

ARTICLES OF INCORPORATION

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Roger Williams
Secretary of State

Office of the Secretary of State

CERTIFICATE OF INCORPORATION OF

Trails of Fossil Creek Homeowner's Association, Inc.
Filing Number: 800526369

The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Incorporation for the above named corporation have been received in this office and have been found to conform to law.

Accordingly, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Incorporation.

Issuance of this Certificate of Incorporation does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 08/01/2005

Effective: 08/01/2005



A handwritten signature in black ink that reads "Roger Williams".

Roger Williams
Secretary of State



AUG 01 2005

ARTICLES OF INCORPORATION
OF

TRAILS OF FOSSIL CREEK HOMEOWNER'S ASSOCIATION, INC. Corporations Section

We, the undersigned, natural persons of the age of twenty-one years or more, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation.

ARTICLE ONE

The following words when used in these Articles of Incorporation shall have the following meanings:

"Act" shall mean and refer to the Texas Non-Profit Corporation Act, Articles 1396-1.01 through 1396-11.01, Vernon's Tex. Ann. Civil Statutes, and all amendments and additions thereto.

"Common Maintenance" shall have the meaning given to it in the Declaration.

"Corporation" shall mean and refer to the corporation incorporated hereunder.

"Declarant" shall mean and refer to MDC-The Trails Limited Partnership, a Texas limited partnership, and its successors and any assignee, other than an Owner, who shall receive by assignment from MDC-The Trails Limited Partnership, all, or a portion, of its rights under the Declaration as such Declarant, by an instrument expressly assigning such rights as Declarant to such assignee.

"Declaration" shall mean and refer to that certain Declaration of Covenants, Conditions and Restrictions applicable to the Property and to be recorded in the Deed Records of Tarrant County, Texas, and as the same may be amended or supplemented from time to time as therein provided.

"Lot" shall mean and refer to any plot or tract of land shown on any recorded subdivision map of the Property which is shown as a lot thereon and which is or is to be improved with a residential dwelling.

"Member" or "Owner" shall have the meanings given to them in the Declaration.

"Property" shall mean and refer to that certain real property located in Tarrant County, Texas, as described and defined in the Declaration.

ARTICLE TWO

The name of the Corporation is Trails of Fossil Creek Homeowner's Association, Inc.

ARTICLE THREE

The Corporation is a non-profit corporation.

ARTICLE FOUR

The period of its duration is perpetual.

ARTICLE FIVE

This Corporation does not contemplate pecuniary gain or profit to its Members, and the specific purposes for which it is formed are to provide for maintenance and preservation, and to promote the health, safety and welfare of the residents, of the Property, and to preserve the beautification of the Property, and for these purposes:

(a) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

(b) To cause to be performed the Common Maintenance;

(c) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in the Declaration, and reference to the Declaration is hereby made for all purposes;

(d) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments provided for by the terms of the Declaration and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including any licenses, taxes or governmental charges which may be levied or imposed against any property owned by the Corporation;

(e) To borrow money, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(f) Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors of the Corporation, will promote the common benefit and enjoyment of the residents of the Property, provided, that no part of the net earnings of the Corporation shall inure to the benefit of or be distributable to any Member, director or officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation effecting one or more of its purposes), and no member, director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation; and provided, further, that no part of the

activities of the Corporation shall be carrying on propaganda, or otherwise attempting, to influence legislation, or participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office; and

(g) Nothing contained in these Articles of Incorporation shall grant any authority to any officer or director of the Corporation for the exercise of any powers which are inconsistent with limitations on any of the same which may be expressly set forth in the Act.

ARTICLE SIX

The address of the initial registered office of the Corporation is c/o Mady Development Corporation, 545 East John Carpenter Freeway, Suite 1500, Irving, Texas 75062 and the name of its initial registered agent at such address is G.T. Puklicz.

ARTICLE SEVEN

The business and affairs of the Corporation shall be managed by an initial Board of three (3) Directors. The number of directors may be changed by amendment of the Bylaws of the Corporation, but shall in no event be less than three (3). The names and addresses of the persons who are to act initially in the capacity of directors until the selection of their successors are:

Charles P. Mady	545 East John Carpenter Freeway Suite 1500 Irving, Texas 75062
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G. T. Puklicz	545 East John Carpenter Freeway Suite 1500 Irving, Texas 75062
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Debbie Hughes	545 East John Carpenter Freeway Suite 1500 Irving, Texas 75062
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ARTICLE EIGHT

The name and street address of the incorporator is:

G.T. Puklicz	545 East John Carpenter Freeway Suite 1500 Irving, Texas 75062
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ARTICLE NINE

Every person or entity who is now or hereafter becomes an "Owner" or "Member" as defined in the Declaration shall automatically be a Member of the Corporation.

ARTICLE TEN

The capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Declaration.

Every person or entity who is a record owner of a fee or an undivided fee interest in any Lot, and only such persons or entities, shall be Members of the Corporation. Membership in the Corporation shall be appurtenant to and may not be separated from ownership of any Lot in the Property. Ownership of such Lot shall be the sole qualification for membership in the Corporation. The Corporation may (but shall not be required to) issue certificates evidencing membership therein.

The Corporation shall have two classes of voting membership as set forth and described in the Declaration, and the voting rights of each Member shall be as set forth in the Declaration. Cumulative voting in the election of the Board of Directors or in the exercise of any other right to vote is expressly prohibited.

ARTICLE ELEVEN

The Corporation may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of voting members. Upon dissolution of the Corporation, the assets both real and personal of the Corporation shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization engaged in activities substantially similar to those of the Corporation and which are qualified as exempt organizations under the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States Internal Revenue law.

ARTICLE TWELVE


No Director of the Corporation shall be personally liable to the Corporation for monetary damages for any act or omission in the Director's capacity as a Director, except that this Article does not eliminate or limit the liability of a Director for (1) a breach of a Director's duty of loyalty to the Corporation, (2) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law, (3) a transaction from which a Director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Director's office, or (4) an act or omission for which the liability of a Director is expressly provided for by statute. Neither the amendment nor repeal of this Article shall eliminate or reduce the effect of this Article in respect of any matter occurring, or any cause of action, suit or

claim that, but for this Article, would accrue or arise prior to such amendment or repeal. If the Act or the Texas Miscellaneous Corporation Laws Act (the "TMC Act") is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a Director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Act or the TMC Act, as so amended from time to time. Without limiting the foregoing, the directors and officers of the Corporation shall be indemnified subject to the terms and provision of the Bylaws of the Corporation.

ARTICLE THIRTEEN

These Articles may be amended with the assent given in writing and signed by not less than two-thirds (2/3) of each class of voting members.

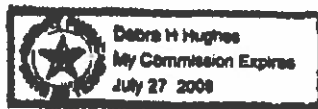
IN WITNESS WHEREOF, I have hereunto set my hand this 22 day of July, 2005.



G. T. Puklicz

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on 25th day of July, 2005, by G.T. Puklicz.





NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

My Commission Expires:

7-27-2008

DEBRA H. HUGHES

Printed Name

BYLAWS

THE TRAILS OF FOSSIL CREEK HOMEOWNER'S ASSOCIATION, INC.

BYLAWS

ARTICLE I

DEFINITIONS

The following words when used in these bylaws, unless a different meaning or intent clearly appears from the context, shall have the following meanings:

"Act" shall mean and refer to the Texas Non-Profit Corporation Act, Articles 1396-1.01 through 1396-11.01, Vernon's Tex. Ann. Civil Statutes, and all amendments and additions thereto.

"Association" shall mean and refer to the Trails of Fossil Creek Homeowner's Association, Inc., a Texas non-profit corporation.

"Articles" shall mean and refer to the Articles of Incorporation of the Association.

"Board" shall mean the Board of Directors of the Association.

"Common Maintenance Areas" shall have the meaning given to it in the Declaration.

"Declarant" shall mean and refer to MDC-The Trails Limited Partnership, a Texas limited partnership, and its successors and any assignee, other than an Owner, who shall receive by assignment from MDC-The Trails Limited Partnership, all, or a portion, of its rights hereunder as such Declarant, by an instrument expressly assigning such rights as Declarant to such assignee.

"Declaration" shall mean and refer to that certain Declaration of Covenants and Restrictions applicable to the Property and to be recorded in the Deed Records of Tarrant County, Texas, and as the same may be amended or supplemented from time to time as therein provided.

"Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map of the Property which is shown as a lot thereon and which is or is to be improved with a residential dwelling.

"Member" or "Owner" shall mean and refer to each and every person or entity who is alone or together with other persons or entities a record title owner of a fee or undivided fee interest in any Lot; provided, however, the terms "Member" or "Owner" shall not include any person or entity holding a bona fide lien or security interest in a Lot or other tract or parcel of

real estate out of or a part of the Property as security for the performance of an obligation, but may include the Declarant.

"Property" shall mean and refer to the land and premises in Tarrant County, Texas, as defined in the Declaration.

ARTICLE II

OFFICES

Section 1. The initial registered office of the Association shall be located at c/o Mady Development Corporation, 545 East John Carpenter Freeway, Suite 1500, Irving, Texas 75062.

Section 2. The Association may also have offices at such other places, within and without the State of Texas, as the board of directors may from time to time determine or as the business of the Association may require.

ARTICLE III

MEMBERSHIP

Section 1. Membership. Each Member shall be a member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of the real property which is subject to assessment by the Association. Ownership of such real property interest, as provided in the Declaration, shall be the sole qualification for membership. The Association shall have two classes of voting membership, Class A Membership and Class B Membership, as provided in Section 2.2 of the Declaration.

Section 2. Suspension of Membership. During any period in which a Member shall be in default in the payment of any Assessment (as defined in the Declaration) levied by the Association, the voting rights and right to use of the Common Maintenance Areas of such Member may be suspended by the Board until such Assessment has been paid. Such rights of a Member may also be suspended, after notice and hearing, for a period not to exceed thirty (30) days, for violation of any rules and regulations established by the Board governing the use of the Common Maintenance Areas and facilities.

ARTICLE IV

PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Section 1. Use of Property. Each Member shall be entitled to the use and enjoyment of the property and facilities owned by the Association from time to time as provided in the Declaration. Any Member may delegate his rights of enjoyment of properties and facilities to the members of his family, his tenants or contract purchasers, who reside on his Lot. Such Member shall notify the Secretary in writing of the name of any such delegee. The rights and privileges of such delegee are subject to suspension to the same extent as those of the Member.

ARTICLE V

BOARD OF DIRECTORS, SELECTION, AND TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors until the first annual meeting of the Members in 2006, and thereafter the number of directors shall be established by the Board at each annual meeting, which number shall never be less than three (3).

Section 2. Election. At the first annual meeting (in 2006) and each annual meeting thereafter until the directors are elected solely by the Class A Members, the Members shall elect three directors for a term of one (1) year each. At the first annual meeting following the date upon which all directors are to be elected solely by Class A Members, the Class A Members shall elect five (5) directors who shall serve for the following terms:

(a) The three (3) directors receiving the highest number of votes shall each serve for a term of two years, and the remaining two (2) directors shall each serve for a term of one (1) year.

(b) At each annual meeting thereafter, the Class A Members shall elect new directors to fill any vacancy created by expired terms of existing directors in a manner so that the Association will at all times have five (5) directors, all of whom shall have two (2) year terms; provided, that the number of directors shall be subject to adjustment from time to time as determined by the Board under Section 1 of this Article V above.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days written notice delivered to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board shall be made by a Nominating Committee (herein so called). Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

Section 2. Election. Election to the Board shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board shall have power to:

(a) adopt and publish rules and regulations governing the use of the properties and facilities of the Association, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles, or the Declaration;

(c) declare the office of a Member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board; and

(d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting, when such statement is requested in writing by one-fourth (¼) of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided herein, and in the Declaration, to:

(i) fix the amount of the Annual Assessments (as defined in the Declaration) against each Owner in advance of each Annual Assessment period, and fix the amount of all other Assessments (as defined in the Declaration), as provided in the Declaration; and

(ii) send written notice of each Assessment to every Owner subject thereto at least thirty (30) days in advance of each Assessment period;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association, if any;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Common Maintenance Areas to be maintained as provided in the Declaration.

ARTICLE IX

COMMITTEES

Section 1. Committees. The Board shall appoint a Nominating Committee as provided in these Bylaws. In addition, the Board may appoint other committees as deemed appropriate in carrying out its purposes, such as:

(a) A "Maintenance Committee" which shall advise the Board on all matters pertaining to the maintenance, repair or improvement of the Property, and shall perform such other functions as the Board in its discretion determines;

(b) A "Publicity Committee" which shall inform the Members of all activities and functions of the Association, and shall, after consulting with the Board, make such public releases and announcements as are in the best interests of the Association; and

(c) An "Audit Committee" which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, as provided in Article XI, Section 8 hereof. The Treasurer shall be an ex officio member of the Committee.

Section 2. Complaints from Members. It shall be the duty of each committee to receive complaints from Members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

ARTICLE X

MEETINGS OF MEMBERS

Section 1. Place of Meetings. Meetings of the Members for the election of directors shall be held at the offices of the Association in the City of Irving, State of Texas, or at such other location within the City of Irving, State of Texas, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. Meetings of Members for any other purpose may be held at such place, within or without the State of Texas, and at such time as shall be stated in the notice of the meeting, or in a duly executed waiver of notice thereof.

Section 2. Annual Meetings. Annual meetings of Members, commencing with the year 2006 shall be held on the fourth Tuesday of April if not a legal holiday, and if a legal holiday, then on the next secular day following at a time set by the President, at which they shall elect by a plurality vote a Board, and transact such other business as may properly be brought before the meeting.

Section 3. Special Meetings. Special meetings of the Members may be called by the President, the Board and shall be called by the Secretary upon written request of Members entitled to cast one-fourth ($\frac{1}{4}$) of all of the votes of the entire membership or who are entitled to cast one-fourth ($\frac{1}{4}$) of the votes of the Class A membership.

Section 4. Notice. Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the day of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or person calling the meeting, to each Member entitled to vote at such meeting.

Section 5. Purpose. Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

Section 6. Quorum. The presence at any meeting of Members entitled to cast one-tenth ($\frac{1}{10}$) of the votes of each class of membership, represented in person or by proxy, shall

constitute a quorum at meetings of Members except as otherwise provided in the Declaration or the Articles. If, however, a quorum shall not be present or represented at any meeting of the Members, the Members present in person or represented by proxy shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified.

Section 7. Majority Vote. The vote of Members entitled to cast a majority of the votes thus represented at a meeting at which a quorum is present shall be the act of the Members meeting, unless the vote of a greater number is required by law, the Declaration or the Articles.

Section 8. Voting Rights. Each Member may cast as many votes as he is entitled to exercise under the terms and provisions of the Articles on each matter submitted to a vote at a meeting of Members, except to the extent that the voting rights of any Member have been suspended in accordance with these Bylaws or the Declaration. At each election for directors every Member entitled to vote at such election shall have the right to cast as many votes as he is entitled to exercise under the terms and provisions of the Articles, in person or by proxy, for as many persons as there are directors to be elected and for whose election he has a right to vote, and Members of the Association are expressly prohibited from cumulating their votes in any election for directors of the Association.

Section 9. Proxies. A Member may vote in person or 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. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and in no event shall it remain irrevocable for a period of more than eleven (11) months from the date of its execution.

Section 10. List of Members. The officer or agent having charge of the corporate books shall make, at least ten (10) days before each meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the principal office of the Association and shall be subject to inspection by any Member at any time during the usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the Meeting.

Section 11. Record Date. The Board may fix in advance a date, not exceeding fifty (50) days preceding the date of any meeting of Members, as a record date for the determination of the Members entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, and in such case such Members and only such Members as shall be Members of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof, notwithstanding any change of membership on the books of the Association after any such record date fixed as aforesaid.

Section 12. Action Without Meeting. Any action required by the statutes to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may

be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members whose vote is required for the approval of the subject-matter thereof, and such consent shall have the same force and effect as a vote of Members.

Section 13. Conflict. Any conflict between one or more provisions of these Bylaws and one or more provisions of the Articles shall be resolved in favor of the provision(s) set forth in the Articles.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article XI.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice President

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members, keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board, shall sign all checks and promissory notes of the Association, keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare (i) an annual budget and (ii) a statement of income and expenditures, to be presented to the membership at its regular annual meeting, a copy of each of which shall be made available to each Member upon request.

ARTICLE XII

ASSESSMENTS

The rights of membership in the Association are subject to the payment of Assessments levied by the Association, the obligation of which Assessments is imposed against the Owner of and becomes a lien upon the real property against which such Assessments are made as provided by Article III of the Declaration, which is incorporated herein by reference and made a part hereof for all purposes.

ARTICLE XIII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV

CORPORATE SEAL

The corporate seal shall have inscribed thereon the name of the Association, the year of its organization and the words "Corporate Seal, State of Texas." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

ARTICLE XV

AMENDMENTS

Section 1. These Bylaws may be amended at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

Section 2. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XVI

FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

ARTICLE XVII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Indemnification. The Association may indemnify an officer or director who was, is, or is threatened to be made a named defendant or respondent in a proceeding because such person is or was a director or officer if it is determined, in accordance with the provisions of Article 1396-2.22A of the Act, as the same may be amended from time to time, that the person:

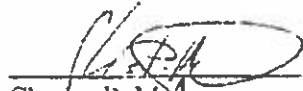
- (i) conducted himself or herself in good faith;
- (ii) reasonably believed:
 - a. in the case of conduct in his or her official capacity as a director or officer of the Association, that his or her conduct was in the Association's best interests; and
 - b. in all other cases, that his or her conduct was at least not opposed to the Association's best interests; and

- (iii) in the case of any criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

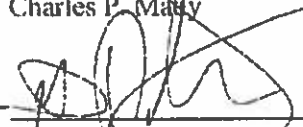
Any indemnification made under the provisions of this Article XVII shall be made in accordance with the provisions of the Act.

Section 2. Reimbursement of Expenses. The Association may reimburse or pay in advance any reasonable expenses (including court costs and attorneys' fees) which may become subject to indemnification under this Article XVII, but only in accordance with the Act, and only after the person to receive the payment (i) signs a written affirmation of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under this Article XVII and the Act, and (ii) undertakes in writing to repay such advances if it is ultimately determined that such person is not entitled to indemnification by the Association. The written undertaking required by this paragraph must be an unlimited general obligation of the person but need not be secured. It may be accepted without reference to financial ability to make repayment.

IN WITNESS WHEREOF, we, being all of the directors of the Trails of Fossil Creek Homeowner's Association, Inc. have hereunto set our hands this 22 day of July, 2005.



Charles P. Mady



G.T. Puklicz



Debbie Hughes

Electronically Recorded

Official Public Records

Mary Louise Garcia
Mary Louise Garcia

Tarrant County Texas

5/14/2013 9:26 AM

D213121423

PGS 20 \$92.00

Submitter ACS

NOTICE OF FILING OF DEDICATORY INSTRUMENTS

FOR

TRAILS OF FOSSIL CREEK

STATE OF TEXAS §
§
COUNTY OF TARRANT §

KNOW ALL MEN BY THESE PRESENTS:

THIS NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR TRAILS OF FOSSIL CREEK (this "Notice") is made this 13th day of May, 2013, by the Trails of Fossil Creek Homeowner's Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, MDC-The Trails Limited Partnership, a Texas limited partnership (the "Declarant"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community", recorded on or about August 1, 2005, under Document/Instrument No. D205221958, of the Deed Records of Tarrant County, Texas (the "Declaration"), as amended from time to time; and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development subject to the Declaration, which development is more particularly described in the Declaration; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the association that has not been previously recorded in the real property records of the county in which the planned development is located; and

WHEREAS, the Association desires to record the attached dedicatory instruments in the real property records of Tarrant County, Texas, pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the dedicatory instruments attached hereto as Exhibit "A" are true and correct copies of the originals and are hereby filed of record in the real property records of Tarrant County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

IN WITNESS WHEREOF, the Association has caused this Notice to be executed by its duly authorized agent as of the date first above written.

TRAILS OF FOSSIL CREEK
HOMEOWNER'S ASSOCIATION, INC.
a Texas non-profit corporation

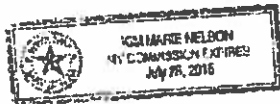
By: [Signature]
Its: PRESIDENT

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, on this day personally appeared Charles P. Brady, President of Trails of Fossil Creek Homeowner's Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed on behalf of said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this 13 day of May, 2013.



[Signature]
Notary Public
State of Texas
7/28/15
My Commission Expires

AFTER RECORDING, RETURN TO:
Riddle & Williams, P.C.
3710 Rawlins Street, Suite 1400
Dallas, Texas 75219

G:\Notices del, Trails of Fossil Creek, INC

EXHIBIT "A"

DEDICATORY INSTRUMENTS

- A-1. Bylaws of Trails of Fossil Creek Homeowner's Association, Inc. (adopted July 22, 2005)
- A-2. Certificate of Filing and Articles of Incorporation of Trails of Fossil Creek Homeowner's Association, Inc. (filed with the Texas Secretary of State on August 1, 2005)

FOURTH SUPPLEMENT
TO THE
NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
TRAILS OF FOSSIL CREEK COMMUNITY
[Amendments to Bylaws]

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TARRANT §

THIS FOURTH SUPPLEMENT TO THE NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR TRAILS OF FOSSIL CREEK COMMUNITY (this "Fourth Supplement") is made this 9th day of August, 2016, by the Trails of Fossil Creek Homeowner's Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, MDC-The Trails Limited Partnership, a Texas limited partnership (the "Declarant"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community", on or about August 1, 2005, under Document/Instrument No. D213221958, of the Real Property Records of Tarrant County, Texas (the "Declaration"), as amended from time to time; and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development subject to the Declaration, which development is more particularly described in the Declaration; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the association that has not been previously recorded in the real property records of the county in which the planned development is located; and

WHEREAS, on or about May 14, 2013, the Association recorded a Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek under Document/Instrument No. D213121423, of the Real Property Records of Tarrant County, Texas (the "Notice"); and

WHEREAS, on or about May 30, 2013, the Association recorded a First Supplement to Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek Community under Document/Instrument No. D213135742, of the Real Property Records of Tarrant County, Texas (the "First Supplement"); and

WHEREAS, on or about August 13, 2013, the Association recorded a Second Supplement to Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek Community

under Document/Instrument No. D213214704, of the Real Property Records of Tarrant County, Texas (the "Second Supplement"); and

WHEREAS, on or about March 10, 2014, the Association recorded a Third Supplement to Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek Community under Document/Instrument No. D214046309, of the Real Property Records of Tarrant County, Texas (the "Third Supplement"); and

WHEREAS, the Association desires to record the First Amendment to Bylaws and the Second Amendment to Bylaws pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the dedicatory instruments attached hereto as Exhibit "A" are true and correct copies of the originals and are hereby filed of record in the Real Property Records of Tarrant County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

IN WITNESS WHEREOF the Association has caused this Fourth Supplement to be executed by its duly authorized agent on the date first above written.

TRAILS OF FOSSIL CREEK HOMEOWNER'S
ASSOCIATION, INC., a Texas non-profit corporation

By: [Signature]

Printed Name: CHARLES P. MILES

Title: PRESIDENT

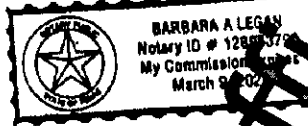
ACKNOWLEDGMENT

STATE OF TEXAS §

COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, on this day personally appeared Chuck Mady, President of Trails of Fossil Creek Homeowner's Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed on behalf of said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this 9th day of August, 2016.



Barbara A. Legan
Notary Public, State of Texas

March 9, 2020
My Commission Expires

Exhibit "A"

- A-1 First Amendment to The Trails of Fossil Creek Homeowner's Association, Inc. Bylaws
- A-2 Second Amendment to The Trails of Fossil Creek Homeowner's Association, Inc. Bylaws

**FIRST AMENDMENT TO
THE TRAILS OF FOSSIL CREEK HOMEOWNER'S ASSOCIATION, INC.
BYLAWS
[Annual Meeting Date]**

STATE OF TEXAS §

COUNTY OF TARRANT §

KNOW ALL MEN BY THESE PRESENTS:

This **FIRST AMENDMENT TO THE TRAILS OF FOSSIL CREEK HOMEOWNER'S ASSOCIATION, INC. BYLAWS** (this "First Amendment") is adopted by MDC-The Trails Limited Partnership, a Texas limited partnership ("Declarant"), as of the 21 day of 5064, ~~2015~~ 2016.

WITNESSETH:

WHEREAS, MDC-The Trails Limited Partnership, a Texas limited partnership ("Declarant"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions, and Restrictions for Trails of Fossil Creek Community" on or about August 1, 2005, as Instrument # D205221958 of the Real Property Records of Tarrant County, Texas, as amended and supplemented from time to time (the "Declaration"); and

WHEREAS, The Trails of Fossil Creek Homeowner's Association, Inc. Bylaws were adopted by The Trails of Fossil Creek Homeowner's Association, Inc. (the "Association"), on or about July 22, 2005, and recorded on or about March 14, 2013, as Instrument # D213121423 of the Real Property Records, Tarrant County, Texas (the "Bylaws"); and

WHEREAS, Article VIII, Section 8.1(d) of the Declaration provides that each Owner and Member appoints Declarant as the Owner's true and lawful attorney-in-fact to, among other things, sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, alter, contract or abandon the terms of the Bylaws, with such clause(s), recital(s), covenant(s), agreement(s) and restriction(s) as Declarant shall deem necessary, proper and expedient under the circumstances and conditions as may be then existing; and

WHEREAS, Article VIII, Section 8.16 of the Declaration provides that the Bylaws may be unilaterally amended by Declarant exercising its powers under Article VIII, Section 8.1 of the Declaration until such time as Declarant no longer owns any Lot; and

WHEREAS, Declarant, on behalf of itself and as the power-of-attorney of the Owners and Members pursuant to Article VIII, Section 8.1 of the Declaration, has approved of the following amendment to the Bylaws.

NOW, THEREFORE, the Bylaws are amended as follows:

1. Amend Article X, Section 2 of the Bylaws by deleting that section in its entirety and replacing it with the following:

Section 2. Annual Meetings. Annual meetings shall be set by the Board so as to occur once each year. The time and place of all annual meetings shall be determined by the Board. The Board shall give written notice of the place of holding the meeting to all Members.

2. Except as amended by this First Amendment, the Bylaws shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed on the 21 day of May, 2016

MDC-THE TRAILS LIMITED PARTNERSHIP,
a Texas limited partnership

By: MDC-THE TRAILS DEVELOPMENTS, LLC,
a Texas limited liability company,
its General Partner

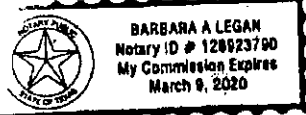
By: [Signature]

Its: PRESIDENT

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on by Chuck Madry,
President of MDC-The Trails Developments, LLC, a Texas limited liability company,
as the General Partner of MDC-The Trails Limited Partnership, a Texas limited partnership, on
behalf of said limited partnership, on the 21st day of July, 2016.



[Signature]
Notary Public, State of Texas

My Commission Expires: 3/9/2020

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SECOND AMENDMENT TO
THE TRAILS OF FOSSIL CREEK HOMEOWNER'S ASSOCIATION, INC.
BYLAWS
[Board Meetings]

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TARRANT §

This SECOND AMENDMENT TO THE TRAILS OF FOSSIL CREEK HOMEOWNER'S ASSOCIATION, INC. BYLAWS (this "Second Amendment") is adopted by MDC-The Trails Limited Partnership, a Texas limited partnership ("Declarant"), as of the 9th day of August, 2016.

WITNESSETH:

WHEREAS, MDC-The Trails Limited Partnership, a Texas limited partnership ("Declarant"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions, and Restrictions of Fossil Creek Community" on or about August 1, 2005, as Instrument # D20522168 of the Real Property Records of Tarrant County, Texas, as amended and supplemented from time to time (the "Declaration"); and

WHEREAS, The Trails of Fossil Creek Homeowner's Association, Inc. Bylaws (the "Bylaws") were adopted by The Trails of Fossil Creek Homeowner's Association, Inc. (the "Association"), on or about July 22, 2005, and recorded on or about March 14, 2013, as Instrument # D21312423 of the Real Property Records, Tarrant County, Texas (the "Bylaws"); and

WHEREAS, Article VIII, Section 8.1(d) of the Declaration provides that each Owner and Member appoints Declarant as the Owner's true and lawful attorney-in-fact to, among other things, sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the terms of the Bylaws, with such clause(s), recital(s), covenant(s), agreement(s) and restriction(s) as Declarant shall deem necessary, proper and expedient under the circumstances and conditions as may be then existing; and

WHEREAS, Article VIII, Section 8.16 of the Declaration provides that the Bylaws may be unilaterally amended by Declarant exercising its powers under Article VIII, Section 8.1 of the Declaration until such time as Declarant no longer owns any Lot; and

WHEREAS, Declarant, on behalf of itself and as the power-of-attorney of the Owners and Members pursuant to Article VIII, Section 8.1 of the Declaration, has approved of the following amendment to the Bylaws.

NOW, THEREFORE, the Bylaws are amended as follows.

1. Amend Article VI, Section 1 of the Bylaws by deleting the word "monthly" in the first sentence and replacing it with the word "quarterly."
2. Except as amended by the First Amendment and this Second Amendment, the Bylaws shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed on the 9th day of August, 2016.

MDC-THE TRAILS LIMITED PARTNERSHIP,
a Texas limited partnership

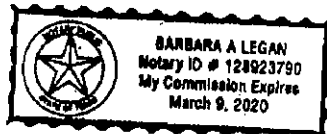
By: MDC-THE TRAILS DEVELOPMENTS, LLC,
a Texas limited liability company,
its General Partner

By: [Signature]
Printed Name: CHARLES P. MADY
Title: PRESIDENT

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TARRANT §

This instrument was acknowledged before me on by Charles Mady,
President of MDC-The Trails Developments, LLC, a Texas limited liability company,
as the General Partner of MDC-The Trails Limited Partnership, a Texas limited partnership, on
behalf of said limited partnership, on the 9th day of August, 2016.



[Signature]
Notary Public, State of Texas

My Commission Expires: 3/9/2020

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COVENANTS, CONDITIONS & RESTRICTIONS

33
WFO

WHEN RECORDED, RETURN TO:
FARRIS & TURNER, PLLC
878 S. DENTON TAP ROAD, SUITE 125
COPELL, TEXAS 75019
ATTENTION: MATTHEW R. FARRIS, ESQ.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

TRAILS OF FOSSIL CREEK COMMUNITY

THE STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF TARRANT §

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TRAILS OF FOSSIL CREEK COMMUNITY (this "Declaration"), is made this 25th day of JULY 2005, by MDC-THE TRAILS LIMITED PARTNERSHIP, a Texas limited partnership ("Declarant").

W I T N E S S E T H:

Introductory Statement

A. Declarant is the owner of certain real property situated in the City of Fort Worth, Tarrant County, Texas, as more particularly described on Exhibit A, attached hereto and made a part hereof, and certain other common properties located within the Subdivision (as hereinafter defined) as more particularly described herein (collectively, the "Property").

B. Declarant has deemed it advisable, for the efficient preservation of the values and amenities within the Property, to impose covenants upon the Property and to create a non-profit corporation to which would be delegated and assigned the powers of performing the maintenance herein provided, and collecting and disbursing the assessments and charges, as hereinafter provided.

C. Declarant has caused or will cause to be incorporated under the Non-Profit Corporation Act of the State of Texas (the "Act") a non-profit corporation.

NOW, THEREFORE, Declarant declares that the Property shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (the "Covenants") hereinafter set forth and which run with the Property and shall be binding on any subsequent Owners (as defined below) of the Property, their heirs, executors, administrators, successors and assigns.

Declaration

ARTICLE I

DEFINITIONS

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

"ACC" means the Architectural Control Committee appointed by the Board in accordance with the provisions of Article VII hereof.

"Articles of Incorporation" shall mean and refer to the Articles of Incorporation of Trails of Fossil Creek Homeowners Association, Inc.

"Assessments" shall mean and refer to the Annual Assessments, Special Assessments and the Default Assessments provided in Section 3.1 hereof.

"Association" shall mean and refer to the Trails of Fossil Creek Homeowners Association, Inc., a Texas non-profit corporation.

"Board" shall mean the Board of Directors of the Association.

"Builder" means any homebuilder constructing the initial Dwelling Unit upon a Lot in the normal course of conducting its business for profit.

"Bylaws" shall mean and refer to the Bylaws of Trails of Fossil Creek Homeowners Association, Inc.

"City" shall mean the City of Fort Worth, Texas.

"City Council" shall mean the city council of the City.

"Common Maintenance" shall mean and refer to normal and routine maintenance of Common Maintenance Areas as determined from time to time by the Board, including but not limited to: (i) mowing and edging Common Maintenance Areas, (ii) trimming Common Maintenance Areas with weed eaters, (iii) fertilizing, trimming shrubbery, turning flower beds and applying insect control chemicals to Common Maintenance Areas, (iv) maintaining irrigation and other utility systems, screening walls and retaining walls within the Common Maintenance Areas, (v) erosion control measures to protect the Lots adjacent to the Green Area, (vi) removal of debris, silt and other substances which could obstruct the flow of storm water runoff within the Common Maintenance Areas, (vii) removal of trash and debris from the Common Maintenance Areas, and (viii) maintaining the entrance gates, entryway features, and other improvements located on the Common Maintenance Areas. Common Maintenance shall not, in any event, include the trimming of trees, planting shrubbery, grass, trees or other landscaping, or any other maintenance or service except as determined by the Board to be within normal and routine maintenance of Common Maintenance Areas.

"Common Maintenance Areas" shall mean and refer to (i) the Green Area, (ii) the swimming pool, amenity center, parks, walking trails and open space areas within the Property, (iii) screening walls, retaining walls, and landscaping lying within right-of-ways as the Board may elect to include within "Common Maintenance Areas" from time to time for maintenance by the Association, (iv) any areas within the Property owned by the City, the Association, or any other governmental entity, but which are required to be maintained by the Association, (v) any landscape, wall maintenance, pedestrian access or maintenance easements reflected on the Plat, required by the City or recorded by separate instrument, (vi) those areas, if any, which are owned by an Owner, but on which are located monuments, signs, fences, landscaping, berms, sidewalks, irrigation systems or other improvements that may be maintained by the City or the Association, and (vii) those areas of the Property designated as recreational centers or similar areas.

"County" shall mean and refer to Tarrant County, Texas.

"Declarant" shall mean and refer to MDC-The Trails Limited Partnership, a Texas limited partnership, and its successors and assigns, and any assignee, other than an Owner, who shall receive by assignment from MDC-The Trails Limited Partnership all or a portion of its rights hereunder as such Declarant, by an instrument expressly assigning such rights as Declarant to such assignee.

"Dwelling Unit" shall mean and refer to any building or portion of a building situated upon the Property which is designed and intended for use and occupancy as a residence by a single person, a couple, a family or a permitted family size group of persons.

"Green Area" shall initially mean Lot 14, Block G "Amenity Center" and Lot 20, Block J "Open Space (Public)" on the Final Plat recorded in Cabinet A, Slide 10235-10236 of the plat records of Tarrant County, located in Phase 1 of the Subdivision, and such other areas designated as common areas/improvements, green areas and/or open space on future Plats of subsequent phases of the Subdivision as may be determined by the Declarant for the benefit of the Association.

"Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map of the Property which is shown as a lot thereon and which is or is to be improved with a Dwelling Unit.

"Maintenance Fund" shall have the meaning given to it in Section 3.1 hereof.

"Member" shall mean and refer to each Owner as provided in Article II hereof.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot but, notwithstanding any applicable theory of mortgages or other security devices, shall not mean or refer to any mortgagee or trustee under a mortgage or deed of trust unless and until such mortgagee or trustee has acquired title pursuant to foreclosure or any conveyance in lieu of foreclosure.

"Plat" shall mean the plat of Phase 1 of the Subdivision dated June 3, 2005

recorded in Cabinet A, Slide 10235 and 10236 of the Plat Records of Tarrant County, Texas, and such plats of subsequent phases of the Subdivision to be filed as and when the Property is developed.

"Property" shall have the meaning given to it in Paragraph A of the Introductory Statement above, together with additions thereto as may be made subject to the terms of this Declaration by a supplemental declaration executed and filed by Declarant in the Deed Records of Tarrant County, Texas, from time to time.

"Resident" shall mean and refer to each person (not otherwise an Owner or Member) authorized by an Owner to reside within such Owner's Dwelling Unit.

"Subdivision" shall mean and refer to the residential community arising out of the development and improvement of the Property with Dwelling Units and the use and occupancy of the Property as a residential subdivision.

"Vehicle" means any vehicle of any kind or type whatsoever, including, but without limitation, any automobile, truck, motorcycle, boat, mobile home, motor home, boat trailer, or other kind of trailer.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION; ADDITIONS TO THE PROPERTY

2.1 Membership. Every Owner of a Lot shall automatically be a Member of the Association. The Association shall not be dissolved without the prior written consent of the City.

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

CLASS A. Class A Members shall be all Members with the exception of Declarant. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot.

CLASS B. The Class B Member shall be the Declarant. Until such time as all Lots held by the Class B Member have been sold and conveyed, all votes of the Association shall be cast solely by the Class B Member, to the exclusion of the Class A Members. At such time as all Lots held by Class B Members have been sold and conveyed, then the Class B membership of the Association shall terminate and all votes shall thereafter be cast solely by Class A Members; provided, that in the event all Lots held by Declarant are sold and conveyed but thereafter Declarant again acquires one or more Lots, then Declarant shall again be a Class B Member until all such Lots have been

sold and conveyed by Declarant and once again all votes of the Association shall be cast solely by the Class B Member, to the exclusion of the Class A Members.

2.3 Additions to the Property. Additional tracts of land, together with the improvements situated thereon, may become subject to this Declaration and added to the Property as provided in this Section 2.3. If Declarant is the owner of any property which it desires to add to the concept of this Declaration, it may do so by filing of record a supplemental declaration which shall extend the concept of the Covenants of this Declaration to such property; provided, however, that such supplemental declaration may contain such complementary additions and modifications of the Covenants contained in this Declaration as may be necessary to reflect the different character, if any, of the added Property and as are not inconsistent with the concept of this Declaration.

2.4 Eligibility and Suspension of Voting Rights. If an Owner is involved in litigation with the Association as to a conflict of interpretation of this Declaration, the rules and regulations promulgated by the Association, the bylaws of the Association and/or the amount of delinquent Assessments, then such Owner is not a Member in good standing. Furthermore, to be in good standing with the Association, the Member must have all Assessments of every type and category paid up to date, have no outstanding financial obligations to the Association that are delinquent and shall have no current, uncured violations of or against the Covenants, any design guidelines or ACC requirements on one or more Lots within the Subdivision. Eligibility to vote, to participate in any Association meetings or activities, to utilize the Common Maintenance Areas (including, without limitation, the amenity center and swimming pool) or to serve as a representative, director or officer of the Association shall be predicated upon being a Member in good standing with the Association. An Owner may only cure a delinquency at a meeting to regain the right to vote by paying all outstanding amounts (including interest, fines, and penalties) by cashier's or certified check or other good funds acceptable to the Board.

ARTICLE III

COVENANT FOR MAINTENANCE ASSESSMENTS

3.1 Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Lot (by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance), for each Lot owned by any such Owner, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Association (or to a mortgage company or other collection agency designated by the Association): (a) Annual Assessments (herein so called) or charges, to be paid on a regular basis in installments as the Board of Directors of the Association may elect, (b) Special Assessments (herein so called) for unexpected capital expenditures (such as maintenance equipment) and/or unanticipated expenses, such assessments to be fixed, established and collected from time to time as hereinafter provided, and (c) Default Assessments (herein so called) which may be assessed against an Owner's Lot by the Association at any time and from time to time to reimburse the Association for costs and expenses incurred on behalf of such owner by the Association in accordance with this

Declaration. The Annual Assessments collected by the Association shall constitute the "Maintenance Fund" of the Association. The Annual Assessments, Special Assessments and Default Assessments, together with such interest thereon and costs of collection thereof as hereinafter provided (collectively, "Assessments"), shall be a charge on the Property and shall be a continuing lien upon each Lot against which each such Assessment is made. Each such Assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such Lot at the time when the Assessment became due. Notwithstanding the foregoing, in no event shall Declarant or any Lot or other portion of the Property owned by Declarant at any time be subject to or liable for any Assessment, claim, lien or other obligation due to or of the Association.

3.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Property, and in particular for the payment of all costs and expenses incurred or related to Common Maintenance, including, but not limited to, the payment of all costs and expenses incurred for carrying out the duties of the Board as set forth in Article IV hereafter and for carrying out the purposes of the Association as stated in its Articles of Incorporation. Except to the extent otherwise approved from time to time by the Board, the costs of maintaining sprinkler and irrigation systems on each Lot and the cost of water used to irrigate each Lot shall be paid by the Owner of such Lot and not by the Association.

3.3 Common Maintenance by Declarant.

(a) Until such time as Declarant has sold and conveyed all of the Lots to third party purchasers, Declarant shall have the right (but not the obligation), at its election and in its sole discretion, to assume the exclusive responsibility from time to time of performing the Common Maintenance, including, but not limited to, paying the costs of labor, equipment (including the expense of leasing any equipment) and materials required for performing such Common Maintenance. In this regard, and during such period, all Annual Assessments and Special Assessments collected by the Association shall be forthwith paid by the Association to Declarant, to the extent that such Assessments are required by Declarant to pay for such Common Maintenance. The Association shall rely upon a certificate executed and delivered by Declarant with respect to the amount required by Declarant to pay for the Common Maintenance performed hereunder.

(b) The Association shall perform the Common Maintenance required by the City and this Declaration in perpetuity with sums provided by Assessments unless and until the Association obtains written consent from the City to modify or eliminate such maintenance, and such maintenance shall include and be limited to the items included within the meaning of the term Common Maintenance as defined herein. Under no circumstance shall any member of the Board or any officer or agent of the Association be liable to any Owner for any action or inaction of the Board with respect to any Common Maintenance, and each Owner hereby releases and relinquishes forever any claims, demands or actions which such Owner may at any time have or be deemed to have against the Board, any member of the Board or the Association with regard to Common

Maintenance, whether arising out of the alleged negligence, misfeasance, malfeasance (but not gross negligence or willful misconduct) of any agent of the Association, any officer of the Association or any member of the Board.

(c) In the event that the Association, its successors or assigns (including the Declarant in the event the Declarant maintains this responsibility) shall fail or refuse to adequately maintain the appearance and condition of the Common Maintenance Areas which the Association is obligated to maintain hereunder or under applicable laws, codes or regulations, the City shall have the right to (a) remove such landscaping, features or elements that cease to be maintained by the Association, or (b) assume the duty of performing all such maintenance obligations of the Association upon (i) giving written notice thereof to the Association, and (ii) the expiration of the ten (10) days after receipt by the Association, its successors or assigns, of written notice specifying in detail the nature and extent of the failure to maintain without such failure being remedied. Upon assuming such maintenance obligations, the City may levy an assessment upon each Lot on a pro-rata basis for the entire cost of such maintenance, which assessment shall constitute a lien upon the Lots against which each assessment is made. During the period the City has a right and assumes the obligation to maintain and care for the Common Maintenance Areas, the Association shall have no obligation or authority with respect to such maintenance. The right and authority of the City to maintain the Common Maintenance Areas shall cease and terminate when the Association, its successors or assigns, shall present to the City reasonable evidence of its willingness and ability to resume maintenance of the Common Maintenance Areas. In the event the City assumes the duty of performing the maintenance obligations of the Association as provided herein, the City, its agents, representatives and employees shall have the right of access to and over the Common Maintenance Areas for the purpose of maintaining, improving and preserving the same and in no event shall the City be liable to the Association or any Owner or their respective heirs, executors, administrators, devisees, personal representatives, successors and assigns for (A) any acts or omissions of the City relating in any manner to (1) the City's removal of any landscaping, features or elements, or (2) maintaining, improving and preserving the Common Maintenance Areas, or (B) failure to perform such maintenance.

3.4 Basis and Amount of Assessments.

(a) Until the year beginning January 1, 2006, the Annual Assessment for 2005 will be One Hundred Seventy-Five and No/100 Dollars (\$175.00) per Lot.

(b) Commencing with the year beginning January 1, 2006, and each year thereafter, the Board of Directors, at its annual meeting next preceding such January 1, 2006, and each January 1 thereafter, shall set the amount of the Annual Assessment for the following year for each Lot, taking into consideration the current maintenance costs and the future needs of the Association; provided, that from and after January 1, 2006, in no event shall the Annual Assessment for each Lot which is subject to being assessed for any year exceed the Annual Assessment levied by the Board for the immediately preceding year by more than ten percent (10%) except only in the case of unusual or extraordinary costs and expenses to be paid by the Association as determined from time

to time by the Board or increased by more than ten percent (10%) by the assent of the Members entitled to cast two-thirds (2/3) of the votes of the Members of the Association entitled to vote who either (i) are voting in person or by proxy at a meeting duly called for this purpose as provided in the Bylaws of the Association and subject to Section 2.2 hereof, or (ii) execute a written consent in lieu of a meeting for such purpose.

(c) The first Resident of a Dwelling Unit acquired from a Builder shall pay to the Association at the time of closing on such Dwelling Unit an "Initiation Fee" equal to One Hundred and No/100 Dollars (\$100.00). Accordingly, a Builder shall not be required to pay any Initiation Fee(s). In the event such Initiation Fee is not collected at closing for whatever reason, the payment of such Initiation Fee shall be due immediately after such closing and shall become a continuing lien against such Lot as provided in Section 3.9 below.

3.5 Special Assessments for Capital Items. In addition to the Annual Assessments authorized by Section 3.4 above, the Association may levy in any year a Special Assessment, applicable to that year only, for the purpose of defraying, in whole or in part, any unanticipated cost or expense related to the Common Maintenance or for the cost of acquiring or replacing any capital item, including the necessary maintenance equipment and personal property related to the Common Maintenance, swimming pool, amenity center and other Common Maintenance Areas; provided that any such Special Assessment for capital improvements shall have the assent of the Members entitled to cast two-thirds (2/3) of the votes of the Members of the Association entitled to vote who either (i) are voting in person or by proxy at a meeting duly called for this purpose as provided in the Bylaws of the Association and subject to Section 2.2 hereof, or (ii) execute a written consent in lieu of a meeting for such purpose. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section.

3.6 Uniform Rate of Assessment. Both Annual Assessments and Special Assessments shall be fixed at a uniform rate for all Lots; provided, that no Lot shall be subject to any Assessment until the date upon which such Lot has been conveyed by Declarant to a third-party purchaser or Builder. Accordingly, Builder shall be responsible for paying Assessments from and after the date Builder acquires such Lot.

3.7 Date of Commencement of Assessments; Due Date.

(a) The initial Annual Assessments provided for in Section 3.4 above shall commence on the date fixed by the Board to be the date of commencement, and shall be paid in advance, on the first day of each period designated by the Board thereafter; provided, however, that if the date of commencement falls on other than the first day of such quarter, the Annual Assessments for such quarter shall be prorated by the number of days remaining in the quarter.

(b) The due date or dates, if it is to be paid in installments, of any Special Assessment under Section 3.5 above shall be fixed in the resolution by the Board authorizing such Special Assessment.

(c) All Assessments shall be payable in the amount specified by the Association and no offsets against such amount shall be permitted for any reason.

3.8 Duties of the Board with Respect to Assessments.

(a) The Board shall fix the date of commencement and the amount of the Assessments against each Lot for each Assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

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

(c) The Board shall upon demand at any time furnish to any Owner liable for each Assessment a certificate in writing signed by an officer of the Association, setting forth whether such Assessment has been paid. Each such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid. A reasonable charge may be made by the Board or its agent for the issuance of such certificates.

3.9 Effect of Non-Payment of Assessment: The Personal Obligation of the Owner, the Lien, Remedies of Association.

(a) If any Assessment or any part thereof is not paid on the date(s) when due (being the dates specified by the Board pursuant to Section 3.7 above), then the unpaid amount of such Assessment shall become delinquent and shall, together with such interest thereon and the costs of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot of the non-paying Owner which shall bind such Lot in the hands of the then Owner, Owner's heirs, executors, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such Assessment shall remain such Owner's personal obligation and shall not pass to such Owner's successors in title unless expressly assumed by them. The lien for unpaid Assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the unpaid Assessments owed by such Owner as provided herein by abandonment of Owner's Lot or otherwise.

(b) In furtherance of the lien provided in Section 3.9(a) above, and to secure the full and timely payment of all Assessments and other amounts payable by each Owner hereunder, each Owner does hereby grant and convey unto Declarant, in trust as trustee (the "Trustee"), the Lot owned by such Owner, subject to all easements and other encumbrances affecting such Lot; provided, that each such grant shall be subordinated to the lien of any mortgage or deed of trust to the extent provided in Section 3.10 below; and for these purposes the provisions of this paragraph shall be deemed to have created a

deed of trust (the "Deed of Trust") covering all of the Lots with a power of sale granted to the Trustee in accordance with the provisions of Chapter 51 of the Texas Property Code (the "Code") and as it may be amended from time to time. The Deed of Trust created hereby shall be upon the same terms and conditions, and shall provide to the Association all of the rights, benefits and privileges, of the Deed of Trust promulgated by the State Bar of Texas for use by lawyers designated as Form No. 2402, and all amendments, modifications and substitutions thereof, which form is hereby incorporated by reference for all purposes hereof. The Association, acting through its president, shall have the right in its sole discretion at any time, and from time to time, to appoint in writing a substitute or successor trustee who shall succeed to all rights and responsibilities of the then acting Trustee.

(c) Without limitation of the remedies available to the Association and to the other Owners upon the occurrence of a default by any Owner in the payment of any Assessment or other amount due and payable hereunder, the Association may, at its election and by and through the Trustee, sell or offer for sale the Lot owned by the defaulting Owner to the highest bidder for cash at public auction in accordance with the provisions of the Code. The Association may, at its option, accomplish such foreclosure sale in such manner as permitted or required by the Code or by any other present or subsequent laws relating to the same. After the sale of any Lot in accordance with the provisions of this paragraph, the Owner of such Lot shall be divested of any and all interests and claims thereto, and the proceeds of any such sale shall be applied in the following order of priority: (i) to the payment of the costs and expenses of taking possession of the Lot, (ii) to the payment of reasonable Trustee's fees, (iii) to the payment of costs of advertisement and sale, (iv) to the payment of all unpaid Assessments and other amounts payable by such Owner to the Association hereunder, and (v) to the defaulting Owner or to any other party entitled thereto. The Association shall have the right to become the purchaser at the sale of any Lot hereunder and shall have the right to be credited on the amount of its bid therefor all of the Assessments due and owing by the defaulting Owner to the Association as of the date of such sale.

(d) If any Assessment or part thereof is not paid within thirty (30) days after the due date, the Association may, at its election, bring an action at law against the Owner personally obligated to pay the same in order to enforce payment and/or to foreclose the lien against the property subject thereto, and there shall be added to the amount of such Assessment the costs of preparing and filing the complaint (including reasonable attorneys' fees) in such action, and in the event a judgment is obtained, such judgment shall include a reasonable attorneys' fee to be fixed by the court, together with the costs of the action. Each delinquent Owner shall be obligated to pay a late charge in the amount of Twenty Five and No/100 Dollars (\$25.00) per month until paid with respect to any Assessment or portion thereof which is not paid within thirty (30) days after the date due or such other greater amount as determined from time to time by the Board.

(e) Without limiting the terms and provisions of this Section 3.9, the Association, the Association's attorney or Declarant may file notice of any delinquency in payment of any Assessment in the Records of Tarrant County, Texas. Upon the timely

curing of any default for which a notice was recorded by the Association, the Association through its attorney is hereby authorized to file of record a release of such notice upon payment by the defaulting Owner of a fee, to be determined by the Association but not to exceed the actual cost of preparing and filing a release. Upon request of any Owner, any title company on behalf of such Owner or any Owner's mortgagee, the Board through its agents may also issue certificates evidencing the status of payments of Assessments as to any particular Lot (i.e., whether they are current or delinquent and if delinquent, the amount thereof). The Association or its agent may impose a reasonable fee for furnishing such certificates or statements.

3.10 Subordination of the Lien to Mortgages. The lien securing the payment of the Assessments and other obligations provided for herein shall be superior to any and all other charges, liens or encumbrances which may hereafter in any manner arise or be imposed upon any Lot whether arising from or imposed by judgment or decree or by any agreement, contract, mortgage or other instrument, except for:

(a) bona fide mortgage or deed of trust liens for purchase money and/or home improvement purposes placed upon a Lot in which event the Association's lien shall automatically become subordinate and inferior to such lien;

(b) liens for taxes or other public charges as are by applicable law made superior to the Association's lien; and

(c) such other liens about which the Board may, in the exercise of its reasonable discretion, elect to voluntarily subordinate the Association's lien; provided, however, such subordination shall apply only to (i) the Assessments which have been due and payable prior to the foreclosure sale (whether public or private) of such Lot pursuant to the terms and conditions of any such mortgage or deed of trust or tax lien; and (ii) the permitted lien on the Lot alone. Such sale shall not relieve such Lot from liability for the amount of any Assessment thereafter becoming due nor from the lien of any such subsequent Assessment. Such subordination shall not apply where the mortgage or deed of trust or tax lien is used as a device, scheme or artifice to evade the obligation to pay Assessments and/or to hinder the Association in performing its functions hereunder.

3.11 Exempt Property. The following property subject to this Declaration shall be exempted from the Assessments, charge and lien created herein.

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

(b) All Lots owned by Declarant.

(c) The Green Area.

3.12 Transfer Fees and Fees for Issuance of Resale Certificates. The Board may, at its sole discretion, enter into contracts with third parties to oversee the daily operation and management of the Association. These third parties may, and probably will, have fees, which will be charged to an Owner for the transfer of a significant estate

or fee simple title to a Lot and the issuance of a "Resale Certificate". The Association or its agent shall not be required to issue a Resale Certificate until payment for the cost thereof has been received by the Association or its agent. Transfer fees and fees for the issuance of a Resale Certificate are not refundable and may not be regarded as a prepayment of or credit against any other Assessments. This Section does not obligate the Board or any third party to levy such fees.

ARTICLE IV

GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS OF THE ASSOCIATION

4.1 Powers and Duties.

(a) The Board, for the benefit of the Property and the Owners, shall provide, and shall pay for out of the Maintenance Fund provided for in Section 3.1 above, the following:

(i) Labor and materials to perform the Common Maintenance including, without limitation, the purchase and upkeep of any desired personal property used in connection with performing the Common Maintenance.

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

(iii) Legal and accounting services.

(iv) If deemed appropriate by the Board, a policy or policies of insurance insuring the Association against any liability to the public or to the Owners (and/or invitees or tenants), incident to the operation of the Association, in an amount not less than \$100,000 to indemnify against the claim of one person, \$300,000 against the claims of two or more persons in any one occurrence, and property damage insurance in an amount not less than \$100,000 per occurrence; which policy or policies shall contain an endorsement providing that the rights of the named insureds shall not be prejudiced with respect to actions against other named insureds.

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

(vi) Such fidelity bonds as the Board may determine to be advisable.

(vii) Any other materials, supplies, insurance, furniture, labor, services, maintenance, repairs, taxes or Assessments (including taxes or Assessments

assessed against an individual Owner) which the Board is required to obtain or pay for pursuant to the terms of this Declaration or by law or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of this Declaration.

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

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

(ii) To enter into contracts, maintain one or more bank accounts (granting authority as the Board shall desire to one or more persons to sign checks), and, generally, to have all the powers necessary or incidental to the operation and management of the Association.

(iii) To provide adequate reserve for maintenance and repairs.

(iv) To make reasonable rules and regulations for the maintenance and protection of the Common Maintenance Areas, and to amend them from time to time, provided that any rule or regulation may be amended or repealed by an instrument in writing signed by a majority of the Members.

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

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

(vii) To establish and collect reasonable fees for use of any recreational facilities located in a Common Maintenance Area.

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

4.3 Liability Limitations. Neither Declarant, the Association, its directors, officers, agents nor employees shall be personally liable for debts contracted for, or otherwise incurred by the Association, or for a tort of another Member, whether such other Member was acting on behalf of the Association or otherwise. Neither Declarant, the Association, its directors, officers, agents nor employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portion thereof or for failure to repair or maintain the same.

ARTICLE V

EASEMENTS

5.1 Easement Reserved for the Association. Full rights of ingress and egress shall be had by the Association at all times over and upon each Lot and the Property for the carrying out by the Association of its rights, functions, duties and obligations hereunder; provided, that any such entry by the Association upon any Lot shall be made with as minimum inconvenience to the Owner as practical, and any damage caused thereby shall be repaired by the Association at the expense of the General Maintenance Fund.

5.2 Rights Reserved by Declarant. Declarant hereby reserves temporary construction easements for the construction, repair, removal, maintenance and reconstruction of improvements within the Property, including the right to remove, on a temporary basis, fences, driveways, sprinkler systems, landscaping and other improvements as shall be reasonably necessary to enable such Declarant to complete the development and improvement of the Property; provided, that any such improvements removed by any Declarant shall be replaced and/or restored, upon completion of the construction activities, to substantially their former condition. All claims for damages, if any, arising out of any such construction or other activities by Declarant are hereby waived by each Owner and the Association.

5.3 Rights Reserved to Municipal and/or Governmental Authorities and Utility Companies. Full rights of ingress and egress shall be had by Declarant, the County, any municipal and/or other governmental authority having jurisdiction over the Property, and any utility company which provides utilities to the Property, at all times over any dedicated easement for (a) the installation, operation, maintenance, repair or removal of any utility, together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility, or (b) any purpose related to the exercise of a governmental service or function, including, but not limited to, fire and police protection, inspection and enforcement of applicable laws or ordinances, together with the right to remove any Vehicle or obstruction that may be placed in such easement that would constitute interference with the use of such easement or impairs emergency access. All claims for damages, if any, arising out of the construction, maintenance and repair of utilities or on account of temporary or other inconvenience caused thereby against the Declarant, or any utility company, the County, municipality or other governmental authority, or any of its agents or servants are hereby waived by each Owner and the Association. Declarant further reserves the right to alter, redesign or discontinue any street, avenue or way shown on the Plat not necessary for ingress or egress to and from an Owner's Lot, subject to the approval of the City, County or other governmental authority, if required.

ARTICLE VI

PROTECTIVE COVENANTS

6.1 Residential Purpose Only. Each Lot and Dwelling Unit shall be used exclusively for single-family residential purposes only. No building or structure intended for or adapted to business purposes, and no apartment house, double house, lodging house, rooming house, hospital, sanatorium or doctor's office, or other multiple-family dwelling shall be erected, placed, permitted or maintained on any Lot, or on any part thereof. No improvement or structure whatever, other than a first-class private Dwelling Unit, patios, swimming pool, customary outbuildings or garages may be erected, placed or maintained on any Lot. All parking spaces shall be used exclusively for the parking of operable passenger automobiles.

6.2 Building Size. Each Dwelling Unit on a fifty foot (50') Lot shall contain not less than one thousand two hundred (1,200) square feet of fully enclosed floor area devoted to living purposes. Each Dwelling Unit on a sixty foot (60') Lot shall contain not less than one thousand four hundred (1,400) square feet of fully enclosed floor area devoted to living purposes. Said floor areas shall be exclusive of roofed or unroofed porches, terraces, garages, and other outbuildings and shall be computed from the faces of the exterior walls.

6.3 Building Materials. No Dwelling Unit shall be erected on a Lot of material other than brick, stone, traditional stucco, brick-veneer, or other masonry material unless the above named materials constitute at least sixty percent (60%) of the outside wall areas of the Dwelling Unit, excluding window and door areas. Any siding, whether it is located on the first or second story outside wall area, shall be of cementitious fiberboard. Any vinyl, EIFS, synthetic, stucco, plastic, aluminum or other metallic siding or cladding of any kind, size, shape or color is prohibited anywhere on the exterior of any Dwelling Unit.

6.4 Rubbish, Etc. No Lot shall be used in whole or in part for the storage of rubbish or any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of the surrounding property. No weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon the Lot, and no refuse pile or unsightly objects shall be permitted to be placed or suffered to remain anywhere thereon.

6.5 Trash Receptacles and Collection. If required by the City, the Board shall make or cause to be made appropriate arrangements with a waste management company for collection and removal of each Resident's garbage and trash on a regular basis, in which event as part of the regular Annual Assessments, each Owner shall be assessed Owner's pro rata share of the costs for such removal of garbage and trash. Each and every Owner shall observe and comply with any and all regulations or requirements

promulgated by the County, Association and/or other applicable governmental authority, in connection with the storage and removal of trash and garbage. All Lots shall at all times be kept in a healthful, sanitary and attractive condition. No Lot shall be used or maintained as a dumping ground for garbage, trash, junk or other waste matter. All trash, garbage or waste matter shall be kept in adequate containers which shall be constructed of metal, plastic or masonry materials, with tightly-fitting lids, or other containers approved by the Association, and which shall be maintained in a clean and sanitary condition. In addition, no trash, garbage or waste matter shall be placed on the curb or other area visible to the public until the night before the scheduled date such trash, garbage or waste matter is to be collected by the waste management company. After the trash, garbage or waste matter has been collected on such scheduled day, all containers shall be immediately stored in a place that can not be viewed by the public. On Lots served by an alley, garbage containers shall be constructed of a material that is harmonious with the exterior of the home. No Lot shall be used for open storage of any materials whatsoever, except that new building materials used in the construction of improvements erected on any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without unreasonable delay, until completion of the improvements, after which the materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot. No garbage, trash, debris or other waste matter of any kind shall be burned on any Lot.

6.6 Animals. No Owner shall keep or allow others to keep domestic animals of a kind ordinarily used for commercial purposes on Owner's Lot, and no Owner shall keep any adult animals in numbers in excess of three (3) which may be kept for the purpose of companionship for the private family, provided they do not create a nuisance, it being the purpose and intention hereof to restrict the use of said Lot so that no Owner shall quarter on the Lot horses, cows, hogs, sheep, goats, guinea fowls, ducks, chickens, turkeys or any other animals that may interfere with the quietude, health or safety of the Subdivision. Pets are to be confined to the enclosed side and rear yards of the Lot only, and all yards are to be cleaned of pet debris and pet waste on a regular basis.

6.7 Development Activity. Notwithstanding any other provision herein, Declarant and its successors and assigns and any Builder shall be entitled to conduct on the Property all activities normally associated with and convenient to the development of the Property and the construction and sale of Dwelling Units on the Property.

6.8 Signs/Flags and Picketing. No signs or flags shall be kept, placed or displayed to the public view on any Lot with the following two (2) exceptions: (1) as deemed reasonable by the Declarant for the construction, development, operation, promotion and sale of the Lots; and (2) for the patriotic display of flags not exceeding four (4) foot by six (6) foot in size shall be permitted. Flags may be mounted on a Dwelling Unit. No more than one flag per Lot may be displayed at any one time. Accent lighting of flags is not permitted. No sign may be placed on the Common Maintenance Areas of the Subdivision without the prior written consent of the Board.

6.9 Campers, Trucks, Boats and Recreational Vehicles. Except for a limited period of time not to exceed twenty-four (24) hours and subject to any rules and regulations promulgated by the Board, no campers, trailers, commercial vans, commercial pickup trucks, boats, boat trailers, recreational vehicles and other types of non-passenger Vehicles, Vehicles displaying any message intended for public view, equipment, implements or accessories may be kept on any Lot unless the same are fully enclosed within the garage located on such Lot and/or said Vehicles and accessories are screened from view by a screening structure or fencing approved by the ACC (as provided in Article VII hereof), and such Vehicles and accessories are in an operable condition. The ACC, as designated in this Declaration, shall have the absolute authority to determine from time to time whether a Vehicle and/or accessory is operable and adequately screened from public view. Upon an adverse determination by said ACC, the Vehicle and/or accessory shall be removed and/or otherwise brought into compliance with this paragraph. The Association shall have the right to tow or remove such Vehicle and/or accessory at such Owner's expense if such Vehicle and/or accessory is not removed by Owner within ten (10) days following written notice to such Owner by the Association. Any costs and expenses incurred by the Association in so curing such default shall constitute a Default Assessment pursuant to Section 3.1 above.

6.10 Commercial or Institutional Use. No Lot, Dwelling Unit or building erected or maintained on any Lot, shall be used for manufacturing, industrial, business, commercial, institutional or other non-residential purposes.

6.11 Building Standards. No Dwelling Unit or building shall be erected or maintained on any Lot unless it complies with all applicable governmental requirements, including any applicable building codes, zoning ordinances, rules and regulations and ordinances. No Dwelling Unit or building shall be erected, placed or altered on any Lot in the Subdivision until the building plans, landscape plans, specifications and Lot plan have been approved in writing by Declarant or its authorized representatives. Materials and colors of any alteration shall replicate that of the original structure. Additions must maintain or exceed the percentage of masonry that exists for the Dwelling Unit prior to the addition.

6.12 Detached Buildings. Except as otherwise provided herein, no detached accessory buildings, including, but not limited to, storage buildings, shall be erected, placed or constructed upon any Lot without the prior consent of the ACC.

6.13 Fences. No fence, wall or hedge shall be placed on any Lot nearer to any front street than is permitted for the Dwelling Unit on said Lot and no fence or wall shall be placed on any portion of the site with a height greater than eight feet (8') from the natural ground elevation and shall otherwise comply with applicable vehicular visibility triangles required by the City. No fencing shall be of vinyl, plastic, chain link or any other wire type fencing. Wood fence material shall be of spruce material or better, have slats four (4) to eight (8) inches wide which are installed vertically only (not horizontally or diagonally), and be no higher than eight (8) feet. Wood fences may be stained only with Behr Wood Sealer & Finish, Natural Clear No. 500 or Natural Cedar No. 501. Posts used to construct such wood fence may be steel pipe columns, cedar, redwood, or

pressure treated pine and must be set in concrete. The rear yards of the following Lots that are adjacent to the Green Area shall be required to be enclosed by a wrought iron ornamental fence approved by the ACC or Declarant and consistent with fences of the adjacent Lots: Lots 1-8 of Block J in Phase 1, Lots 13-19 of Block J in Phase 1, and any other Lot adjacent to the Green Area that Declarant shall designate from time to time as and when other phases of the Property are platted and developed. In the event an Owner fails to construct and maintain the fence required pursuant to this Section 6.13, and such failure continues for a period of thirty (30) days following written notice to such Owner by the Association, the Association may cure such default on behalf of the defaulting Owner, and any costs and expenses incurred by the Association in so curing such default shall constitute a Default Assessment pursuant to Section 3.1 above.

6.14 Antennae, Satellite Dishes and Solar Collectors and Panels. The erection, construction, placement or installation of any television, radio, or other electronic tower, serial, antenna, satellite dish or device of any type for the reception or transmission of radio or television broadcasts or for any means of communication upon a Lot or upon any improvement thereon is prohibited except as provided for herein. No Owner shall erect an antenna on the roof of a Dwelling Unit or on any other improvement. No Owner may erect or maintain a television or radio receiving or transmitting satellite dish or similar implement or apparatus, or solar collectors or panels, or equipment upon any Lot unless such apparatus is erected and maintained in the back of the Dwelling Unit and in such a way that it is screened from public view from the street. Solar collectors or panels used for electrical generation shall not exceed two (2) square feet in size. Typical uses for solar collectors or panels are for landscape lighting. Solar collectors or panels may not exceed the fence height with an eight (8) foot maximum height at its tallest point and should be screened whenever possible so as not to be seen from the adjacent Lots or streets. Solar collectors or panels of larger sizes or those used for thermal or any other uses will not be approved by the ACC due to non-conforming appearance.

6.15 Chimneys. All fireplace flues, smoke stacks and spark arrestors shall be one hundred percent (100%) metal and the exterior of the chimney shall be one hundred percent (100%) masonry, stucco or hardy board construction and shall otherwise be of materials architecturally compatible with the finish material of the exterior walls of the Dwelling Unit or otherwise approved by the ACC.

6.16 Clothes Hanging Devices. Exterior clothes hanging or drying devices shall not be permitted in the Subdivision.

6.17 Windows. Adhesive-backed sunscreens/window films are permitted only if they are of the highest quality and dark or "smoke" color, which adhesive-backed sunscreens/window films shall be immediately replaced if the color changes, bubbles or otherwise does not adhere to the window or appear as originally and properly installed. Metallic or reflective sunscreens/window films are prohibited. Windows shall be JenWeld, vinyl or an equivalent thereof as approved by the ACC. All windows shall be of any combination of the following styles: casement, double/single hung, fixed or as otherwise approved by the ACC. Burglar bars, mesh security or solar screens are also prohibited. No window unit air conditioners or evaporative coolers are permitted.

6.18 Temporary Structures. No structure of a temporary character, mobile home, trailer, including boat trailer, basement, tent, shack, barn or other outbuilding, shall be used on any Lot at any time as a Dwelling Unit, either temporarily or permanently, except that the Declarant or the ACC may grant permission for temporary buildings or structures to be placed on Lots for storage of materials during construction by the persons doing such work and for a temporary sales office for Declarant or any other person engaged in the sale of Lots within the Subdivision. If permission is granted, the temporary buildings or structures shall be removed within thirty (30) days after written notice from the Declarant to remove the buildings or structures. Notwithstanding the foregoing, party tents or canopies, "bounce houses", or other party event structures are permitted for a one-day, single event or social activity but must be immediately removed after such party or social activity has ended and be located only in the rear yard of the Lot.

6.19 Building Colors. No Dwelling Unit or outbuilding shall be painted or colored any shade of yellow, purple, pink, red, blue or orange with an exception that allows for a front door to be of dark red or dark blue. If an Owner wishes to repaint such Owner's Dwelling Unit with the same existing color, the ACC's approval is not required. Any significant color or stain changes on trim, siding, front door, shutters, etc., must be submitted to the Declarant, its authorized representative for prior written approval or the ACC after Declarant no longer owns a Lot.

6.20 Roof Materials. Only composition roofing materials shall be used and be equal to 20 year 3 tab Certain Teed or better and be of black, brown, or "weathered wood" color only. The roof pitch shall be a minimum of 6/12, unless a deviation is deemed appropriate by the Declarant. Any aluminum "wood shake" style shingles or other type of shingles are prohibited.

6.21 Roof Attachments. No projections of any type shall be placed or permitted to remain above the roof of any Dwelling Unit with the exception of fireplace flues, smoke stacks, chimneys, vent stacks and attic ventilators. Attic ventilators shall be located on the rear slopes of the roof and shall not be visible from the street. Attic ventilators, vent stacks and flashing must be painted to match or blend with the color of the roof or brick as appropriate. No weathervanes, finials or roof ornaments are permitted unless permitted by the Declarant, its authorized representative or the ACC after Declarant no longer owns a Lot.

6.22 Window Awnings. Window awnings shall be of understated colors and appropriately sized for the window. Brightly colored or multi-colored awnings are not permitted. Awnings may only be used on the rear façade of a Dwelling Unit. Awnings must be maintained so as to avoid a "worn" appearance.

6.23 Exterior Staircases. Any exterior stair case on a Lot shall be of metal or masonry material and shall only be located in the rear yard of such Lot. Only one (1) exterior staircase is permitted per Dwelling Unit.

6.24 Drainage. Gutters and downspouts shall match the color of the existing trim of the Dwelling Unit. If copper gutters are used, they may be left in their natural, unfinished state. Downspouts must not direct water to adjacent Lots. Water from each Lot must "sheet flow" before it enters into the drainage easements. The term "sheet flow" refers to the technique of dispersing the water discharge over a wide area in order to avoid a concentrated discharge of water that may lead to soil erosion at the point of discharge. No piped drains are permitted to have an outlet that directs water to adjoining Lots but can and should be directed toward the street. After initial construction, all Lots will be graded so that surface water will flow in conformity with the general drainage plans for the Subdivision.

6.25 House Numbers. House numbers located on a Dwelling Unit shall be metal (i.e., brass, wrought iron) or cast stone. Maximum size of the numbers shall be six (6) inches in height. House numbers painted on the curb in front of a Dwelling Unit for safety reasons are permitted and must be painted with white numbers against a black background.

6.26 Storm and Screen Doors. Screen and storm doors shall have a nine (9) inch maximum wide frame, which shall be finished to match or complement the window mullions or the trim on the Dwelling Unit. Screen and storm doors shall have transparent glass and there shall be no cross members, burglar bars or ornamentation. Screen doors shall have screen mesh with an even transparent look. Installation of screen and storm doors on the front of a Dwelling Unit are prohibited. Silver finished aluminum doors or windows are not permitted. No door, window or other portion of the Dwelling Unit shall contain burglar bars.

6.27 Mailboxes. All mailboxes shall be enclosed in brick matching the color of the Dwelling Unit and a style in general conformity with all other mailboxes in the Subdivision unless otherwise approved by the ACC or Declarant.

6.28 Garage Standards. Each Dwelling Unit shall have, at minimum, a two (2) car garage. Such garage may not be converted to living space or be used for anything inconsistent with a purpose other than storage of automobiles. Corner Lots that are not located on Fossil Hill Drive are permitted to contain side entry garages, provided that such side entry garage is not visible from Fossil Hill Drive. The construction of a detached garage on a Lot is permitted. If a detached garage is constructed on a Lot, then a three foot (3') side yard between the property line of the Lot and the garage is permitted, subject to Builder obtaining City approval of said three foot (3') side yard. Driveways that allow access to a detached garage on a Lot are permitted to be paved to the property line of the adjoining Lot. A covered breezeway must be constructed between the back door of a Dwelling Unit and the entrance to a detached garage. Any fence erected between a detached garage and a Dwelling Unit must be constructed of 6' wrought iron, painted black, and contain pickets on 4" centers as approved by Declarant or the ACC. A detached garage must be constructed in a manner so that the side of the garage is as close to parallel with the adjoining Lot line as possible, in the reasonable discretion of the Declarant.

6.29 Gazebos, Trellises and Arbors. Any gazebos, trellises or arbors shall be attractive in appearance and approved by the ACC prior to construction. Wood material must be painted or stained. If painted, it must be painted to match or complement the colors of the Dwelling Unit. Overall height of a gazebo, trellis or arbor shall not exceed twelve (12) feet in height. A gazebo shall not exceed seventy-five (75) square feet in size. Roofing shall match or complement the roofing of the Dwelling Unit. Gazebos, trellises or arbors shall be located in side or rear yard locations. Gazebos must have a ten (10) foot minimum clearance from any fence or Lot line. Gazebos are to be constructed with open sides or low railing only; solid walls or lattice panels are not permitted. Foundations will be of structurally re-enforced concrete. Only one (1) gazebo is permitted per Lot and is not permitted on a Lot that already has another yard structure.

6.30 Playhouses. Only one (1) play equipment structure (i.e., trampolines, forts, etc.) or one (1) large playhouse is permitted per Lot and is not permitted on a Lot that already has another yard structure. Such playhouse shall be located at least ten feet (10') from any boundary line and shall not be located in the front yard.

6.31 Sheds and Tool Storage Facilities. No sheds or tool storage facilities shall be kept or placed on any Lot unless approved in advance by the ACC.

6.32 Yards. All yards must be kept in a neat and orderly manner, watered, free of weeds, maintained and mowed on a regular basis. Front, side and rear yards must be sodded and have shrubs. No cactus or rock gardens, tropical or desert landscaping or xeriscaping shall be permitted in order to keep a uniform appearance. Should a hedge, shrub, tree or other planting be placed, or afterwards grown, so as to encroach upon adjoining property, such encroachment shall be removed upon request of the Owner of the adjoining property. It shall not be mandatory for a yard to contain an automatic irrigation system.

6.33 Yard Decorations. Yard decorations, statuary and furniture (i.e., plastic flamingos, gnomes, ceramic sculpture, statues, wells, fountains, swings, bird baths, gazing balls, religious sculptures or symbols, etc.) in the front and side yards are prohibited unless otherwise approved by the ACC. Any yard decorations, statuary and furniture in the rear yard must not exceed six (6) feet in height nor be of colors other than neutral earthtone shades. Notwithstanding the foregoing, Owners may use customary yard decorations relating to (i) Halloween during the month of October, (ii) Christmas from Thanksgiving Day to January 10, (iii) baby announcements during the two weeks following the birth of the baby, and (iv) patriotic displays supporting the United States and/or the United States military during the day of the particular United States holiday.

6.34 Trees. (a) No living tree sized five (5) caliper inches or larger as measured thirty (30) inches above the root ball shall be removed without the prior written approval of the Declarant, its authorized representatives or the ACC after Declarant no longer owns a Lot. If a tree is removed without the requisite written approval as required in the preceding sentence, the Owner shall be required to "replace" the tree with one of like size and quality at the Owner's expense. The Declarant or person giving the written approval

as provided in this Section 6.34 will decide what is "like size" and quality. All tree stumps must be entirely removed.

(b) Declarant desires that a uniform tree line (the "Tree Line") be established along each side of Fossil Spring Drive such that the trees are properly spaced and aligned in a straight line on both sides of Fossil Springs Drive. In this regard, immediately upon the completion of construction of the Dwelling Unit or whenever the landscaping of the Dwelling Unit is installed, whichever occurs first, the Builder shall, at Builder's expense, plant one (1) Shumard Red Oak tree each three (3) caliper inches or larger as measured thirty (30) inches above the root ball in the side yard of each Lot adjacent to Fossil Spring Drive, three feet (3') from the sidewalk and between the Dwelling Unit and the sidewalk. The Shumard Red Oak trees shall be evenly spaced and aligned in such a manner that creates a continuous and symmetrical Tree Line. No plants, flowers, shrubs or other landscaping may be planted between the Tree Line and Fossil Spring Drive unless such plants, flowers, shrubs or other landscaping do not grow above three feet (3') tall. In addition, all fences along Fossil Springs Drive must be wood fences constructed in accordance with Section 6.13 herein and in addition must be six feet (6') tall, finished with a horizontal rail, with fence posts located on the inside of the lot and stained on the street side with Behr Natural Cedar No. 501 or equivalent as approved by the Declarant, so as to provide a uniform fencing treatment along the entry to the Property.

(c) Immediately upon the completion of construction of the Dwelling Unit or whenever the landscaping of the Dwelling Unit is installed, whichever occurs first, the Builder shall, at Builder's expense, plant at least one (1) tree sized three (3) caliper inches or larger as measured thirty (30) inches above the root ball in the front yard of each Lot, subject to the approval of Declarant.

6.35 Gas/Water Purification Tanks/Systems. The installation and use of any propane, butane, LP Gas or other gas tank, bottle or cylinder of any type (except in portable gas grills) is prohibited. All outside grilling, smoking or cooking on a gas grill, smoker or other outdoor cooking device shall be limited to the rear yard of such Lot and shall not take place in the front yard, side yard or driveway of such Lot. Any water purification tank or system desired by an Owner shall be installed and used only in the rear yard of Owner's Lot.

6.36 Decks and Patios. Decks and patios are permitted in rear yards only. They may be made of concrete, concrete stepping blocks, brick, concrete pavers, stone, pressure treated wood or redwood.

6.37 Basketball Backboards. Basketball backboards may be permanently installed as freestanding goals only in the rear of a Lot behind the Dwelling Unit and in a place not interfering with the use of any alley or street. Only one (1) such goal per Lot is permitted. Placement of any portable basketball goal should be located so as to minimize impact on neighboring Lots or properties and shall otherwise be stored daily immediately after use thereof in a place not viewable by the public or from any street.

6.38 Sports Courts. The construction of sports courts or tennis courts is not permitted on any Lot.

6.39 Outdoor Lighting. Subject to the terms and provisions hereof, outdoor lighting shall not be obtrusive or glare unduly toward streets, neighboring Lots or properties, walkways or Dwelling Units. Hoods on floodlights to shield glare shall be required. Soffit mounted down-lighting and building mounted lighting shall be subtle. Tree up-lights shall be concealed underground or in shrub masses. Wattage is limited to 150W maximum. No barnyard lights (metal halide) or sodium vapor lights (yellow light source) are permitted. Colored lights are not permitted except as part of holiday decorations from Thanksgiving Day to January 10.

6.40 Hot Tubs/Spas. Hot tubs and spas shall not protrude more than twenty-four (24) inches above grade if attached to a pool and forty-eight (48) inches above grade if freestanding, unless mitigating measures are taken with landscape or other methods to fit the improvement into the site. Concentrated drainage (i.e., pipes) to any portion of the Property or the adjacent Lots is not permitted. Spas and hot tubs are limited to rear yards only. Free-standing hot tubs or spas are restricted to back porches or a close proximity to the Dwelling Unit and shall have a foundation made of structurally re-enforced concrete. All hot tub/spa equipment must be fully screened from view from the street or other Dwelling Units with landscaping or a privacy fence. Only one (1) hot tub or spa is permitted per Lot.

6.41 Pools. All swimming pools and associated decks shall be located in rear yards of the Lot, and if located within any easement, the Owner of such Lot shall be solely liable for any expenses relating to the removal thereof or damages arising out of claims made in connection with such pool or deck by the easement holder or any party benefiting from such easement. Pool equipment must be located in side or rear yards where it will not cause a nuisance to neighbors and must be fully screened with a privacy fence or with evergreen shrubs or other approved landscaping. A privacy fence shall not be higher than necessary to screen the equipment and shall not exceed a height greater than six feet (6') from the natural ground elevation. Above ground pools, masonry block, vinyl lined and low hung vinyl lined pools are not permitted. Small plastic or inflatable kiddie pools are permitted with the restriction that they are kept and used in the rear yard only.

6.42 Retaining Walls. Retaining walls shall be only made from stone masonry or brick complementary to the masonry used on the facade of the Dwelling Unit. Allowance for water drainage and proper run off design must be considered. Retaining walls should be the minimum height needed to accomplish the desired split in grade.

6.43 Parking. On-street parking of Vehicles is restricted to deliveries, pick-up or part-time guests and invitees. No obviously inoperable Vehicle shall be left anywhere on the Lot. No overnight parking in areas visible from the street of large trucks (3/4 ton or larger) or Vehicles with advertising is permitted; provided, however, operable Vehicles with advertising thereon and operated by an Owner in conjunction with such Owner's job may be parked in the driveway of such Owner's Dwelling Unit. No Vehicle

of any sort shall be left on the landscaped portion of the front, rear or side yards. Vehicles advertised for sale or lease are not permitted to be parked on any street or driveway at any time. No Vehicle of any sort is permitted to be parked with a cover over such Vehicle anywhere on a Lot or on the street.

6.44 Offensive Activity. Neither noxious or offensive trade nor activity shall be carried on or upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the Subdivision.

6.45 Construction Exceptions. Notwithstanding anything contained in this Article VI to the contrary, Declarant may grant permission for temporary buildings, structures, lighting and other typical marketing and safety appurtenances, normal and reasonable construction debris, flags and/or signs to be placed on Lots during construction by the persons doing such work and for a temporary sales office and/or model home for Declarant or any other person engaged in the sale or construction of Dwelling Units within the Subdivision. If such permission is granted, the temporary buildings, structures, normal and reasonable construction debris, flags and/or signs shall be removed within thirty (30) days after written notice from the Declarant to remove the buildings, structures, normal and reasonable construction debris, flags and/or signs.

6.46 Drilling and Mining Operations. All oil drilling, water drilling or mineral development operations, oil refining, quarrying or mining operations of any kind shall be conducted in compliance with all applicable laws, including, but not limited to, City Ordinance Nos. 14880 and 15001 and regulations promulgated by the Department of Housing and Urban Development, the Federal Housing Authority, Veterans Administration and any other applicable agency, department, commission, board, bureau or instrumentality of any governmental authority of the United States, the State of Texas, the County of Tarrant, the City or any other local authority. Furthermore, the mineral owners, or their heirs, successors and/or assigns, may develop or produce the oil, gas and other minerals in and under the Properties by pooling or by directional drilling under the Properties from well sites located on land other than the Properties.

ARTICLE VII

ARCHITECTURAL CONTROL

7.01 Architectural Approval. Notwithstanding anything contained in the foregoing Article VI of this Declaration to the contrary, no erection of buildings or exterior additions or alterations to any building situated upon the Property or a Lot, nor erection of or changes to or additions in fences, hedges, walls and other structures, nor construction of any swimming pools or other improvements, shall be commenced, erected and maintained until (1) a preliminary sketch showing basic plan and general specifications of same shall have been submitted and approved by the ACC appointed by the Board, and (2) the final plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the ACC or by the Board as to harmony of external design, appearance, and

location in relation to surrounding structures and topography, including, without limitation, colors; provided, however, that the provisions of this Article VII shall not apply to buildings, structures, additions and alterations commenced, erected or maintained by Declarant. A copy of the approved plans and drawings shall be furnished by each Owner to the ACC and retained by the ACC. In the event the ACC or the Board fails to approve or disapprove such design and location within forty-five (45) days after the said plans and specifications have been submitted to the ACC, or, in the event, if no suit to enjoin the addition, alteration or changes has been commenced prior to the completion thereof, approval will not be required and this Article will be deemed to have been fully complied with. Notwithstanding anything contained to the contrary herein, after a Builder submits a specific floor plan of a Dwelling Unit or elevation to the ACC and the ACC has approved such specific floor plan or elevation, the Builder may use the identical floor plan or elevation again in the Subdivision without resubmitting such identical floor plan or elevation to the ACC for its prior written approval. The provisions of this Article VII (except the provisions relating to the limitation of Declarant's liability) shall not be applicable to Declarant or to the construction or erection of any improvements, additions, alterations, buildings or other structures by Declarant upon any Lot.

THE ACC MAY, FROM TIME TO TIME, PUBLISH AND PROMULGATE ARCHITECTURAL STANDARDS BULLETINS AND/OR DESIGN GUIDELINES COVERING ALL OF THE PROPERTY OR COVERING ALL OR A PORTION OF THE PROPERTY. SUCH BULLETINS AND GUIDELINES SHALL SUPPLEMENT THESE COVENANTS AND ARE INCORPORATED HEREIN BY REFERENCE. PRIOR TO ACQUIRING ANY LOT OR CONSTRUCTING ANY STRUCTURE ON ANY LOT, EACH PROSPECTIVE PURCHASER, TRANSFEREE, MORTGAGEE AND/OR OWNER IS STRONGLY ENCOURAGED TO CONTACT THE ARCHITECTURAL CONTROL COMMITTEE TO OBTAIN AND REVIEW THE MOST RECENT ARCHITECTURAL STANDARDS BULLETINS AND DESIGN GUIDELINES WHICH WILL CONTROL THE DEVELOPMENT, CONSTRUCTION, LANDSCAPE AND USE OF THE LOT AND THE STRUCTURES TO BE CONSTRUCTED THEREON.

THE ARCHITECTURAL STANDARDS BULLETINS AND DESIGN GUIDELINES MAY CONTAIN STANDARDS, REQUIREMENTS OR LIMITATIONS IN ADDITION TO THOSE EXPRESSLY SET FORTH OR REFERRED TO IN THIS DECLARATION AND MORE STRINGENT STANDARDS, REQUIREMENTS OR LIMITATIONS THAN THOSE SPECIFIC STANDARDS, REQUIREMENTS OR LIMITATIONS SET FORTH OR REFERRED TO IN THIS DECLARATION OR ANY SUPPLEMENTAL DECLARATION.

Section 7.02 No Liability. Neither Declarant, the Association, the ACC, the Board nor the officers, directors, members, employees and agents of any of them, shall be liable in damages to anyone submitting plans and specifications to any of them for approval, or to any Owner by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every person who submits plans or specifications and every Owner agrees that he will not bring any action or suit against Declarant, the Association, the ACC, the Board or the officers, directors, members, employees or agents of any of them, to recover any such damages and hereby releases and quitclaims all claims, demands and causes of action arising out of or in connection

with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given. Plans and specifications are not approved for engineering or structural design or adequacy of materials, and by approving such plans and specifications neither the ACC, the members of the ACC, the Declarant nor the Association assumes liability or responsibility therefor, nor for any defect in any structure constructed from such plans and specifications.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Power of Attorney. Each and every Owner and Member hereby makes, constitutes and appoints Declarant as such Owner's true and lawful attorney-in-fact, coupled with an interest and irrevocable, for Owner and in Owner's name, place and stead and for Owner's use and benefit, to do the following:

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

(b) to sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the terms within this Declaration, or any part hereof, with such clause(s), recital(s), covenant(s), agreement(s) and restriction(s) as Declarant shall deem necessary, proper and expedient under the circumstances and conditions as may be then existing; and

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

The rights, powers and authority of said attorney-in-fact to exercise any and all of the rights and powers herein granted shall commence and be in full force upon recordation of this Declaration in the Tarrant County Clerk's Office and shall remain in full force and effect thereafter until all Lots owned by Declarant have been sold and conveyed by Declarant to Class A Members.

8.2 Duration. This Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for an original twenty-five (25) year term expiring on the twenty-fifth (25th) anniversary of the date of recordation of this Declaration, after which time this Declaration shall be automatically extended for successive periods of ten (10) years unless an instrument is signed by the Owners of at least fifty-one percent (51%) of all Lots within the Property and recorded in the Deed Records of Tarrant County, Texas,

which contains and sets forth an agreement to abolish this Declaration; provided, however, no such agreement [where approved by less than seventy-five percent (75%) of the Owners of all Lots within the Property] to abolish shall be effective unless recorded one (1) year in advance of the effective date of such abolishment.

8.3 Amendments. This Declaration is expressly subject to change, modification and/or deletion by means of amendment at any time and from time to time as provided herein. This Declaration may be amended and/or changed in part as follows:

(a) In response to any governmental or quasi-governmental suggestion, guideline, checklist, requisite or requirement, particularly with respect to those entities or agencies directly or indirectly involved in, or having an impact on, mortgage financing, mortgage insurance and/or reinsurance, Declarant shall have the complete and unrestricted right and privilege to amend, change, revise, modify or delete portions of this Declaration, and each and every Owner and Member specifically and affirmatively authorizes and empowers Declarant, utilizing the attorney-in-fact status set forth in Section 8.1 above, to undertake, complete and consummate any and all such amendments, changes, revisions, modifications or deletions as Declarant (in its sole and absolute discretion) shall deem reasonable and appropriate.

(b) Until such time as Declarant no longer owns any Lot, Declarant may amend or change these Covenants by exercising its powers under Section 8.1 hereinabove.

(c) At such time as Declarant no longer owns any Lot within the Property, this Declaration may be amended either by (i) the written consent of the Owners of at least seventy-five percent (75%) of the Lots within the Property, or (ii) the affirmative vote of the Members entitled to cast seventy-five percent (75%) of the votes of the Members of the Association entitled to vote who are present at a meeting duly called for such purpose. Any and all amendments shall be recorded in the Office of the County Clerk of Tarrant County, Texas.

8.4 Enforcement. Each Owner of each Lot shall be deemed, and held responsible and liable for the acts, conduct and omission of each and every Resident, Member, guest and invitee affiliated with such Lot, and such liability and responsibility of each Owner shall be joint and several with their Resident(s), Member(s), guests and invitees. The Board shall have the power and authority to impose reasonable fines (which shall not exceed \$500.00 for each separate violation) for violation of this Declaration, any design guidelines or any rule or regulation of the Association, which shall constitute a lien upon the Lot of the violating Owner as provided in the Declaration, and to suspend the Owner's right to vote or any Person's right to use of the Common Maintenance Areas. The lien created hereby on each Lot shall extend to, cover and secure the proper payment and performance by each and every Resident, Member, guest and invitee affiliated with each Owner. Unless otherwise prohibited or modified by law, all parents shall be liable for any and all personal injuries and property damage directly or proximately caused by the conduct of their children (under the age of 18 years) within the Property. Enforcement of this Declaration may be initiated by any proceeding at law or

in equity against any person or persons violating or attempting to violate them, whether the relief sought is an injunction or recovery of damages, or both, or enforcement of any lien created by this Declaration, but failure by the Association or any Owner to enforce any Covenant herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association and the City are each specifically authorized (but not obligated) to enforce this Declaration. With respect to any litigation hereunder, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, from the non-prevailing party.

8.5 Validity. Violation of or failure to comply with this Declaration shall not affect the validity of any mortgage, bona fide lien or other similar security instrument which may then be existing on any Lot. Invalidation of any one or more of the provisions of this Declaration, or any portions thereof, by a judgment or court order shall not affect any of the other provisions or Covenants herein contained, which shall remain in full force and effect. In the event any portion of this Declaration conflicts with mandatory provisions of any ordinance or regulation promulgated by the City or other governmental authority, then such municipal or governmental requirement shall control.

8.6 Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration. Words of any gender used herein shall be held and construed to include any other gender, and words in the singular shall be held to include the plural and vice versa, unless the context requires otherwise. Examples, illustrations, scenarios and hypothetical situations mentioned herein shall not constitute an exclusive, exhaustive or limiting list of what can or cannot be done.

8.7 Registration with the Association. Each and every Owner, Member and Resident shall have an affirmative duty and obligation to originally provide, and thereafter revise and update, within fifteen (15) days after a material change has occurred, various items of information to the Association such as: (a) the full name and address of each Owner, Member and Resident, (b) the full name of each individual family member who resides within the Dwelling Unit of the Lot Owner, (c) the business address, occupation and telephone numbers of each Resident; (d) the description and license plate number of each automobile owned or used by a Resident and brought within the Property; (e) the name, address and telephone numbers of other local individuals who can be contacted (in the event the Resident cannot be located) in case of an emergency; and (f) such other information as may be reasonably requested from time to time by the Association. In the event any Owner, Member or Resident fails, neglects or refuses to so provide, revise and update such information, then the Association may, but is not required to, use whatever means it deems reasonable and appropriate to obtain such information and the offending Owner, Member and Resident shall become automatically jointly and severally liable to promptly reimburse the Association for all reasonable costs and expenses incurred in so doing.

8.8 Notices to Resident/Member/Owner. Any notice required to be given to any Resident, Member or Owner under the provisions of this Declaration shall be deemed to have been properly delivered when (i) deposited in the United States Mail, postage

prepaid, addressed to the last known address of the person who appears as the Resident, Member or Owner on the records of the Association at the time of such mailing, or when (ii) delivered by hand or by messenger to the last known address of such person within the Property.

8.9 Disputes. Matters of dispute or disagreement between Owners, Residents or Members with respect to interpretation or application of the provisions of this Declaration or the Association Bylaws, shall be determined by the Board. These determinations (absent arbitrary and capricious conduct or gross negligence) shall be final and binding upon all Owners, Residents and Members.

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

8.11 Acceptance by Owners of Rights and Obligations. By the recording of a deed or other conveyance transferring all or part of an interest in a Lot subject to this Declaration, the person or entity to whom such Lot or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all the provisions of the Declaration, any design guidelines, the articles and bylaws of the Association, including any rules or regulations adopted or promulgated by the Association, whether or not mention thereof is made in said deed.

8.12 Notice of Sale, Lease or Acquisition. In the event an Owner sells or leases such Owner's Lot, the Owner shall give to the Association, in writing, within thirty (30) days of the effective date of such sale or lease, the name of the purchaser or lessee of the Lot and such other information as the Board may reasonably require. Upon acquisition of a Lot, each new Owner shall give the Association, in writing, the name and mailing address of the Owner and such other information as the Board may reasonably require. This requirement also applies to all persons or entities acquiring title to a Lot at a foreclosure sale.

8.13 Occupants Bound. All provisions of the Declaration, the design guidelines and of any rules promulgated by the Board which govern the conduct of Owners within the Property and provide for sanctions against Owners shall also apply to all occupants, guests and invitees of any Lot. Any lease on any Lot shall be deemed to provide that the lessee and all occupants of the leased Lot shall be bound by the terms of this Declaration, the design guidelines, the Bylaws and the rules of the Association.

8.14 Homestead. By acceptance of a deed thereto, the Owner and spouse thereof, if married, of each Lot shall be deemed to have waived any exemption from liens created by this Declaration or the enforcement thereof by foreclosure or otherwise, which may otherwise have been available for reason of the homestead exemption provisions of Texas law, if for any reason such are applicable. This section is not intended to limit or

restrict in any way the lien or rights granted to the Association by this Declaration, but to be construed in its favor.

8.15 Soil Movement. Each Owner acknowledges that the failure or excessive movement of any foundation of any Dwelling Unit can result in the diminished value and overall desirability of the entire Property. Each Owner agrees and understands that the maintenance of the moisture content of the soils on each Lot is necessary to preserve the structural integrity of each Dwelling Unit in the Property. Each Owner also acknowledges that the long term value and desirability of the Property is contingent upon each Owner maintaining its Dwelling Unit so that no structural failure or excessive soil movement occurs within the Property.

EACH OWNER IS HEREBY NOTIFIED THAT THE SOIL COMPOSITION IN NORTH TEXAS IN GENERAL AND THE PROPERTY IN PARTICULAR AND THE CONDITION OF THE LOTS MAY RESULT IN THE SWELLING AND/OR CONTRACTION OF THE SOIL IN AND AROUND THE LOT IF THE OWNER OF THE LOT DOES NOT EXERCISE THE PROPER CARE AND MAINTENANCE OF THE SOIL REQUIRED TO PREVENT SOIL MOVEMENT.

If the Owner fails to exercise the necessary precautions, damage, settlement, movement or upheaval to the foundation and structural failure may occur. Owners are highly encouraged to install and maintain proper irrigation around their Dwelling Unit or take such other measures to ensure even, proportional, and prudent watering around the foundation of the Dwelling Unit.

By each Owner's acceptance of a deed to any Lot, each Owner, on behalf of Owner and Owner's representatives, successors and assigns, hereby acknowledges that Declarant and all Builders shall not be responsible or liable for, and Owner shall assume all risk and consequences of, any damage, settlement, movement or upheaval to the foundation, structural failure, or any damage to any other part of the Dwelling Unit caused by Owner's failure to exercise proper care and maintenance of the soil required to prevent soil movement, and hereby releases and forever discharges, all Builders and Declarant and their respective shareholders, members, officers, directors, partners, employees, agents, representatives, affiliates, attorneys, successors and assigns, of and from any and all claim for the relief and causes of actions, liabilities, damages and claims whatsoever, known or unknown, direct or indirect, arising from or relating to Owner's failure to exercise proper care and maintenance of the soil required to prevent soil movement, including but not limited to, any damage caused by or related in any fashion to the failure or improper or uneven watering of the Lot, planting or improper vegetation near the foundation, or any action by any Owner that affects the drainage of any Lot.

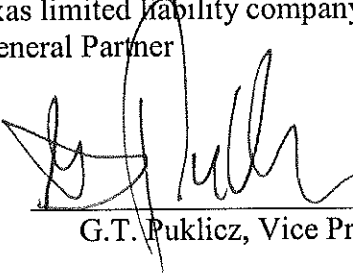
[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed as of the 25 day of July, 2005.

DECLARANT:

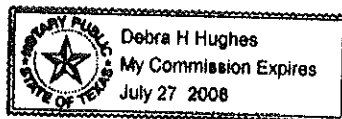
MDC-THE TRAILS LIMITED PARTNERSHIP,
a Texas limited partnership

By: MDC-The Trails Developments, LLC,
a Texas limited liability company,
its General Partner

By: 
G.T. Puklicz, Vice President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 25th day of July, 2005, by G.T. Puklicz, Vice President of MDC-The Trails Developments, LLC, a Texas limited liability company, the general partner of MDC-THE TRAILS LIMITED PARTNERSHIP, a Texas limited partnership, on behalf of such entities.



My Commission Expires:
7-27-2008



Notary Public in and for
the State of Texas
DEBRA H. HUGHES
Printed Name

EXHIBIT A

Legal Description of the Property

BEING all that tract of land in the City of Fort Worth, Tarrant County, Texas, a part of the Henry Robertson Survey, Abstract Number 1259, and being a part of that 244.896 acre tract of land conveyed to Litografia Tecnocolor, S.A., as recorded in Volume 5828, Page 253, Tarrant County Deed Records, and being further described as follows:

BEGINNING at a one-half inch iron rod found in the west line of said 244.896 acre tract of land, said point being in the south line of Hicks Road (a 120 foot wide right-of-way), said point being the northeast corner of Fossil Hill Estates, an addition to the City of Fort Worth as recorded in Cabinet A, Slide 6756, Tarrant County Plat Records, said point being the southwest corner of a 1.703 acre tract of land conveyed to Tarrant County, Texas as recorded in Volume 14186, Page 235, Tarrant County Deed Records;

THENCE South 89 degrees 55 minutes 27 seconds East, 2032.41 feet along the south line of Hicks Road and along the south line of said 1.703 acre tract of land to a point for corner;

THENCE South 01 degrees 25 minutes 40 seconds West, 760.88 feet to a point for corner;

THENCE North 89 degrees 54 minutes 19 seconds West, 396.10 feet to a point for corner;

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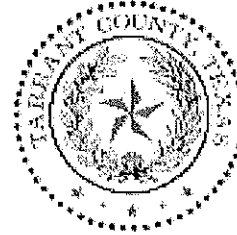
THENCE South 01 degrees 25 minutes 40 seconds West, 2,235.54 feet to a point for corner;

THENCE South 89 degrees 59 minutes 42 seconds West, 400.00 feet to a point for corner;

THENCE South 00 degrees 45 minutes 30 seconds East, 458.24 feet to a point for corner;

THENCE South 89 degrees 14 minutes 30 seconds West, 1,505.14 feet to a point for corner;

THENCE North 00 degrees 10 minutes 00 seconds West, 5,226.29 feet to the POINT OF BEGINNING and containing 9,646,363 square feet or 221.450 acres of land.



FARRIS & TURNER PLLC
878 S DENTON TAP RD
125
COPPELL TX 75019
Submitter: FARRIS & TURNER

SUZANNE HENDERSON
TARRANT COUNTY CLERK
TARRANT COUNTY COURTHOUSE
100 WEST WEATHERFORD
FORT WORTH, TX 76196-0401

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 08/01/2005 03:28 PM
Instrument #: D205221958
WD 34 PGS \$78.00

By: _____



D205221958

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

WHEN RECORDED, RETURN TO:
FARRIS & TURNER, PLLC
878 S. DENTON TAP ROAD, SUITE 125
COPPELL, TEXAS 75019
ATTENTION: MATTHEW R. FARRIS, ESQ.

FILED
TARRANT COUNTY TEXAS
2006 JUL -3 A 10:27
BY SUZANNE ROBERSON
COUNTY CLERK

FIRST AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
TRAILS OF FOSSIL CREEK COMMUNITY

THE STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF TARRANT §

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TRAILS OF FOSSIL CREEK COMMUNITY (this "First Amendment"), is made this 8th day of June 2006, by MDC-THE TRAILS LIMITED PARTNERSHIP, a Texas limited partnership ("Declarant").

W I T N E S S E T H:

WHEREAS, Declarant executed that certain Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community dated July 25, 2005 (the "Original Declaration") affecting that certain real property described on Exhibit A attached hereto and incorporated herein by this reference, which Original Declaration was recorded on August 1, 2005 as Instrument Number D205221958 in the real property records of Tarrant County, Texas; and

WHEREAS, Declarant has the right to amend the Original Declaration pursuant to both Sections 8.3(a) and 8.3(b) of the Original Declaration;

NOW, THEREFORE, Declarant amends the Original Declaration as follows:

1. All capitalized terms used in this First Amendment, to the extent not otherwise expressly defined herein, shall have the same meanings ascribed to such terms in the Original Declaration.

2. Section 6.8 of the Original Declaration is hereby deleted and replaced with the following paragraph:

"6.8 Signs/Flags and Picketing. (a) No signs or flags shall be kept, placed or displayed to the public view on any Lot with the following two (2) exceptions: (1) as deemed reasonable by the Declarant for the construction, development, operation, promotion and sale of the Lots, subject to the provisions of Section 6.8(b) below; and (2) for the patriotic display of flags not exceeding four (4) foot by six (6) foot in size shall be permitted. Flags may be mounted on a Dwelling Unit. No more than one flag per Lot may be displayed at any one time. Accent lighting of flags is not permitted. No sign may be placed on the Common Maintenance Areas of the Subdivision without the prior written consent of the Board.

(b) Without limiting the generality of Section 6.8(a) above, no signs or advertisements shall be kept, placed or displayed to the public view on any Lot that advertise (i) a Dwelling Unit for rent or lease, (ii) a property management company, or (iii) any other company, business or service other than those companies, businesses or services affiliated with or provided by Declarant."

3. Except as amended herein, the terms and conditions of the Original Declaration shall continue in full force and effect and are hereby ratified in their entirety.

4. In the event of any conflict or inconsistency between the provisions of this First Amendment and the provisions of the Original Declaration, the provisions of this First Amendment shall govern and control to the extent of such conflict or inconsistency.

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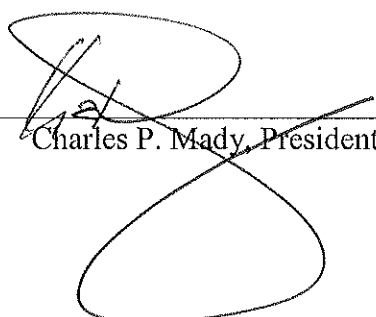
IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed as of the 8th day of JUNE, 2006.

DECLARANT:

MDC-THE TRAILS LIMITED PARTNERSHIP,
a Texas limited partnership

By: MDC-The Trails Developments, LLC,
a Texas limited liability company,
its General Partner

By:

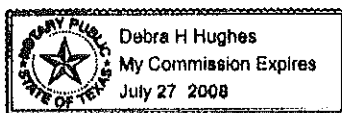

Charles P. Mady, President

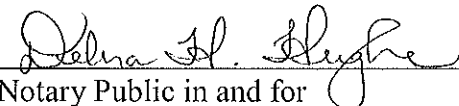
THE STATE OF TEXAS §

§

COUNTY OF DALLAS §

This instrument was acknowledged before me on the 8th day of JUNE, 2006, by Charles P. Mady, President of MDC-The Trails Developments, LLC, a Texas limited liability company, the general partner of MDC-THE TRAILS LIMITED PARTNERSHIP, a Texas limited partnership, on behalf of such entities.




Notary Public in and for
the State of Texas

My Commission Expires:
7-27-2008

DEBRA H. HUGHES
Printed Name

EXHIBIT A

Legal Description of the Property

BEING all that tract of land in the City of Fort Worth, Tarrant County, Texas, a part of the Henry Robertson Survey, Abstract Number 1259, and being a part of that 244.896 acre tract of land conveyed to Litografia Tecnocolor, S.A., as recorded in Volume 5828, Page 253, Tarrant County Deed Records, and being further described as follows:

BEGINNING at a one-half inch iron rod found in the west line of said 244.896 acre tract of land, said point being in the south line of Hicks Road (a 120 foot wide right-of-way), said point being the northeast corner of Fossil Hill Estates, an addition to the City of Fort Worth as recorded in Cabinet A, Slide 6756, Tarrant County Plat Records, said point being the southwest corner of a 1.703 acre tract of land conveyed to Tarrant County, Texas as recorded in Volume 14186, Page 235, Tarrant County Deed Records;

THENCE South 89 degrees 55 minutes 27 seconds East, 2032.41 feet along the south line of Hicks Road and along the south line of said 1.703 acre tract of land to a point for corner;

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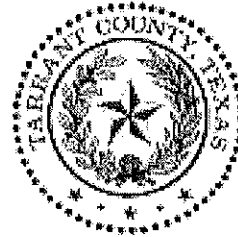
THENCE South 89 degrees 59 minutes 42 seconds West, 400.00 feet to a point for corner;

THENCE South 00 degrees 45 minutes 30 seconds East, 458.24 feet to a point for corner;

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THENCE North 00 degrees 10 minutes 00 seconds West, 5,226.29 feet to the POINT OF BEGINNING and containing 9,646,363 square feet or 221.450 acres of land.

FARRIS & TURNER
878 S DENTON TAP RD
STE 125
COPPELL TX 75019
Submitter: FARRIS & TURNER



SUZANNE HENDERSON
TARRANT COUNTY CLERK
TARRANT COUNTY COURTHOUSE
100 WEST WEATHERFORD
FORT WORTH, TX 76196-0401

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 07/03/2006 10:18 AM
Instrument #: D206200118
OPR 6 PGS \$32.00

By  _____



D206200118

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

GF 91447801 34-TNT
Electronically Recorded
Official Public Records

Tarrant County Texas

2009 Apr 20 08:32 AM

Fee: \$ 32.00

Submitter: ACS INC

D209103714

5 Pages

WHEN RECORDED *Suzanne Henderson*
BELLINGER & DE...
10,000 N. CENTRAL EXPRESSWAY, SUITE 900
DALLAS, TEXAS 75231
ATTENTION: GLEN A. BELLINGER

SECOND AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR
TRAILS OF FOSSIL CREEK COMMUNITY

THE §
COUNTY OF TARRANT § KNOW ALL MEN BY THESE PRESENTS:
§

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TRAILS OF FOSSIL CREEK COMMUNITY (this "Second Amendment"), is made this 15 day of APRIL, 2009, by MDC-THE TRAILS LIMITED PARTNERSHIP, a Texas limited partnership ("Declarant").

WITNESSETH:

WHEREAS, Declarant executed that certain Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community dated July 25, 2005, recorded on August 1, 2005 as Instrument Number D205221958 in the real property records of Tarrant County, Texas (the "Original Declaration"), affecting that certain real property described on Exhibit A attached hereto and incorporated herein by reference;

WHEREAS, Declarant thereafter amended the Original Declaration by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community dated June 8, 2006, recorded on July 3, 2006 as Instrument Number D206200118 in the real property records of Tarrant County, Texas (the "First Amendment"; the Original Declaration and the First Amendment are hereinafter collectively referred to as the "Declaration"); and

WHEREAS, Declarant has the right to further amend the Declaration pursuant to Section 8.3(b) of the Declaration;

NOW, THEREFORE, Declarant further amends the Declaration as follows:

1. All capitalized terms used in this Second Amendment, to the extent not otherwise expressly defined herein, shall have the same meanings ascribed to such terms in the Declaration.

2. The first sentence of Section 6.3 of the Declaration is hereby deleted in its entirety and replaced for all purposes with the following:

"Building Materials. No Dwelling Unit shall be erected on a Lot of material other than brick, stone, traditional stucco, brick-veneer, or other masonry material unless the above named materials constitute at least fifty percent (50%) of the outside wall areas of the Dwelling Unit, excluding window and door areas."

3. The second sentence of Section 6.20 of the Declaration is hereby deleted in its entirety and replaced for all purposes with the following:

"The roof pitch shall be a minimum of 5/12, unless a deviation is deemed appropriate by the Declarant."

4. As long as the Real Estate Sale Contract (the "Contract") between Declarant and Centex Homes, a Nevada general partnership ("Centex"), dated effective February 16, 2009, is in force (and thereafter if Centex, or its successors or assigns, purchases residential lots pursuant to the Contract), Declarant shall not materially modify the Declaration, as amended by this Second Amendment, the Articles of Incorporation of the Association (as defined in the Declaration), the Bylaws of the Association, or any other governing documents of the Association, without the prior written approval of Centex, or its successors or assigns.

5. Except as amended herein, the terms and conditions of the Declaration shall continue in full force and effect and are hereby ratified in their entirety.

6. This Second Amendment shall be governed by and construed in accordance with the laws of the State of Texas.

7. In the event of any conflict or inconsistency between the provisions of this Second Amendment and the provisions of the Declaration, the provisions of this Second Amendment shall govern and control to the extent of such conflict or inconsistency.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Declarant has caused this Second Amendment to be executed to be effective as of this 15 day of APRIL, 2009.

DECLARANT:

MDC-THE TRAILS LIMITED PARTNERSHIP,
a Texas limited partnership

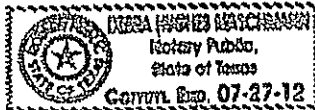
By: MDC-The Trails Developments, LLC,
a Texas limited liability company,
its general partner

By:

Charles P. Mady
Charles P. Mady, President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 15th day of APRIL, 2009, by Charles P. Mady, President of MDC-The Trails Developments, LLC, a Texas limited liability company, the general partner of MDC-THE TRAILS LIMITED PARTNERSHIP, a Texas limited partnership, on behalf of such entities.



Debra Hughes Maschmann
Notary Public in and for
the State of Texas

My Commission Expires:

7-27-2012

DEBRA HUGHES MASCHMANN
Printed Name

EXHIBIT A

Legal Description of the Property

BEING all that tract of land in the City of Fort Worth, Tarrant County, Texas, a part of the Henry Robertson Survey, Abstract Number 1259, and being a part of that 244.896 acre tract of land conveyed to Litografia Tecnocolor, S.A., as recorded in Volume 5828, Page 253, Tarrant County Deed Records, and being further described as follows:

BEGINNING at a one-half inch iron rod found in the west line of said 244.896 acre tract of land, said point being in the south line of Hicks Road (a 120 foot wide right-of-way), said point being the northeast corner of Fossil Hill Estates, an addition to the City of Fort Worth as recorded in Cabinet A, Slide 6756, Tarrant County Plat Records, said point being the southwest corner of a 1.703 acre tract of land conveyed to Tarrant County, Texas as recorded in Volume 14186, Page 235, Tarrant County Deed Records;

THENCE South 89 degrees 55 minutes 27 seconds East, 2032.41 feet along the south line of Hicks Road and along the south line of said 1.703 acre tract of land to a point for corner;

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THENCE North 00 degrees 10 minutes 00 seconds West, 5,226.29 feet to the POINT OF BEGINNING and containing 9,646,363 square feet or 221.450 acres of land.

Electronically Recorded

Official Public Records

Tarrant County Texas

10/31/2012 2:24 PM

D212269393

PGS 8 \$44.00

Submitter: ACS

Mary Louise Garcia

Mary Louise Garcia

WHEN RECORDED, RETURN TO:

PULTEGROUP, INC.

4800 REGENT BOULEVARD, SUITE 100

IRVING, TEXAS 75063

ATTENTION: LIZ PERRITON

**THIRD AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR TRAILS OF FOSSIL CREEK COMMUNITY**

THE STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

§

COUNTY OF TARRANT

§

THIS THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TRAILS OF FOSSIL CREEK COMMUNITY (this "Third Amendment"), is made by MDC-THE TRAILS LIMITED PARTNERSHIP, a Texas limited partnership ("Declarant").

WITNESSETH:

WHEREAS, Declarant executed that certain Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community dated July 25, 2005, recorded on August 1, 2005 as Instrument Number D205221958 in the real property records of Tarrant County, Texas (the "Original Declaration"), affecting that certain real property described on Exhibit A attached hereto and incorporated herein by reference;

WHEREAS, Declarant thereafter amended the Original Declaration by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community dated June 8, 2006, recorded on July 3, 2006 as Instrument Number D206200118 in the real property records of Tarrant County, Texas (the "First Amendment"); and as amended by that certain Second Amendment to Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community dated April 15, 2009, recorded on April 20, 2009 as Instrument Number D209103714 in the real property records of Tarrant County, Texas (the "Second Amendment"), the Original Declaration, as amended by the First Amendment and the Second Amendment, is hereinafter referred to as the "Declaration"; and

1. All capitalized terms used in this Third Amendment, to the extent not otherwise expressly defined herein, shall have the same meanings ascribed to such terms in the Declaration.

2. As long as the Real Estate Sale Contract between Declarant and Pulte Homes of Texas, L.P., a Texas limited partnership ("Pulte"), dated effective May 18, 2012, as amended (as amended, the "Contract"), relating to certain real property described on Exhibit B attached hereto and incorporated herein by reference ("Pulte Property"), is in force (and thereafter if Pulte, or its

successors or assigns, purchases residential lots pursuant to the Contract), (i) Declarant shall not materially modify the Declaration, as amended by this Third Amendment, the Articles of Incorporation of the Association (as defined in the Declaration), the Bylaws of the Association, or any other governing documents of the Association, without the prior written approval of Pulte, or its successors or assigns; and (ii) the Pulte Property shall be temporarily exempt from all Assessments (as defined in the Declaration) under the Declaration and Assessments under the Declaration will commence with respect to a developed residential Lot (as defined in the Declaration) within the Pulte Property upon the earlier to occur of (a) upon such Lot being conveyed to a third party purchaser with a completed Dwelling Unit (as defined in the Declaration) constructed thereon, and (b) December 1, 2015.

3. Except as amended herein, the terms and conditions of the Declaration shall continue in full force and effect and are hereby ratified in their entirety.

4. This Third Amendment shall be governed by and construed in accordance with the laws of the State of Texas.

5. In the event of any conflict or inconsistency between the provisions of this Third Amendment and the provisions of the Declaration, the provisions of this Third Amendment shall govern and control to the extent of such conflict or inconsistency.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Declarant has caused this Third Amendment to be executed to be effective as of the 31st day of October, 2012.

DECLARANT:

MDC-THE TRAILS LIMITED PARTNERSHIP,
a Texas limited partnership

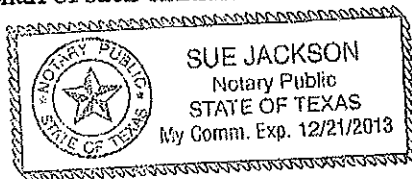
By: MDC-The Trails Developments, LLC,
a Texas limited liability company,
its general partner

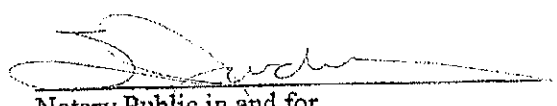
By:


Charles P. Mady, President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 31st day of October, 2012, by Charles P. Mady, President of MDC-The Trails Developments, LLC, a Texas limited liability company, the general partner of MDC-THE TRAILS LIMITED PARTNERSHIP, a Texas limited partnership, on behalf of such entities.




Notary Public in and for
the State of Texas

My Commission Expires:

Printed Name

AFTER RECORDING, RETURN TO:

Fidelity National Title Agency, Inc.
260 Three Lincoln Centre
5430 LBJ Freeway
Dallas, Texas 75240

ATTN: FI0000037647

EXHIBIT A

BEING all that tract of land in the City of Fort Worth, Tarrant County, Texas, a part of the Henry Robertson Survey, Abstract Number 1259, and being a part of that 244.896 acre tract of land conveyed to Litografia Tecnocolor, S.A., as recorded in Volume 5828, Page 253, Tarrant County Deed Records, and being further described as follows:

BEGINNING at a one-half inch iron rod found in the west line of said 244.896 acre tract of land, said point being in the south line of Hicks Road (a 120 foot wide right-of-way), said point being the northeast corner of Fossil Hill Estates, an addition to the City of Fort Worth as recorded in Cabinet A, Slide 6756, Tarrant County Plat Records, said point being the southwest corner of a 1.703 acre tract of land conveyed to Tarrant County, Texas as recorded in Volume 14186, Page 235, Tarrant County Deed Records;

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THENCE South 01 degrees 25 minutes 40 seconds West, 2,235.54 feet to a point for corner;

EXHIBIT A CONTINUED

THENCE South 89 degrees 59 minutes 42 seconds West, 400.00 feet to a point for corner;

THENCE South 00 degrees 45 minutes 30 seconds East, 458.24 feet to a point for corner;

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THENCE North 00 degrees 10 minutes 00 seconds West, 5,226.29 feet to the POINT OF BEGINNING and containing 9,646,363 square feet or 221.450 acres of land.

EXHIBIT B

BEING a parcel of land located in the City of Fort Worth, Tarrant County, Texas, a part of the Henry Robertson Survey, Abstract No. 1259, and being a part of that called 221.457 acre tract of land described in a deed from Litografia Tecnocolor, S.A. to MDC- The Trails Limited Partnership as recorded in Document Number D203444504, Tarrant County Deed Records, and being further described as follows:

BEGINNING at a one-half inch iron rod found in the west line of said 221.457 acre tract of land and in the east line of a called 180.480 acre tract of land described in deed from West. Comm. Investments, L.P. to FHP Partners, L.P. as recorded in Document Number D204097023, Tarrant County Deed Records, said point also being the southwest corner of Trails of Fossil Creek Phase 1, an addition to the City of Fort Worth, Tarrant County, Texas, as recorded in Cabinet A, Slide 10235, Tarrant County Plat Records, and said point also being in the south right-of-way line of Baltic Drive (a 50 foot wide right-of-way);

THENCE along the south line of said Trails of Fossil Creek Phase 1 as follows:

North 89 degrees 50 minutes 00 seconds East, 100.00 feet along the south right-of-way line of Baltic Drive to a one-half inch iron rod found for corner;

South 45 degrees 10 minutes 00 seconds East, 14.14 feet along the south right-of-way line of Baltic Drive to a one-half inch iron rod found for corner;

North 89 degrees 50 minutes 00 seconds East, 50.00 feet along the south right-of-way line of Baltic Drive to a one-half inch iron rod found for corner;

North 44 degrees 50 minutes 00 seconds East, 14.14 feet along the south right-of-way line of Baltic Drive to a one-half inch iron rod found for corner;

North 89 degrees 50 minutes 00 seconds East, 100.00 feet along the south right-of-way line of Baltic Drive to a one-half inch iron rod found at the northwest corner of Lot 8, Block L of said Trails of Fossil Creek Phase 1;

South 00 degrees 10 minutes 00 seconds East, 500.00 feet to a one-half inch iron rod found at the southwest corner of Lot 1, Block L of said Trails of Fossil Creek Phase 1;

North 89 degrees 50 minutes 00 seconds East, 70.00 feet to a one-half inch iron rod found for corner in the south line of said Lot 1, Block L, said point also being in the north right-of-way line of Basalt Way (a 50 foot wide right-of-way);

South 00 degrees 10 minutes 00 seconds East, 160.00 feet to a one-half inch iron rod found at the southwest corner of Lot 15, Block K of said Trails of Fossil Creek Phase 1;

EXHIBIT B CONTINUED

North 89 degrees 50 minutes 00 East, 310.00 feet to a one-half inch iron rod found at the southeast corner of Lot 32, Block K of said Trails of Fossil Creek Phase 1, said point also being in the west right-of-way line of Feldspar Drive (a 50 foot wide right-of-way);

South 00 degrees 10 minutes 00 seconds East, 90.41 feet along the west right-of-way line of Feldspar Drive to a one-half inch iron rod found for corner;

South 44 degrees 44 minutes 12 seconds West, 13.54 feet to a one-half inch iron rod found for corner at the intersection of the west right-of-way line of Feldspar Drive with the north right-of-way line of Magma Drive (a 60 foot wide right-of-way);

South 00 degrees 10 minutes 00 seconds East, 60.00 feet to a one-half inch iron rod found for corner in the south right-of-way line of Magma Drive;

North 89 degrees 50 minutes 00 seconds East, 229.05 feet along the south right-of-way line of Magma Drive to a one-half inch iron rod found for corner;

South 48 degrees 16 minutes 47 seconds East, 14.89 feet along the south right-of-way line of Magma Drive to a one-half inch iron rod found for corner;

South 06 degrees 23 minutes 33 seconds East, 10.38 feet along the south right-of-way line of Magma Drive to a one-half inch iron rod found for corner;

North 83 degrees 36 minutes 27 seconds East, 50.00 feet along the south right-of-way line of Magma Drive to a one-half inch iron rod found for corner;

THENCE South 06 degrees 23 minutes 33 seconds East, 151.07 feet to a one-half inch iron rod set for corner;

THENCE Southeasterly, 40.75 feet along a curve to the right having a central angle of 06 degrees 13 minutes 33 seconds, a radius of 375.00 feet, a tangent of 20.39 feet, and whose chord bears South 03 degrees 16 minutes 47 seconds East, 40.73 feet to a one-half inch iron rod set for corner;

THENCE South 00 degrees 10 minutes 00 seconds East, 27.31 feet to a one-half inch iron rod set for corner;

THENCE North 89 degrees 50 minutes 00 seconds East, 100.00 feet to a one-half inch iron rod set for corner;

THENCE South 00 degrees 10 minutes 00 seconds East, 650.00 feet to a one-half inch iron rod set for corner;

THENCE South 89 degrees 50 minutes 00 seconds West, 107.38 feet to a one-half inch iron rod set for corner;

THENCE Southwesterly, 376.83 feet along a curve to the right having a central angle of 76 degrees 50 minutes 09 seconds, a radius of 281.00 feet, a tangent of 222.86 feet, and whose

EXHIBIT B CONTINUED

chord bears South 51 degrees 24 minutes 55 seconds West, 349.22 feet to a one-half inch iron rod set for corner;

THENCE South 89 degrees 50 minutes 00 seconds West, 59.00 feet to a one-half inch iron rod set for corner;

THENCE South 00 degrees 10 minutes 00 seconds East, 100.00 feet to a one-half inch iron rod set for corner;

THENCE South 89 degrees 50 minutes 00 seconds West, 100.00 feet to a one-half inch iron rod set for corner;

THENCE South 00 degrees 10 minutes 00 seconds East, 65.00 feet to a one-half inch iron rod set for corner;

THENCE South 89 degrees 50 minutes 00 seconds West, 100.00 feet to a one-half inch iron rod set for corner;

THENCE South 00 degrees 10 minutes 00 seconds East, 5.03 feet to a one-half inch iron rod set for corner;

THENCE Southwesterly, 142.55 feet along a curve to the right having a central angle of 163 degrees 21 minutes 18 seconds, a radius of 50.00 feet, a tangent of 341.80 feet, and whose chord bears South 44 degrees 50 minutes 00 seconds West, 98.95 feet to a one-half inch iron rod set for corner;

THENCE South 89 degrees 50 minutes 00 seconds West, 58.91 feet to a one-half inch iron rod set for corner;

THENCE South 00 degrees 45 minutes 30 seconds East, 100.71 feet to a one-half inch iron rod set for corner in the south line of said 221.457 acre tract of land, said point being in the north line of a called 277.248 acre tract of land described in deed from West. Comm. Investments, L.P. to FHP Partners, L.P. as recorded in Document Number D204097023, Tarrant County Deed Records;

THENCE South 89 degrees 14 minutes 30 seconds West, 282.18 feet along the south line of said 222.457 acre tract of land and along the north line of said 277.248 acre tract of land to a one-half inch iron rod found at the southwest corner of said 221.457 acre tract of land and at the southeast corner of said 180.480 acre tract of land, said point also being in the north line of Lot 2, Block 3, Fossil Park Estates, an addition to the City of Fort Worth, Tarrant County, Texas, as recorded in Cabinet A, Slide 7642, Tarrant County Plat Records;

THENCE North 00 degrees 10 minutes 00 seconds West, 2263.61 feet along the west line of said 221.457 acre tract of land and along the east line of said 180.480 acre tract of land to the POINT OF BEGINNING and containing 1,537,007 square feet or 35.285 acres of land.

POLICIES, RULES and GUIDELINES

**COVENANT ENFORCEMENT
AND / OR
FINING POLICY**

TRAILS OF FOSSIL CREEK HOMEOWNER'S ASSOCIATION, INC.

COVENANT ENFORCEMENT AND FINING POLICY

WHEREAS, Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is authorized to enforce the covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community (the "Declaration"), any Architectural Standards Bulletins and/or Design Guidelines, and any rules and regulations adopted by the Board pursuant to the Declaration (collectively, the "Governing Documents"); and

WHEREAS, pursuant to Article IV, Section 4.1(b)(vi) and Article VIII, Section 8.4 of the Declaration, the Board is authorized to enforce the terms and provisions of the Governing Documents, including the imposition of reasonable fines for violations of the Governing Documents; and

WHEREAS, in order to comply with the requirements of Sections 209.006 and 209.007 of the Texas Residential Property Owners Protection Act (the "Act"), the Board of Directors of the Association desires to promulgate the following rules/policy establishing procedures for the enforcement of the restrictive covenants set forth in the Governing Documents and for the levying of fines against violating owners.

NOW, THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the enforcement of the Governing Documents and for the curing of violations of the Governing Documents and the same are to be known as the "Covenant Enforcement and Fining Policy" (to be referred to herein as the "Enforcement Policy").

1. Exempted Actions/Remedies. Except as otherwise provided in this Policy, this Enforcement Policy and the procedures herein do not apply if the Association files suit seeking a temporary restraining order or temporary injunctive relief, files suit to collect a regular or special assessment or foreclose under the Association's lien, or is pursuing a self-help remedy. This Enforcement Policy and the procedures herein do not apply to collection of assessments and related costs and charges.

2. Generally. The steps and procedures contained in this Policy serve as a general outline of the procedures to follow for enforcement of the covenants, conditions, restrictions and rules contained in the Governing Documents; provided, however, that this Enforcement Policy does not apply to collection of assessments and related costs and charges. The Association is not bound to follow the exact procedures in every enforcement matter except as required by the Governing Documents or the Act. The procedures in this Enforcement Policy are not intended to constitute a prerequisite or condition precedent to the Association's ability to pursue a remedy to enforce against any violation or to obtain any legal relief or remedy except as required by the Act.



3. Establishment of Violation. Any condition, use, activity or improvement which does not comply with the provisions of the Governing Documents shall constitute a "Violation" under this Policy for all purposes.

4. Report of Violation. Upon discovery of a Violation, the Board or its delegate may, but is not obligated to, forward to the Owner of the Lot in question written notice via regular first-class mail or via postcard of the discovery of a Violation(s) (the "Courtesy Notice"). The Owner will have at least fourteen (14) days from the date of the Courtesy Notice to correct or eliminate the Violation(s). The Board or its delegate may, in lieu of this notice, proceed immediately to the notice set forth in Paragraph 5 below.

5. Notice of Violation. If the Violation is not corrected or eliminated within the time period specified in the Courtesy Notice, or if the Board or its delegate deem it appropriate to proceed without the Courtesy Notice, the Association will forward to the Owner of the Lot in question written notice of the Violation(s) by certified mail, return receipt requested (the "Notice of Violation"). A Notice of Violation is not required if the alleged violator received a Notice of Violation relating to a similar Violation within six (6) months of the current Violation and was given a reasonable opportunity to cure the prior Violation. In such event, the Board may impose sanctions as authorized by the Declaration and/or this Enforcement Policy without notice to the Owner other than the Notice of Sanction/Fine described below. A Notice of Violation is also not required if the Act does not require it. The Notice of Violation, if required, will state the following:

a. The description of the Violation, including any property damage caused by the Owner.

b. A description of the action required to cure the Violation and a reasonable time period to cure the Violation in order to avoid sanctions.

c. The proposed sanction to be imposed, including, but not limited to, the amount of any fine, suspension of rights to use Common Maintenance Areas, or the amount claimed to be due from the owner for property damage.

d. A statement that the Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. app. Section 501 et seq.) if the owner is serving on active military duty.

e. The recipient may, on or before thirty (30) days from the receipt of the Notice of Violation, deliver to the Association a written request for a hearing.

f. If the Violation is not corrected or eliminated within the time period specified in the Notice of Violation, or if the conduct which constitutes a Violation is committed again, or if a written request for a hearing is not made on or before thirty (30) days from the receipt of the Notice of Violation, that the sanctions or actions delineated in the Notice of Violation may be imposed or taken and that any attorney's fees and costs will be charged to the Owner.

If the hearing described in e. above is to be held before a committee or delegate of the Board, the Notice of Violation will state that the Owner has the right to appeal the decision of the committee or delegate to the Board.

6. Notice of Sanction/Fine. A formal notice of the sanction, fine or action to be imposed or taken, including the amount of any fine or the amount of any property damage (the "Notice of Sanction/Fine") will be sent by the Association to the Owner by regular first-class mail and by certified mail, return receipt requested, where, within the time period specified in the Notice of Violation, the Violation has not been corrected or eliminated (or, in the case of a recurring Violation, the Violation has reoccurred) or the Association has not timely received a written request for a hearing.

7. Request for a Hearing. If the Owner timely requests a hearing, the hearing shall be held in executive session of the Board or a committee appointed by the Board affording the alleged violator a reasonable opportunity to be heard. The Association will notify the Owner in writing of its decision and action.

8. Appeal. Following a hearing before a committee of the Board, the Owner shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the manager, president or secretary of the Association within ten (10) days after the date of the Association's written notice to the Owner of the results of the hearing. Any hearing before the Board shall be held in the same manner as provided above for hearings before a committee appointed by the Board.

9. Corrective Action. Where a Violation is determined to exist and referred to the Board, pursuant to any provision of this Policy, the Board may undertake to cause the Violation to be corrected, removed or otherwise abated by qualified contractors if the Board, in its reasonable judgment, determines the Violation may be readily corrected, removed or abated without undue expense and without breach of the peace. Where the Board decides to initiate any action by qualified contractors, the following will apply:

a. The Board must give the Owner and any third party directly affected by the proposed action prior written notice of the Board's intention to undertake the action. The foregoing notice may be given at any time.

b. Cost incurred in correcting or eliminating the Violation will be referred to the Association to be recovered from the Owner as a Special Assessment.

c. The Association and its agents and contractors will not be liable to the Owner or any third party for any damages or costs alleged to arise by virtue of any action taken under this Policy where the Association and its agents have acted reasonably and in conformity with this Policy, and no such action shall be deemed a trespass by the Association and its agents and/or contractors.

10. Referral to Legal Counsel. Where a Violation is determined or deemed determined to exist and where the Board deems it to be in the best interests of the Association to refer the Violation to legal counsel for appropriate action, the Board may do so at any time. Such legal action may include, without limitation, sending demand letters to the violating Owner, filing a notice of violation or non-compliance against the Lot in the real property records, seeking injunctive relief against the Owner to correct or otherwise abate the Violation, and/or filing suit to collection fines and/or costs incurred to cure Violations or repair property damage. Attorney's fees and all costs incurred by the Association in enforcing the Declaration and administering this Enforcement Policy shall become the personal obligation of the Owner.

11. Fines. Subject to the provisions of this Enforcement Policy and/or the Governing Documents, the imposition of fines will be on the following basis:

a. In the event that the Owner has not cured the Violation within the requested time period (or, in the case of a recurring Violation, the Violation has reoccurred), has not made a timely written request for a hearing, or the Board subsequent to a hearing decides to levy a fine, then the Board may impose a fine up to the amount of \$500.00 against the Owner (and occupant, if different from the Owner) and the Lot. In the event that the Board imposes a fine against an Owner and a Lot, the Board or its delegate will send a notice of the imposition of the fine (the "Notice of Fine") to the Owner.

b. If the Violation is still not corrected or cured within thirty (30) days from the date of the Notice of Fine (or, in the case of a recurring Violation, the Violation has reoccurred), then the Board may impose a second fine against the Owner and the Lot.

c. If the Violation is still not corrected or cured within thirty (30) days from the date of the notice of the second fine (or, in the case of a recurring Violation, the Violation has reoccurred), then the Board may impose a third fine against the Owner and the Lot.

d. In the event that the Violation is not cured within thirty (30) days from the date of the notice of the third fine (or, in the case of a recurring Violation, the Violation has reoccurred), the Board may impose a per diem fine against the Owner and the Lot in any amount deemed reasonable by the Board of Directors, but not to exceed \$100.00 per day.

e. The total amount of fines levied for a single, separate violation shall not exceed \$500.00.

12. Notices. Unless otherwise provided in the Enforcement Policy, all notices required by this Enforcement Policy shall be in writing and shall be deemed to have been duly given if delivered personally and/or if sent by United States Mail, first-class postage prepaid, to the Owner at the address which the Owner has designated in writing and filed with the Secretary of the Association or, if no such address has been designated, to the address of the Lot of the Owner.

a. Where the notice is directed by personal delivery, notice shall be deemed to have been given, sent, delivered or received upon actual receipt by any person accepting

delivery thereof at the address of the recipient as set forth in such notice or if no person is there, by leaving the notice taped to the front door of the residence.

b. Where the notice is placed into the care and custody of the United States Postal Service, notice shall be presumed to have been given, sent, delivered or received, as of the third (3rd) calendar day following the date of postmark of such notice bearing postage prepaid and the appropriate name and address as required herein unless otherwise shown by the recipient to have been received at a later date.

c. Where a day required for an action to be taken or a notice to be given, sent, delivered or received, as the case may be, falls on a Saturday, Sunday or United States Postal Service holiday, the required date for the action or notice will be extended to the first day following which is neither a Saturday, Sunday or United States Postal Service holiday.

d. Where the Board has actual knowledge that an enforcement action would directly affect a third party (e.g. a tenant or a neighbor) or involves a Violation by a party other than the Owner, notices required under this Enforcement Policy may be given, if possible, to such third party in addition to the Owner. Notwithstanding any notice sent to a third party, the Owner remains the party responsible for compliance with the requirements of the Governing Documents. The Board shall accept a response from any such third party only upon the written direction of the Owner of the Lot upon which the Violation exists.

e. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interest in a Lot has been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such representative or agent.

f. Where an Owner transfers record title to a Lot at any time during the pendency of any procedure prescribed by this Enforcement Policy, such Owner shall remain personally liable for all costs and fines under this Enforcement Policy. As soon as practical after receipt by the Association of a notice of a change in the record title to a Lot which is the subject of enforcement proceedings under this Enforcement Policy, the Board may begin enforcement proceedings against the new Owner in accordance with this Enforcement Policy. The new Owner shall be personally liable for all costs and fines under this Enforcement Policy which are the result of the new Owner's failure and/or refusal to correct or eliminate the Violation in the time and manner specified under this Enforcement Policy.

13. Cure of Violation During Enforcement. An Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. Upon verification by the Board that the Violation has been corrected or eliminated, the Violation will be deemed no longer to exist. The Owner will remain liable for all costs and fines under this Enforcement Policy.

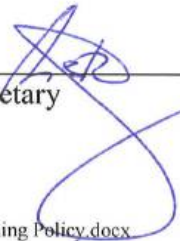
14. Definitions. The definitions contained in the Association's Governing Documents are hereby incorporated herein by reference.

15. Severability and Legal Interpretation. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Enforcement Policy shall be enforced as if such provision did not exist. Furthermore, in the event that any provision of this Enforcement Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Enforcement Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law. In the event any provision of this Enforcement Policy conflicts with the Declaration, the Declaration controls.

IT IS FURTHER RESOLVED that this Covenant Enforcement and Fining Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on MAY 22, 2013, 2013, and has not been modified, rescinded or revoked.

DATE: 5/22/13



Secretary

P:\RWBWPF Directory (Association Transactions)\Fine\Trails of Fossil Creek - Fining Policy.docx

Electronically Recorded

Tarrant County Texas

Official Public Records

5/30/2013 8:43 AM

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Mary Louise Garcia

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Mary Louise Garcia

Submitter: ACS

**FIRST SUPPLEMENT TO THE
NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
TRAILS OF FOSSIL CREEK COMMUNITY
PURSUANT TO SECTION 202.006 OF THE TEXAS PROPERTY CODE
[Covenant Enforcement & Fining Policy]**

STATE OF TEXAS §

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TARRANT §

THIS FIRST SUPPLEMENT TO THE NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR TRAILS OF FOSSIL CREEK COMMUNITY PURSUANT TO SECTION 202.006 OF THE TEXAS PROPERTY CODE (this "First Supplement") is made this 22nd day of May, 2013, by the Trails of Fossil Creek Homeowner's Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, MDC-The Trails Limited Partnership, a Texas limited partnership (the "Declarant"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community", on or about August 1, 2005, under Document/Instrument No. D205221958 of the Deed Records of Tarrant County, Texas (the "Declaration"), as amended from time to time; and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development subject to the Declaration, which development is more particularly described in the Declaration; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the association that has not been previously recorded in the real property records of the county in which the planned development is located; and

WHEREAS, on or about May 14, 2013, the Association recorded a Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek as Document No. D213121423 of the Deed Records of Tarrant County, Texas (the "Notice"); and

WHEREAS, the Association desires to supplement the Notice with the attached dedicatory instrument pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the dedicatory instrument attached hereto as **Exhibit "A"** is a true and correct copy of the original and is hereby filed of record in the real property records of Tarrant County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

IN WITNESS WHEREOF, the Association has caused this First Supplement to the Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek Community Pursuant to Section 202.006 of the Texas Property Code to be executed by its duly authorized agent as of the date first above written.

**TRAILS OF FOSSIL CREEK
HOMEOWNER'S ASSOCIATION, INC.
a Texas non-profit corporation**

By: _____

Printed Name: Charles P. Mady

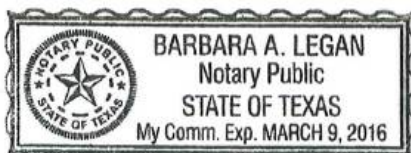
Its: President

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, on this day personally appeared CHARLES P. MADY, President of Trails of Fossil Creek Homeowner's Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed on behalf of said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this ^{22nd} day of May, 2013.



Notary Public, State of Texas

3/9/2016
My Commission Expires

PARWBWP\G Directory (Association Documents)\Notice.ded\Trails of Fossil Creek HOA\Trails of Fossil Creek - 1st supp NOF.doc

EXHIBIT "A"

Covenant Enforcement and Fining Policy

COLLECTION POLICY

TRAILS OF FOSSIL CREEK HOMEOWNER'S ASSOCIATION, INC.

ASSESSMENT COLLECTION POLICY

WHEREAS, Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") has authority pursuant to Article III of the Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community (the "Declaration") to levy assessments against Owners of Lots located within the Trails of Fossil Creek Community, a planned community located in Tarrant County, Texas (the "Development"); and

WHEREAS, in order to facilitate the timely collection of assessments and other amounts owed by Owners, and in order to comply with the Declaration and state law regarding the collection of unpaid amounts, the Board desires to establish certain procedures for the collection of assessments that remain unpaid beyond the prescribed due dates.

NOW, THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the collection of assessments owing and to become owing by Owners in the Development and the same are to be known as the "Assessment Collection Policy" ("Policy") for the Association:

1. Generally. The steps and procedures contained in this Policy serve as a general outline of the Association's collection process. The Association is not bound to follow these exact procedures in every collection matter except as required by the Declaration and the laws that govern collection of assessments. The procedures below are not intended to constitute a prerequisite or condition precedent to the Association's legal ability to collect unpaid assessments and other amounts except as required by the Declaration or law.
2. Delegation to Management. To facilitate cost-effective and timely collection of all amounts owed by owners, including but not limited to assessments, dues, charges and/or related costs, the Association may delegate to management those duties determined by the Board in its sole discretion to be necessary to assist collection efforts.
3. Ownership Interests. As used herein, the term "Delinquent Owner" refers to that person who held title to a Lot on the date an assessment became due. As used herein, the term "Current Owner" refers to that person who then holds title to a Lot. Unless expressly denoted otherwise, the "Owner" of a Lot refers to the Delinquent Owner or the Current Owner or both, as may be appropriate under the circumstances in question.
4. Due Dates. Pursuant to Article III of the Declaration, the due date for the Annual Assessment is the first day of the period for which levied. Currently, the Annual Assessments are levied annually and are due on January 1 of each year. The due date for a Special Assessment or Default Assessment is the date stated in the notice of assessment or, if no date is stated, within thirty (30) days after the notice of the assessment is given. The due date for any assessment shall be collectively referred to in this Policy as the "Due Date". Any assessment which is not paid in full on the Due Date is delinquent (the "Delinquency Date") and may be assessed late fees, handling charges and interest as provided in Paragraphs 7, 8 and 9 below.



5. Written Notice of Default. The Association and/or its managing agent may send various notification letters to a Delinquent Owner regarding a delinquency. Prior to sending a delinquent account to the Association's legal counsel for collection, the Association will send written notice of default to the Owner via certified mail, return receipt requested (the "Default Notice"). The Default Notice shall include the following information: (i) a statement of the total amount owed and a specification of each delinquent amount; (ii) a description of the options the Owner has to avoid having the account turned over to the Association's legal counsel, including the availability of a payment plan; and (iii) a statement that the Owner has a period of at least thirty (30) days to cure the delinquency before further collection action is taken.

6. Payment Plans. Section 209.0062 of the Texas Property Code requires that the Association offer payment plans to owners in certain circumstances. The Board has adopted and recorded a policy relating to payment plans and the Association will follow the guidelines and procedures contained therein.

7. Interest. In the event any assessment, or any portion thereof, is not paid in full on or before the Due Date, interest on the principal amount due may be assessed against the Owner, the rate of said interest to be six percent (6%) per annum and shall accrue from the Due Date until paid. Such interest, as and when it accrues hereunder, will become part of the assessment upon which it has accrued and, as such, will be subject to recovery in the manner provided herein for assessments.

8. Late Charges. In the event any assessment, or any portion thereof, is not paid in full within thirty (30) days after the Due Date, a late charge in the amount of \$25.00 shall be assessed against the Owner and his or her Lot. The Board may, from time to time, without the necessity of seeking Owner approval, change the amount of the late charge. Such late charge, as and when levied, will become part of the assessment upon which it has been levied and, as such, will be subject to recovery in the manner provided herein for assessments. The Board may, in its sole discretion, waive the collection of any late charge; provided, however, that the waiver of any late charge shall not constitute a waiver of the Board's right to collect any future assessments or late charges.

9. Handling Charges and Return Check Fees. In order to recoup for the Association and/or its managing agent the costs incurred because of the additional administrative expenses associated with collecting delinquent assessments, collection of the following fees and charges are part of this Policy:

a. Any handling charges, administrative fees, collection costs, postage or other expenses incurred by the Association or its managing agent in connection with the collection of any assessment or related amount owing beyond the Delinquency Date for such assessment will become due and owing by the Delinquent Owner.

b. A charge of \$25.00 per item will become due and payable for any check tendered to the Association which is dishonored by the drawee of such check, the charge being in

addition to any other fee or charge which the Association is entitled to recover from an Owner in connection with collection of assessments owing with respect to such Owner's Lot.

c. Any fee or charge becoming due and payable pursuant to this Paragraph will be added to the amount then outstanding and is collectible to the same extent and in the same manner as the assessment, the delinquency of which gave rise to the incurrence of such charge, fee or expense.

10. Application of Funds Received. All monies received by the Association will be applied to the Owner's delinquency pursuant to applicable law and the Association's recorded Application of Payments Policy.

11. Ownership Records. All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of a Lot for which assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Policy until such time as there is actual receipt by the Association of written notification from the Owner of any change in the identity or status of such Owner or its address or both.

12. Notification of Owner's Representative. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interests in a Lot have been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Policy will be deemed full and effective for all purposes if given to such representative or agent.

13. Remedies and Legal Actions. If an Owner fails to cure the delinquency within the thirty (30) day period stated in the Default Notice (as provided for above), the Association may, at its discretion and when it chooses, refer the delinquency to legal counsel for the Association. Any attorney's fees and related charges incurred by virtue of legal action taken will become part of the Owner's assessment obligation and may be collected as such as provided herein.

At the direction of Management and/or the Board, legal counsel for the Association may pursue any and all available legal remedies with regard to the delinquencies referred to it including, but not limited to, the following:

a. Notice Letter. As the initial correspondence to a Delinquent Owner, counsel will send a notice letter (the "Notice Letter") to the Owner advising the Owner of the Association's claim for all outstanding assessments and related charges, adding to the charges the attorney's fees and costs incurred for counsel's services.

b. Notice of Lien. If an Owner fails to cure the delinquency indicated in the Notice Letter, upon being requested to do so by the Board and/or Management, counsel may prepare and record in the Real Property Records of Tarrant County, a written notice of lien (referred to as the "Notice of Lien") against the Lot. A copy of the Notice of Lien will be sent to

the Owner, together with an additional demand for payment in full of all amounts then outstanding.

c. Foreclosure. In the event that the Owner fails to cure the delinquency, the Board may direct legal counsel to pursue foreclosure of the lien. In any foreclosure proceedings, the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees.

i. Expedited Foreclosure Pursuant to Rules 735 & 736 of the Texas Rules of Civil Procedure. The Board may decide to foreclose its lien by exercising its power of sale granted by the Declaration. In such event, counsel may commence an expedited foreclosure lawsuit under Rules 735 and 736 of the Texas Rules of Civil Procedure ("Expedited Foreclosure"). Upon receipt from the Court of an order authorizing foreclosure of the Lot, counsel may post the Lot for foreclosure at an upcoming foreclosure sale. The Association shall have the power to bid on the Owner's Lot and improvements at foreclosure and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. The Association may institute a personal judgment suit against the former Owner for any deficiency resulting from the Association's foreclosure of its assessment lien.

ii. Judicial Foreclosure. The Association may file suit for judicial foreclosure ("Judicial Foreclosure") of the assessment lien, which suit may also seek a personal money judgment. Upon receipt from the Court of an order foreclosing the Association's assessment lien against the Lot, the sheriff or constable may post the Lot for sheriff's sale. The Association shall have the power to bid on the Owner's Lot and improvements at foreclosure and to acquire, hold, lease, mortgage, convey or otherwise deal with the same.

d. Lienholder Notification. In pursuing Expedited Foreclosure or Judicial Foreclosure, the Association shall provide the 61-day notice letter to lienholders pursuant to Section 209.0091 of the Texas Property Code.

e. Lawsuit for Money Judgment. The Association may file suit for a money judgment in any court of competent jurisdiction.

f. Bankruptcy. Upon notification of a petition in bankruptcy, the Association may refer the account to legal counsel.

g. Suspension of Rights to Use Recreational Facilities. If authorized by the Declaration, Bylaws or rules and regulations, the Association may suspend an Owner's privileges to use the Association's recreational facilities.

h. Remedies Not Exclusive. All rights and remedies provided in this Policy and hereinabove are cumulative and not exclusive of any other rights or remedies that may be available to the Association, whether provided by law, equity, the Association's governing documents or otherwise.

14. Lock Boxes. The Association may establish a lock box for the receipt of assessment payments. Payments made to the lock box are deposited in the Association's bank

account without regard to communications or other notices enclosed with or stated on the payment. Any notice or communication (including, without limitation, a dispute of the debt) enclosed with or stated on the payment to the lock box will be ineffective and not binding on the Association. Any dispute of an assessment or related charge, any proposed tender of an amount less than the entire amount claimed to be due which is intended to satisfy the Owner's debt in full, or any change in the identity, status or address of an Owner, must be in writing, sent to and received by Management at the address listed on the Association's most recent management certificate.

15. Compromise of Assessment Obligations. In order to expedite the handling of collection of delinquent assessments owed to the Association, the Board may, at any time, compromise or waive the payment of any assessment, interest, late charge, handling charge, collection cost, legal fee or any other applicable charge. The Association may, at its option, notify the Internal Revenue Service of the waiver or forgiveness of any assessment obligation.

16. Severability and Legal Interpretation. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Policy shall be enforced as if such provision did not exist. Furthermore, in the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law. In the event any provision of this Policy conflicts with the Declaration, the Declaration controls. In the event any provision of the Declaration related to collection of assessments conflicts with Chapter 209 of the Texas Property ("Code"), the Code controls.

IT IS FURTHER RESOLVED that this Policy replaces and supersedes in all respects all prior policies and resolutions with respect to the collection of assessments by the Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on AUGUST 5, 2013, and has not been modified, rescinded or revoked.

DATE: 8/5/13


Secretary

F:\W\B\W\B - Property (Association Transactions)\Collection Policies\CMA policies\Trusts of Fossil Creek\Trusts of Fossil Creek - collection policy.docx

Electronically Recorded

Tarrant County Texas

Official Public Records

8/13/2013 4:24 PM

D213214704

Mary Louise Garcia

PGS 8 \$44.00

Mary Louise Garcia

Submitter: ACS

**SECOND SUPPLEMENT
TO THE
NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
TRAILS OF FOSSIL CREEK COMMUNITY
PURSUANT TO SECTION 202.006 OF THE TEXAS PROPERTY CODE
[Assessment Collection Policy]**

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

KNOW ALL MEN BY THESE PRESENTS:

THIS SECOND SUPPLEMENT TO THE NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR TRAILS OF FOSSIL CREEK COMMUNITY PURSUANT TO SECTION 202.006 OF THE TEXAS PROPERTY CODE (this "Second Supplement") is made this 13th day of August, 2013, by the Trails of Fossil Creek Homeowner's Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, MDC-The Trails Limited Partnership, a Texas limited partnership (the "Declarant"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community", on or about August 1, 2005, under Document/Instrument No. D205221958, of the Deed Records of Tarrant County, Texas (the "Declaration"), as amended from time to time; and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development subject to the Declaration, which development is more particularly described in the Declaration; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the association that has not been previously recorded in the real property records of the county in which the planned development is located; and

WHEREAS, on or about May 14, 2013, the Association recorded a Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek under Document/Instrument No. D213121423, of the Deed Records of Tarrant County, Texas (the "Notice"); and

WHEREAS, on or about May 30, 2013, the Association recorded a First Supplement to Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek Community under Document/Instrument No. D213135742, of the Deed Records of Tarrant County, Texas (the "First Supplement"); and

WHEREAS, the Association desires to supplement the Notice with the attached dedicatory instrument pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the dedicatory instrument attached hereto as Exhibit "A" is a true and correct copy of the original and is hereby filed of record in the real property records of Tarrant County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

IN WITNESS WHEREOF, the Association has caused this Second Supplement to be executed by its duly authorized agent as of the date first above written.

TRAILS OF FOSSIL CREEK
HOMEOWNER'S ASSOCIATION, INC.,
a Texas non-profit corporation

By:


Lance E. Williams

Its: Authorized Agent and Attorney-in-Fact

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Lance E. Williams, authorized agent and attorney-in-fact for Trails of Fossil Creek Homeowner's Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed on behalf of said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this 13th day of August, 2013.




Notary Public, State of Texas

March 20, 2016
My Commission Expires

AFTER RECORDING, RETURN TO:

Riddle & Williams, P.C.
3710 Rawlins Street, Suite 1400
Dallas, Texas 75219

G:\Notice del\Trail\FossilCreek\2ndSupp\NOF

EXHIBIT "A"

DEDICATORY INSTRUMENT

A-1. Assessment Collection Policy (adopted August 5, 2013)

Electronically Recorded

Tarrant County

Official Public Records

3/10/2014 2:15 PM

D214046309

Mary Louise Garcia

PGS 29 \$128.00

Mary Louise Garcia

THIRD SUPPLEMENT
TO THE

Submitter: XEROX COMMERCIAL
SOLUTIONS

NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR

TRAILS OF FOSSIL CREEK COMMUNITY
PURSUANT TO SECTION 202.006 OF THE TEXAS PROPERTY CODE
[Legislative Policies]

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TARRANT

§

§

THIS THIRD SUPPLEMENT TO THE NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR TRAILS OF FOSSIL CREEK COMMUNITY PURSUANT TO SECTION 202.006 OF THE TEXAS PROPERTY CODE (this "Third Supplement") is made this 27th day of February, 2014, by the Trails of Fossil Creek Homeowner's Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, MDC-The Trails Limited Partnership, a Texas limited partnership (the "Declarant"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions and Restrictions for Trails of Fossil Creek Community", on or about August 1, 2005, under Document/Instrument No. D205221958, of the Real Property Records of Tarrant County, Texas (the "Declaration"), as amended from time to time; and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development subject to the Declaration, which development is more particularly described in the Declaration; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the association that has not been previously recorded in the real property records of the county in which the planned development is located; and

WHEREAS, on or about May 14, 2013, the Association recorded a Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek under Document/Instrument No. D213121423, of the Real Property Records of Tarrant County, Texas (the "Notice"); and

WHEREAS, on or about May 30, 2013, the Association recorded a First Supplement to Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek Community under Document/Instrument No. D213135742, of the Real Property Records of Tarrant County, Texas (the "First Supplement"); and

WHEREAS, on or about August 13, 2013, the Association recorded a Second Supplement to Notice of Filing of Dedicatory Instruments for Trails of Fossil Creek Community under Document/Instrument No. D213214704, of the Real Property Records of Tarrant County, Texas (the "Second Supplement"); and

WHEREAS, the Association desires to supplement the Notice with the attached legislative policies pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the dedicatory instruments attached hereto as **Exhibit "A"** are true and correct copies of the originals and are hereby filed of record in the Real Property Records of Tarrant County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

IN WITNESS WHEREOF, the Association has caused this Third Supplement to be executed by its duly authorized agent as of the date first above written.

[BALANCE OF THIS PAGE LEFT BLANK INTENTIONALLY]

Trails of Fossil Creek
Homeowners' Association, Inc.,
A Texas non-profit corporation

By: [Signature]
Its: PRESIDENT.

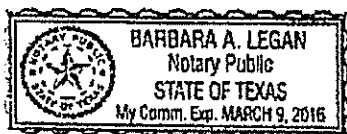
ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF Tarrant §

BEFORE ME, the undersigned authority, on this day personally appeared Charles Maddy, President of Trails of Fossil Creek HOA, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed on behalf of said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this 27th day of February, 2011.

[Signature]
Notary Public, State of Texas



My Commission Expires: 3/9/2016

Exhibit "A"

- A-1 Application of Payments Policy
- A-2 Alternative Payment Plan Policy
- A-3 Document Inspection and Copying Policy
- A-4 Document Retention Policy
- A-5 Religious Item Display Guidelines
- A-6 Solar Energy Device Guidelines
- A-7 Roofing Materials Guidelines
- A-8 Rainwater Collection Device Guidelines
- A-9 Flag Display Guidelines
- A-10 Email Registration Policy

Trails of Fossil Creek

Homeowner's Association, Inc.

Application of Payments Policy

WHEREAS, the Board of Directors (the "Board") of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") desires to establish a Policy for the Application of Payments received from owners which satisfies the new priority of payments schedule created by Section 209.0063 of the Texas Property Code; and

WHEREAS, THE Board adopts the following policy in order to comply with Section 209.0063 of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED that the following Policy for the Application of Payments is adopted by the Board:

Except as otherwise authorized by law, payment received by the Association from an owner shall be applied to the owner's debt in the following order of priority:

1. any delinquent assessment;
2. any current assessment;
3. any attorney's fees or third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure;
4. any attorney's fees incurred by the association that are not subject to the preceding subpart;
5. any fines assessed by the Association;
6. any other amounts owed to the Association.



This policy shall supersede and replace any previously adopted policy to the extent that the terms of such policy are inconsistent with this policy.

IT IS FURTHER RESOLVED that this Application of Payments Policy is effective on January 1, 2012, to remain in effect until revoked, modified, or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on FEB 27, 2014, and has not been modified, rescinded, or revoked.

Name: [Signature]
Title: PRESIDENT
Date: 2/27/14

Trails of Fossil Creek

Homeowner's Association, Inc.

Alternative Payment Plan Policy

WHEREAS, pursuant to Section 209.0062 of the Texas Property Code, the Board of Directors of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is required to adopt reasonable guidelines regarding an alternate payment schedule in which an owner may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with the procedures set forth by Chapter 209 of the Texas Residential Property Owners Protection Act, that the following guidelines and procedures are promulgated for the establishment of an alternate payment schedule, and the same are to be known as the "Alternate Payment Plan Policy" of the Association (hereinafter the "Policy").

1. Purpose. The purpose of this Policy is to assist Owners in remedying delinquencies and remaining current on the payment of amounts owed to the Association by establishing orderly procedures by which Owners may make partial payments to the Association for amounts owed without accruing additional penalties.

2. Eligibility. To be eligible for a payment plan pursuant to the Association's alternate payment plan schedule, an Owner must meet the following criteria:

- a) The owner must currently be delinquent in the payment of regular assessments, special assessments, or any other amounts owed to the Association;
- b) The Owner must not have defaulted on a prior payment plan within the prior two year period; and
- c) The Owner must submit a signed payment plan as defined below, along with the Owner's initial payment to the address designated by the Association for correspondence.

3. Payment Plan Schedule/Guidelines. The Association hereby adopts the following alternate payment guidelines and makes the following payment plan schedule available to owners in order to make partial payments for delinquent amounts owed:

- a) Requirements of Payment Plan Request. Within 30 days of the date of the initial letter which informs the owner of the availability of a payment plan, an owner must submit a signed acceptance of the payment plan schedule described below to the Association or its managing agent.



- b) Term. The term of the payment plan or schedule is 9 months with an initial payment of 25 % of the total amount owed and remaining payments in equal installments.
- c) Date of Partial Payments under Plan. The Owner must submit the initial installment payment under the plan contemporaneously with submission of the Owner's payment plan agreement which must be signed by the Owner. The Owner must make all additional monthly installment payments under the payment plan so that the payments are received by the Association no later than the 15th day of each month. The Owner may pay off, in full, the balance under the payment plan at any time. All payments must be received by the Association at the Association's designated mailing address or lock box. Payments may be made through auto draft bill payment, in check or certified funds, or by credit card (to the extent the Association is set up to receive payment by credit card).
- d) Correspondence. Any correspondence to the Association regarding the amount owed, the payment plan, or such similar correspondence must be sent to the address designated by the Association for correspondence. Such correspondence shall not be included with an Owner's payment.
- e) Amounts Coming Due During Plan. Owners are responsible for remaining current on all assessments and other charges coming due during the duration of the Owner's payment plan and must, therefore, timely submit payment to the Association for any amounts coming due during the duration of the Owner's payment plan.
- f) Additional Charges. An Owner's balance owed to the Association shall not accrue late fees or other monetary penalties (except interest) while such Owner is in compliance with a payment plan under the Association's alternate payment plan schedule. Owners in a payment plan are responsible for reasonable costs associated with administering the plan, and for interest at the highest rate permitted by the governing documents on the unpaid balance. The costs of administering the plan and interest shall be included in calculating the total amount owed under the payment plan and will be included in the monthly payment obligation. The costs of administering the payment plan may include a reasonable charge for preparation and creation of the plan, as well as a monthly administration fee.

4. Default. If an Owner fails to timely submit payment in full of any installment payment (which installment payment must include the principal owed, the administration fees assessed to the plan and interest charges), or fails to timely pay any amount coming due during the duration of the plan, the Owner will be in default. If an Owner defaults under a payment plan, the Association may proceed with collection activity without further notice. If the Association elects to provide a notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. In addition, the Owner is hereby on notice that he/she will be responsible for any and all costs, including attorney's fees, of any additional collection action which the Association pursues.

5. Board Discretion. All other terms of a Payment Plan are at the discretion of the Board of Directors.

6. Severability and Legal Interpretation. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Policy shall be enforced as if such provision did not exist. Furthermore, the purpose of this policy is to satisfy the legal requirements of Section 209.0062 of the Texas Property Code. In the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law.

IT IS FURTHER RESOLVED that this Alternate Payment Plan Policy is effective on January 1, 2012, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on FEB 27 2014, and has not been modified, rescinded or revoked.

Name: _____

Title: _____

Date: _____

Trails of Fossil Creek

Homeowner's Association, Inc.

Document Inspection and Copying Policy

WHEREAS, pursuant to Section 209.005(i) of the Texas Property Code, the Board of Directors of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is required to adopt a records production and copying policy that prescribes the costs the Association will charge for the compilation, production and reproduction of the Association's books and records.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with the procedures set forth by Chapter 209 of the Texas Residential Property Owners Protection Act, that the following procedures and practices are established for the compilation, production and reproduction of the Association's books and records, and the same are to be known as the "Document Inspection and Copying Policy" of the Association (hereinafter the "Policy").

1. Purpose. The purpose of this Policy is to establish orderly procedures for the levying of fees and to notify owners of the costs to be incurred associated with the compilation, production and reproduction of the Association's books and records in response to an owner's request to inspect the Association's records.

2. Records Defined. The Association's books and records available for inspection and copying by owners are those records designated by Section 209.005 of the Texas Property Code. Pursuant to Section 209.005(d) of the Texas Property Code, an attorney's files relating to the Association, excluding invoices, are not records of the Association, are not subject to inspection by owners, or production in a legal proceeding. Further, pursuant to Section 209.005(k), the Association is not required to release or allow inspection of any books and records relating to an employee of the Association, or any books and records that identify the violation history, contact information (other than the address and/or financial information of an individual owner) absent the express written approval of the owner whose information is the subject of the request or a court order requiring disclosure of such information.

3. Individuals Authorized to Inspect Association's Records. Every owner of a lot in the Association is entitled to inspect and copy the Association's books and records in compliance with the procedures set forth in this Policy. An owner may submit a designation in writing, signed by the owner, specifying such other individuals who are authorized to inspect the Association's books and records as the owner's agent, attorney, or certified public accountant. The owner and/or the owner's designated representative are referred to herein as the "Requesting Party."

4. Requests for Inspection or Copying. The Requesting Party seeking to inspect or copy the Association's books and records must submit a written request via certified mail to the Association at the mailing address of the Association or its managing agent as reflected on the Association's current management certificate. This address is subject to change upon notice to the owners, but the Association's current mailing address as of the adoption of this policy is:



1800 Preston Park Boulevard, Suite #101
Plano, TX 75093

The request must contain sufficient detail describing the requested Association's books and records, including pertinent dates, time periods or subjects sought to be inspected. The request must also specify whether the Requesting Party seeks to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records to the Requesting Party.

5. Inspection Response. If the Requesting Party elects to inspect the Association's books and records, the Association shall notify the Requesting Party within ten (10) business days after receiving the Requesting Party's request of the dates during normal business hours that the Requesting Party may inspect the requested books and records (the "Inspection Notice").

If the Association is unable to produce the requested books and records by the 10th business day after the date the Association receives the request, the Association must provide written notice to the Requesting Party within 10 business days of the owner's request to inspect (the "Inspection Delay Letter") that (1) the Association is unable to produce the information by the 10th business day after the date the Association received the request, and (2) state a date by which the information will be either sent or available for inspection that is not later than fifteen (15) days after the date of the Inspection Delay Letter.

6. Inspection Procedure. Any inspection shall take place at a mutually-agreed upon time during normal business hours. All inspections shall take place at the office of the Association's management company or such other location as the Association designates. No Requesting Party or other individual shall remove original records from the location where the inspection is taking place, nor alter the records in any way. All individuals inspecting or requesting copies of records shall conduct themselves in a businesslike manner and shall not interfere with the operation of the Association's or management company's office or the operation of any other office where the inspection or copying is taking place.

At such inspection, the Requesting Party may identify such books and records for the Association to copy and forward to the Requesting Party. The Association may produce all requested books and records in hard copy, electronic, or other format reasonably available to the Association.

7. Costs Associated with Compilation, Production and Reproduction. The costs associated with compiling, producing and reproducing the Association's books and records in response to a request to inspect or copy documents shall be as follows:

(a) Copy charges.

(1) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$0.10 per page or part of a page. Each side that contains recorded information is considered a page.

(2) Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:

- (A) Diskette--\$ 1.00;
- (B) Magnetic tape--actual cost
- (C) Data cartridge--actual cost;
- (D) Tape cartridge--actual cost;
- (E) Rewritable CD (CD-RW)--\$ 1.00;
- (F) Non-rewritable CD (CD-R)--\$ 1.00;
- (G) Digital video disc (DVD)--\$ 3.00;
- (H) JAZ drive--actual cost;
- (I) Other electronic media--actual cost;
- (J) VHS video cassette--\$ 2.50;
- (K) Audio cassette--\$ 1.00;
- (L) Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper)--\$0.50;
- (M) Specialty paper (e.g.: Mylar, blueprint, blueline, map, photographic)--actual cost.

(b) Labor charge for locating, compiling, manipulating data, and reproducing information.

(1) The charge for labor costs incurred in processing a request for information is \$15.00 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

(2) When confidential information is mixed with non-confidential information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the information. A labor charge shall not be made for redacting confidential information for requests of fifty (50) or fewer pages.

(3) If the charge for providing a copy of information includes costs of labor, the Requesting Party may require that the Association provide a written statement as to the amount of time that was required to produce and provide the copy, signed by an officer of the Association. A charge may not be imposed for providing the written statement to the requestor.

(c) Overhead charge.

(1) Whenever any labor charge is applicable to a request, the Association may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges.

(2) An overhead charge shall not be made for requests for copies of fifty (50) or fewer pages of standard paper records.

(3) The overhead charge shall be computed at twenty percent (20%) of the charge made to cover any labor costs associated with a particular request (example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, \$15.00 x .20 = \$ 3.00).

(d) Postal and shipping charges. The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the Requesting Party.

8. Payment. Upon receipt of a request to inspect and/or copy documents, the Association may require the Requesting Party to pay the estimated costs associated with production and copying in advance. If the estimated cost of compilation, production and reproduction is different from the actual cost, the Association shall submit a final invoice to the owner on or before the 30th business day after the Association has produced and/or delivered the requested information. If the actual cost is greater than the estimated amount, the owner must pay the difference to the Association within thirty (30) business days after the date the invoice is sent to the owner, or the Association will add such additional charges as an assessment against the owner's property in the Association. If the actual cost is less than the estimated amount, the Association shall issue a refund to the owner within thirty (30) business days after the date the invoice is sent to the owner.

9. Definitions. The definitions contained in the governing documents are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Document Inspection and Copying Policy is effective on January 1, 2012, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on FEB 27, 2014, and has not been modified, rescinded or revoked.

Name: _____

Title: _____

Date: _____

Trails of Fossil Creek

Homeowner's Association, Inc.

Document Retention Policy

WHEREAS, pursuant to Section 209.005(m) of the Texas Property Code, the Board of Directors of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is required to adopt a document retention policy for the Association's books and records.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with the procedures set forth by Chapter 209 of the Texas Residential Property Owners Protection Act, that the following procedures and practices are established for the maintenance and retention of the Association's books, records and related documents, and the same are to be known as the "Document Retention Policy" of the Association.

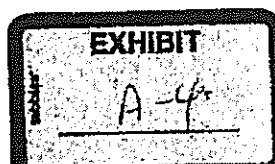
1. Purpose. The purpose of this Document Retention Policy is to ensure that the necessary records and documents of the Association are adequately protected and maintained.

2. Administration. The Association is in charge of the administration of this Document Retention Policy and the implementation of processes and procedures to ensure that the Records Retention Schedule attached as Exhibit "A" is followed. The Board is authorized to make modifications to this Records Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and that the schedule includes the appropriate document and record categories for the Association.

3. Suspension of Record Disposal in Event of Litigation or Claims. In the event the Association is served with any subpoena or request for documents or the Association becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, all documents relating or pertaining to such investigation, claim or litigation shall be retained indefinitely, and any further disposal of documents shall be suspended and shall not be reinstated until conclusion of the investigation or lawsuit, or until such time as the Board, with the advice of legal counsel, determines otherwise.

4. Applicability. This Document Retention Policy applies to all physical records generated in the course of the Association's operation, including both original documents and reproductions. It also applies to electronic copies of documents. Any electronic files that fall under the scope of one of the document types on the Records Retention Schedule below will be maintained for the appropriate amount of time. Documents that are not listed on Exhibit "A", but are substantially similar to those listed in the Records Retention Schedule, should be retained for a similar length of time.

This policy shall supersede and replace any previously adopted policy to the extent that the terms of such policy are inconsistent with this policy.



IT IS FURTHER RESOLVED that this Document Retention Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on FEB 27, 2014 and has not been modified, rescinded or revoked.

Name: _____

Title: _____

Date: _____

EXHIBIT A – RECORD RETENTION SCHEDULE

A. GOVERNING DOCUMENTS

All copies of governing documents including but not Permanently limited to the Declaration of Covenants, Conditions, and Restrictions for _____ (the "Declaration"), the Bylaws of _____ (the "Bylaws"), the Articles of Incorporation of _____ (the "Articles"), Design Guidelines, any rules, regulations or resolutions of the Board of Directors, and any amendments and supplements thereto	Permanently
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B. FINANCIAL RECORDS

Financial records, including each year's budget, tax returns, audits of the Association's financial books and records, copies of all bills paid by the Association or to be paid, the Association's checkbooks and check registers	7 years
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C. RECORDS OF OWNERS' ACCOUNTS

Owners' account records, including assessment account ledgers, architectural review records, violation records, records of fines and any disputes from the owner	5 years
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D. CONTRACTS

Copies of the final, executed contracts with a term of 1 year or more entered into by the Association (and any related correspondence, including any proposal that resulted in the contract and all other supportive documentation)	4 years after expiration or termination
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E. MEETING MINUTES

Minutes of Annual and Special Meetings of the Members, minutes of Board meetings, and minutes of committee meetings (if any)	7 years
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Trails of Fossil Creek

Homeowner's Association, Inc.

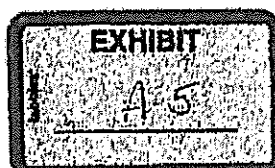
Religious Item Display Guidelines

WHEREAS, the Texas Legislature passed House Bill 1278 which amends Chapter 202 of the Texas Property Code by adding Section 202.018 which precludes associations from adopting or enforcing a restrictive covenant which governs an owner's or resident's right to display or affix on the entry to the owner's or resident's dwelling one or more religious items the display of which is motivated by the owner's or resident's sincere religious belief; and

WHEREAS, pursuant to Section 202.018(b) of the Texas Property Code, the Board of Directors of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is permitted to adopt certain limitations on the display of religious items.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with Section 202.018 of the Texas Property Code, the Board of Directors of the Association adopts the following guidelines to govern the display of religious symbols.

- A. An owner or resident may not display or affix a religious item on the entry to the owner or resident's dwelling which:
 - 1. threatens the public health or safety;
 - 2. violates a law;
 - 3. contains language, graphics, or any display that is patently offensive to a passerby;
 - 4. is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the owner's or resident's dwelling; or
 - 5. individually or in combination with each other religious item displayed or affixed on the entry door or door frame has a total size of greater than 25 square inches;
- B. The definitions contained in the Association's dedicatory instruments are hereby incorporated herein by reference.
- C. In the event of any conflict between Section 202.018(b) of the Texas Property Code and any restrictions contained in any governing document of the Association, including design guidelines, policies and the Declaration, Section 202.018(b) and this Religious Item Display Policy controls.



IT IS FURTHER RESOLVED that this Religious Item Display Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on FEB 27, 2014, and has not been modified, rescinded or revoked.

Name: _____

Title: _____

Date: _____

Trails of Fossil Creek

Homeowner's Association, Inc.

Solar Energy Device Guidelines

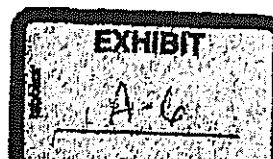
WHEREAS, the Texas Legislature passed House Bill 362 which amends Chapter 202 of the Texas Property Code by adding Section 202.010 which precludes associations from adopting or enforcing a complete prohibition on solar energy devices; and

WHEREAS, pursuant to Section 202.010 of the Texas Property Code, the Board of Directors of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is permitted to adopt certain limitations on solar energy devices.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with Section 202.010 of the Texas Property Code, the Board of Directors hereby repeals any and all prior restrictions on solar energy devices contained in any governing document of the Association which are inconsistent with the new law, and adopts the following guidelines to govern solar energy devices.

A. An owner may not install a solar energy device that:

1. as adjudicated by a court:
 - a. threatens the public health or safety; or
 - b. violates a law;
2. is located on property owned or maintained by the Association;
3. is located on property owned in common by the members of the Association;
4. is located in an area on the owner's property other than:
 - a. on the roof of the home or of another structure allowed under a dedicatory instrument; or
 - b. in a fenced yard or patio owned and maintained by the owner;
5. if mounted on the roof of the home:
 - a. extends higher than or beyond the roofline;
 - b. is located in an area other than an area designated by the Association, unless the alternate location increases the estimated annual energy production of the device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than ten percent (10%) above the energy production of the device if located in an area designated by the Association;



- c. does not conform to the slope of the roof and has a top edge that is not parallel to the roofline; or
 - d. has a frame, a support bracket, or visible piping or wiring that is not in a silver, bronze, or black tone commonly available in the marketplace:
- 6. if located in a fenced yard or patio, is taller than the fence line;
 - 7. as installed, voids material warranties; or
 - 8. was installed without prior approval by the Association or by a committee created in a dedicatory instrument for such purposes that provides decisions within a reasonable period or within a period specified in the dedicatory instrument.
- B. The definitions contained in the Association's dedicatory instruments are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Solar Energy Device Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on FEB 27, 2014, and has not been modified, rescinded or revoked.

Name: _____

Title: _____

Date: _____

Trails of Fossil Creek

Homeowner's Association, Inc.

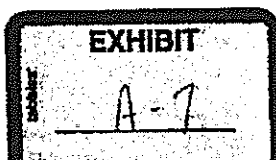
Roofing Materials Guidelines

WHEREAS, the Texas Legislature passed House Bill 362 which amends Chapter 202 of the Texas Property Code by adding Section 202.011 which precludes associations from adopting or enforcing a prohibition or restriction on certain roofing materials; and

WHEREAS, pursuant to Section 202.011 of the Texas Property Code, the Board of Directors of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is permitted to adopt specific limitations on certain roofing materials.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with Section 202.011 of the Texas Property Code, the Board of Directors of the Association adopts the following guidelines for certain roofing materials.

- A. The Association shall not prohibit an owner who is otherwise authorized to install shingles on the roof of the owner's property from installing shingles that:
 1. are designed to:
 - (a) be wind and hail resistant;
 - (b) provide heating and cooling efficiencies greater than those provided by customary composite shingles;
 - (c) provide solar generation capabilities; and
 2. when installed:
 - (a) resemble the shingles used or otherwise authorized for use on property in the subdivision;
 - (b) are more durable than and are of equal or superior quality to the shingles described by subsection (a) above; and
 - (c) match the aesthetics of the property surrounding the owner's property.
- B. The definitions contained in the Association's dedicatory instruments are hereby incorporated herein by reference.
- C. In the event of any conflict between these provisions and any roofing material restrictions contained in any governing document of the Association, including design guidelines, policies and the Declaration, this Roofing Materials Policy controls.



IT IS FURTHER RESOLVED that this Roofing Materials Policy is effective upon adoption hereof to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on FEB 27, 2014, and has not been modified, rescinded or revoked.

Name: _____

Title: _____

Date: _____

Trails of Fossil Creek

Homeowner's Association, Inc.

Rainwater Collection Device Guidelines

WHEREAS, the Texas Legislature passed House Bill 3391 which amends Section 202.007(d) of the Texas Property Code which precludes associations from adopting or enforcing certain prohibitions or restrictions on rain barrels and rainwater harvesting systems; and

WHEREAS, pursuant to Section 202.007(d) of the Texas Property Code, the Board of Directors of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is permitted to adopt specific limitations on rain barrels and rainwater harvesting systems.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with Section 202.007(d) of the Texas Property Code, the Board of Directors of the Association adopts the following guidelines for rain barrels and rainwater harvesting systems.

- A. An owner may not install a rain barrel or rainwater harvesting system if:
 - 1. such device is to be installed in or on property:
 - (a) owned by the Association;
 - (b) owned in common by the members of the Association; or
 - (c) located between the front of the owner's home and an adjoining or adjacent street; or
 - 2. the barrel or system:
 - (a) is of a color other than a color consistent with the color scheme of the owner's home; or
 - (b) displays any language or other content that is not typically displayed by such a barrel or system as it is manufactured.
- B. The Association may regulate the size, type, and shielding of, and the materials used in the construction of, a rain barrel, rainwater harvesting device, or other appurtenance that is located on the side of a house or at any other location that is visible from a street, another lot, or a common area if:
 - 1. the restriction does not prohibit the economic installation of the device or appurtenance on the owner's property; and
 - 2. there is a reasonably sufficient area on the owner's property in which to install the device or appurtenance.



- C. In order to enforce these regulations, an owner must receive written approval from the Board or the architectural control or review committee (if one exists) prior to installing any rain barrel or rainwater harvesting system. Accordingly, prior to installation, an owner must submit plans and specifications to and receive the written approval of the Board or architectural control/review committee. The plans and specifications must show the proposed location, color, material, shielding devices, size and type of such system or device (and all parts thereof). The plans should also identify whether the device or any part thereof will be visible from any street, other lot or common area.
- D. The definitions contained in the Association's dedicatory instruments are hereby incorporated herein by reference.
- E. In the event of any conflict between the new law cited above and any restrictions contained in any governing document of the Association, including design guidelines, policies and the Declaration, the new law and this Rainwater Collection Device Policy control.

IT IS FURTHER RESOLVED that this Rainwater Collection Device Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on FEB. 27, 2014, and has not been modified, rescinded or revoked.

Name: _____

Title: _____

Date: _____

Trails of Fossil Creek

Homeowner's Association, Inc.

Flag Display Guidelines

WHEREAS, the Texas Legislature passed House Bill 2779 which amends Chapter 202 of the Texas Property Code by adding Section 202.011 which precludes associations from adopting or enforcing a prohibition or restriction on certain flag displays; and

WHEREAS, pursuant to Section 202.011 of the Texas Property Code, the Board of Directors of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is permitted to adopt specific limitations on certain flag displays.

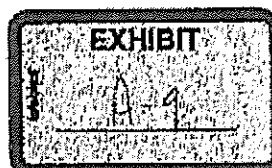
NOW, THEREFORE, IT IS RESOLVED, in order to comply with Section 202.011 of the Texas Property Code, the Board of Directors of the Association adopts the following guidelines for flag displays.

A. An owner or resident may display:

1. the flag of the United States of America;
2. the flag of the State of Texas; or
3. an official or replica flag of any branch of the United States armed forces.

B. An owner may only display a flag in A. above if such display meets the following criteria:

1. a flag of the United States must be displayed in accordance with 4 U.S.C. Sections 5-10;
2. a flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code;
3. a flagpole attached to a dwelling or a freestanding flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling;
4. the display of a flag or the location and construction of the supporting flagpole must comply with applicable zoning ordinances, easements and setbacks of record;
5. a displayed flag and the flagpole on which it is flown must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must be repaired, replaced or removed;



C. The Association hereby adopts the following additional restrictions on the display of flags on an owner's lot:

1. an owner may not install a flagpole which is greater than twenty feet (20') in height;
2. an owner may not install more than one flagpole on the owner's property;
3. any flag displayed must not be greater than 3' x 5' in size;
4. an owner may not install lights to illuminate a displayed flag which, due to their size, location or intensity, constitute a nuisance;
5. an owner may not locate a displayed flag or flagpole on property that is:
 - (a) owned or maintained by the Association; or
 - (b) owned in common by the members of the Association.

D. Prior to erecting or installing a flag and/or flag pole, an owner must first submit plans and specifications to and receive the written approval of the Board or architectural control/review committee. The plans and specifications must show the proposed location, material, size and type of such flag and flagpole (and all parts thereof, including any lights to illuminate a displayed flag).

E. The definitions contained in the Association's dedicatory instruments are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Flag Display Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on Feb 27, 2014, and has not been modified, rescinded or revoked.

Name: _____

Title: _____

Date: _____

Trails of Fossil Creek

Homeowner's Association, Inc.

EMAIL REGISTRATION POLICY

WHEREAS, pursuant to Section 209.0051(e) of the Texas Property Code, the Board of Directors of Trails of Fossil Creek Homeowner's Association, Inc. (the "Association") is permitted to send notice of Board meetings to the members via e-mail to each owner who has registered an e-mail address with the Association; and

WHEREAS, pursuant to Section 209.0051(l) of the Texas Property Code, it is an owner's duty to keep an updated e-mail address registered with the Association.

NOW, THEREFORE, IT IS RESOLVED, the following procedures and practices are established for the registration of e-mail addresses with the Association, and the same are to be known as the "Email Registration Policy" of the Association.

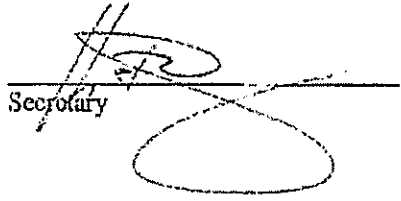
1. Purpose. The purpose of this Email Registration Policy is to facilitate proper notice of regular and special Board meetings of the Association pursuant to Section 209.0051(e) of the Texas Property Code.
2. Registration. Each owner is responsible to register his or her e-mail address with the Association if he/she desires to receive email notifications of meetings, and it is the owner's responsibility to keep his or her registered e-mail address up-to-date and accurate. In order to register his/her email address, the owner must access the website for the Association's management company, RTI/Community Management Associates, Inc., which is located at www.cmamanagement.com, and properly fill out the registration form on that website. Please allow seven (7) business days from submission of an e-mail address for the Association to update its records. *Correspondence to the Association and/or its property manager from an email address or by any method other than the above-designated website is not sufficient to register such email address with the Association.*
3. Failure to Register. In the event an owner fails to register and/or maintain an accurate e-mail address with the Association, the owner may not receive e-mail notification of regular and special Board meetings. The Association has no obligation to actively seek out a current e-mail address for each owner. In addition, the Association has no obligation to investigate or obtain an updated e-mail address for owners whose current registered e-mail address is returning an e-mail delivery failure message/ undeliverable message.
4. Definitions. The definitions contained in the Association's dedicatory instruments are hereby incorporated herein by reference.



IT IS FURTHER RESOLVED that this Email Registration Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on FEB. 27, 2014, and has not been modified, rescinded or revoked.

DATE: 2/27/14


Secretary