overall development of the lot, including location of proposed structures, size and location of parking and storage facilities, fencing, screening and landscaping; and

(b) the plans and specifications for the proposed structure or alteration, taking into consideration suitability of materials and design, specifications, conformity with plan for overall development of said lot and aesthetic compatibility with surrounding property.

In the event of disapproval of any such plans, specifications, materials, designs or plot-plans, notice of such disapproval shall be delivered in person or by registered or certified mail addressed to the party submitting the same at an address which must be supplied with the submission. Any such notice may set forth elements disapproved and the reason therefor, but need not contain suggestions as to methods to cure any matters disapproved. The judgment of Dedicator or its assigns in these matters and the exercise of its discretion shall be final and conclusive. If notice of disapproval of said plans, specifications, materials or plot-plans is not given within 30 days after same have been submitted, it will be presumed that they have been approved.

2. **Floor area and maximum number of units.** There shall not be erected on any single family residence lot a single family residence containing less than 1000 square feet of floor area measured to exterior walls and exclusive of porches, patios and garages. There shall not be erected on any apartment or condominium project lot more than the maximum number of apartments or condominium units specified in the Contract of Sale or conveyance evidencing sale of such lot by Dedicator; and each apartment or condominium unit erected on any lot shall comply with the minimum floor area requirements (the floor area to be measured to exterior walls and exclusive of passage ways, porches, patios, garages and common areas) set forth below:

Minimum Floor Area per Apartment or Condominium Unit	
Efficiency,	700 square feet
1 bedroom,	800 square feet
2 bedrooms,	1100 square feet
3 or more bedrooms,	1300 square feet
plus 150 square feet for each bedroom in excess of 3	

3. **Exterior walls and maximum height.** At least 50% of the exterior wall surface of any authorized improvement shall be constructed of stone, masonry, veneer, stucco, or glass building materials commonly used, unless written exception to such requirement is given by Dedicator or its architectural committee. No structure shall exceed two stories in height.

4. **Building lines.** No building, fence or structure of any kind shall be erected or maintained on any lot within 25 feet of a front line or within 15 feet of the side line of any lot. No building, fence or structure of any kind shall be erected or maintained within 20 feet of any lot boundary adjoining the golf course or within 30 feet of any lot boundary adjoining the river. For the purpose of these restrictions, eaves, steps and porches shall be considered as part of the building. Lots shall be deemed to front on all adjoining private ways. Dedicator may, in its discretion, grant exceptions in writing to any or all of the requirements of this paragraph.

5. **Outbuildings.** Outbuildings shall be of design and construction compatible with that of the residential structure. No outbuilding shall exceed the residence in height, except upon prior approval of the Dedicator. Cooling towers and all other mechanical units must be screened to the satisfaction of the Dedicator.

6. **Structures on easements.** No structure, planting or other material shall be placed or permitted to remain within the easements referred to in Article II C which may damage or interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which Dedicator, a public authority or utility company is responsible.

7. **Sidewalks.** No sidewalks shall be permitted in the parkway parallel with private ways, except after prior written approval by Dedicator but this provision does not exclude sidewalks or driveways from private ways or streets to the buildings.

8. **Mail boxes.** The location, size and color of mail boxes shall be subject to the prior approval of Dedicator.

9. **Time of Construction.** All exterior improvements shall be completed within the time period stated in the construction schedule approved in writing by Dedicator at the time of approval of plans and specifications, unless the work is unavoidably delayed by war, strikes or act of God.

10. **Sewage Facilities.** All lavatories, toilets and bath facilities shall be installed indoors and, where sewer service is not made available by Dedicator, shall be connected with adequate grease traps, septic tanks and lateral lines constructed to comply with the specifications of any governmental authorities having jurisdiction, and no outside or surface toilets shall be permitted under any circumstances. Owners of lots or condominium units to which Dedicator makes sewer service available shall be required to connect to, use and pay for same. All lavatories, toilets and bath facilities shall be completely installed and functioning before the building is occupied.

11. Docks and boathouses. Owners of lots abutting on the Brazos River shall not construct or permit the construction of any improvement, including but not limited to docks and boathouses, which extends beyond the rear lot line into the river channel. Owners of such lots may, however, with the prior approval of the Dedicator, (a) construct within the lot lines of each such lot a dock or boathousing facility in the form of a cut-out or dug-out with seawall, and (b) deepen the river channel adjacent to such lot by dredging. All work performed under the authority of the preceding sentence shall comply with any rules or regulations of any governmental authority.

12. Pollution. No lot abutting on the Brazos River shall be used for any purpose that would result in pollution of the river by refuse, sewage, or other material that might tend to pollute the river or otherwise impair the ecological balance of surrounding lands.

C. GENERAL

1. Subdivision of lots.

(a) No lot shall be subdivided without the prior written approval of Dedicator; such approval may be conditioned upon acceptance by the lot owner of terms relating to easements, building lines, submission of plot plans and architectural plans, minimum or maximum number of units to be built on each subdivided portion, payment of assessments, and such other matters as Dedicator in its sole judgment may deem relevant. Sale of condominium units pursuant to a condominium declaration or master deed approved by Dedicator and covering an entire lot shall not be construed to fall within the prohibition against subdivision.

(b) Dedicator further reserves the right to subdivide and replat any lot to which it may hold title; and Dedicator reserves the right, before or after any such subdivision, to sell any lot or part thereof for development and construction of single family residences, apartment or condominium projects, or to designate same as a recreational area for the common use of those entitled thereto.

2. Pumping from river. The pumping of water from the Brazos River is prohibited except by special permit, in writing, granted by the appropriate governmental authorities.

3. Recreational facilities. Dedicator covenants that it will construct and complete the following recreational facilities: 18 hole golf course, clubhouse, swimming pool, marina with boat launching ramp on Lake Granbury, tennis courts, skeet range, equestrian center, landing strip and beach recreational areas on the Brazos River.

4. Disposition of lot. No sale, transfer, or other disposition of any lot, any undivided interest therein, or any condominium unit shall be consummated unless and until the purchaser or transferee has applied for and has been accepted as a member of the Association. In the event of a disposition or attempted disposition in violation of the preceding sentence, the Association shall have the absolute right and option to acquire said lot or unit or the interest disposed of or proposed to be disposed of at the same price and on the same terms as were offered to the purchaser or transferee. This restriction shall not apply, however, to lenders who may bid said property in at any foreclosure sale brought by them, or to a transfer of such property by bona fide gift, pursuant to a duly probated will, or by virtue of intestacy; but as to any such excepted disposition Dedicator shall have an absolute right and option to purchase said lot or unit from any such transferee or transferees in the event they shall decide to sell, transfer, or otherwise dispose of the same, at the same price and on the same terms of any good faith offer to purchase acceptable to such transferee.

5. Rental of apartments and condominium units. No lease or sublease of any apartment or condominium unit for a term of one year or longer (including any renewal options), or for an indefinite term, or on the basis of a month-to-month tenancy, shall be executed or consummated unless and until the proposed lessee or sublessee has applied for and been accepted as a tenant member of the Association. No other lease, sublease, or rental of an apartment or condominium unit shall be executed or consummated unless the lessee, sublessee or tenant agrees in writing to apply for tenant membership in the Association in accordance with its by-laws and to maintain such membership during his tenancy; and no such lease, sublease or rental shall be renewed or extended or otherwise continued beyond its original term unless such lessee, sublessee or tenant has been approved as a tenant member of the Association. The party letting, subletting or renting any apartment or condominium unit by guests shall be responsible for making advance arrangements as may be necessary to comply with the Association by-laws then in effect regarding use of facilities by non-members of the Association, including the obtaining from the Association of temporary membership or guest cards for such tenants or guests.

6. Membership in Association. Upon the approval of the application of a purchaser or other transferee for membership in the Association and the execution of a sale contract or the acceptance of a deed, each purchaser or transferee of a lot or condominium unit (whether from Dedicator or a subsequent owner) shall become a member of the Association, a non-profit organization, the purposes of which are to provide and maintain a clubhouse and other private recreational facilities for use by its members and to establish and maintain private ways, security protection and other services for the common benefit of residents of PECAN PLANTATION. Said membership shall be conditioned upon observance of the rules and regulations established by the Association for the benefit and general welfare of its members and for the official operation thereof. Said membership shall also be conditioned upon payment, when due, of such assessments as the Association shall find necessary for the maintenance of the aforesaid facilities and services and any other services and benefits which the Association may provide. Only members in good standing (including tenant members), their guests, other persons duly authorized by the Association in accordance with its by-laws, and other persons authorized by Dedicator (limited to employees or representatives of Dedicator or related entities whose duties are primarily connected with the subdivision) shall be entitled to use the clubhouse or any of the other recreational facilities of the Association.

7. Assessments. The owner of each of the lots covered by this dedication shall be responsible for and pay to the Association assessments, dues and fees in accordance with the provisions of this paragraph 7:

(a) The term "assessment" shall mean the same basic assessment, dues and fees (exclusive of charges for individual purchases and individual services) which are payable by the owner of a single-family residential lot in PECAN PLANTATION who is a member of the Association. The amount of the initial assessment, beginning upon completion of the clubhouse and opening of the golf course, shall be \$15.00 per month, payable in advance, for the maintenance and operation of the Association's services and facilities, and Dedicator shall pay all other sums incurred by the Association for the construction, development, and operation of its facilities and services. Assessments shall continue in that amount until such time as Dedicator, if it elects to do so in its discretion, has transferred the voting rights in the stock to the membership at large of the Association; thereafter, the amount of such assessment shall be determined by the Association in accordance with its bylaws.

(b) Until the provisions of subparagraph (c) below become applicable, the owner of each lot shall pay one assessment until such time as two or more apartments or condominium units have been constructed on the lot and initially occupied; thereafter the owner of each lot shall pay a number of assessments equal to the number of apartments or condominium units constructed and initially occupied (whether or not such occupancy continues) on the lot owned by him. An apartment or condominium unit shall be considered initially occupied when it is first used for residential purposes by the lot owner, the condominium unit owner, or the lessee, tenant, or guest of either such owner.

(c) After the expiration of sixty months from the date of the contract of sale or conveyance of any lot by Dedicator, whichever is earlier, for such different number of months as may be provided in said contract of sale or conveyance, the owner of such lot shall pay a number of assessments equal to the greater of (1) the number of apartments or condominium units constructed on that lot, whether or not occupied, or (2) sixty percent of the maximum number of apartments or condominium units allowed to be constructed on said lot under the provisions of such contract of sale or conveyance, whether or not any such apartments or condominium units have in fact been constructed.

(d) The owner of a lot shall remain liable for all assessments payable with respect to said lot during his ownership, notwithstanding the sale of said lot or the rental or occupancy of the apartments or condominium units on the lot; and the entire lot and all improvements thereon shall be covered by the lien provided for in paragraph 8 below. However, when an individual unit in a condominium project is sold (either under contract of sale or by deed) to a purchaser who applies for and is approved for membership in the Association, the assessment obligation with respect to the condominium unit so sold shall become the obligation of the purchaser and shall cease to be the obligation of the lot owner; and the condominium unit so sold shall not be subject to a lien for any assessments thereafter due from the lot owner but shall be covered by a lien to secure the obligations of the condominium unit owner as provided in paragraph 8 below. In no event shall the owner of any lot be liable for any charges for individual purchases made by or individual services

rendered to the occupant of any apartment or condominium unit on said lot, other than charges made or authorized by such owner or by his guests.

(e) Payment of assessments by a lot owner with respect to apartments or condominium units constructed on the lot owned by him shall not excuse the payment of a like assessment otherwise due from an occupant of any such apartment or condominium unit who, by reason of his ownership of another lot in PECAN PLANTATION, is a member of the Association; nor shall such payment excuse the payment of special fees or charges for short-term tenant memberships or guest cards payable with respect to occupants of such apartments or condominium units.

(f) Neither Dedicator nor any corporation or other entity with substantially the same ownership and control as Dedicator shall ever be assessed by the Association for any unimproved lots owned by it or transferred to a corporation or other entity with substantially the same ownership and control.

8. Lien for amounts owed by Association. By the acceptance and retention of title to any lot or condominium unit each owner, on behalf of himself and his heirs and assigns, covenants and agrees that the Association shall have a lien upon the subject lot or condominium unit (second only to liens for taxes and any duly recorded mortgage) to secure the payment of all sums due the Association by such owner, 10% per annum interest on said sums, and court costs and reasonable attorney's fees incurred in connection with the collection of the same. This covenant and agreement shall be in addition to and shall not be affected by any contract, security agreement, or application which such owner may enter into with the Association as a member thereof.

9. Golf Course Lots. The owners of lots or condominium units abutting on the golf course shall permit the doing of every act necessary and proper to the playing of golf on the golf course, including but not limited to the recovery of golf balls from such lots, the use of necessary and usual equipment upon such golf course, the usual and common noise level created by the playing of the game of golf, together with all the other common and usual activity associated with the game of golf and with all the normal and usual activities associated with the operation of a country club maintaining a golf course.

10. Pecan operations. At the time of this dedication an entity related to Dedicator with substantially the same ownership as Dedicator operates property adjoining some of the lots which it intends to use for the purpose of planting, growing, and cultivating pecan trees and gathering pecans therefrom for commercial sale (hereinafter called "pecan operations"). Dedicator reserves to itself, all entities with substantially the same ownership as Dedicator, and all owners or lessees or operators of said pecan operations, the right to do any acts and use any machinery and equipment reasonably necessary or desirable in connection with the pecan operations, including but not limited to plowing, planting, aerial and ground spraying, irrigation, fertilization, cultivation and gathering. By acceptance and retention of title to a lot in PECAN PLANTATION, each owner agrees on behalf of himself and his heirs, assigns, guests and invitees that Dedicator, all entities with substantially the same ownership as Dedicator, and all owners or lessees or operators of said pecan operations, shall be entitled to free use of all private ways for the purpose of conducting such pecan operations, and shall not be liable for any damage or injury resulting directly or indirectly from such pecan operations unless said damage or injury is caused by the conducting of such operations in an imprudent and negligent manner. Dedicator further reserves to itself, all entities with substantially the same ownership as Dedicator, and all lessees or operators of said pecan operations, or any other owner of said pecan orchard adjoining some of the lots, the right to construct and maintain fences separating the land to be used for pecan operations from the lots, private ways, and recreational facilities. By acceptance and retention of title to a lot or condominium unit in PECAN PLANTATION, each owner agrees that he, his family, guests, invitees, tenants and lessees shall observe and respect such fences and refrain from crossing same and shall respect the privacy of the land on which pecan operations are conducted.

11. Unsold lots. Notwithstanding anything to the contrary herein, Dedicator reserves for itself and its designated agent or agents the right to use any unsold lot or lots for a temporary office location and the right to place a sign or signs on any unsold lot or lots.

12. Interpretation. In the event of any dispute over the proper interpretation of any of the provisions of this dedication, the determination of the Dedicator shall be final and binding on all interested persons.

13. Severability. All of the restrictions, covenants, and reservations appearing herein shall be construed together, but if any one or more of the same shall be held to be invalid or for any reason are not or cannot be enforced, none of the other restrictions, covenants and reservations shall be affected or impaired thereby but shall remain in full force and effect.

14. Enforcement. These restrictions, covenants, and conditions may be enforced by Dedicator herein or by the owner of any lot or condominium unit in PECAN PLANTATION, either by proceedings for injunction or to recover damages for breach thereof, or both. However, only the Association may file suit to collect any of the assessments or other expenses mentioned in paragraphs 6, 7 and 8 above, all of which shall be payable to the Association in Hood and Johnson Counties, Texas, or to enforce foreclosure of any lien therein granted.

15. Duration. All of the restrictions and covenants herein set forth shall continue and be binding upon the Dedicator, its successors and assigns, and all parties claiming by, through or under the Dedicator until January 1, 1997, at which time all restrictions and covenants herein set forth shall be automatically extended from such date for successive periods of ten years each; provided that at any time after January 1, 1997, the owners of the beneficial title of a majority of the lots herein dedicated may, by written instrument duly executed, acknowledged and recorded in the Deed Records of Hood County, Texas, release any lot or lots from any one or more of the restrictions and covenants herein set forth or agreed to a change in said restrictions and covenants in whole or in part, except that no such change shall affect or impair the rights and privileges retained by Dedicator with respect to any other land owned by Dedicator or change or modify any covenant or agreement of any lot owner with respect to any such land. For the purpose of this paragraph 15, where a lot dedicated herein has been developed as a condominium project, each condominium unit located thereon shall be considered to be a separate "lot", and the beneficial owner of each condominium unit shall be entitled to participate in any release or change of the restrictions and covenants herein set forth the same as if such condominium unit owner were the owner of a single-family residential lot. For the purpose of this paragraph 15, where a lot dedicated herein has been developed as an apartment project, each apartment shall be considered to be a separate "lot", and the beneficial owner of the apartment project (not the lessees or tenants) shall be entitled to participate in any release or change of the restrictions and covenants herein set forth on behalf of each and all of the apartments in such owner's apartment project.

16. Additional Subdivisions. As recited in the preamble to this instrument, Dedicator intends to subdivide and plat other land in or near PECAN PLANTATION, UNIT IV from time to time so as to develop same as a part of PECAN PLANTATION. Developer therefore reserves the right to add to PECAN PLANTATION from time to time other land in and near PECAN PLANTATION, UNIT IV to place on such additional subdivided land such restrictions and covenants as to use, improvements and otherwise as Developer shall deem advisable, whether more or less stringent than those provided herein; to extend the private ways shown on Exhibit B attached hereto so as to serve such additional subdivided land; to use the easements reserved herein to serve such additional subdivided land; and to grant to the purchasers of such additional subdivided land the right to become members of the Association and to use the recreational facilities and private ways provided for herein. It is specifically understood that Developer may develop some additional land for single family residences, some for apartments, some for condominiums, and some for commercial uses and may at its election create and install additional recreational facilities. Unless otherwise provided in the instrument creating any such future subdivision of PECAN PLANTATION, all purchasers of lots in PECAN PLANTATION, UNIT IV and all purchasers of lots in all subdivisions of PECAN PLANTATION, whether heretofore or hereafter created, shall be entitled equally to the use of all private ways and recreational facilities provided for in all such subdivisions, to enforce any restriction, covenant or condition imposed with respect to any such subdivision, to participate in any modification or change in said restrictions, covenants, and conditions under paragraph 15 above, or comparable provision, and to become members of the Association, just as though all of said subdivisions had been created at one time and in one instrument.

17. Dedicator shall have the right to grant to one or more corporations, partnerships or other entities the right to use the easements herein reserved for any of the purposes or uses for which such easements are designated; to grant and convey to its successors or assigns (or, at its election, to assign to the Association) the discretions, approval rights, and enforcement rights retained by Developer with respect to any of the lots; and to grant to its successors or assigns the benefit of all provisions hereof which relate to any other land now owned by Dedicator.

18. All of the covenants and agreements undertaken or assumed by purchasers or owners of lots hereunder, and all of the restrictions, covenants, liens and reservations imposed upon any of the lots hereunder, shall run with said lots and each of them and shall be binding on each purchaser from Dedicator and on such purchaser's heirs, administrators, executors and assigns.

DESCRIPTION FOR CONVEYANCE
OF
PECAN PLANTATION, UNIT FOUR

All that certain lot, tract or parcel of land out of the James W. Moore Survey, Abstract 344, Hood County, Texas, and being more particularly described in two tracts by metes and bounds as follows:

TRACT ONE

BEGINNING at the Northeast corner of Lot 686, Pecan Plantation, Unit Five, according to the plat recorded in Volume 1, Page 137, Plat Records of Hood County, Texas;

THENCE with the North line of said lot, North 69 degrees 18 minutes West, at 142-0/10 feet the Northwest corner of said lot, in all 192-0/10 feet to the beginning of a curve to the left in the West right-of-way line of Brierfield Road, the center of which curve bears South 69 degrees 18 minutes East 354-71/100 feet;

THENCE in a Southerly direction with said right-of-way line around the arc of said curve 107-8/10 feet to the Northeast corner of Lot 687 of said Pecan Plantation, Unit Five;

THENCE with the North line of said Lot 687, North 86 degrees 43 minutes West 120-0/10 feet to its Northwest corner;

THENCE with the West line of said Lot 687, South 16 degrees 17 minutes West 94-3/10 feet to its most Westerly Southwest corner;

THENCE South 58 degrees 06 minutes West 273-2/10 feet to a point;

THENCE North 56 degrees 48 minutes West 75-0/10 feet to a point;

THENCE North 73 degrees 10 minutes West 144-95/100 feet to a point;

THENCE North 23 degrees 43 minutes West 850-0/10 feet to a point;

THENCE South 89 degrees 02 minutes East 345-8/10 feet to a point;

THENCE South 69 degrees 18 minutes East 540-0/10 feet to a point;

THENCE South 83 degrees 36 minutes East 263-0/10 feet to a point;

THENCE North 20 degrees 42 minutes East 60-0/10 feet to a point;

THENCE North 54 degrees 48 minutes West 439-25/100 feet to a point;

Description For Conveyance
Page 2 of 4 pages

THENCE North 58 degrees 20 minutes West 375-0/10 feet to a point;

THENCE North 87 degrees 24 minutes West 556-1/10 feet to a point;

THENCE North 18 degrees 30 minutes West 95-0/10 feet to a point;

THENCE South 71 degrees 30 minutes West 130-0/10 feet to the beginning of a curve to the right having a radius of 50-0/10 feet, and in a Westerly and Northerly direction around the arc of said curve 157-08/100 feet to the end of said curve;

THENCE North 71 degrees 30 minutes East 10-0/10 feet to a point;

THENCE North 33 degrees 30 minutes West 195-0/100 feet to a point;

THENCE North 9 degrees 37 minutes East, 233-5/10 feet to a point;

THENCE South 75 degrees 23 minutes West, 116-1/10 feet to a point;

THENCE North 84 degrees 40 minutes West, approximately 200 feet to a point on the shoreline of a lake, at elevation 695.0, Brazos River Authority Datum;

THENCE along the meanders of said shoreline and elevation 695.0, in a Northerly and Westerly direction approximately 300 feet to a point;

THENCE North 7 degrees 05 minutes East, approximately 240 feet to a point;

THENCE North 60 degrees 25 minutes West 59-71/100 feet to the beginning of a curve to the right having a radius of 50-0/10 feet, and in a Northwesterly direction around the arc of said curve 38-47/100 feet to a point;

THENCE South 73 degrees 40 minutes West 19-0/10 feet to a point;

THENCE North 49 degrees 05 minutes West 310-0/10 feet to a point;

THENCE North 45 degrees 40 minutes East 100-25/100 feet to a point;

THENCE South 65 degrees 25 minutes East 465-0/10 feet to a point;

THENCE South 75 degrees 25 minutes East 380-0/10 feet to a point;

THENCE South 83 degrees 31 minutes East 214-5/10 feet to a point in a curve to the right having a radius of 726-40/100 feet, from which point the center of said curve bears South 76 degrees 15 minutes East, and in a Northeasterly direction around the arc of said curve 195-56/100 feet to the Southeast corner of Lot 323, Pecan Plantation, Unit Two, according to the plat recorded in Volume 2, Page 14, Plat Records of Hood County, Texas;

Executed this 15th day of August, 1973.

REPUBLIC LAND COMPANY, d/b/a
PECAN PLANTATION

By *Obie P. Leonard, Jr.*
Obie P. Leonard, Jr.
Vice President

ATTEST:

Phyllis Patrus
Phyllis Patrus, Asst. Secretary

THE STATE OF TEXAS }
COUNTY OF TARRANT }

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared OBIE P. LEONARD, JR., Vice-President of REPUBLIC LAND COMPANY, d/b/a/ PECAN PLANTATION, 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 REPUBLIC LAND COMPANY, d/b/a PECAN PLANTATION, 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 15th day of August, 1973.

Wade L. Leonard
Notary Public in and for Tarrant County, Texas

THE STATE OF TEXAS }
COUNTY OF HOOD }

I, BRUCE PRICE, Clerk of the County Court of said County, do hereby certify that the foregoing instrument of writing dated the _____ day of _____, A.D. 19____, with its certificate of Authentication, was filed for record in my office on the _____ day of _____, A.D. 19____, at _____ o'clock _____ M., and duly recorded this _____ day of _____, A.D. 19____, at _____ o'clock _____ M., in the Records of said County, in Volume _____, Page _____.

Witness my hand and the seal of the County Court of said County, at office in Granbury, Texas, the day and year last above written.

BRUCE PRICE Clerk
County Court, Hood County, Texas
By _____ Deputy

Description For Conveyance
Page 3 of 4 pages

THENCE with the South line of said Pecan Plantation, Unit Two South 60 degrees 36 minutes East 100-0/10 feet to the Southwest corner of Lot 322 of said Pecan Plantation, Unit Two, and a point in a curve to the left having a radius of 626-40/100 feet;

THENCE in a Southerly direction around the arc of said curve 94-01/100 feet to a point;

THENCE South 60 degrees 03 minutes East 95-0/10 feet to a point;

THENCE South 37 degrees 02 minutes East 427-5/10 feet to a point;

THENCE South 48 degrees 29 minutes East 396-3/10 feet to a point;

THENCE South 58 degrees 20 minutes East 410-0/10 feet to a point;

THENCE South 89 degrees 20 minutes East 150-0/10 feet to a point;

THENCE North 40 degrees 04 minutes East 110-0/10 feet to a point;

THENCE South 31 degrees 10 minutes East 196-2/10 feet to the Northwest corner of Lot 622 of said Pecan Plantation, Unit Five;

THENCE with the West line of said Lot 622, South 27 degrees 21 minutes West 310-0/10 feet to its Southwest corner in the curved North right-of-way line of Bellechase Road;

THENCE South 21 degrees 05 minutes West 50-0/10 feet to a point in the curved South right-of-way line of Bellechase Road;

THENCE with said right-of-way line in a Southeasterly direction around the arc of a curve to the right, whose radius point bears South 21 degrees 05 minutes West 567-21/100 feet, a distance of 9-65/100 feet to the Northwest corner of Lot 623 of said Pecan Plantation, Unit Five;

THENCE with the West line of said Lot 623, South 23 degrees 33 minutes West 141-2/10 feet to its Southwest corner;

THENCE North 63 degrees 35 minutes West 125-8/10 feet to a point;

THENCE South 20 degrees 42 minutes West 240-0/10 feet to a point;

THENCE South 32 degrees 05 minutes East 95-7/10 feet to a point;

THENCE South 45 degrees 58 minutes East 92-0/10 feet to the Northwest corner of Lot 684 of said Pecan Plantation, Unit Five;

THENCE with the West line of said Lot 684, South 29 degrees 14 minutes West 124-0/10 feet to the place of beginning;

Description For Conveyance
Page 4 of 4 pages

TRACT TWO

BEGINNING at the Northwest corner of Lot 347, Pecan Plantation, Unit Two, according to the plat recorded in Volume 2, Page 14, Plat Records of Hood County, Texas;

THENCE with the West line of said Lot 347, South 38 degrees 36 minutes East, at 220-0/10 feet the Southwest corner of said lot, in all 392-0/10 feet to the beginning of a curve to the right having a radius of 50-0/10 feet, and around the arc of said curve in a Southerly direction, 78-55/100 feet to a point;

THENCE South 38 degrees 36 minutes East 225-0/10 feet to a point;

THENCE South 8 degrees 24 minutes West 160-0/10 feet to a point;

THENCE South 50 degrees 49 minutes West approximately 300 feet to a point on the East bank of the Brazos River;

THENCE downstream with said bank and in a Northwesterly direction approximately 900 feet to a point in the Southeast right-of-way of the Texas Power and Light Company's property;

THENCE with said Southeast right-of-way line, North 59 degrees 24 minutes East approximately 100 feet to the most Westerly corner of said Pecan Plantation, Unit Two, and the most Westerly corner of Hopswee Court as now dedicated;

THENCE, departing from said right-of-way line, and along the most Western limits of Hopswee Court as now dedicated, South 30 degrees 36 minutes East 50-0/10 feet to the place of beginning.

SEMPCO, INC.
August 9, 1973
1195

FILED FOR RECORD THE 16 DAY OF August 1973 AT 9:10 A.M.
RECORDED THE 16 DAY OF August 1973 AT 1:00 P.M.
BY: Christina Woolsey Deputy CLERK PRICE, COUNTY CLERK
HOOD COUNTY, TEXAS