

ELECTRONICALLY RECORDED 201900155155
06/17/2019 02:45:10 PM DECLARATION 1/109
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
CRESPI ESTATES

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF DALLAS §

This Declaration of Covenants, Conditions and Restrictions for CRESPI ESTATES (as may be amended from time to time, the "Declaration") is made by, MM CRESPI ESTATES, LLC, a Texas limited liability company ("Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Exhibit A, intends by recording this Declaration in the Official Public Records of Dallas County, Texas, to create a general plan of development for a single-family home planned community known as Crespi Estates Homeowners Association, Inc. (the "Subdivision"). This Declaration provides for the overall development, administration, maintenance, and preservation of the real property now and hereafter comprising the Property (as hereinafter defined). An integral part of the development plan is the creation of Crespi Estates Homeowners Association, Inc., a Texas non-profit corporation, or other named non-profit corporation formed to perform the duties of the "Association" hereunder, whose members shall be all owners of real property subject to this Declaration, to own, operate, and/or maintain various common areas, screening or perimeter walls, access control systems, and other common improvements which may be constructed or added for the benefit of the community; and

WHEREAS, Declarant desires to provide for, among other matters, the preservation of the values and any amenities in said community for which the Association may own and/or have maintenance responsibility which may include by way of example, but is not limited to, open spaces, landscaping, irrigation and sprinkler systems, street maintenance, access control gates and systems, guard house and/or service, fencing, screening walls, and other common improvements; and, to this end, desires to subject the real property referred to in Exhibit A, together with such additions as may hereafter be made thereto to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each and every owner of any part thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create a homeowners' association to which would be delegated and assigned the powers including, but not limited to, (i) maintaining and administering the common properties and facilities, (ii) administering and enforcing the covenants, restrictions, rules, and regulations contained herein or hereafter adopted, and (iii) collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has caused or will cause a non-profit corporation to be incorporated under the laws of the State of Texas for the purpose of effecting the intents and objectives herein set forth.

NOW, THEREFORE, Declarant declares that the real property referred to in Exhibit A, and such additions thereto as may hereafter be made pursuant hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions") hereinafter set forth.

ARTICLE I DEFINITIONS

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

(a) "Architectural Control Committee" shall mean and refer to the architectural control committee described in Article X hereof. During the Declarant Control Period the Declarant has the sole right and authority to establish and appoint members to the Architectural Control Committee.

(b) "Association" shall mean and refer to CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation, which will have the power, duty and responsibility of maintaining and administering the Common Properties, and collecting and disbursing the assessments and charges hereinafter prescribed and will have the right to administer and enforce the Covenants and Restrictions as well as any rules and regulations. The Association shall, commencing on the date of recordation of this Declaration and continuing for an indefinite period of time, exist as an association.

(c) "Board" or "Board of Directors" shall mean and refer to the body selected as provided in the Bylaws, being responsible for the general governance and administration of the Association and this Declaration. The initial Board shall be those individuals set forth in the Certificate of Formation for the Association and, during the time the Declarant has the right to appoint all Directors to the Board, those person appointed by Declarant to serve on the Board; provided that prior to the date which is the earlier of (i) one hundred-twenty (120) days after seventy-five (75%) of the Lots have been sold to non-Declarant Owners, or (ii) ten (10) years from the date on which the Declaration is recorded, at least 1/3 of the directors serving on the Board shall be person(s) elected by a majority vote of Class A Members at a meeting of the members at which quorum is present. Each Director, other than Directors appointed by Declarant, shall be a Member and resident, or in the case of corporate or

partnership ownership of a Lot, a duly authorized agent or representative of the corporate or partnership Owner. The corporate, or partnership Owner shall be designated as the Director in all correspondence or other documentation setting forth the names of the Directors.

(d) "Bylaws" shall mean and refer to the Bylaws of the Association, as may be amended from time to time.

(e) "Certificate of Formation" shall mean and refer to the Certificate of Formation of the Association as may be amended from time to time.

(f) "Class A Members" shall have the meaning set forth in Section 3.02 hereof.

(g) "Class B Members" shall have the meaning set forth in Section 3.02 hereof.

(h) "Common Properties" by way of example only may mean and refer to (i) that certain street, street lights, street signs, landscaped median, landscaping improvements, plantings, screening walls, fencing, irrigation and sprinkler systems, controlled access gates and system and easements, among other amenities, which may exist or which may be added and for which the Association may own or have maintenance rights and responsibilities, all of which are intended to be devoted to the common use and enjoyment of the Owners; and (ii) any areas of land, improvements or other property rights within the Property which are now or hereafter designated by the Declarant or the Board of Directors as Common Properties intended for or devoted to the common use and enjoyment of the Owners, together with any and all improvements that are now or may hereafter be constructed thereon. In certain circumstances, Common Properties may not be owned by the Declarant or the Association in fee, but may, in some instances, be held as an easement, be leased or may simply be areas of land that are not owned or leased by the Declarant or the Association but which are maintained by the Association or the Declarant for the use and benefit of the Owners and the Property. The Declarant may hold record title to all or a portion of the Common Properties, consistent with the objectives envisioned herein and subject to the easement rights herein of the Owners to use and enjoy the Common Properties, for an indefinite period of time and at a point in time (deemed appropriate and reasonable by the Declarant) after the Association has been incorporated, record title to those portions of the Common Properties which are owned by the Declarant in fee, as an easement or otherwise will be transferred from the Declarant to the Association.

(i) "Declarant" shall mean and refer to MM CRESPI ESTATES, LLC, and its successors and assigns, if such successors and assigns become same by express assignment by MM CRESPI ESTATES, LLC, of its rights as Declarant hereunder or by

operation of law. No person or entity purchasing one or more Lots from MM CRESPI ESTATES, LLC, in the ordinary course of business shall be considered as "Declarant".

(j) "Design Guidelines" shall mean and refer to the construction and design standards and guidelines adopted by the Declarant, as may be amended in accordance with this Declaration, representing the minimum specifications for the construction of all residences, additions to such residences, and other

improvements associated with each residence including, without limitation, other structures or improvements located on a residential Lot, and the minimum requirements for landscaping to be installed and maintained on each Lot. The Design Guidelines are an integral part of this Declaration and the development plan of the Property and/or Subdivision. The initial Design Guidelines are attached hereto as **Exhibit C**. All Builders and prospective Owners or those desirous of constructing a residence on a Lot are strongly encouraged to obtain a current copy of this Declaration and to carefully review the construction and Design Guidelines prior to preparing plans and specifications for submission to the Architectural Control Committee for approval.

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

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

(m) "Owner" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to this Declaration. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation.

(n) "Plat" shall mean and refer to the Final Plat of Crespi Estates, an addition to the City of Dallas, according to the map or plat thereof recorded or to be recorded in the Real Property Records of Dallas County, Texas.

(o) "Property" shall mean and refer to the property subject to this Declaration as described on **Exhibit A** attached hereto, together with such additions as may hereafter be made thereto or as may be provided in this Declaration or any amendment or supplement thereto. **Notwithstanding, the Declarant hereby saves from and excepts out of that specific tract of land identified as the Crespi Mansion, being a part of Lot 1, Block 5516, 20± acres, Thomas Hicks Addition, an addition to the City of Dallas, Texas, property address registered as 10000 Hollow Way Road, Dallas, County, Texas. Said tract shall be free from all covenants, conditions and restrictions set forth in this Declaration and as may be amended from time to time. See Exhibit A-1.**

(p) "Supplemental Declaration" shall mean a recorded instrument which accomplishes one or more of the following purposes: (i) subjects' additional real property to this Declaration, or (ii) imposes, expressly or by

reference, additional restrictions, covenants, rules, regulations, easements and/or rights and obligations on the land described.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION

The Property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Dallas, Dallas County, State of Texas, and is more particularly described on Exhibit A attached hereto and incorporated herein by reference for all purposes.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

3.01 Membership. Every Owner of a Lot shall automatically be a Member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to this Declaration. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation. The Board of Directors may declare that an Owner is not a Member in good standing because of unpaid dues, fines, late charges, interest, legal fees, and/or any other Assessment of any nature. The Board of Directors may temporarily suspend the voting rights of any Member who is not in good standing until such unpaid amounts are paid in full.

3.02 Classes of Membership. The Association shall have two (2) classes of voting membership:

CLASS A. Class A Members shall be all Members with the exception of Class B Members. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote (1) be cast with respect to any such Lot.

CLASS B. Class B Members shall be Declarant and Declarant shall be entitled to eight (8) votes for each Lot owned by it. The Class B membership shall cease upon the earlier to occur of the following:

- (i) when Declarant no longer owns record title to any of the Lots or property made subject to this Declaration; or
- (ii) on the tenth (10th) anniversary of the date this Declaration was recorded in the Office of the County Clerk of Dallas County, Texas; or
- (iii) upon recordation of a document by Declarant voluntary

waiving or terminating its Declarant rights to be recorded in the Office of the County Clerk of Dallas, County, Texas.

Notwithstanding the voting rights within the Association, until the Declarant's Class B period expires, the Association shall take no action with respect to any matter whatsoever without the prior written consent of the Declarant.

Owners of exempt properties as described in Section 5.11 hereof shall be Members but shall not have voting rights.

3.03 Quorum, Notice and Voting Requirements.

(a) Subject to the provisions of Paragraph (c) of this Section quorum for any meeting other than meetings of the Board of Directors shall require a minimum of a ten percent (10%) quorum of Members, regardless of class, present in person or by proxy. Any action taken at a meeting of the Members shall require the assent of the majority of all of the votes of those who are voting in person or by proxy, regardless of class, at a meeting duly called, written notice of which shall be given to all Members not less than ten (10) days nor more than fifty (50) days in advance of the meeting.

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

The presence of five percent (5%) of the voting Members present in person or by proxy, regardless of class, at the initial meeting of Members shall constitute a quorum for any action except as otherwise provided in the Certificate of Formation, the Bylaws or this Declaration or as provided by the laws of the State of Texas. If at any time, the required quorum is not present or represented at the meeting, one additional meeting may be called, subject to the notice requirement herein set forth, and the required quorum at such second meeting shall be one-half (1/2) of the required quorum at the preceding meeting; provided, however, that such second meeting shall be held within sixty (60) days of the date the first meeting was held.

(c) As an alternative to the procedure set forth above, any action referred to in Paragraph (a) of this Section may be taken without a meeting if a consent in writing, approving of the action to be taken, shall be signed by all Members. The Association may obtain signatures as may be required for meetings, balloting, and other Association business by means of electronic signature so long as the requirements for authentication and acknowledgment as well as any other Texas State Property Code or other requirement by which the Association is required to comply is met.

(d) Except as otherwise specifically set forth in this Declaration, notice, voting and quorum requirements for all actions to be taken by the Association shall be consistent with its Certificate of Formation and Bylaws, as same may be amended from time to time.

(e) During the period of time that the Association is either unincorporated

or remains in the Declarant Control Period, the Declarant shall have the sole right and option to prescribe reasonable procedures for the meetings (if any) of the Members; provided, however, that prior to formation, without the written approval of the Declarant, no Member (other than Declarant) shall have a right to vote on any matter, or to call any meetings of the Members. Except as specifically set forth in this Declaration, notice, voting and quorum requirements for all action to be taken by the Association (as an incorporated entity) shall be consistent with its Certificate of Formation and Bylaws, as same may be amended from time to time.

ARTICLE IV PROPERTY RIGHTS IN THE COMMON PROPERTIES

4.01 Members' Easements of Enjoyment. Subject to the provisions of Section 4.03 of this Article, every Member and every tenant of every Member, who resides on a Lot, and each individual who resides with either of them, respectively, on such Lot shall have a nonexclusive right and easement of use and enjoyment in and to the Common Properties, and such easement shall be appurtenant to and shall pass with the title of every Lot; provided, however, such easement shall not give such person the right to make alterations, additions or improvements to the Common Properties. The rights and easement of use and enjoyment in and to the Common Properties as set forth herein may be suspended if an Owner is delinquent in assessments.

4.02 Title to the Common Properties. The Declarant (or its predecessor in title) shall dedicate and convey the fee simple title to the Common Properties to the Association at such point in time deemed reasonable and appropriate by the Declarant. Prior to the date the Common Properties are conveyed to the Association, the Declarant shall retain the right to sell portions of the Common Properties to Owners if Declarant, in its sole discretion, deems such sale to be for the best interest of the development or to annex in or annex out portions of the Common Properties if Declarant, in its sole discretion, deems such action to be for the best interest of the development.

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

(a) The right of the Association to prescribe regulations governing the use, operation and maintenance of the Common Properties. Regulations, other than those set forth in this Declaration may be adopted by way of Rules and Regulations or other Dedicatory Instruments prepared and filed in the Office of the County Clerk, Dallas, County, Texas.

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

(c) The right of the Declarant and/or the Association to enter into and execute contracts with parties (including the Declarant or an affiliate of the Declarant) for the purpose of providing maintenance for all or a portion of the Common Properties or providing materials or services consistent with the purposes of the Association. Contracts entered into by the Declarant are not subject to termination except by

Declarant;

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

(e) The right of the Association, as may be provided in its Bylaws, to suspend the voting rights of any Member and to suspend the right of any individual to use any of the Common Properties for any period during which any assessment against a Lot owned by such individual remains unpaid, and for any period not to exceed sixty (60) days for any infraction of its rules and regulations;

(f) The right of the Declarant or the Association, subject to approval by written consent by the Member(s) having a majority of the outstanding votes of the Members, in the aggregate, regardless of class, to dedicate or transfer all or any part of

the Common Properties to any public agency, authority, or utility company for such purposes and upon such conditions as may be agreed to by such Members;

(g) The right of the Declarant alone during the Declarant Control Period or thereafter, the Association, at any time, to make such reasonable amendments to the Plat as it deems advisable, in its sole discretion. All Members are advised that a portion of the Common Properties may be located within the platted and dedicated public rights-of-way and in connection therewith the public shall have rights of use and enjoyment of Common Properties located within the public rights-of-way; and

(h) With respect to any and all portions of the Common Properties, Declarant, until (i) Declarant no longer owns record title to any Lot or portion of the property, (ii) Declarant files a written notice of voluntary surrender or termination of its Class B status and rights, or (iii) until the tenth (10th) anniversary of the date this Declaration was recorded in the Office of the County Clerk of Dallas County, Texas, whichever is the first to occur, shall have the right and option (without the joinder and consent of any person or entity, save and except any consent, joinder or approval required by the City of Dallas or any other governmental agency having appropriate jurisdiction over the Common Properties) to: (i) alter, improve, landscape and/or maintain the Common Properties; and (ii) seek and obtain any and all permits, licenses or exemptions from any and all governmental agencies exercising jurisdiction over the Common Properties and/or the uses or activities thereon.

ARTICLE V COVENANTS FOR ASSESSMENTS

5.01 Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned by it, hereby covenants and agrees, and each purchaser of any Lot by acceptance of a deed or other conveyance document creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other conveyance document, shall be deemed

to covenant and agree (and such covenant and agreement shall be deemed to constitute a portion of the consideration and purchase money for the acquisition of the Lot), to pay to the Association (or to an entity or collection agency designated by the Association): (1) annual maintenance assessments or charges (as specified in Section 5.04 hereof), such assessments to be fixed, established and collected from time to time as herein provided; (2) special assessments for the purpose of defraying in whole or in part, deficits of the Association, Improvements, Capital Improvements and other purposes as deemed necessary or appropriate by the Declarant and thereafter, the Board of Directors and/or as may be specified in Section 5.05 hereof, such assessments to be fixed, established and collected from time to time as hereinafter provided; and (3) individual special assessments levied against one or more Owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts or omissions of such Owner or Owners, his tenants (if applicable), and their respective family, agents, guests and invitees, and not caused by ordinary wear and tear (as specified in Section 5.05 hereof), all of such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual maintenance, special assessments, and special individual assessments described in this Section 5.01 (hereinafter, the "Assessment" or the "Assessments," together with interest thereon, attorneys' fees, court costs and other costs of collection thereof, as herein provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which any such Assessment is made. Each such Assessment, together with interest thereon, attorneys' fees, court costs, and other costs of collection thereof shall also be the continuing personal obligation of the Owner of such Lot at the time when the Assessment fell due. *Further, no Owner may exempt himself from liability for such Assessments or waive or otherwise escape liability for the Assessments by non-use of the Common Properties, abandonment of his Lot, or due to any dispute, conflict, or dissatisfaction the Owner may have with the Association or the Declarant.* Existing obligations of an Owner to pay Assessments and other costs and charges shall not pass to bona fide first lien mortgagees which become Owners by reason of foreclosure proceedings or an action at law prior to the date the foreclosure action takes place; provided, however, any such foreclosure proceeding or action at law shall not relieve such new Owner of such Lot from liability for the amount of any Assessment, Special Assessment, or Special Individual Assessment thereafter becoming due nor from the lien securing the payment of any subsequent Assessment from the foreclosure date forward.

5.02 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for (i) the purpose of promoting the recreation, comfort, health, safety and welfare of the Members and/or the residents of the Property; (ii) managing the Common Properties; (iii) enhancing the quality of life in the Property and the value of the Property; (iv) improving and maintaining the Common Properties, the properties, services, improvements and facilities devoted to or directly related to the use and enjoyment of the Common Properties, including, but not limited to, the payment of taxes on the Common Properties and insurance in connection therewith and the repair, replacement and additions thereto; (v) paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of, the Common Properties; (vi) carrying out the powers and duties of the Board of Directors of the Association as set forth in this Declaration and the Bylaws; (vii) carrying out the purposes of the Association as stated in its Certificate of Formation; and (viii) carrying out the powers and duties relating to the Architectural Control Committee, after Declarant has delegated or assigned such powers and duties to the Association.

5.03 Improvement and Maintenance of the Common Properties Prior to Conveyance to the Association. Initially, all improvement of the Common Properties shall be the responsibility of the Declarant and shall be undertaken by Declarant at its sole cost and expense with no right to

reimbursement from the Association. After the initial improvements to the Common Properties are substantially completed the Association shall have the responsibility and duty of maintaining the Common Properties, including, but not limited to, the payment of taxes on and insurance in connection with the Common Properties and the cost of repairs, replacements and additions thereto, and for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of, the Common Properties.

5.04 Annual Maintenance Assessments. The Board of Directors shall determine the amount of the annual maintenance assessments for each year, which assessments may include a reserve or working capital fund for maintenance, repairs and replacements of the Common Properties or for any use if, by majority vote of the Board, such use is necessary and beneficial to the Association. Said reserve or working capital fund may also be set apart in an unrestricted account for access and use.

(a) Commencing with the calendar year 2019, and each year thereafter, each Member shall pay to the Association an annual maintenance assessment in such amount as set by the Board of Directors and based on the projected budgetary needs of the Association. Should the amount of the annual maintenance assessment change from the preceding year, the Board of Directors shall notice or caused to be noticed all Members no later than December 15th of the then calendar year providing the new annual maintenance assessment amount and the budgetary basis for the new annual maintenance assessment. The Board may, after consideration of current maintenance, operational and other costs and the future needs of the Association, fix the annual maintenance assessments for any year at a greater or lesser amount than that of the previous year.

(b) An increase in the rate of the annual maintenance assessments in excess of fifty percent (50%) of the preceding year's annual maintenance assessments must be approved by the Members in accordance with Section 3.03 hereof.

(d) When the annual maintenance assessment is computed for Lots, all or a portion of such annual maintenance assessment shall be payable to the Association by the Member according to the status of the Lot owned by such Member as follows:

(i) As to a Lot owned by a Class A Member, the full annual maintenance assessment shall be payable.

(ii) As to a Lot owned by Declarant, the Declarant shall not be liable for Assessments for any Lots that it owns. The Declarant may, but shall have no obligation to subsidize any liability incurred by the Association. If Declarant subsidizes the Association and the Association thereafter accumulates a surplus the Association shall promptly reimburse the Declarant upon request. Declarant may, but is not obligated to lend funds to the Association to enable it to defray its expenses, provided the terms of such loans are on reasonable market conditions at the time. After the expiration of the Class B Period, if Declarant still owns Lot(s) held for sale in the ordinary course of business for the purpose of constructing a residence, Declarant shall be required to pay Assessments in accordance with the provisions of this Declaration as a Class A Member. As an alternative to payment of Assessments after the Class B Period ends, Declarant may, at its sole discretion, exercise the option

of having any Assessment amount owed by the Declarant applied as a credit against any outstanding loan amount owed to the Declarant by the Association. Should Declarant not exercise this option, the Association shall owe and promptly pay to the Declarant all loan amounts owed.

(e) The Board of Directors may provide that annual maintenance assessments shall be paid monthly, quarterly, semi-annually or annually on a calendar year basis. Not later than thirty (30) days prior to the beginning of each fiscal year of the Association, the Board shall (i) estimate the total common expenses to be incurred by the Association for the forthcoming fiscal year, (ii) determine, in a manner consistent with the terms and provisions of this Declaration, the amount of the annual maintenance assessments to be paid by each Member, and (iii) establish the date of commencement of the annual maintenance assessments. Written notice of the annual maintenance assessments to be paid by each Member and the date of commencement thereof shall be sent to every Member, but only to one (1) joint Owner by December 15th of each calendar year if the annual maintenance assessment will change. Each Member shall thereafter pay to the Association his annual maintenance assessment in such manner as determined by the Board of Directors.

(f) The annual maintenance assessments shall include reasonable amounts, as determined by the Members or by the Board, collected as reserves for the future periodic maintenance, repair and/or replacement of all or a portion of the Common Properties and/or for fulfillment of future obligations of the Association. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be deposited in a separate, non-restricted, bank account to be held in trust for the purposes for which they were collected and are to be segregated from and not commingled with any other funds of the Association. Working Capital shall not be considered as reserves and may be commingled with other funds of the Association so long as the funds collected and used are used for any Association expense or need. Assessments collected as reserves or working capital contributions shall not be considered to be advance payments of regular annual maintenance assessments.

5.05 Special Capital Assessments and Special Individual Assessments.

(a) In addition to the annual maintenance assessments and special assessments authorized in Article V hereof, the Board of Directors of the Association may levy in any calendar assessment year a special capital assessment for the purpose of (i) defraying, in whole or in part, the cost of any construction or reconstruction, major repair, replacement of or addition to improvements upon the Property or Common Properties, including the necessary fixtures and personal property related thereto (ii) maintaining portions of the Common Property and improvements thereon, or (iii) carrying out other purposes of the Association; provided, however, that any such special capital assessment levied by the Association in excess of the then current annual maintenance assessment amount shall require the approval of the Members in accordance with Section 3.03 hereof. Any special capital assessment levied by the Association shall be paid by the Members directly to the Association on such date or dates as determined by the Board of Directors. All such amounts collected by the Association may only be used for the purposes set forth in this Section 5.05 notwithstanding, the Board may, if it deems necessary or appropriate, use special capital assessments for other purposes but, only after the use of has been announced at

a Special Meeting called for that purpose and at least a majority vote of the Members present in person or by proxy is obtained. Funds shall be deposited in a separate bank account to be held in trust for such purpose. These funds shall not be commingled with any other funds of the Association.

(b) The Board of Directors of the Association may levy special individual assessments against one or more Owners for (i) reimbursement to the Association of the costs for repairs to the Property or Common Properties and improvements thereto occasioned by the willful or negligent acts of such Owner or Owners and not ordinary wear and tear; or (ii) for payment of fines, penalties or other charges imposed against an Owner for Owner's or an Owners relatives, an occupant, tenant, guest, or invitee for such failure to comply with the terms and provisions of this Declaration, the Bylaws of the Association, the community wide standard, or any rules or regulation promulgated hereunder; or (iii) for the maintenance or repair of community mailboxes which serve some, but less than all, the Members in the Association. Any special individual assessment levied by the Association shall be paid by the Owner or Owners directly to the Association. All amounts collected by the Association as special individual assessments under this Section 5.05 shall belong to and remain with the Association.

5.06 Uniform Rate of Assessments. All assessments excluding special individual assessments which may be levied on one or more but, less than whole, must be fixed at a uniform rate for all Lots, and be payable as set forth herein.

5.07 Date of Commencement of Assessments; Due Dates; No Offsets. The annual maintenance assessments provided for herein shall commence on the date fixed by the Board of Directors to be the date of commencement and, except as hereinafter provided, shall be payable monthly, quarterly, semi-annually or annually, in advance, on the first day of each payment period thereafter, as the case may be and as the Board of Directors shall direct. The first annual maintenance assessment shall be made for the balance of the calendar year in which it is levied. The amount of the annual maintenance assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual maintenance assessment provided for in Section 5.04 hereof as the remaining number of months in that year bears to twelve; provided, however, that if the date of commencement falls on other than the first day of a month, the annual maintenance assessment for such month shall be prorated by the number of days remaining in the month. The due date or dates, if to be paid in installments, of any special capital assessment, special assessment, or special individual assessment under Section 5.05 hereof shall be fixed in the respective resolution authorizing such assessment. All Assessments shall be payable in the amount specified by the Association and no offsets against such amount shall be permitted for any reason.

5.08 Duties of the Board of Directors with Respect to Assessments.

(a) The Board of Directors shall fix the date of commencement and the amount of the annual maintenance assessment 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 or statement of account of all assessments shall be delivered or mailed to every Owner subject thereto. Notwithstanding, if the annual maintenance assessment does not change from the preceding year to the next the Association shall be required to deliver only one statement or coupon to the Owner. Such notice shall be sent to each Owner at the last address provided by Owner, in writing, to the Association.

(c) The omission of the Board of Directors to fix the assessments within the time period set forth above for any year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay the assessments, or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

5.09 Non-Payment of Assessment.

(a) Delinquency. Any Assessment, or installment thereof, which is not paid in full when due shall be delinquent on the day following the due date (herein, "delinquency date") as specified in the notice of such Assessment. The Association shall have the right to reject partial payment of an Assessment and demand full payment thereof. If any Assessment or part thereof is not paid within ten (10) days after the delinquency date, the unpaid amount of such Assessment shall be charged a late charge in the amount of \$25.00 which shall be assessed against the nonpaying Owner for each month that any portion of any Assessment remains unpaid. A service charge in the amount of \$25.00 or the amount charged by the bank, shall be charged for each check that is returned because of insufficient funds. The Association's Managing Agent shall have the right to charge fees for collection and administrative services performed on delinquent accounts which shall be assessed against the nonpaying Owner for each month that any portion of any Assessment remains unpaid. The fees owed to the Managing Agent are not subject to negotiation or waiver without the express written consent of the Agent. The amounts of late charges, collection and administrative fees, and other service charges may be adjusted, from time to time, by the Board or through contract with the Managing Agent. Late charges, collection fees, and other service fees shall be subject to collection in the same manner as an assessment and may be subject to other fees such as interest and compounded fees as may be applicable or allowed by law.

(b) Lien. The unpaid amount of any Assessment not paid by the delinquency date is and shall be, together with the interest and/or late fees thereon as provided in Section 5.09(a) hereof and the cost of collection fees thereof, including reasonable attorneys' fees, a continuing debt, secured by, a lien and there is hereby impressed upon and created against each Lot, a lien and charge on the Lot of the non-paying Owner, which shall bind such Lot in the hands of the Owner, and his heirs, executors, administrators, devisees, personal representatives, successors and assigns. The lien shall be superior to all other liens and charges against the Lot, except only for tax liens and the lien of any bona fide first mortgage or first deed of trust now or hereafter placed upon such Lot. A subsequent sale or assignment of the Lot shall not relieve the Owner from liability for any Assessment made prior to the date of sale or

assignment and thereafter becoming due nor from the lien of any such Assessment. The Board shall have the power to subordinate the lien securing the payment of any Assessment rendered by the Association to any other lien. Such power shall be entirely discretionary with the Board. As hereinbefore stated, the personal obligation of the Owner incurred at the time of such Assessment to pay such Assessment shall remain the personal obligation of such Owner and shall not pass to such Owner's successors in title unless expressly assumed by them in writing. Liens for unpaid Assessments shall not be affected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may exempt himself from liability for such Assessments or waive or otherwise escape liability for the Assessments by non-use of the Common Properties or abandonment of his Lot.

To evidence any lien, the Association shall prepare a written notice of lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot covered by such lien. Such notice shall be executed by one of the officers of the Association and shall be recorded in the Office of the County Clerk of Dallas County, Texas.

(c) Remedies. The lien securing the payment of the Assessments shall attach to the Lot belonging to such non-paying Owner upon recordation of this Declaration with the priority set forth in this Section. Subsequent to the recording of a notice of the lien, the Association may institute an action at law against the Owner or Owners personally obligated to pay the Assessment and/or for the foreclosure of the aforesaid lien. In any foreclosure proceeding the Owner shall be required to pay the costs, expenses and reasonable attorneys' fees incurred by the Association. In the event an action at law is instituted against the Owner or Owners personally obligated to pay the Assessment there shall be added to the amount of any such Assessment:

- (i) the interest provided in this Section subject to charging from time to time, at the sole discretion of the Board;
- (ii) the costs of collections, preparing and filing the complaint in such action;
- (iii) the reasonable attorneys' fees incurred in connection with such action; and
- (iv) any other costs of collection;

and in the event a judgment is obtained, such judgment shall include interest on the Assessment as provided in this Section and a reasonable attorneys' fee to be fixed by the court, together with the costs of the action.

Each Owner, by acceptance of a deed to a Lot, hereby expressly vests in the Association or its agents or trustees the right and power to bring all actions against such Owner personally for the collection of such charges as a debt, and to enforce the aforesaid liens by all methods available for the enforcement of such liens, including

non-judicial foreclosure pursuant to Section 51.002 of the Texas Property Code, and such Owner hereby expressly grants to the Association the private power of sale in connection with said liens. The Association may also suspend the Association membership and voting rights of any Owner who is in default in payment of any Assessment in accordance with this Declaration and/or the Bylaws.

(d) Notice to Mortgagees. The Association may, and upon the written request of any mortgagee holding a prior lien on any part of the Properties, shall report to said mortgagee any Assessments remaining unpaid for longer than thirty (30) days after the delinquency date of such Assessment.

5.10 Subordination of the Lien to Mortgages. The lien securing the payment of the Assessments shall be subordinate and inferior to the lien of any bona fide first lien mortgage or deed of trust now or hereafter recorded against any Lot; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a sale, whether public or private, of such property pursuant to the terms and conditions of any such mortgage or deed of trust. Such sale shall not relieve the new Owner of such Lot from liability for the amount of any Assessment thereafter becoming due nor from the lien securing the payment of any subsequent assessment.

5.11 Exempt Property.

The following property subject to this Declaration shall be exempted from the assessments, charges and liens created in Section 5.04 and Section 5.05(a) hereof:

- (a) All properties dedicated and accepted by the local public authority and devoted to public use.
- (b) All Common Properties.
- (c) All Declarant owned Lots and Property during the Class B Period.

5.12 Estoppel Information from Board with Respect to Assessments. The Board shall upon demand at any time furnish to any Owner liable for an Assessment, a Certificate signed by an officer or agent of the Association, setting forth whether said Assessment has been paid. Such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid. A reasonable charge may be made by the Board of Directors of the Association or its Managing Agent for the issuance of such certificates.

**ARTICLE VI
GENERAL POWERS AND DUTIES
OF BOARD OF DIRECTORS OF THE ASSOCIATION**

6.01 Powers and Duties. The affairs of the Association shall be conducted by its Board of Directors. During the Declarant Control Period the Declarant shall select and appoint the Board of Directors, each of whom need not be a Class A or Class B Member and at Declarant's sole discretion,

Declarant may limit the responsibilities of the Board. The Board, for the benefit of the Property, the Common Properties and the Owners, shall provide and pay for, out of the funds(s) collected by the Association pursuant to Article V above, the following:

(a) Care and preservation of the Common Properties and the furnishing and upkeep of any desired personal property for use in the Common Properties. Expenditures for the repair or installation of capital improvements, not included in the annual maintenance budget, may be paid from the reserve fund as specifically provided in Section 6.05 herein.

(b) Care and maintenance of any roads, streets, alleys, security facilities, fencing, irrigation, landscaping, screening walls, entry features, or other property or structures for which the Association is responsible for the maintenance thereof, which may be constructed on and constitute a part of the Common Properties. Maintenance includes all repair, rebuilding, cleaning or other maintenance deemed necessary by the Board of Directors.

(c) Should the Board so elect, maintenance of exterior grounds, drives, parkways, private streets and access areas, including care of trees, shrubs and grass, the exact scope of which shall be further specified by the Board from time to time. In particular, the Board shall be empowered to contract with persons or entities who shall be responsible for the maintenance of landscaping, trees, shrubs, grass and like improvements which are located on the Common Properties and/or the Lots, except for landscaping and other like improvements which are located within rear yards or side yards enclosed by solid fence, which shall be maintained by the individual Lot Owner. Maintenance services contracted for by the Board in accordance with this paragraph shall be paid for out of Association funds.

(d) The Association shall have the right to control access to and prevent persons from coming onto the Property. The Association may maintain access control facilities located at the entrances to the Property and may retain a private security service for the Property for the purpose of preventing persons from entering onto the Property without the prior approval of an Owner or Declarant. The access control facilities may be operated by the Association, its employee or agent, at such hours and times as the Board may determine from time to time. Nothing contained herein shall be construed so as to hold Declarant or the Association, or any of their employees or agents, responsible for the prevention, nor liable for any loss or losses due to theft, burglary, or damage, or any injury to persons or property caused by persons gaining access to the Property.

NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTY, AND NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY

REASON OR FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND RESIDENTS OF ANY LOT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS, DECLARANT, OR ANY SUCCESSOR DECLARANT AND THE ARCHITECTURAL REVIEW COMMITTEE OR ANY AGENT OR ASSIGNS DO NOT MAKE ANY REPRESENTATION OR WARRANTY WITH REGARD TO ANY SECURITY SYSTEM, FIRE PROTECTION SYSTEM, OR BURGLAR ALARM SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO DESIGN GUIDELINES ESTABLISHED BY THE DECLARANT OR THE ARCHITECTURAL REVIEW COMMITTEE. EACH OWNER AND RESIDENT OF ANY LOT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE ARCHITECTURAL REVIEW COMMITTEE, THE DECLARANT, OR ANY SUCCESSOR DECLARANT OR AGENT OR ASSIGNS ARE NOT INSURERS AND THAT EACH OWNER AND RESIDENT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS AND TO THE CONTENTS OF LOTS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE ARCHITECTURAL REVIEW COMMITTEE, THE DECLARANT, OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, RESIDENT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO SECURITY SYSTEMS OR ANY FIRE AND/OR BURGLAR ALARM SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

Controlled access services and maintenance of the controlled access systems may include guard houses, guard service and controlled access gates, which may be constructed by Declarant on the Common Properties or on private property. Maintenance may include, but not be limited to, all repairs, rebuilding, cleaning or other services as required. The exact scope of controlled access services shall be further specified by the Board from time to time. In particular, the Board shall be empowered to contract with persons or entities that shall be responsible for the operation and maintenance of the security system, including security guard service. Security services contracted for by the Board in accordance with this paragraph shall be paid for out of Association funds.

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

- (f) Legal and accounting services.
- (g) A policy or policies of insurance ensuring the Association, its officers and directors against any liability to the public or to the Owners (and/or their invitees or tenants) incident to the operation of the Association, including, without limitation, officers' and directors' liability insurance.
- (h) Workers' compensation insurance to the extent necessary to comply with any applicable laws.
- (i) Such fidelity bonds as may be required by the Bylaws or as the Board may determine to be advisable.
- (j) Any other materials, supplies, insurance or property owned by the Association, furniture, labor, services, maintenance, repairs, alterations, taxes or assessments 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.
- (k) To execute all declarations of ownership for tax assessment purposes and to pay all taxes with regard to the Common Properties.
- (l) To enter into agreements or contracts with insurance companies, taxing authorities and the holders of mortgage liens on one or more Lots with respect to: (i) taxes on the Common Properties and (ii) insurance coverage of the Common Properties, as they relate to the assessment, collection and disbursement process envisioned in this Declaration.
- (m) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit.
- (n) To enter into contracts, maintain one or more bank accounts, and generally, to have all the powers necessary or incidental to the operation and management of the Association and the Common Properties, expressly including the power to enter into management and maintenance contracts.
- (o) If, as, and when the Board, in its sole discretion, deems necessary it may take action to protect or defend the Common Properties from loss or damage by suit or otherwise, to sue or defend in any court of law on behalf of the Association and to provide adequate reserves for repairs and replacements.
- (p) To make reasonable rules and regulations for the operation and use of the Common Properties and to amend them from time to time, provided that any rule or regulation may be amended or repealed by an instrument in writing signed by 67% of the Members, or, with respect to a rule applicable to less than all of the Property, by 67% of the Members in the portions affected.

(q) Subsequent to incorporation, to make available to each Owner, within one hundred twenty (120) days after the end of each year, an unaudited annual report.

(r) Pursuant to Article VII herein, 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.

(s) If, as and when the Board, in its sole discretion, deems necessary, it may take action to enforce the provisions of this Declaration, the provisions of any Supplementary Declaration and any rules made hereunder and to enjoin and/or seek damages from any Owner for violation of such provisions or rules.

6.02 Board Powers. From and after the date on which the title to the Common Properties has been conveyed to the Association, the Board shall have the right to contract for all goods, services and insurance, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

6.03 Maintenance and Management Contracts. The Board, on behalf of the Association, shall have full power and authority to contract with any Owner or any third party for the performance by the Association of services upon such terms and conditions and for such consideration as the Board may deem proper, advisable and in the best interest of the Association. *Any maintenance or management contracts entered into by the Declarant prior to the end of the Declarant Control or Class B Period shall be honored through the termination date of said contract. The Board may terminate a contract entered into by the Declarant prior to the termination date when there is proven gross negligence, willful misconduct, when the quality of work is below an acceptable standard or level, or when the other party to the contract shall mutually agree to the early termination of said contract.*

In the event that the Board elects to contract with a Managing Agent to perform any duties of the Board in accordance with this Declaration the Board shall record or cause to be recorded in each county in which the Subdivision is located a management certificate, signed and acknowledged by an officer or the Managing Agent of the Association in accordance with the requirements of Section 209.004 of the Texas Property Code. An amended management certificate shall be recorded no later than the 30th day after the date on which the Association has notice of a change in any information pertaining to the Managing Agent applicable to the Association. Notwithstanding the foregoing or anything to the contrary contained herein, in no event shall the Declarant, the Association and/or their respective officers, directors, employees, and/or agents, or the Board be subject to liability to any Person for a delay in recording or failure to record a management certificate except as otherwise provided by law.

6.04 Liability Limitations. No Member, officer of the Association or member of the Board of Directors 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.

The Common Properties may be subject to storm water overflow and other natural or man-made events or occurrences to extents which cannot be defined or controlled. Under no circumstances shall Declarant ever be held liable for any damages or injuries of any kind or character or nature whatsoever resulting from: (i) the occurrence of any natural phenomena; (ii) the failure or defect of any structure or structures situated on or within the Common Properties; and (iii) any act, conduct, omission or behavior of any individual, group of individuals, entity or enterprise occurring on, within or related to the Common Properties.

6.05 Reserve Funds. The Board may establish restricted and/or non-restricted reserve funds, for such purposes as may be determined by the Board, which may be maintained and accounted for separately from other funds maintained for annual operating expenses and may establish separate, irrevocable trust accounts in order to better demonstrate that the amounts deposited therein are contributions or capital contributions and are not net income to the Association. Expenditures from any such fund will be made at the direction of the Board. The reserve fund provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the subdivision, and maintaining the subdivision and improvements therein, or as may be more specifically authorized from time to time by the Board of Directors. Capital expenditures from this fund may include by way of example, but not be limited to, street and street light repair should such maintenance be the responsibility of the Association, perimeter and screening wall maintenance and repair, control access gates and system repair or other repair of major damage to the Common Properties not covered by insurance or in the event insurance proceeds are not sufficient for the repair or replacement of any property or grounds owned and to be maintained by the Association.

6.06 Working Capital Contribution. Upon sale of record title to a Lot by an Owner other than the Declarant, a contribution of \$1,500.00 shall be made by the purchaser of such Lot or on behalf of such purchasing Owner to the "Working Capital Contribution" (herein so called) of the Association. This amount is not refundable, shall be in addition to, not in lieu of, the Annual Maintenance Assessment levied on the Lot and shall not be considered an advance payment of any portion thereof. This amount shall be deposited into escrow and disbursed therefrom to the Association or to the applicable Declarant if the Association is not yet established and shall be used for any expenditure of the Association as the Declarant and thereafter, the Board of Directors deems necessary. Such amount shall be reviewed annually and may be increased as the Declarant and thereafter, the Board of Directors deems necessary. Declarant may exempt Builders from all or any portion of the payment of Working Capital Contribution at the Declarant's sole discretion. **At least \$500.00 of each contribution collected upon the sale of record title to a Lot shall be placed in a segregated general reserve fund so as to establish a fund from which the Association may perform maintenance, make repairs, or replace common elements or other structures as may be needed. At the Declarant's sole discretion, it may require the use of general reserves by the Association prior to submission of any request for subsidy or request for a loan from the Declarant.**

6.07 Transfer Fees and Fees for Issuance of Resale Certificates. The Board may, at its sole discretion, enter into a contract with a Managing Agent to oversee the daily operation and management of the Association. The Managing Agent 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" (herein so called). 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 regular or special assessments, and are in addition to the contribution to the Working Capital Contribution in Section 6.06 above. This Section does not obligate the Board or any third party to levy such fees. As noted in Section 10.07 of this Declaration, except in the case of the purchase of a Lot by a builder or developer who constructs a residence on such Lot, the Owner of a Lot may not for a period of twenty-four (24) months from the date of purchase list, advertise, market or otherwise resell such Lot.

ARTICLE VII INSURANCE; REPAIR AND RESTORATION

7.01 Right to Purchase Insurance. The Association shall purchase, carry and maintain in force insurance covering any or all portions of the Common Properties, the improvements thereon and appurtenant thereto, for the interest of the Association and of all Members thereof, in such amounts and with such endorsements and coverage as shall be considered good sound insurance coverage for properties similar in construction, location and use to the subject property. Such insurance may include, but need not be limited to:

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

7.02 Insurance Proceeds. Proceeds of insurance shall be disbursed by the insurance carrier to the Association or contractors designated by the Association as the Board of Directors may direct. The Association shall use the net insurance proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of insurance paid to the Association, as required in this Article, remaining after satisfactory completion of repair and replacement, shall be retained by the Association as part of a general reserve fund for repair and replacement of the Common Properties.

7.03 Insufficient Proceeds. If the insurance proceeds are insufficient to repair or replace any loss or damage, the Association may utilize reserves or levy a special assessment as provided for in Article V of this Declaration to cover the deficiency. If the insurance proceeds are insufficient to repair

or replace any loss or damage for which an Owner is bound hereunder, such Owner shall, as such Owner's undivided responsibility, pay any excess costs of repair or replacement.

7.04 Mortgagee Protection. There may be attached to all policies of insurance against loss or damage by fire and other hazards, a mortgagee's or lender's loss payable clause; provided, however, that amounts payable under such clause to the mortgagee may be paid to the Association to hold for the payment of costs of repair or replacement, subject to the provisions of Section 7.02 hereof. The Association shall be responsible to hold said monies or to collect additional monies if the proceeds are insufficient to pay for the cost of all repairs or replacements and shall ensure that all mechanics', materialmen's and similar liens which may result from said repairs or replacements are satisfied.

7.05 Destruction of improvements on Individual Lots. In the event of destruction (total or partial) to the improvements on any individual Lot due to fire or any other cause each Owner covenants and agrees to clear and remove any and all debris resulting from such damage within ninety (90) days after the date that the damage occurs and to complete all necessary repairs or reconstruction of the damaged improvements within one (1) year after the date that the damage occurs.

ARTICLE VIII USE OF COMMON PROPERTIES

The Common Properties may be occupied and used as follows:

8.01 Restricted Actions by Owners. No Owner shall permit anything to be done on or in the Common Properties which would violate any applicable public law or zoning ordinance or which will result in the cancellation of or increase of any insurance carried by the Association. No waste shall be committed in or on the Common Properties. Non-compliance with any rule regarding use of Common Properties is a violation of this Declaration and subject to fines and loss of use of Common Properties and/or any amenity or common element which may now exist or hereafter be constructed or added.

8.02 Damage to the Common Properties. Each Owner shall be liable to the Association for any damage to the Common Properties caused by the negligence or willful misconduct of the Owner or such Owner's family, guests, pets, tenants or invitees.

8.03 Rules of the Board. All Owners and occupants shall abide by any rules and regulations adopted by the Board or by the Community Wide Standard. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and an Owner determined by judicial action to have violated said rules and regulations shall be liable to the Association for all damages and costs, including reasonable attorney's fees, incurred by the Association in connection therewith. The Board shall have the right to enforce certain rules whether they be written or unwritten, based on a community wide standard and in order to uphold and ensure the continual beauty, safety, and overall desired aesthetics, property value, and harmony sought and expected in the Crespi Estates Homeowners Association.

**ARTICLE IX
USE OF PROPERTY AND LOTS; PROTECTIVE COVENANTS**

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

9.01 Custom Homes. Only single-family residential dwellings will be constructed on the Lots.

9.02 Residential Purposes. Each Lot (including land and improvements) shall be used and occupied for single family residential purposes only. No Owner or other occupant shall use or occupy such Owner's Lot, or permit the same or any part thereof to be used or occupied, for any purpose other than as a private single family detached residence for the Owner or such Owner's tenant and their families and domestic servants employed on the premises. ALL NEW HOME PLANS, RECONSTRUCTION, REMODELING, OR ANY OTHER CONSTRUCTION OR MODIFICATION TO A HOME, STRUCTURE, OR LOT MUST BE APPROVED IN WRITING BY THE ARCHITECTURAL CONTROL COMMITTEE.

9.03 Minimum Lot Area. Each Lot shall contain at least sixteen thousand (16,000) square feet. No Lot shall be resubdivided; provided, however, that Declarant shall have and reserves the right, at any time, or from time to time, upon the joinder and consent of the appropriate county and/or municipal authorities, and with the joinder and consent of the directly affected Owners, to file a replat of the Plat to effect a resubdivision or reconfiguration of any Lots then owned by Declarant, so long as, such replat results in each resubdivided Lot containing not less than the minimum lot size prescribed by the zoning ordinances of the City of Dallas, Texas. Owners shall not unreasonably withhold or delay their joinder in or consent to the replat or amendments to the Plat. The privilege to replat Lots owned by the Declarant reserved in this Section 9.03 shall be exercisable only by Declarant.

9.04 Minimum Floor Space. All floor areas referenced below are for air-conditioned floor areas, exclusive of porches, garages, or breezeways attached to the main dwelling. Each dwelling constructed on any Lot in the subdivision shall contain a minimum of eight thousand (8,000) square feet.

9.05 Combining Lots. Any person owning two or more adjoining Lots may consolidate such Lots into a single building location for the purpose of constructing one (1) residential structure thereon (the plans and specifications therefor being approved as set forth in this Declaration) and such other improvements as are permitted herein; provided, however, any such consolidation must comply with the rules, ordinances and regulations of any governmental authority having jurisdiction over the Property. In the event of any such consolidation, the consolidated Lots shall be deemed to be a single Lot for purposes of applying the provisions of this Declaration; provided, however, *such Owner shall continue to pay assessments on such Lots as if such Lots had not been consolidated* and shall be entitled to one vote for each Lot (determined prior to such consolidation) owned by such Owner. Any such consolidation shall give consideration to easements as shown and provided for on the Plat and any required abandonment or relocation of any such easements shall require the prior written approval of Declarant as well as the prior written approval of any utility company having the right to the use of such easements. Combining of portions of Lots into a single building site is prohibited.

9.06 Setback Requirements and Building Location. *All front, side and rear setbacks must be approved by the Architectural Control Committee, and must meet the minimum requirements of the City of Dallas and the recorded Plat.* The location of the main residence on each Lot and the facing of the main elevation with respect to the street shall be subject to the written approval of the Architectural Control Committee. No building or structure of any type shall be erected on any Lot nearer to the property lines indicated by the minimum building setback line on the Plat.

9.07 Height. No building or structure on any Lot shall contain more than the maximum height allowed by the City of Dallas, such height to be measured and determined in accordance with the method approved by the City of Dallas.

9.08 Driveways. Each Lot must be accessible to the adjoining street by a driveway suitable for such purposes and approved in writing as to design, materials and location by the Architectural Control Committee before the residential structure located on such Lot may be occupied or used. Driveways are considered structures by the Association and by way of this Declaration and shall be subject to any setback rule the Association may have or adopt at any time and from time to time.

9.09 Access. No driveways or roadways may be constructed on any Lot to provide access to any adjoining Lot except as expressly provided on the Plat, or otherwise approved in writing by the Architectural Control Committee.

9.10 Drainage. Neither the Declarant nor its successors or assigns shall be liable for any loss of, use of, or damage done to, any shrubbery, trees, flowers, improvements, fences, walks, sidewalks, driveways, or buildings of any type or the contents thereof on any Lot caused by any water levels, rising waters, or drainage waters. After the residence to be constructed on a Lot has been substantially completed, the Lot must be graded so that surface water will generally flow to streets, alleys, drainage easements, or Common Properties, and in conformity with the general drainage plans for the subdivision. Before commencing construction on any lot, applicable local and federal permits must be obtained to ensure compliance with a storm water pollution plan. All roof area drainage must be diverted into 6" gutters and all gutters must drain into 4"x 6" or 5" round downspouts. All downspouts must be connected to a properly designed PVC underground drainage system. All surface drainage systems and underground drainage systems must connect to a storm sewer drainage tap provided for each lot.

9.11 Utilities. Each residence situated on a Lot shall be connected to the potable water and sanitary sewer lines as soon as practicable after same are available at the Lot line. No privy, cesspool, or septic tank shall be placed or maintained upon or in any Lot. However, portable toilets will be required during building construction. The installation and use of any propane, butane, LP Gas or other gas tank, bottle or cylinder of any type (except portable gas grills), shall require the prior written approval of the Architectural Control Committee, and, if so approved, the Architectural Control Committee may require that such tank, bottle or cylinder be installed underground. Any control boxes, valves, connections, utility risers or refilling or refueling devices shall be completely landscaped with shrubbery so as to obscure their visibility from the streets within or adjoining the Property or from any other Lot.

9.12 Construction Requirements.

(a) The exterior surface of all residential dwellings shall be constructed of glass, wood, brick, stone, masonry or stucco, or other materials only as approved by the Architectural Control Committee. No previously used materials, other than fired antique brick, shall be permitted on the exterior of the residential structures located within the Property, without the prior written approval of the Architectural Control Committee.

It is specifically required that the exterior wall area of each residence located within the Property shall not have less than seventy percent (70%) brick, stone or masonry stucco construction. Fronts of each residence should be primarily mason. The remaining thirty percent (30%) of other materials to be allowed shall be restricted to sides and rear of the home and may consist of other materials only as approved by the Architectural Control Committee. ***The exterior portion of any chimney shall be one hundred percent (100%) brick, stone or stucco construction.*** The surface area of windows surrounded completely by masonry may be included within the computation of the exterior brick, stone or stucco wall area of a residence. The use of various roofing materials within the subdivision shall be permitted, however, ***no roofing material shall be used without first obtaining the Architectural Control Committee's written approval of same and no composition roof shingle will be allowed on any dwelling.***

The Architectural Control Committee will only approve roofing materials which are of a quality consistent with the external design, color and appearance of other improvements within the subdivision. ***The roof pitch of any structure shall be 4" x 12" minimum.*** No home shall be built with predominately flat roof architecture. Flat roofs may be used when necessary to comply with height restrictions or as a complimentary element of a particular design notwithstanding, ***flat roofs for the purpose of rooftop patios, balconies, or other similar outdoor living areas or uses may be strictly limited and subject to Architectural Control Committee's written approval.*** ***The Architectural Control Committee shall have the sole right to reject any flat roof design it feels would not be in keeping with the community's architectural harmony or which may violate certain privacy rights of other residences in or located near the Crespi Estates community of homes to include the Crespi Mansion.*** Any deviation of roof pitch must be approved in writing by the Architectural Control Committee.

(b) Exterior paint and stain colors shall be subject to the written approval of the Architectural Control Committee.

(c) All windows shall be constructed of aluminum clad, wood, steel, vinyl or architectural aluminum (similar to western or Fleetwood) or of other materials and styles as may be approved in writing by the Architectural Control Committee. ***All windows located on the exterior walls of the residence or any structure that would provide a view of the Crespi Mansion shall be subject to strict guidelines with regard to window allowance to include type, style, and placement. Only high horizontal windows at least five or more feet above head height and other windows such as, by way of example, but not limited to, clerestory windows, skylights or roof windows, obscured glass windows, frosted finish glass block windows or other windows as approved by the Architectural Control Committee shall be allowed.***

The style and number of windows used on any exterior wall or portion of any residence that faces the Crespi Mansion or provides an unrestricted view of the Crespi Mansion shall be subject to additional restrictions.

(d) Each residential structure shall have installed on the outside wall thereof an electric or gas service riser, the location and length of such riser to be subject to the written approval of the Architectural Control Committee; provided, however, no such conduit shall be visible from streets, Common Properties or adjoining Lots.

(e) No above ground-level swimming pools shall be installed on any Lot.

(f) Construction of any residence shall begin within one year of purchase from the Declarant or Declarant's authorized assignee and shall be completed not later than two (2) years following the commencement of construction. For the purposes hereof, the term "commencement of construction" shall be deemed to mean the date on which the foundation work is complete. No projections of any type shall be placed or permitted to remain above the roof of any residential building with the exception of one or more chimneys, a lightning rod system, and one or more vent stacks without the written permission of the Architectural Control Committee. All antennas and satellite dish locations must be approved in writing by the Architectural Control Committee.

9.13 Garages and Servants Quarters. Each residential dwelling erected on any Lot shall provide garage space for a minimum of two (2) standard sized automobiles. All garage doors shall be equipped with an automatic and remote-controlled door opener, and shall be closed at all times when not in use. Garage doors shall be of a material and design that will highly compliment the residence and overall design of the residence. Preferred materials for garage doors is steel and wood notwithstanding, other materials and styles will be considered depending upon the architecture of the home. Written approval of the Architectural Control Committee as to material, style, and design for garage doors shall be required. Decorated garage doors with windows, decorative hardware, and lighting is preferred. Detached garages, servant's quarters, and storage rooms must be approved in writing by the Architectural Control Committee. No open sided carport shall be built, placed, constructed or reconstructed on any Lot. As used herein, the term "carport" shall not be deemed to include a porte cochere. No garage shall ever be changed, altered, reconstructed or otherwise converted for any purpose inconsistent with the garaging of automobiles, unless a new garage is constructed to meet the requirements of this Section. No garage shall face a residential street or any of the Common Properties without wood or steel decorative doors. Porte cocheres must be approved in writing by the Architectural Control Committee.

9.14 Landscaping and Sprinkler System. Any and all plans for the landscaping of front yards and of side yards not enclosed by solid fencing, including alterations, changes or additions thereto, shall be subject to the written approval of the Architectural Control Committee. Each Lot on which a residential dwelling is constructed shall have and contain an underground water sprinkler system for the purpose of providing sufficient water to all front yards and all side yards not enclosed by solid fencing. Weather permitting, each Lot shall be fully landscaped within sixty (60) days after the date the residence thereon is occupied. Landscaping design and elements as well as outdoor lighting for Crespi Estates homes shall be as important to the overall aesthetics of the home and lot as the architectural features of the home itself.

A full landscape plan including type, number, and location of all trees, shrubs, plants, and other landscaping as well as any up or down lighting planned to showcase landscape around the home must be submitted prior to installation. Each Lot Owner shall be responsible for maintaining his own lawn and landscaping in a healthy and attractive condition.

9.15 Fences. No fence, wall or hedge shall be erected, placed or altered on any Lot without the prior written approval of the Architectural Control Committee and the design of and materials used in the construction of fences shall be subject to the prior written approval of the Architectural Control Committee. The Architectural Control Committee will strive to protect and preserve natural views of the Owners notwithstanding, the Committee shall be required to consider the privacy rights of the Owners, Residents, Tenants, Guests, Invitees, Employees, and Servants of the Crespi Mansion at all times and shall be a consideration when review and approval for fencing is taken under consideration by the Architectural Control Committee. No fence, wall or hedge shall be erected, placed or altered on any Lot nearer to any street than the minimum building setback line indicated on the Plat, unless otherwise permitted by the Architectural Control Committee and in accordance with the requirements of the City of Dallas. All wooden fences shall: (i) be board on board of pre-stained cedar or better wood materials (except structural components); (ii) have a minimum height of eight (8) feet; (iii) have slats measuring between four (4) and six (6) inches wide; (iv) have vertically installed all-metal support system slats mounted on the inside(no support posts shall be seen from the outside); and (v) be stained with a clear or neutral stain that does not conflict with the cosmetic surroundings. No fence, wall or hedge shall exceed nine (9) feet in height unless otherwise specifically approved by the Architectural Control Committee. No chain link fence or other wire type fence shall be erected on any Lot except for temporary chain link fencing installed along the perimeter of the subdivision for interim security.

All service and sanitation facilities, clothes lines, wood piles, tool sheds and air conditioning equipment **must be enclosed within fences, walls and/or landscaping so as not to be visible from the adjoining lots and residential streets.** The beauty and aesthetic appearance of Crespi Estates will be held to a constant standard and non-compliance of these standards whether written or part of the Community Wide Standard will be routinely upheld and firmly implemented within Crespi Estates. Upon submission of a written request, the Architectural Control Committee may, from time to time, at its sole discretion, permit Owners to construct fences or walls which are in variance with the provisions of this paragraph where, in the opinion of the Architectural Control Committee, the fence or wall is an integral part of the home or essential to meeting the privacy requirements of the Crespi Mansion. Fencing shall be constructed in accordance with the following restrictions based on the location of such fencing.

(a) Front Yard Fencing. Fencing will be allowed to extend from the perimeter of a dwelling (front façade) to the rear property line; provided, however, in connection with fencing from the perimeter of a dwelling to the side and rear property lines, all fencing shall be of construction identical to the type of construction used on the residence located on such Lot.

(b) Side Yard Fencing - Fencing between Lots shall be of wood material, provided that such wood fence is board-on-board, is of cedar material or better, has slats four (4) to six (6) inches wide which are installed vertically only (not horizontally or diagonally), is no higher than nine (9) feet, and is stained with a clear or neutral stain on

any surface facing a street, Common Properties, or adjoining Lot. All support posts are to be on the inside and never visible from the front of the home or any street.

(c) Rear Yard Fencing - Fencing for Lots which back up to or provide a view of the Crespi Mansion shall consist of masonry columns with wood fencing or wood panels at least eight feet (8') in height or as may be approved or required by the Architectural Control Committee; provided that masonry columns of brick or stone must be built with maximum spacing of twelve (12) feet from column center to column center. Variances to this rule shall be by the express written permission of the Architectural Control Committee. Fencing materials shall be consistent with those found in (a) and (b) above.

9.16 Trash Receptacles and Collection. Each Lot Owner shall make or cause to be made appropriate arrangements with the City of Dallas, Texas, for collection and removal of garbage and trash on a regular basis. If the Owner fails to make such provisions, the Association may do so and assess the costs thereof to the Owner. Each and every Owner shall observe and comply with any and all regulations or requirements promulgated by the City of Dallas, Texas, and/or the Association, 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 City of Dallas, Texas, and which shall be maintained in a clean and sanitary condition and out of view of the public. An Owner may place trash containers on the street curb or abutting his Lot only on those days designated by the City of Dallas, Texas, as trash collection days; provided, however, such trash must be kept neatly contained in a sanitary, tightly-sealed metal, plastic or other container. Bulk items may not be left out at any time until the scheduled day of pick up. Non-compliance with the rules found in this Section 9.16 shall result in an immediate fine after one (1) notice of not more than five (5) days has been sent to Owner by electronic or U.S. mail.

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.

9.17 Exterior Pole Lighting or Cameras. No exterior pole lights or cameras shall be installed or maintained on any Lot in any location without the prior written approval of the Architectural Control Committee. Further, and notwithstanding such prior written approval, upon being given notice by the Architectural Control Committee that any exterior light or camera in the opinion of the Architectural Control Committee, is objectionable, the Owner of the Lot on which same is located will immediately remove said light or camera or shield or modify the same in such a way that it is no longer considered to be objectionable. Lighting or cameras that disturb the peaceable enjoyment or privacy of neighboring homes whether in the community or located outside the Crespi Estates Homeowners Association may be considered objectionable elements. No camera may, at any time, be positioned as to capture film or photographs of the Crespi Mansion or anywhere inside its grounds.

9.18 Window Coolers. No window or wall type air-conditioners or water coolers shall be permitted to be used, erected, placed or maintained on or in any residential building on any part of the Property.

9.19 Antennas Restrictions, Satellite Dishes and Playground Structures. No radio or television aerial wires or antennas shall be maintained on the outside of any building nor shall any free-standing antennas of any style be permitted. All radio or television aerial wires or antennas must be built within the main structure and must not be visible from outside of such structure. The location of all satellite dishes shall be subject to the prior written approval of the Architectural Control Committee. No satellite dish over twenty-four (24) inches in diameter or playground structure shall be visible from public streets, Common Properties or adjoining Lots without the express written consent of the Architectural Control Committee.

9.20 Temporary or Permanent Structures and Vehicles. No structure of any kind shall be erected or placed upon any Lot without the express written consent of the Architectural Control Committee. No trailer, mobile, modular or prefabricated home, tent, shack, barn or any other structure or building, other than the residence to be built thereon, shall be placed on any Lot, either temporarily or permanently, and no residence, house, garage or other structure appurtenant thereto shall be moved upon any Lot from another location, except for a sale, pre-sale or construction trailer; provided, however, that Declarant reserves the exclusive right to erect, place and maintain, and to permit builders to erect, place and maintain such facilities in and upon the Property as in its sole discretion may be necessary or convenient during the period of and in connection with the sale of Lots, construction and selling of residences and constructing other improvements on the Property. Such facilities may include, but not necessarily be limited to, a temporary office building, storage area, signs, portable toilet facilities and sales office. Declarant and builders shall also have the temporary right to use a residence situated on a Lot as a temporary office or model home during the period of and in connection with the construction and sales operations on the Property, but in no event shall a builder have such right for a period in excess of one (1) year after the date of substantial completion of his last residence on the Property. Any truck, bus, boat, boat trailer or other water sports vehicle or carriers, trailer, mobile home, campmobile, camper or any other vehicle other than conventional automobile shall, if brought within the Property, be stored, placed or parked within the garage of the appropriate Owner or concealed from view from adjoining Lots, Common Properties, or public streets, unless approved in writing by the Architectural Control Committee.

9.21 Parking. On-street parking is restricted to approved deliveries, pick-up or short-time guests and invitees and shall be subject to such reasonable rules and regulations as shall be adopted and enforced by the Board of Directors. Parking in driveways is permitted; provided, however, no inoperable vehicles, no stored vehicles, or vehicles not utilized on a daily basis shall be permitted to be parked in driveways unless screened from view by approved fencing.

9.22 Signs. No signs, flags or flag poles shall be displayed to the public view on any Lot without the prior written approval of the Architectural Control Committee, with the following exceptions: (i) Declarant may erect and maintain a sign or signs for the construction, development, operation, promotion and sale of the Lots; (ii) the patriotic display of flags not exceeding 4' x 6' in size shall be permitted on customary holidays; and (iii) signs of customary dimensions (3' x 4' maximum) advertising said property or portions thereof for sale. Notwithstanding anything herein contained to the contrary, any and all signs, if allowed, shall comply with all sign standards of the City of Dallas, Texas, as such standards may be applicable to the Property.

9.23 Removal of Dirt. The digging of soil or the removal of any soil from any Lot is prohibited, except as necessary in conjunction with landscaping or construction of improvements thereon. Minimum finished floor elevations, if any, established on the Plat shall be maintained.

9.24 Drilling and Mining Operations. No oil or gas drilling, water drilling or development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, water wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil, natural gas or water shall be erected, maintained or permitted upon any Lot.

9.25 Offensive Activities. No noxious or offensive activity shall be conducted on any Lot nor shall anything be done thereon which is or may become an annoyance or nuisance to the other Owners. No animals, livestock or poultry of any kind shall be raised, bred or kept on any residential Lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for commercial purposes. The Board of Directors has the right, but not the obligation, to limit or restrict the type or breed of dog that may be kept by any Owner, occupant, tenant, guest, or invitee. This rule will especially apply if a report of vicious or aggressive behavior is reported or a dog attacks a person or another animal.

9.26 Drones and Unmanned Aircraft. Any Owner operating or using a drone or unmanned aircraft within the Property and related airspace must register such drone or unmanned aircraft with the Federal Aviation Administration (“FAA”), to the extent required under applicable FAA rules and regulations, and mark such drone or unmanned aircraft prominently with the serial number or registration number on the drone or unmanned aircraft for identification purposes. No drone or other unmanned aircraft may be flown within one-hundred feet (100’) of the grounds of the Crespi Mansion. BY ACCEPTANCE OF TITLE TO ANY PORTION OF THE PROPERTY, EACH OWNER ACKNOWLEDGES THAT USE OF A DRONE OR UNMANNED AIRCRAFT TO TAKE IMAGES OF PRIVATE PROPERTY OR PERSONS WITHOUT CONSENT MAY BE A VIOLATION OF TEXAS LAW AND CLASS C MISDEMEANOR SUBJECT TO LEGAL ACTION AND FINES UP TO \$10,000, NO VIDEO, FILM, OR PHOTOGRAPHING OF CRESPI MANSION OR ANY OF ITS GROUNDS IS ALLOWED. VIOLATION OF THIS RULE WILL RESULT IN A REQUEST FOR PERMANENT BAN ON THE USE OF A DRONE OR UNMANNED AIRCRAFT BY OWNER OR ANY OCCUPANT OF THE HOME OR LOT AND A FINE OF NOT LESS THAN \$1,000 WHICH SHALL BE LEVIED AFTER ONE (1) NOTICE OF NOT LESS THAN THREE (3) DAYS IS SENT TO THE OWNER BY ELECTRONIC OR U.S. MAIL. **IT IS YOUR RESPONSIBILITY TO KNOW AND COMPLY WITH ALL LAWS APPLICABLE TO YOUR DRONE AND/OR UNMANNED AIRCRAFT USE.**

(a) **Helipad located within the grounds of Crespi Mansion.** Owners, by acceptance of title to any portion of the property, is hereby put on notice of the existence of a helipad located on the grounds of the Crespi Mansion. The Crespi Mansion is not a Member of the Crespi Estates Homeowners Association and is therefore, not subject to the Covenants, Conditions and Restrictions or Rules and Regulations of the Association. *Each Owner by acceptance of Title to a Lot covenants and agrees the helipad shall not constitute a nuisance of any kind and shall not be subject to enforcement by Crespi Estates. An Owner may experience temporary wind turbulence, excessive noise upon landing or takeoff of a helicopter, and temporary bright lights or intermittent lights from the helipad or the helicopter itself.*

By acceptance of title to any portion of the property within Crespi Estates Homeowners Association, an Owner covenants and agrees to waive any right to expect or demand enforcement by the Crespi Estates Homeowners Association against Crespi Mansion for the existence and use of helipad located anywhere upon or within the grounds of Crespi Mansion. Should an Owner believe there has been an infraction of the FAA Rules, Owner should contact the FAA for assistance.

9.27 Duty of Maintenance.

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

- (i) Prompt removal of all litter, trash, refuse and waste;
- (ii) Lawn mowing, maintenance, and manicuring on a regular basis;
- (iii) Tree and shrub pruning;
- (iv) Watering landscaped areas;
- (v) Keeping exterior lighting and maintenance facilities in working order;
- (vi) Keeping lawn and garden areas alive, free of weeds, and attractive;
- (vii) Keeping parking areas, driveways, curbs and roads in good repair;
- (viii) Complying with all government health and police requirements;
- (ix) Repair of exterior damages to improvements;
- (x) Cleaning of landscaped areas lying between street curbs and Lot lines, unless such streets or landscaped areas are expressly designated to be Common Properties maintained by applicable governmental authorities or the Association; and
- (xi) Repainting of improvements.

(b) If, in the opinion of the Association, any such Owner or occupant has failed in any of the foregoing duties or responsibilities, then the Association may give such person written notice of such failure and such person must within ten (10) days after receiving such notice, perform the repairs and maintenance or make arrangements

with the Association for making the repairs and maintenance required. Should any such person fail to fulfill this duty and responsibility within such period, then the Association, through its authorized agent or agents, shall have the right and power, but not the obligation, to enter onto the premises and perform such repair and maintenance without any liability for damages for wrongful entry, trespass or otherwise to any person.

(c) Notwithstanding the provisions of Section 9.2(b) above, if, at any time, an Owner shall fail to control weeds, grass and/or other unsightly growth, the Association shall have the authority and right to go onto the Lot of such Owner for the purpose of mowing and cleaning said Lot and shall have the authority and right to assess and collect from the Owner of said Lot the sum expended by the Association for mowing or cleaning said Lot on each respective occasion of such mowing or cleaning. If, at any time, weeds or other unsightly growth on the Lot exceed six inches (6") in height, the Association shall have the right and authority to mow and clean the Lot, as aforesaid.

(d) The Owners and occupants (including lessees) of any Lot on which work is performed pursuant to Sections 9.27(b) and (c) above shall, jointly and severally, be liable for the cost of such work [such costs constituting a special individual assessment as specified in Section 5.05(b) hereof] and shall promptly reimburse the Association for such cost. If such Owner or occupant shall fail to reimburse the Association within thirty (30) days after receipt of a statement for such work from the Association, then said indebtedness shall be a debt of all said persons, jointly and severally, and shall constitute a lien against that portion of the Property on which said work was performed. Such lien shall have the same attributes as the lien for assessments and special assessments set forth in this Declaration, and the Association shall have the identical powers and rights in all respects, including but not limited to the right of foreclosure.

9.27 Maintenance of Common Properties. The Common Properties (including landscaping comprising portions of the Common Properties), fountains, ponds, or any other common element as described in this Declaration, by Plat, or by the executing and recording of a dedicatory instrument or deed as well as those Common Properties or any element thereon placed or erected by Declarant shall be owned and maintained in all respects by the Association from the time of installation or placement forward notwithstanding, the Association shall have the right to request a walk-through with the Developer or Installer and to delay taking responsibility of the Common Properties if it deems that further work, installation, repair, or alteration to the area is needed or essential to ensure proper operation and/or maintenance by the Association may be performed.

9.28 Retaining Walls. All retaining walls in front of any residence and/or to the side of any residence that are visible from the streets or Common Properties shall be constructed of only masonry or masonry covered concrete material approved by the Architectural Control Committee. Notwithstanding, prior approval shall not be required for any wall installed by the Declarant during the Declarant Control Period.

9.29 Basketball Goals/Hoops. Basketball goals, hoops, backboards and nets shall be permitted in backyard areas only where they will be screened from view. *In no event shall basketball goals/hoops or any other such sport or play structure be allowed in the area between the front of the dwelling and the street adjacent thereto.* Small courts in the back for play may be allowed upon written approval of the Architectural Review Committee. Size, quality, and location shall be key factors in determining if any such structure will be allowed.

9.30 Mailboxes. Mailboxes for each residence must conform strictly to the rules and guidelines promulgated for same by the Declarant, U.S. Postal Service, or the Architectural Control Committee, which will require, at a minimum, that each mailbox be constructed out of materials that are complimentary to the building materials used in the accompanying residence unless cluster mailboxes are used.

ARTICLE X ARCHITECTURAL CONTROL COMMITTEE

10.01 Architectural Control Committee. And as long as Declarant holds title to any of the Lots, the Architectural Control Committee, hereinafter called the "Committee", shall be composed of three (3) or more individuals selected and appointed by the Declarant which need not be Members. At such time as Declarant no longer owns any Lots, the Committee shall be composed of such individuals selected and appointed by a majority vote of the Board. *The Committee shall use its best efforts to continually promote and ensure a high level of quality, harmony, conformity and privacy throughout the Property.* The Committee shall function as the representative of the Owners for the purposes herein set forth as well as for all other purposes consistent with the creation and preservation of a first-class residential development.

A majority of the Committee may designate a representative to act for it. In the event of the death or resignation of any member of the Committee, the Board shall have full authority to designate and appoint a successor. No member of the Committee, nor their designated representative, shall be entitled to any compensation for services performed hereunder nor be liable for claims, causes of action or damages (except where occasioned by gross negligence or arbitrary and capricious conduct) arising out of services performed, actions taken, or inactions in connection with any undertaking, responsibility, or activity hereunder or request for action hereunder. Notwithstanding, the Committee may charge a reasonable fee to review plans and specifications with regard to new construction or any modification request submitted for review. At any time, the Declarant may delegate and assign to the Board of Directors, all of the Declarant's power and right to change the membership of the Committee, to withdraw or add powers and duties from or to the Committee, or to restore the powers and duties of the Committee. Such action by the Declarant shall be effective upon written instrument properly reflecting any such change and held for record with the books and records of the Association.

10.02 Architectural Approval. No building, structure, shed, fence, wall or improvement of any kind or nature shall be erected, constructed, placed, altered, changed or modified on any Lot until the plot plan showing the location of such building, structure, paving or improvement, construction plans

and specifications thereof and landscaping and grading plans therefor have been submitted to and approved in writing by the Committee or a representative or agent designated by the Committee to act on behalf of the Committee as to: (i) location with respect to Lot lines; topography; finished grades elevation; effect of location and use on neighboring Lots and improvements situated thereon; and any drainage arrangement, (ii) conformity and harmony of external design, color, texture, type and appearance of exterior surfaces and landscaping with existing structures and existing landscaping, (iii) quality of workmanship and materials; adequacy of site dimensions; adequacy of structural design; proper facing of main elevation with respect to nearby streets; and (iv) the other standards set forth within this Declaration (and any amendments hereto) or as may be set forth in bulletins promulgated by the Committee. In connection with the submission of such plot plan, construction plans and specifications, and landscaping and grading plans, the Committee may require that the submitting party pay a reasonable fee per submission, which fee shall be payable to the Committee or, if the Committee elects, to a representative designated by the Committee which may include an Agent or Assign, to review such plans and specifications. The Committee is authorized and will likely request the submission of samples of proposed construction materials or colors of proposed exterior surfaces. Final plans and specifications for new construction shall be submitted in duplicate to the Committee for approval or disapproval. At such time as the plans and specifications meet the approval of the Committee, one complete set of plans and specifications will be retained by the Committee and the other complete set of plans will be dated and marked "Approved" and returned to the Owner unless found not to be in compliance with these Covenants and Restrictions, then one set of such plans and specifications shall be returned marked "Disapproved", accompanied by a reasonable statement of items found not to comply with these Covenants and Restrictions. Any modification or change to the approved set of plans and specifications which materially affects items (i) through (iv) of the preceding paragraph must again be submitted to the Committee for its inspection and approval. The Committee's approval or disapproval as required herein shall be in writing. If the Committee or its designated representative fails to approve or disapprove such plans and specifications within forty-five (45) days after they have been submitted, then Committee disapproval shall be presumed; provided, however, that nothing in this paragraph shall affect in any way the method for seeking or granting variances, as described in Section 10.03 hereof, nor shall any failure of the Committee to act on a variance request within any particular period of time constitute the granting or approval of any such variance request.

The Committee is authorized and empowered to consider and review any and all aspects of dwelling construction to include restrictions on locations of windows, rooftop patios, balconies, or any other structure which may overlook or provide unobstructed view of the Crespi Mansion. The Committee may disapprove of any construction of other improvements and location, quality and quantity of landscaping on the Lots, or other aspects thereof which may, in the reasonable opinion of the Committee, adversely affect the living enjoyment of one or more Owner(s) or the general value of the Property. Failure of an Owner to provide all the required documentation or samples requested by the Committee may result in the suspension of review until the requested information is received. If after five (5) days the Owner fails to provide the Committee with the additional requested information, the application will be closed as incomplete and the request will be disapproved. The Committee may, and under certain circumstances is required to impose limits upon the location of window areas, patios, balconies, or other structures which would overlook an adjacent residential dwelling. Also, the Committee is permitted to consider technological advances in design and materials and such comparable or alternative techniques, methods or materials may or may not be permitted, in accordance with the reasonable opinion of the Committee.

The Committee may, from time to time, publish and promulgate architectural standards bulletins and/or design guidelines which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration. Such bulletins and guidelines shall supplement these Covenants and Restrictions and are incorporated herein by reference. The Committee shall have the authority to make final decisions in interpreting the general intent, effect and purpose of these Covenants and Restrictions.

PRIOR TO ACQUIRING ANY LOT OR CONSTRUCTING ANY STRUCTURE ON A 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 THE SPECIFIC STANDARDS, REQUIREMENTS OR LIMITATIONS SET FORTH OR REFERRED TO IN THIS DECLARATION TO INCLUDE, BUT NOT BE LIMITED TO, PROTECTING FROM UNREASONABLE INTRUSION, THE PERSONAL PRIVACY RIGHTS OF THE OWNERS, RESIDENTS, TENANTS, GUESTS, INVITEES, EMPLOYEES, AND STAFF OF THE CRESPI MANSION.

10.03 Variances. Upon submission of a written request for same, the Committee may, from time to time, and on a case by case basis, in its sole discretion, permit Owners to construct, erect, or install improvements which are in variance from the architectural standards, the Covenants and Restrictions, or the previously published architectural bulletins which are provided in this Declaration or which may be promulgated in the future. In any case, such variances shall be in basic conformity with and shall blend effectively with the general architectural style and design of the community; provided, however, in no event shall any such variance reduce required floor area by more than ten percent (10%). No member of the Committee shall be liable to any Owner or other person claiming by, through, or on behalf of any Owner, for any claims, causes of action, or damages arising out of the granting or denial of, or other action or failure to act upon, any variance requested by an Owner or any person acting for or on behalf of any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Committee's right to strictly enforce the Covenants and Restrictions, architectural standards or published architectural bulletins provided hereunder against any other Owner. Each such written request must identify and set forth in detail the specific restriction or standard from which a variance is sought and describe in complete detail the exact nature of the variance sought. Any grant of a variance by the Committee must be in writing and must identify in narrative detail both the standards from which a variance is being sought and the specific variance being granted including any limitations on time in the event of a temporary or restricted variance.

10.04 Nonconforming and Unapproved Improvements. The Association may require any Owner to restore such Owner's improvements to the condition existing prior to the construction thereof (including, without limitation, the demolition and removal of any unapproved improvement) if such improvements were commenced or constructed in violation of this Declaration or did not follow the conditions outlined in the Committee's written approval or conditional approval. In addition, the Association may, but has no obligation to do so, cause such restoration, demolition and removal and levy the amount of the cost thereof as a special individual assessment against the Lot upon which such improvements were commenced or constructed. A fine of not less than \$1,000.00 shall be levied upon any Owner or Builder that fails to comply with this Declaration or the written approval or conditional approval of the Committee for any new construction, addition, or modification, regardless of the source or type modification performed.

10.05 No Liability. Neither Declarant, the Association, the Committee, 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 unconditionally and perpetually indemnifies and hold Declarant, The Board, The Architectural Control Committee, and their respective Members, Employees, Designees, Administrators, Inspectors, Contractors, and Agents harmless from and against any claims, liabilities, loss, damage, costs and expenses, including but not limited to attorney's fees, in connection with or arising out of any actions or inactions taken hereunder by the Reviewer, irrespective of whether or not the Reviewer, its employees, contractors, agents and other individuals or entities to or employed by the Reviewer acted negligently or with willful 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 Committee, the members of the Committee, the Declarant nor the Association assumes liability or responsibility therefor, nor for any defect in any structure constructed from such plans and specifications.

10.06 Construction. An Owner of a Lot agrees to begin construction of the residence on such Lot within twelve (12) months after the purchase of such Lot. In the event construction is not commenced within such time period, the Declarant shall have the right, but not the obligation, to repurchase such Lot for the purchase price paid by such Owner less the closing cost paid by the Declarant. Construction for purposes of this paragraph shall mean the completion of the foundation for the residence to be constructed on the Lot.

10.07 Assignment and Resale. Except in the case of the purchase of a Lot by a developer who constructs a residence on such Lot, the Owner of a Lot may not for a period of twenty-four (24) months from the date of purchase list, advertise, market or otherwise resell such Lot.

ARTICLE XI EASEMENTS

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

11.02 General. The rights and duties of the Owners with respect to sanitary sewer, water, electricity, natural gas, telephone and cable television lines and drainage facilities shall be governed by the following: Wherever (i) sanitary sewer or water service connections, (ii) natural gas, electricity, telephone or cable television lines, or (iii) drainage facilities are installed within the Property, which connections, lines or facilities or any portion thereof lie in or upon Lots owned by any party other than the Owner of a Lot served by said connections, lines or facilities, such Owners of Lots served shall have the right and are hereby granted an easement to the full extent necessary therefore, to enter upon the Lots within or upon which said connections, lines or facilities or any portion thereof lie to repair, replace and generally maintain said connections, lines or facilities as and when the same may be necessary.

11.03 Reservation of Easements. Easements over the Lots and Common Properties for the installation and maintenance of electric, telephone, cable television, water, gas and sanitary sewer lines and drainage facilities are hereby reserved by the Association, together with the right to grant and transfer same.

11.04 Surface Areas of Utility Easements. Easements for installation and maintenance of utilities are reserved as shown and provided for on the Plat. Underground electric, storm sewer, sanitary sewer, water, natural gas and telephone service shall be available to all Lots in the subdivision. Easements for the underground service may be crossed by driveways, walkways, patios, brick walls and fences, provided the Declarant or builder makes prior arrangements with the utility companies furnishing electric, storm sewer, sanitary sewer, water, natural gas and telephone service and provides and installs any necessary conduit of approved type and size under such driveways, walkways, patios, brick walls or fences prior to construction thereof. *Such easements for the underground service shall be kept clear of all other improvements*, and neither the grantee nor any utility company using the easements shall be liable for any damage done by either of them or their assigns, their agents, employees or servants, to shrubbery, trees, flowers or other improvements (other than for damages caused in crossing driveways, walkways, patios, brick walls or fences, providing conduit has been installed as outlined above) of the Owner located on the Lot covered by said easements. In addition, the utility easements shall not be used as alleyways.

11.05 Emergency and Service Vehicles. An easement is hereby granted to all police, fire protection, ambulance and other emergency vehicles and other service vehicles to enter upon the Common Properties, including but not limited to private streets, in the performance of their duties; and further, an easement is hereby granted to the Association, its officers, directors, agents, employees and management personnel to enter the Common Properties to render any service.

11.06 Universal Easement. The Owner of each Lot (including Declarant so long as Declarant is the Owner of any Lot) is hereby granted an easement not to exceed one (1) foot in width over all adjoining Lots and Common Properties for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, or any other cause. There shall be easements for the maintenance of said encroachment, settling or shifting; provided, however, that in no event shall an easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to willful misconduct of said Owner or Owners. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall be appurtenant to the Lot being serviced and shall pass with each conveyance of said Lot.

11.07 Front Wall and Landscape Easement. Shall mean any easement established on the Plat for the maintenance and repair of the perimeter screening wall and the associated landscape and irrigation. **Owners whose Lots may consist of any portion of perimeter screening wall shall not alter, paint or otherwise use such walls even though such walls and easements may be located on or adjacent to such Owner's Lot.**

11.08 Drainage Easement. Easements over the Lots and the Common Properties for the drainage and flow of surface water, as shown on the grading and drainage plans for the subdivision, are hereby reserved and retained for the benefit of the Association and/or its successors and assigns. In addition, each Owner covenants to provide easements for drainage and water flow as contours of land and the arrangements of improvements, approved by the Architectural Control Committee, thereon required. **Each Owner shall be responsible for maintaining his Lot so that there is no interference with the drainage patterns established by the grading and drainage plans, and, in the event any Owner shall interfere with the drainage patterns established by the grading and drainage plans, the Association shall have the right to enter such Lot to re-establish the proper drainage patterns. Any use or breach by an Owner, whether approved or not, that results in damage to Lot, Land, or Property of the Owner, or any surrounding Owner's Lots, Land, or Property, or to Land or Property of the Association the Owner shall be held fully liable. Liability shall include but not be limited to all claims, demands, losses, causes of action, suits or judgments of any kind.**

ARTICLE XII GENERAL PROVISIONS

12.01 Duration. The Covenants and Restrictions of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of thirty-five (35) years from the date that this Declaration is recorded in the Office of the County Clerk of Dallas County, Texas, after which time these Covenants and Restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the Members entitled to cast seventy-five percent (75%) of the votes of the Association, in the aggregate, regardless of class, has been recorded in the Office of the County Clerk of Dallas County, Texas, agreeing to abolish or terminate these Covenants and Restrictions; provided, however, that no such agreements to abolish shall be effective unless made and recorded one (1) year in advance of the effective date of such abolishment.

12.02 Amendments. Notwithstanding the terms and provisions of Section 12.01 hereof, this Declaration may be amended, modified and/or changed as follows:

(a) **during the time Declarant is the Owner of any Lot, the Declarant may amend or change this Declaration without the consent of joinder of any Member for any reason or purpose the Declarant deems necessary or appropriate.** Should Declarant own property other than a Lot held for sale for the purpose of construction of a residence, the consent of at least fifty-one percent (51%) of the outstanding votes of the Association, regardless of class, would be required;

(b) in all other situations, this Declaration may be amended or changed either upon the express written consent of Members entitled to cast at least sixty-seven percent (67%) of the outstanding votes of the Association who are in attendance in person or by proxy, at a meeting called and held for this purpose, regardless of class, or at least sixty-seven percent (67%) of the outstanding votes of the Association, regardless of class, whether or not a meeting is called.

Any and all amendments to this Declaration shall be recorded in the Office of the County Clerk of Dallas County, Texas. Regardless of and notwithstanding the prior provisions of this Section 12.02, (a) **the Declarant may execute and record amendments to this Declaration without such consent or approval if the amendment is for the purpose of correcting technical or typographical errors or for clarification**, and (b) as long as the Declarant is the Owner of any property, no amendment to this Declaration shall be effective without the prior written consent of the Declarant.

12.03 Enforcement. Enforcement of these Covenants and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate them, or to recover damages, or to enforce any lien created by these Covenants and Restrictions; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In addition, should the Association prevail in any such litigation, the Association shall be entitled to recover its reasonable attorneys' fees.

12.04 Severability. Invalidation of any one of these Covenants and Restrictions by judgment or court order shall in no wise affect any other provision of this Declaration or the remainder of these Covenants and Restrictions which shall remain in full force and effect.

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

12.06 Notices to Member/Owner. Any notice required to be given to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, addressed to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing. The Association shall adopt an e-mail registration policy for the purpose of utilizing electronic communications whenever possible and for any circumstance allowed under applicable law and Texas statute.

12.07 Notices to Mortgagees. If a holder of a mortgage on a Lot shall notify the Association of its address and the identity of the Lot and Owner covered by and granting such mortgage, then such holder(s) shall be entitled to receive written notification from the Association of any default by the respective Owner in the performance of such Owner's obligations as established by this Declaration.

12.08 Disputes. Matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions of this Declaration or the Bylaws of the Association shall be determined by the Board of Directors, whose determination shall be final and binding upon all Owners or shall be governed by the terms set forth in Article XV below.

12.09 Termination of and Responsibility of Declarant. If Declarant shall convey all of its right, title and interest in and to the Property and assign all its rights, benefits and obligations as Declarant hereunder to any partnership, individual or individuals, corporation or corporations, then and in such event Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or individuals, corporation or corporations, shall be obligated to perform all such duties and obligations of the Declarant.

ARTICLE XIII RIGHT OF CITY OF DALLAS TO MAINTAIN

13.01 Failure to Maintain Common Properties. Notwithstanding anything to the contrary contained herein, should the Association or the Board fail or refuse to maintain any of the Common Properties in accordance with any code, regulations, statutes or requirements of the City of Dallas, which failure or refusal is not cured or corrected within a reasonable period of time after receipt of notice of such violation from representatives of the City of Dallas (which period shall not exceed ninety (90) days), the City of Dallas, by and through a majority of its City Council, shall have the right, power and authority as herein given to the Association and its Board to enforce these Covenants and Restrictions and levy assessments necessary to maintain the Common Properties. It is understood that in such event, the City of Dallas, through its City Council, may elect to exercise the rights and powers of the Association or its Board to the extent necessary to take any action required and levy any assessments that the Association might have, either in the name of the Association, or otherwise, to cover the cost of maintenance of the Common Properties.

ARTICLE XIV ENFORCEMENT

14.01 Enforcement. The terms, provisions and conditions of this Declaration and the Design Guidelines shall be enforceable by the Declarant, the Association, its assigned Agent, the Architectural Control Committee and each Owner. The Board shall have the power and authority to impose reasonable fines which shall not exceed \$1,000.00 for each separate violation for violation of this Declaration, the 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 Area and/or Common Amenities. Each day the violation continues to exist shall constitute a separate violation. If any occupant, guest, or invitee of a Lot violates the Declaration, the Design Guidelines or a rule or regulation of the Association and a fine is imposed, the fine shall be assessed against such Owner, who shall pay the fine upon notice from the Association. No delay or failure on the part of Declarant, the Association or any Owner to invoke any available right, power or remedy with respect to a breach of this Declaration shall be held to be a waiver by that party (or estop that party from asserting) any right, power or remedy available to such party upon the recurrence or continuance of said breach or the occurrence of a different breach. Neither Declarant, the Association nor the Owners, shall be under any obligation to take any action to enforce the terms of this Declaration. The failure by Declarant, the Association or any Owner to enforce any provision of this Declaration shall in no event subject Declarant, the Association or any Owner to any claims, liability, cost or expense; it being the express intent of this Declaration to provide Declarant, the Association, its authorized Agent, or any Owner with the right (such right to be exercised at its sole and absolute discretion), but not the obligation to enforce the terms of this Declaration for the benefit of any Owner(s) of any Lot(s) in the Subdivision. No more than one (1) notice of not less than five (5) days shall be required for violations that are non-emergency in nature. Any violation deemed to be an emergency, health hazard, safety hazard, or deemed to be in need of immediate attention or action by the Board or an assigned inspector or Agent shall not require a five (5) day notice. Notification to the Owner shall be attempted by any means available notwithstanding, failure or inability to issue notice shall not negate the Association's right to enforce against such violations and take whatever actions are deemed necessary to abate such a violation. NO trespass by the Association, the Board, the Architectural Control Committee, an Inspector, or Agent of the Association shall be deemed to have taken place when entry upon a Lot or entry into an Owner's home is required to abate a violation deemed to be an emergency, hazardous to health or safety of a person or property, or life threatening. The Association shall adopt a notice and fining; schedule of fines which shall outline the procedures and processes by which violations, fines, and hearings before the Committee or Board of Directors shall be carried out.

ARTICLE XV
AGREEMENT TO ENCOURAGE
RESOLUTION OF DISPUTES WITHOUT LITIGATION

15.1 Agreement To Encourage Resolution Of Disputes Without Litigation.

(a) **Bound Parties.** Declarant, the Association and its officers, directors, and committee members, Owners, Residents, and all other parties subject to this Declaration ("Bound Party", or collectively, the "Bound Parties"), agree that it is in the best interest of all

concerned to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 9.2 in a good faith effort to resolve such Claim.

(b) Claim(s). As used in this Article, the term “Claim” or “Claims” will refer to any claim, grievance or dispute arising out of or relating to:

(i) Claims relating to the rights and/or duties of Declarant, the Association or an Owner under the Restrictions; or

(ii) Claims relating to the design or construction of Improvements on the Common Areas or Lots, other than matters of aesthetic judgment under this Declaration, which will not be subject to review.

(c) Not Considered Claims. The following will not be considered “Claims” for purposes of this Article 15 unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 15.2:

(i) any legal proceeding by the Association to collect assessments or other amounts due from any Owner;

(ii) any legal proceeding by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association’s ability to enforce the provisions of this Restrictions;

(iii) any legal proceeding which does not include Declarant or the Association as a party, if such action asserts a Claim which would constitute a cause of action independent of the Restrictions; and

(iv) any action by the Association to enforce the Restrictions.

15.2 Claims Regarding Common Areas.

(a) Claim by the Association – Common Areas. The Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation or administrative proceedings: (i) in the name of or on behalf of any Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section 15.1(b) above, relating to the design or construction of a residence (whether one or more). In the event the Association or an Owner asserts a Claim related to the Common Area, as a precondition to providing the Notice defined in Section 9.3, initiating the mandatory dispute resolution procedures set forth in this Article 15, or taking any other action to prosecute a Claim related to the Common Areas, the Association or an Owner, as applicable, must:

(i) Independent Report on the Condition of the Common Areas. Obtain an independent third-party report (the "Common Area Report") from a licensed professional engineer in the same area of engineering practice of which the engineer is qualified which: (A) identifies the Common Areas subject to the Claim including the present physical condition of the Common Areas; (B) describes any modification, maintenance, or repairs to the Common Areas performed by the Owner(s) and/or the Association; (C) provides specific and detailed recommendations regarding remediation and/or repair of the Common Areas subject to the Claim. For the purposes of this Section, an independent third-party report is a report obtained directly by the Association or an Owner and paid for by the Association or an Owner, as applicable, and not prepared by a person employed by or otherwise affiliated with the attorney or law firm that represents or will represent the Association or an Owner in the Claim. As a precondition to providing the Notice described in Section 15.3, the Association or Owner must provide at least ten (10) days prior written notice of the inspection to each party subject to a Claim which notice shall identify the independent third-party engaged to prepare the Common Area Report, the specific Common Areas to be inspected, and the date and time the inspection will occur. Each party subject to a Claim may attend the inspection, personally or through an agent. Upon completion, the Common Area Report shall be provided to each party subject to a claim. In addition, before providing the Notice described in Section 15.3, the Association or the Owner, as applicable, shall have permitted each party subject to a Claim the right, for a period of ninety (90) days, to inspect and correct, any condition identified in the Common Area Report.

(ii) Owner Meeting and Approval. Obtain approval from Members holding eighty five percent (85%) of the votes in the Association to provide the Notice described in Section 15.3, initiate the mandatory dispute resolution procedures set forth in this Article 15, or take any other action to prosecute a Claim, which approval from Members must be obtained at a special meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder will be provided pursuant to the Bylaws but the notice must also include: (A) the nature of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (B) a copy of the Common Area Report; (C) a copy of any proposed engagement letter, with the terms of such engagement between the Association and an attorney to be engaged by the Association to assert or provide assistance with the claim (the "Engagement Letter"); (D) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which it may be liable if it is not the prevailing party or that the Association will be required, pursuant to the Engagement Letter or otherwise, to pay if the Association elects to not to proceed with the Claim; (E) a summary of the steps previously taken, and proposed to be taken, to resolve the Claim; (F) an estimate of the impact on the value of each Lot and Improvements if the Claim is prosecuted and an estimate of the impact on the value of each Lot and Improvements after resolution of the Claim; (G) an estimate of the impact on the marketability of each Lot and Improvements if the Claim is prosecuted and during prosecution of the Claim, and an estimate of the impact on the value of each Lot and Improvements during and after resolution of the Claim; (H) the manner in which the Association proposes to fund the cost of prosecuting the Claim; and (I) the impact on the finances of the Association, including the impact on present and projected reserves, in the event the Association is not the prevailing party.

The notice required by this paragraph must be prepared and signed by a person other than, and not employed by or otherwise affiliated with, the attorney or law firm that represents or will represent the Association or Owner, as applicable, in the Claim. If the Claim is prosecuted by the Association, in the event Members approve providing the Notice described in Section 15.3, or taking any other action to prosecute a Claim, the Members holding a Majority of the votes in the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Claim.

(iii) Prohibition on Contingency Fee Contracts. The Association may not engage or contract with any attorney, law firm, consultant, expert or advisor on a contingency fee basis, in whole or in part, to assist in the prosecution of a Claim.

15.3 Notice.

(a) Notice Requirements for All Claims. The Bound Party asserting a Claim (“Claimant”) against another Bound Party (“Respondent”) must notify the Respondent in writing of the Claim (the “Notice”), stating plainly and concisely: (A) the nature of the Claim, including date, time, location, persons involved, and Respondent’s role in the Claim; (B) the basis of the Claim (i.e., the provision of the Restrictions or other authority out of which the Claim arises); (C) what Claimant wants Respondent to do or not do to resolve the Claim; and (D) that the Notice is given pursuant to this Section. All Bound Parties agree that the provisions of Chapter 27 of the Texas Property Code shall control any Claim, and they expressly adopt and incorporate the terms of Chapter 27 of the Texas Property Code as is full set forth herein. If the Claimant is the Association, prior to proceeding with negotiations under Section 15.4, the Association shall fully comply with provisions of Chapter 27 of the Texas Property Code, but for all other Claims, the time period for negotiation in Section 15.4 below, is equivalent to the sixty (60) day period under Section 27.004 of the Texas Property Code. If a Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with Section 15.4, to comply with the terms and provisions of Section 27.004 during such sixty (60) day period. Section 15.4 does not modify or extend the time period set forth in Section 27.004 of the Texas Property Code. Failure to comply with the time periods or actions specified in Section 27.004 shall not affect a Claim and the Respondent shall have all rights and remedies under Chapter 27 of the Texas Property Code. The one hundred and twenty (120) day period for mediation set forth in Section 15.5 below is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during negotiation. If the Claim is not resolved during negotiation, mediation pursuant to Section 15.5 is required without regard to the monetary amount of the Claim.

(b) Special Notice for Association. If the Claimant is the Association, the Notice will also include: (A) a true and correct copy of the Common Area Report; (B) a copy of the Engagement Letter; (C) copies of all reports, studies, analyses, and recommendations obtained by the Association related to the Common Area which forms the basis of the Claim; (D) a true and correct copy of the special meeting notice provided to Members in accordance with Section 15.2(a)(ii) above; and (E) and reasonable and credible evidence confirming that Members

holding eighty-five percent (85%) of the votes in the Association approved providing the Notice. If the Claimant is the Association, providing the information identified in this Section 15.3(b) is a condition precedent to the assertion of any Claim. Should the Association fail to provide the information required by this Section 15.3(b) to the Respondent, the Respondent shall be entitled to a temporary injunction enjoining the prosecution of the Claim until such time as the Association provides the information required by this Section 15.3(b). Furthermore,

should the Association fail to provide information required by this Section 15.3(b) within one-hundred twenty (120) days after making a demand on the Respondent, the Association's Claim shall be dismissed with prejudice, and the Respondent may take such actions in law or in equity to confirm such dismissal.

15.4 Negotiation. Claimant and Respondent will make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. At any time during the negotiation period, if the Respondent is the Declarant, the Declarant may make repairs to the Common Areas to prevent further damage to any of these areas, the structures, or residence, whether or not such repairs would inhibit or prohibit Claimant from securing evidence of resulting damage. Within 60 days after Respondent's receipt of the Notice, Respondent and Claimant will meet at a mutually acceptable place and time to discuss the Claim. If the Claim involves all or any portion of the Property, then at such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives will have full access to the Property that is subject to the Claim for the purposes of inspecting the Property. If Respondent elects to take corrective action, Claimant will provide Respondent and Respondent's representatives and agents with full access to the Property to take and complete corrective action.

15.5 Mediation. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator must have at least five (5) years of experience serving as a mediator and must have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent will submit the Claim to mediation in accordance with this Section 15.5.

15.6 Termination Of Mediation. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, or within a time deemed reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the Parties are at an impasse and the date that mediation was terminated. Thereafter, if the Association is the Claimant, it shall provide a report of the mediation to the Members of the Association, which such report shall provide the last best offer made by the Respondent, the last best offer by the Association, and the reason the Association did not accept the offer made by the Respondent. After such report is provided to the Members, the Board shall call a special meeting of the Members, at which special meeting the Members shall vote on whether to accept the last, best offer by the Respondent.

If a Majority of the Members in attendance at the special meeting vote to accept the Respondent's last, best offer, the Board shall accept the Respondent's last, best offer and shall dismiss the Claim. Claimant may file suit or initiate arbitration proceedings on the Claim, as appropriate and permitted by this Article.

15.7 Binding Arbitration-Claims. All Claims must be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this Section 15.7.

(a) Governing Rules. If a Claim has not been resolved after Mediation as required by Section 15.5, the Claim will be resolved by binding arbitration in accordance with the terms of this Section 15.7 and the rules and procedures of the American Arbitration Association ("AAA") or, if the AAA is unable or unwilling to act as the arbitrator, then the arbitration shall be conducted by another neutral reputable arbitration service selected by Respondent. Regardless of what entity or person is acting as the arbitrator, the arbitration shall be conducted in accordance with the AAA's "Construction Industry Dispute Resolution Procedures" and, if they apply to the disagreement, the rules contained in the Supplementary Procedures for Consumer-Related Disputes. If such Rules have changed or been renamed by the time a disagreement arises, then the successor rules will apply. Also, despite the choice of rules governing the arbitration of any Claim, if the AAA has, by the time of Claim, identified different rules that would specifically apply to the Claim, then those rules will apply instead of the rules identified above. In the event of any inconsistency between any such applicable rules and this Section 15.7, this Section 15.7 will control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows:

- (i) one arbitrator shall be selected by Respondent, in its sole and absolute discretion;
- (ii) one arbitrator shall be selected by the Claimant, in its sole and absolute discretion; and
- (iii) one arbitrator shall be selected by mutual agreement of the arbitrators having been selected by Respondent and the Claimant, in their sole and absolute discretion.

(b) Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this Section 15.7 will limit the right of Claimant or Respondent, and Claimant and the Respondent will have the right during any Claim, to seek,

use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

(c) **Statute of Limitations.** All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding under this Section 15.7, and to the fullest extent allowed under law, any action, lawsuit and/or claim whatsoever initiated by the Association or its assigns, regardless of form, that arises from or relates to this Declaration, the Property, the Subdivision, the Residences, the improvements or otherwise is barred unless it is brought not later than two (2) years and one (1) day from the date the cause of action accrues.

(d) **Scope of Award; Modification or Vacation of Award.** The arbitrator shall resolve all Claims in accordance with the applicable substantive law except as provided by this Section. The arbitrator may grant any remedy or relief that the arbitrator deem just and equitable and within the scope of this Section 15.7 but subject to Section 15.8 below (attorney's fees and costs may not be awarded); provided, however, that for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code. In all arbitration proceedings the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of federal or state law; or (iv) a cause of action or remedy not expressly provided under existing state or federal law or otherwise in accordance with the terms and conditions of this Declaration. In no event may an arbitrator award speculative, consequential, special, indirect, lost profit or punitive damages for any Claim. Notwithstanding anything else contained in this Declaration, no Claimant shall be entitled to an award in connection with a Claim related to or arising in connection with a violation of Applicable Law, and the arbitrator shall not provide an award, unless the arbitrator determines that such Claim was due to a material violation of any Applicable Law and that such material violation of Applicable Law creates an imminent threat to health and safety.

(e) **Other Matters.** To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the

Claim for arbitration by notice from either party to the other. Arbitration proceedings hereunder shall be conducted in the county where the Property is located. The arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and applicable law. The arbitrator shall have the power to award recovery of all costs and fees, subject to the limitations in Section 15.7. Each party agrees to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. In no event shall any party discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

15.8 Allocation Of Costs. Notwithstanding any provision in this Declaration to the contrary, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, Mediation, and Arbitration sections above, including its attorney's fees. For avoidance of doubt, the prevailing party in any Arbitration shall not recover any attorneys' fees, expenses, or costs. Respondent and Claimant will equally divide all expenses and fees charged by the mediator and arbitrator.

15.9 General Provisions. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

15.10 Period Of Limitation.

(a) **For Actions by an Owner.** The exclusive period of limitation for any of the Parties to bring any Claim, including, but not limited to, a Claim related to the design or construction of improvements (including, but not limited to a Residence) on the Common Areas or Lots, shall be no later than two (2) years and one (1) day from the date that the Owner discovered or reasonably should have discovered evidence of the Claim.

(b) **For Actions by the Association.** The exclusive period of limitation for the Association to bring any Claim, including, but not limited to, a Claim related to the design or construction of improvements (including, but not limited to a Residence) on the Common Areas or Lots, shall be no later than two (2) years and one (1) day from the date that the Association or its agents discovered or reasonably should have discovered evidence of the Claim.

15.11 Approval & Settlement. The Association must levy a Special Assessment to fund the estimated costs of arbitration, including estimated attorney's fees, conducted pursuant to this Article 15 or any judicial action initiated by the Association. The Association may not use its annual operating income or reserve funds or savings to fund arbitration or litigation, unless the Association's annual budget or a savings account was established and funded from its inception as an arbitration and litigation reserve fund.

15.12 LIMITATION ON DAMAGES. NOTWITHSTANDING ANY PROVISION CONTAINED IN THIS DECLARATION OR ANY OF THE ASSOCIATION DOCUMENTS TO THE CONTRARY, IN NO EVENT SHALL DECLARANT OR THE ASSOCIATION BE LIABLE FOR SPECULATIVE, CONSEQUENTIAL, SPECIAL, INDIRECT, LOST PROFIT OR PUNITIVE DAMAGES IN CONNECTION WITH ANY CLAIM, EVEN IF DUE TO THE NEGLIGENCE OF DECLARANT OR THE ASSOCIATION.

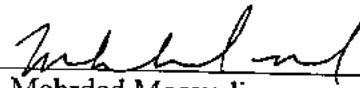
[SIGNATURE PAGE FOLLOWS THIS PAGE]

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed as of the 12th day of June, 2019.

MM Crespi Estates, LLC,
a Texas limited liability company

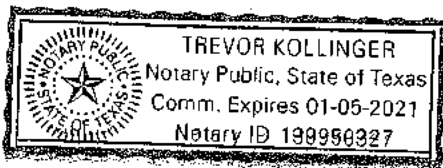
By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: 
Name: Mehrdad Moayed
Its: Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 12 day of June, 2019 IN by Mehrdad Moayed, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of MM Crespi Estates, LLC, a Texas limited liability company on behalf of said company.



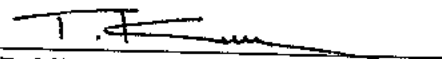

Notary Public, State of Texas

EXHIBIT A

PROPERTY DESCRIPTION

Being Lots 1A, 1B, 1C, 1D, 1E, 1F, 1G, 1H and 1J, Block 1/5516 of CRESPI ESTATES, an Addition to the City of Dallas, Dallas County, Texas, according to the plat thereof recorded in cc# 201900146878, Real Property Records, Dallas County, Texas.

EXHIBIT A-1

SAVE AND EXCEPT

PROPERTY DESCRIPTION

The Crespi Mansion, 10000 Hollow Way Road, Dallas, TX 75229 –being a part of Lot 1, Block 5516, 20± acres, Thomas Hicks Addition, an addition to the City of Dallas, Texas.

**EXHIBIT B
TO
FOR CRESPI ESTATES, AN ADDITION TO
THE CITY OF DALLAS, DALLAS COUNTY, TEXAS**

DESIGN GUIDELINES

ALL CONSTRUCTION, RECONSTRUCTION, REMODELING, OR MODIFICATION OF ANY KIND TO HOME, STRUCTURE, OR LOT WITHIN CRESPI ESTATES IS SUBJECT TO THE REVIEW AND WRITTEN APPROVAL OF THE ARCHITECTURAL CONTROL COMMITTEE. CONSTRUCTION, MODIFICATION AND DESIGN RULES MAY BE WRITTEN OR UPHELD AND ENFORCED BASED ON A COMMUNITY WIDE STANDARD. THE ABSENCE OF A SPECIFIC RULE OR REQUIREMENT SHALL NOT BE DEEMED AN APPROVAL OR ALLOWANCE. ALL CITY OF DALLAS BUILDING CODES AND ORDINANCES MUST BE ADHERED TO NOTWITHSTANDING, CRESPI ESTATES MAY HAVE A HIGHER STANDARD THEREFORE, AT ALL TIMES, UNLESS OTHERWISE APPROVED IN WRITING, THE HIGHER STANDARD SHALL PREVAIL. IN ALL NEW CONSTRUCTION PLANS OR IN THE EVENT OF A REQUEST FOR VARIANCE OR ANY DISCREPANCY, THE DECISION OF THE DECLARANT, DURING THE DECLARANT CONTROL PERIOD, SHALL BE FINAL. THEREAFTER, THE ARCHITECTURAL CONTROL COMMITTEE SHALL RENDER ALL DECISIONS NOTWITHSTANDING, AN OWNER MAY EXERCISE THEIR RIGHT TO REQUEST AN APPEAL HEARING AT WHICH TIME THE MATTER WILL BE HEARD BY THE BOARD OF DIRECTORS AND THE MAJORITY VOTE / DECISION OF THE BAORD SHALL BE DEEMED FINAL.

PART ONE:

SECTION 1.1 FLAGS AND FLAGPOLES

- 1.1.1 The only flags which may be displayed are: (i) the flag of the United States of America; (ii) the flag of the State of Texas; and (iii) an official or replica flag of any branch of the United States armed forces. No other types of flags, pennants, banners, kits or similar types of displays are permitted on a Lot if the display is visible from a Street or Common Area.
- 1.1.2 The flag of the United States must be displayed in accordance with 4 U.S.C. Sections 5-10.
- 1.1.3 The flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code.
- 1.1.4 Any freestanding flagpole, or flagpole attached to a Residence, shall be constructed of permanent, long-lasting materials. The materials used for the flagpole shall be harmonious with the Residence, and must have a silver finish with a gold or silver ball at the top. The flagpole must not exceed three (3) inches in diameter.
- 1.1.5 The display of a flag, or the location and construction of the supporting flagpole, shall comply with applicable Zoning, easements, and setbacks of record.
- 1.1.6 A displayed flag, and the flagpole on which it is flown, shall be maintained in good condition at all times. Any flag that is deteriorated must be replaced or removed. Any flagpole that is structurally unsafe or deteriorated shall be repaired, replaced, or removed.
- 1.1.7 Only one flagpole will be allowed per Lot. No such limitation applies in Common Areas or Neighborhood Common Areas. A flagpole can either be securely attached to the face of the Residence (no other Structure) or be a freestanding flagpole. A flagpole attached to the

Residence may not exceed 4 feet in length. A freestanding flagpole may not exceed twenty (20) feet in height. Any freestanding flagpole must be located in either the front yard or backyard of a Lot, and there must be a distance of at least five (5) feet between the flagpole and the property line.

- 1.1.8 Any flag flown or displayed on a freestanding flagpole may be no smaller than 3'x5' and no larger than 4'x6'.
- 1.1.9 Any flag flown or displayed on a flagpole attached to the Residence may be no larger than 3'x5'.
- 1.1.10 Any freestanding flagpole must be equipped to minimize halyard noise. The preferred method is through the use of an internal halyard system. Alternatively, swivel snap hooks must be covered or "Quiet Halyard" Flag snaps installed. Neighbor complaints of noisy halyards are a basis to have flagpole removed until Owner resolves the noise complaint.
- 1.1.11 The illumination of a flag is allowed so long as it does not create a disturbance to other residents in the community. Solar powered, pole mounted light fixtures are preferred as opposed to ground mounted light fixtures. Compliance with all municipal requirements for electrical ground mounted installations must be certified by Owner. Flag illumination may not shine into another Residence. Neighbor complaints regarding flag illumination are a basis to prohibit further illumination until Owner resolves complaint.
- 1.1.12 Flagpoles shall not be installed in any Common Area or property maintained by the Association or any Sub-Association, except by Declarant or the applicable Sub-Declarant or Developer.
- 1.1.13 All freestanding flagpole installations must receive prior written approval from the Declarant, the ACC or other reviewing authority established under any Sub-Declaration.

SECTION 1.2 GUTTERING, RAIN BARRELS OR RAINWATER HARVESTING SYSTEMS

- 1.2.1 All Residences shall be fully guttered with copper, galvanized steel, aluminum or painted if exposed to the Street or any Common Area. This requirement applies regardless of whether rain barrels or rain water harvesting systems are installed on the Lot.
- 1.2.2 Rain barrels or rain water harvesting systems and related system components (collectively, "**Rain Barrels**") may only be installed after receiving the written approval of the Declarant, the ACC or other reviewing authority established under any Sub-Declaration.
- 1.2.3 Rain barrels may not be installed upon or within the Common Areas, except by Declarant or any Sub-Declarant or Developer, or with written approval of the Declarant or ACC.
- 1.2.4 Under no circumstances shall rain barrels be installed or located in or on any area within a Lot that is in-between the front of the Owner's Residence and an adjoining or adjacent street.
- 1.2.5 The rain barrel must be of color that is consistent with the color scheme of the Owner's Residence and may not contain or display any language or other content that is not typically displayed on such rain barrels as manufactured.
- 1.2.6 Rain barrels may be located in the side-yard or back-yard of Lot so long as such rain barrel(s) may not be seen from a street, another Lot or any Neighborhood Common Area.
- 1.2.7 In the event the installation of Rain Barrels in the side-yard or back-yard of an owner's property

in compliance with paragraph 1.2.6 above is impossible, the Declarant, the ACC or other reviewing authority established under any Sub-Declaration may impose limitations or further requirements regarding the size, number and screening of Rain Barrels with the objective of screening the Rain Barrels from public view to the greatest extent possible. The owner must have sufficient area on their Lot to accommodate the Rain Barrels.

- 1.2.8 Rain Barrels must be properly maintained at all times or removed by the Owner.
- 1.2.9 Rain Barrels must be enclosed or covered.
- 1.2.10 Rain Barrels which are not properly maintained, become unsightly or could serve as a breeding pool for mosquitoes must be removed by the Owner from the Lot, at such Owner's sole cost and expense.

SECTION 1.3 CERTAIN RELIGIOUS DISPLAYS

- 1.3.1 By statute, an Owner is allowed to display or affix on the entry to the Owner's Residence one or more religious items, the display of which is motivated by the Owner's or occupant's sincere religious belief. Such display is limited according to the provisions contained herein.
- 1.3.2 If displaying or affixing of a religious item on the entry to the Owner's or occupant's Residence violates any of the following covenants, the Association (or applicable Sub-Association) may remove the item displayed:
 - (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 permanently installed 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 occupant's Residence; 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
- 1.3.3 No owner or resident is authorized to use a material or color for an entry door or door frame of the Owner's or occupant's Residence or make an alteration to the entry door or door frame that is not authorized by the Declaration or otherwise expressly approved by the Declarant, the ACC or other reviewing authority established under any Sub-Declaration.

SECTION 1.4 SOLAR PANELS

- 1.4.1 Solar energy devices, including any related equipment or system components (collectively, "**Solar Panels**") may only be installed after receiving the written approval of the Declarant, the ACC or other reviewing authority established under any Sub-Declaration.
- 1.4.2 Solar Panels may not be installed upon or within Common Areas or any area which is maintained by the Association or any Sub-Association, except by Declarant or any Sub-Declarant or Developer, or with written approval of the Declarant or ACC.
- 1.4.3 Solar Panels may only be installed on designated locations on the roof of a Residence, on any structure allowed under any subdivision or Association dedicatory instrument, or within any fenced rear-yard or fenced-in patio of an Owner's Lot, but only as allowed by the Declarant, the ACC or other reviewing authority established under any Sub-Declaration. Solar Panels may not be installed on the front elevation of the Residence.

- 1.4.4 If located on the roof of a Residence, Solar Panels shall:
- (1) not extend higher than or beyond the roofline;
 - (2) conform to the slope of the roof;
 - (3) have a top edge that is parallel to the roofline; and
 - (4) have a frame, support bracket, or wiring that is black or painted to match the color of the roof tiles or shingles of the roof. Piping must be painted to match the surface to which it is attached, i.e. the soffit and wall. Panels must blend with the color of the roof to the greatest extent possible.
- 1.4.5 If located in the fenced rear-yard or patio, Solar Panels shall not be taller than the fence line or visible from any adjacent Lot, Common Area or Street.
- 1.4.6 The Declarant, the ACC or other reviewing authority established under any Sub-Declaration may deny a request for the installation of Solar Panels if it determines that the placement of the Solar Panels, as proposed by the Owner, will create an interference with the use and enjoyment of any adjacent Lot or Common Area.
- 1.4.7 Owners are hereby placed on notice that the installation of Solar Panels may void or adversely affect roof warranties. Any installation of Solar Panels which voids material warranties is not permitted and will be cause for the Solar Panels to be removed by the Owner.
- 1.4.8 Solar Panels must be properly maintained at all times or removed by the Owner.
- 1.4.9 Solar Panels which become non-functioning or inoperable must be removed by the Owner.

SECTION 1.5 CERTAIN ROOFING MATERIALS

- 1.5.1 Roofing shingles covered by this Section are exclusively those designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities (collectively, "**Roofing Shingles**").
- 1.5.2 Roofing Shingles allowed under these Guidelines shall:
- (1) resemble the shingles used or otherwise authorized for use in the Property;
 - (2) be more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use in the Property; and
 - (3) match the aesthetics of other roofs throughout the Subdivision and surrounding properties.
- 1.5.3 The Owner requesting permission to install Roofing will be solely responsible for accrediting, certifying and demonstrating to the Declarant, the ACC or other reviewing authority established under any Sub-Declaration that the proposed installation is in full compliance with paragraphs 1.5.1 and 1.5.2 above.
- 1.5.4 Roofing shall be installed only after receiving the written approval of the Declarant, the ACC or other reviewing authority established under any Sub-Declaration.
- 1.5.5 Owners are hereby placed on notice that the installation of Roofing may void or adversely affect other warranties.

1.5.6 Roof Materials. A minimum of 4-in-12 (4:12) roof pitch is required for all roofs. A lesser roof pitch may be allowed for roofs consisting of other roofing materials which shall be based upon review and approval of the ACC. Roofs require a minimum of twenty (20) year warranty. Color of roofing materials shall be subject to the prior written permission of the ACC. All roofing materials must be fireproof and conform to City requirements, and are subject to approval of the ACC. Roof materials shall in any event be in compliance with the Design Guidelines and the Declaration. Dormers above roof structure and roofing materials may be finished with an approved exterior grade material as approved by the ACC.

SECTION 1.6 SIGNAGE

1.6.1 No sign or signs of any kind or character shall be displayed to the Streets or otherwise to the public view on any Lot or neighborhood Common Area, except for the Declarant's signs or Builders' signs approved by the Declarant for such Declarant's Property, and except that:

(A) Any Builder, during the applicable initial construction and sales period, may utilize two (2) professionally fabricated signs (of not more than six [6] square feet in size) per Lot for advertising and sales purposes, and two (2) professionally fabricated signs (of not more than thirty-two [32] square feet in size) in the Property advertising a model home or advertising the Subdivision, provided that such signs shall first have been approved in writing by the ACC;

(B) A professionally fabricated "for sale" or "for rent" or "for lease" sign (of not more than six [6] square feet in size) may be utilized by the Owner of a Lot for the applicable sale or rent situation, provided that such sign first shall have been approved in writing by the ACC and provided further that no "for rent" or "for Lease" signs shall be permitted to be placed on a Lot in the two (2) year period immediately following the first sale of a Residence to an end-use homebuyer;

(C) Development related signs owned or erected by Declarant (or any Builder with Declarant's prior written consent) shall be permitted;

(D) Signs displaying the name of a security company shall be permitted, provided that such signs are (i) ground mounted, (ii) limited to two (2) in number per Lot (one [1] in the front yard and one [1] in the back yard), and (iii) of a size not in excess of two (2) square feet in size;

(E) Each Owner may display flags on or at a Residence in conformity with Section 1.1 of these Design Guidelines, and otherwise a manner otherwise consistent with the covenants, conditions and restrictions contained in the Declaration;

(F) Each Residence may display up to two (2) spirit signs or other signs in support of athletic events and/or teams during the applicable sport season which are not otherwise consistent with the covenants, conditions and restrictions contained in the Declaration; and

(G) Each Residence may display seasonal decorations (including lights, lawn ornamentation, flags and banners) for a duration of no longer than six (6) weeks during the applicable season and provided that such decoration is in any event consistent with the covenants, conditions and restrictions contained in this Declaration and must be removed within ten (10) days following the applicable season or holiday; and

(H) One (1) sign for each candidate and/or ballot item on advertising such political candidate(s) or ballot item(s) for an election shall be permitted in accordance with Section 202.009 of the Texas Property Code, provided that:

(i) such signs may not be displayed (A) prior to the date which is ninety (90) days before the date of the election to which the sign relates, and (B) after the date which is ten (10) days after that election date;

(ii) such signs must be ground-mounted; and

(iii) such signs shall in no event (A) contain roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component, (B) be attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing Structure or object, (C) include the painting of architectural surfaces, (D) threaten the public health or safety, (E) be larger than four feet (4') by six feet (6'), (F) violate a law, (G) contain language, graphics, or any display that would be offensive to the ordinary person, or (H) be accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

PART TWO:

SECTION 2.1 LANDSCAPING:

Upon completion of each Residence, the following landscape elements shall be installed prior to occupancy of the Residence:

2.1.1 Sod/Irrigation: Each Lot shall have full sod installed on all non-paved areas of the Lot. All Lots must have underground irrigation systems installed providing coverage for all non-paved areas of the Lot in accordance with City requirements. Drip irrigation systems must be installed in the front planter beds and front yard trees as required by applicable city ordinances.

2.1.2 Trees: All trees installed on a Lot must meet the city of Dallas Minimum Landscaping Requirements for such Lot shall be selected from a list of "Approved Trees" should such a list exist with the city of Dallas. The Owner of a Lot shall be liable and responsible for maintaining and replacing all sod and landscaping on their lot in the event of decay or loss. Trees located on corner Lots which may impede line of sight must maintain a canopy a minimum of nine (9) feet above grade.

2.1.3 Shrubbery and Planting Beds: Each Lot shall have flower beds and tree wells in the front and the minimum shrubbery shall meet any city of Dallas ordinance and that of the Association should a higher standard be upheld. Each planting bed shall contain a variety of color of flowers, grasses, or foliage that will enhance the overall beauty and aesthetics of the home and lot. EDGING TO PROVIDE A SEPARATION FOR THE FLOWER BEDS AND TREE WELLS IS REQUIRED. STONE OR BRICK EDGING ERECTED AS A LOW-RISE CONTINUAL WALL MATCHING THE EXTERIOR MATERIALS OF THE HOME IS PREFERRED. a drip irrigation system for planting beds and front yard trees are required. The homeowner shall be responsible for the maintenance and preservation of the shrubs and planting bed, and shall promptly replace dead plants within thirty (30) days of loss occurrence when weather permits or ninety (90) days of loss occurrence when unfavorable weather conditions exist.

2.1.4 Initial Installations and Maintenance. Upon completion of any Residence within the Property and prior to the final inspection, the Builder must install all sod, trees, shrubbery, plantings and other landscape as required by the city of Dallas and the Architectural Control Committee. After the property has transferred to an Owner, the Owner is responsible for all maintenance and upkeep. Prior written approval from the ACC is required before any modification to landscape. All the trees in the Neighborhood Common Areas are the responsibility of the Association to maintain at the sole discretion of the Association. The minimum clearance of any overhanging vegetation over any sidewalk shall be nine (9) feet.

2.1.5 Replacement Trees Required: It shall be the responsibility of any Owner obtaining a tree removal permit or similar permit, if required, from the City for a protected tree under applicable ordinances of the City, if any, to provide replacement with trees having a total

caliper width equivalent as may be required by the City, and any such replacement trees shall be planted in locations approved by the City or authorized designee of the City. In the event of no such ordinance, the tree(s) shall be planted in the same or nearby location of the tree that was removed.

2.1.6 List of Allowed Landscaping: All landscaping installed on a Lot (other than sod) shall be subject to written approval of the Architectural Control Committee, (the "ACC").

SECTION 2.2 FENCES:

2.2.1 ALL FENCING IS SUBJECT TO REVIEW AND APPROVAL OF THE ARCHITECTURAL CONTROL COMMITTEE AS TO MATERIALS, STYLE, HEIGHT, COLOR, AND LOCATION.

SECTION 2.3 OTHER REQUIREMENTS

2.3.1 All Lots, Common Areas, Residences and/or other Structures developed, constructed and/or installed within the Property shall conform to the requirements set forth in the Declaration and Design Standards established herein or enforced as a Community Wide Standard or to the extent the foregoing or any other restrictions set forth in this Declaration are not more restrictive.

SECTION 2.4 MAILBOXES

2.4.1 Mailboxes shall be of a Cluster Style Mailbox or of a design and type as approved by the city of Dallas and is subject to the approval of the Declarant / Developer and U.S. Postal Service. Any variation must receive prior written approval by the ACC or Declarant. All design and construction must be in accordance with any applicable guidelines and/or requirements of the City and/or United States Postal Service. If cluster mailboxes are used and damage or wear and tear should occur to Cluster Mailboxes the Association shall have the option to repair or replace existing Cluster Mailboxes and the Association reserves the right to levy a Special Individual Assessment for each Owner whom the Cluster Mailboxes being repaired and/or replaced service. Any Special Individual Assessment will be uniform between all Owners serviced by the Cluster Mailboxes to be repaired or replaced and the charge shall be levied to the Owner's account.

EXHIBIT C

**FOR CRESPI ESTATES, AN ADDITION TO
THE CITY OF DALLAS, DALLAS COUNTY, TEXAS**

**CERTIFICATE OF FORMATION AND
CONSENT IN LIEU OF ORGANIZATIONAL MEETING**

Form 202

Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
FAX: 512/463-5709

Filing Fee: \$25



Certificate of Formation
Nonprofit Corporation

Filed in the Office of the
Secretary of State of Texas
Filing #: 803310171 05/06/2019
Document #: 886937200003
Image Generated Electronically
for Web Filing

Article 1 - Corporate Name

The filing entity formed is a nonprofit corporation. The name of the entity is :

Crespi Estates Homeowners Association, Inc.

Article 2 - Registered Agent and Registered Office

A. The initial registered agent is an organization (cannot be corporation named above) by the name of:

Essex Association Management, LP

OR

B. The initial registered agent is an individual resident of the state whose name is set forth below:

C. The business address of the registered agent and the registered office address is:

Street Address:

1512 Crescent Drive, Suite 112 Carrollton TX 75006

Consent of Registered Agent

A. A copy of the consent of registered agent is attached.

OR

B. The consent of the registered agent is maintained by the entity.

Article 3 - Management

A. Management of the affairs of the corporation is to be vested solely in the members of the corporation.

OR

B. Management of the affairs of the corporation is to be vested in its board of directors. The number of directors, which must be a minimum of three, that constitutes the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are set forth below.

Director 1: **Mehrdad Moayed**

Title: **Director**

Address: **1512 Crescent Drive Suite 112 Carrollton TX, USA 75006**

Director 2: **Dustin Warren**

Title: **Director**

Address: **1512 Crescent Drive Suite 112 Carrollton TX, USA 75006**

Director 3: **Brock Babb**

Title: **Director**

Address: **1512 Crescent Drive Suite 112 Carrollton TX, USA 75006**

Article 4 - Organization Structure

A. The corporation will have members.

or

B. The corporation will not have members.

Article 5 - Purpose

The corporation is organized for the following purpose or purposes:

Homeowners Association

Supplemental Provisions / Information

[The attached addendum, if any, is incorporated herein by reference.]

Effectiveness of Filing

A. This document becomes effective when the document is filed by the secretary of state.

OR

B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Organizer

The name and address of the organizer are set forth below.

Mehrdad Moayed **1800 Valley View Lane, Suite 300, Farmers Branch, TX 75234**

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Mehrdad Moayed

Signature of organizer.

FILING OFFICE COPY

CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

UNANIMOUS CONSENT IN LIEU OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

The undersigned, being all of the Directors of the Board of Directors of Crespi Estates Homeowners Association, Inc. a Texas non-profit corporation (the "Association"), do hereby waive notice of the time, place and purpose of a special meeting of the Board of Directors of the Association, and do hereby adopt, ratify and approve the following resolutions and each and every action effected thereby, and this Consent shall have the same force and effect as a vote by the undersigned at a properly called special meeting of the Board of Directors of the Association.

WHEREAS, the Association was established and is governed by certain documents and agreements, including, without limitation, its Bylaws and Covenants, Conditions, and Restrictions ("CCR's") of the Association; and

WHEREAS, the Association was formed for certain purposes as more specifically, set forth in the Bylaws and other governing documents of the Association, which purposes include, without limitation, exercising all of the powers and privileges and to perform all of the duties and obligations of the Association as may be set forth therein; and

WHEREAS, the Bylaws authorizes the Board of Directors of the Association to exercise certain powers of the Association for the benefit of its members, including, without limitation exercise of powers as may be necessary to operate and manage the Association; and

WHEREAS, the ACT provides that an Action of the Board may be taken without a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a number of Directors sufficient to take such action if all Directors were present and voted on such action; and

WHEREAS, it has come to the attention of the Board of Directors that the full desires and intentions of the Board or the Association with regard to an Organizational Meeting for the purpose of setting officers of the Board shall be set forth in this Document. The intention of this Resolution is to clarify for full disclosure the election and/or appointment of Board officers.

CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

NOW THEREFORE BE IT RESOLVED, that effective the 6th day May, 2019 the Board of Directors of the Association hereby consents to, adopt, ratify, and approve the following resolution and each and every action effected thereby. The Board of Directors has consented to this resolution in good faith and each of the undersigned reasonably believes the resolution contained herein to be in the best interest of the Association, and consistent with the intended operation and management of the Association as set forth in its governing documents.

RESOLVED, that the duly elected and/or appointed Officers shall be as follows:

- Mehrdad Moayedi, President
- Brock Babb, Vice President
- Dustin Warren, Secretary/Treasurer

RESOLVED, that the Authorized Officers of the Association are hereby authorized, empowered and directed, jointly and severally, to (a) sign, execute, certify to, verify, acknowledge, deliver, accept, file and record any and all documents, instruments and agreements, and (b) take, or cause to be taken, any and all such actions, in the name and on behalf of the Association, as in the judgment of the Authorized Officer so acting shall be necessary, desirable, or appropriate in order to effect the purposes of the foregoing resolutions (the taking of any such action by any Authorized Officer to be conclusive evidence that the foregoing standard has been met).

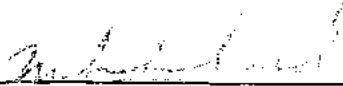
RESOLVED, that any and all actions taken by the Association, the Board of Directors, or any of the officers of the Association for and on behalf of the Association, prior to the adoption of these resolutions which are within the scope and intent of these resolutions are hereby ratified, approved and adopted as the acts of the Association, as applicable, in all respects.

RESOLVED FURTHER, that these resolutions are to be interpreted in the broadest possible manner so as to authorize, approve and facilitate the consummation of the transactions contemplated hereby and the execution, delivery and performance of any and all documents, instruments and agreements in connection therewith.

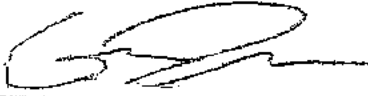
[Signature page follows this page]

CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.


IN WITNESS WHEREOF, the undersigned has executed these resolutions to be effective as of date referenced above (but not necessarily executed on) the date set forth above.



Mehrdad Moayedi, President



Brock Babb, Vice President



Dustin Warren, Secretary

BEING ALL OF THE DIRECTORS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION

EXHIBIT D

**FOR CRESPI ESTATES, AN ADDITION TO
THE CITY OF DALLAS, DALLAS COUNTY, TEXAS**

BYLAWS AND POLICIES

**BYLAWS
OF
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
INTRODUCTION**

The name of the corporation is Homeowners Association, Inc., a Texas non-profit corporation, hereinafter referred to as the "Association". The principal office of the Association shall be located in Dallas County, Texas, but meetings of Members and Directors may be held at such places within the State of Texas, as may be designated by the Board of Directors.

The Association is organized to be a nonprofit corporation.

Notwithstanding anything to the contrary in these Bylaws, a number of provisions are modified by the Declarant's reservations in that certain Declaration of Covenants, Conditions and Restrictions for Crespi Estates recorded in the Official Public Records of Dallas County, Texas, including the number, qualification, appointment, removal, and replacement of Directors.

**ARTICLE II
DEFINITIONS**

Unless the context otherwise specifies or requires, the following words and phrases when used in these Bylaws shall have the meanings hereinafter specified:

Section 2.1. Assessment. "Assessment" or "Assessments" shall mean assessment(s) levied by the Association under the terms and provisions of the Declaration.

Section 2.2. Association. "Association" shall mean and refer to Crespi Estates Homeowners Association, Inc., a Texas non-profit corporation.

Section 2.3. Association Property. "Association Property" shall mean all real or personal property now or hereafter owned by the Association, including without limitation, all easement estates, licenses, leasehold estates and other interests of any kind in and to real or personal property which are now are hereafter owned or held by the Association.

Section 2.4. Association Restrictions. "Association Restrictions" shall mean the Declaration of Covenants, Conditions and Restrictions for Crespi Estates, as the same may be amended from time to time, together with the Certificate, Bylaws, and Association Rules from time to time in effect.

Section 2.5. Association Rules. "Association Rules" shall mean the rules and regulations adopted by the Board pursuant to the Declaration, as the same may be amended from time to time or rules applied, whether written or unwritten enforced as a Community Wide Standard.

Section 2.6. Board. “Board” shall mean the Board of Directors of the Association. During the period of Declarant control, Declarant shall have the sole right to appoint and remove Directors of the Board.

Section 2.7. Bylaws. “Bylaws” shall mean the Bylaws of the Association which may be adopted by the Board and as the same may be amended from time to time.

Section 2.8. Certificate. “Certificate” shall mean the Certificate of Formation for Crespi Estates Homeowners Association, Inc., a Texas non-profit corporation, filed in the office of the Secretary of State of the State of Texas, as the same may from time to time be amended.

Section 2.9. Declarant. “Declarant” shall mean MM Crespi Estates, LLC, a Texas limited liability company, and its duly authorized representatives or their successors or assigns; provided that any assignment of the rights of Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder.

Section 2.10. Declaration. “Declaration” shall mean the “Declaration of Covenants, Conditions and Restrictions for Crespi Estates”, recorded in the Official Public Records of Dallas County, Texas, as the same may be amended from time to time.

Section 2.11. Development. “Development” shall mean and refer to the property subject to the terms and provisions of the Declaration.

Section 2.12. Manager. “Manager” shall mean the person, firm, or corporation, if any, employed by the Association pursuant to the Declaration and delegated the duties, powers, or functions of the Association.

Section 2.13. Member. “Member” or “Members” shall mean any person(s), entity or entities holding membership privileges in the Association as provided in the Declaration.

Section 2.14. Mortgage. “Mortgage” or “Mortgages” shall mean any mortgage(s) or deed(s) of trust covering any portion of the Property given to secure the payment of a debt.

Section 2.15. Mortgagee. “Mortgagee” or “Mortgagees” shall mean the holder or holders of any lien or liens upon any portion of the Property.

Section 2.16. Owner. “Owner” or “Owners” shall mean the person(s), entity or entities, including Declarant, holding a fee simple interest in any Lot, but shall not include the Mortgagee of a Mortgage.

Unless otherwise defined in these Bylaws or the context otherwise requires, each term used in these Bylaws with its initial letter capitalized which has been specifically defined in the Declaration and not otherwise specifically defined in this Article II shall have the same meaning herein as given to such term in the Declaration.

ARTICLE III MEETING OF MEMBERS

Section 3.1. Annual Meetings. The first annual meeting of the Members shall be held on such date as selected by the Board of Directors which is on or before the earlier of (i) the date which is one hundred twenty (120) days after at least seventy-five percent (75%) of the Lots have been sold to non-Declarant Owners, or (ii) ten (10) years from the date on which the Declaration is recorded in the Official Public Records of Dallas County, Texas, and each subsequent regular annual meeting of the Members shall be held on such date as selected by the Board of Directors who shall, whenever possible, hold the annual meeting in the same month each year thereafter unless a different date is selected by the Board of Directors. The annual meeting shall not be held on a Saturday, Sunday, or legal holiday.

Section 3.2. Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority vote of the Board of Directors, or upon written request of the Members who are entitled to vote fifty-one percent (51%) or more of the votes of the Association.

Section 3.3. Place of Meetings. Meetings of the Association may be held at the Development or at a suitable place convenient to the Members, as determined by the Board.

Section 3.4. Notice of Meetings. At the direction of the Board, written notice of meetings of the Association will be given to the Members at least ten (10) days but not more than fifty (50) days prior to the meeting. Notices of meetings will state the date, time, and place the meeting is to be held. Notices will identify the type of meeting as annual or special, and will state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the Board.

Section 3.5. Voting Member List. The Board will prepare and make available a list of the Association's voting Members in accordance with the Texas Business Organization Code.

Section 3.6. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, five percent (5%) of the total votes of the membership shall constitute a quorum for any action, except as otherwise provided in the Certificate, the Declaration, or these Bylaws. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) that of the prior quorum requirement. Any subsequent meeting shall be held within thirty (30) days of the preceding meeting. If the required quorum is not present or represented at any meeting, the Members entitled to vote at the meeting 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.

Section 3.7. Proxies. Votes may be cast in person or by written proxy. To be valid, each proxy must: (i) be signed and dated by a Member or his attorney-in-fact; (ii) identify the Lot to which the vote is appurtenant; (iii) name the person or title (such as "presiding officer") in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the secretary, to the person presiding over the Association meeting for which the proxy is designated, or to a person or company designated by the Board. Unless the proxy specifies a shorter or longer time, it terminates eleven (11) months after the date of its execution. Perpetual or self-renewing proxies are permitted, provided they are revocable. To revoke a proxy, the granting Member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled is valid when the meeting reconvenes. A proxy may be delivered by fax. However, a proxy received by fax may not be counted to make or break a tie-vote unless: (a) the proxy has been acknowledged or sworn to by the Member, before and certified by an officer authorized to take acknowledgments and oaths; or (b) the Association also receives the original proxy within five (5) days after the vote. Electronic voting and balloting may be used as long as it is conducted within the guidelines of the Texas State Property Code for Homeowners Associations.

Section 3.8. Conduct of Meetings. The president, or any person designated by the Board, presides over meetings of the Association. The secretary keeps, or causes to be kept, the minutes of the meeting which should record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. Votes should be tallied by tellers appointed by the person presiding over the meeting.

Section 3.9. Order of Business. Unless the notice of meeting states otherwise or the assembly adopts a different agenda at the meeting, the order of business at meetings of the Association is as follows:

- Determine votes present by roll call or check-in procedure
- Announcement of quorum
- Proof of notice of meeting
- Approval of minutes of preceding meeting
- Reports of Officers (if any)
- Election of Directors (when required)
- Unfinished or old business
- New business

Section 3.10. Adjournment of Meeting. At any meeting of the Association, a majority of the Members present at that meeting, either in person or by proxy, may adjourn the meeting to another time and place.

Section 3.11. Action without Meeting. Subject to Board approval, any action which may be taken by a vote of the Members at a meeting of the Association may also be taken without a meeting by written consents. The Board may permit Members to vote by any method allowed by the Texas Business Organization Code, which may include hand delivery, United States Mail, facsimile, e-mail, or any combination of these. Written consents by Members representing at least a majority of votes in the Association, or such higher percentage as may be required by the Documents, constitutes approval by written consent. This Section may not be used to avoid the requirement of an annual meeting and does not apply to the election of Directors.

Section 3.12. Telephone Meetings. Members of the Association may participate in and hold meetings of the Association by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in the meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE IV BOARD OF DIRECTORS

Section 4.1. Authority; Number of Directors.

(a) The affairs of the Association shall be governed by a Board of Directors. The number of Directors shall be three (3). The initial Directors shall be three (3) in number and shall be those Directors named in the Certificate of Formation. The initial Directors shall serve until their successors are elected and qualified. **Except as is provided in the Declaration and in Sections 4.1(b) and 4.1(c) below, Declarant shall have the absolute right to appoint and remove members of the Board of Directors as long as Declarant owns any Lot affected by the Declaration and/or the Class B Period is in effect.**

(b) From and after the first annual meeting of Members and until the date (the "Transition Date") which is the earlier of (i) one hundred-twenty (120) days after seventy-five (75%) of the Lots have been sold to non-Declarant Owners, or (ii) ten (10) years from the date on which the Declaration is recorded in the Official Public Records of Dallas County, Texas, the Board of Directors shall consist of three (3) persons appointed by Declarant who need not be Members of the Association. On and after the 75% Transition Date, the Board of Directors shall include two (2) persons appointed by Declarant and one (1) person elected by a majority vote of Class A Members ("Non-Declarant Director") at such meeting at which quorum is present, which Non-Declarant Member shall serve for a period which is the shorter of one (1) year, or until the next annual meeting of the Members at which the Non-Declarant Member (or replacement thereof) shall be elected. The Non-Declarant Director shall be elected at the first annual meeting (or special meeting called for such purpose by the President of the Association) of Members held on or after the Transition Date. On and after the date on which the last Lot is sold to a non-Declarant Owner (the "Declarant Turnover Date"), the President of the Association will call a meeting of the Members of the Association where the Members will elect one (1) Director for a three (3) year term, and two (2) Directors for a two (2) year term. The member obtaining the most votes will serve the three (3) year term and the remaining two (2) will serve a term of two (2) years.

Upon expiration of the term of a Director elected by Members at the first meeting of the Members after the Declarant Turnover Date pursuant to this Section 4.1(b), his or her successors shall serve a term of two (2) years. A Director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed. The Board of Directors shall have the power and authority when it is deemed in the best interest of the Association to change or alter the terms of office of directors on the Board or increase the number of Directors to serve on the Board, which shall be done by Board resolution notwithstanding, terms must remain staggered for the purpose of continuity.

(c) Each Director, other than Directors appointed by Declarant, shall be a Member and resident, or in the case of corporate or partnership ownership of a Lot, a duly authorized agent or representative of the corporate or partnership Owner. The corporate, or partnership Owner shall be designated as the Director in all correspondence or other documentation setting forth the names of the Directors.

Section 4.2. Compensation. The Directors shall serve without compensation for such service.

Section 4.3. Nominations to Board of Directors. Members may be nominated for election to the Board of Directors in either of the following ways:

(a) A Member who is not a Director and who desires to run for election to that position shall be deemed to have been nominated for election upon his filing with the Board of Directors a written petition of nomination; or

(b) A Director who is eligible to be re-elected shall be deemed to have been nominated for re-election to the position he holds by signifying his intention to seek reelection in a writing addressed to the Board of Directors.

Section 4.4. Removal of Directors for Cause. If a Director breaches such Director's duties hereunder or violates the terms of the Declaration, the Certificate, the Association Rules or these Bylaws, such Director may be removed by Declarant unless Declarant no longer has the right to appoint and remove Directors in accordance with Section 4.1 of these Bylaws, and then by a majority vote of the remaining Directors after Declarant's right to appoint and remove Directors has expired. No Director shall have any voting rights nor may such Director participate in any meeting of the Board of Directors at any time that such Director is delinquent in the payment of any Assessments or other charges owed to the Association.

Section 4.5. Vacancies on Board of Directors. At such time as Declarant's right to appoint and remove Directors has expired or been terminated, if the office of any elected Director shall become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Directors, at a special meeting duly called for this purpose, shall choose a successor who shall fill the unexpired term of the directorship being vacated. If there is a deadlock in the voting for a successor by the remaining Directors, the one Director with the longest continuous term on the Board shall select the successor. At the

expiration of the term of his position on the Board of Directors, the successor Director shall be re-elected or his successor shall be elected in accordance with these Bylaws.

Section 4.6. Removal of Directors by Members. Subject to the right of Declarant to nominate and appoint Directors as set forth in Section 4.1 of these Bylaws, an elected Director may be removed, with or without cause, by a majority vote of the Members at any special meeting of the Members of which notice has been properly given as provided in these Bylaws; provided the same notice of this special meeting has also been given to the entire Board of Directors, including the individual Director whose removal is to be considered at such special meeting.

Section 4.7. Consent in Writing. Any action by the Board of Directors, including any action involving a vote on a fine, damage assessment, appeal from a denial or architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Board of Directors to present the Member's position on the issue, may be taken without a meeting if all of the Directors shall unanimously consent in writing to the action. Such written consent shall be filed in the Minute Book. Any action taken by such written consent shall have the same force and effect as a unanimous vote of the Directors.

ARTICLE V MEETINGS OF DIRECTORS

Section 5.1. Regular Meetings. Regular meetings of the Board shall be held at least annually or such other frequency as determined by the Board, without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 5.2. 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' notice to each Director.

Section 5.3. 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 of Directors.

Section 5.4. Telephone Meetings. Members of the Board or any committee of the Association may participate in and hold meetings of the Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 5.6. Action without a Meeting. Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting, if all Directors individually or collectively consent in writing to such action. The written consent must be filed with the minutes of Board meetings. Action by written consent has the same force and effect as a unanimous vote.

ARTICLE VI POWERS AND DUTIES OF THE BOARD

Section 6.1. Powers. The Board shall have power and duty to undertake any of the following actions, in addition to those actions to which the Association is authorized to take in accordance with the Declaration:

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

(b) to the maximum extent permitted under applicable law, suspend the voting rights of a Member and right of a Member to use of the Association Property during any period in which such Member shall be in default in the payment of any Assessment levied by the Association, or after notice and hearing, for any period during which an infraction of the Association Rules by such Member exists;

(c) exercise for the Association all powers, duties and authority vested in or related to the Association and not reserved to the membership by other provisions of the Association Restrictions;

(d) to enter into any contract or agreement with a municipal agency or utility company to provide electric utility service to all or any portion of the Property;

(e) 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;

(f) employ such employees as they deem necessary, and to prescribe their duties;

(g) as more fully provided in the Declaration, to:

(1) fix the amount of the Assessments against each Lot in advance of each annual assessment period and any other assessments provided by the Declaration; and

(2) foreclose the lien against any property for which Assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(h) 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 and to levy a reasonable

charge for the issuance of these certificates (it being understood that if a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment);

(i) procure and maintain adequate liability and hazard insurance on property owned by the Association, which policies of insurance shall name the Declarant during the Development Period, and any managing agent of the Association as "additional insured;"

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

(k) exercise such other and further powers or duties as provided in the Declaration or by law.

Section 6.2. 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 Members who are entitled to cast fifty-one percent (51%) of all outstanding votes; and

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

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 7.1. Enumeration of Offices. The officers of the Association shall be a President and a 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 create by resolution.

Section 7.2. 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 7.3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he resigns sooner, or shall be removed or otherwise disqualified to serve.

Section 7.4. 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 7.5. 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 7.6. Vacancies. A vacancy in any office may be filled through appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.7. 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 7.4.

Section 7.8. Duties. The duties of the officers are as follows:

(a) **President.** The President, or any person designated by the Board, presides over meetings of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments such as promissory notes.

(b) **Vice President.** The Vice President or Vice Presidents (including, without limitation, Executive Vice Presidents and Senior Vice Presidents), if any, shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated by the President or the Board.

(c) **Secretary/Treasurer.** The offices of Secretary and Treasurer may be held by the same officer. The Secretary shall cause to be recorded the votes and cause to be kept the minutes of all meetings and proceedings of the Board and of the Members; serve notice or cause to be served notice of meetings of the Board and of the Members; cause to be kept appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

(d) **Assistant Secretaries.** Each Assistant Secretary shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him or her by the Secretary, the President, the Board or any committee established by the Board.

(e) **Treasurer.** The Treasurer shall oversee the receipts and deposits in appropriate bank accounts all monies of the Association and shall oversee the disbursement of such funds as directed by resolution of the Board; shall sign, at the direction of the Board, promissory notes of the Association; cause to be kept proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership; and shall cause to be prepared an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and cause to be delivered a copy of each to the Members.

ARTICLE VIII OTHER COMMITTEES OF THE BOARD OF DIRECTORS

The Board may, by resolution adopted by affirmative vote of a majority of the number of Directors fixed by these Bylaws, designate two or more Directors (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose;

provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board of Directors and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board. Notwithstanding the foregoing or anything to the contrary contained herein, during the Development Period, the Architectural Reviewer for plans and specifications for new homes to be constructed on vacant Lots or modifications to any home on a Lot is the Declarant or its delegates in accordance with Section 6.2 and Appendix B of the Declaration, as amended from time to time.

ARTICLE IX 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 Association Restrictions shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Assessments which are secured by a continuing lien upon the property against which the Assessments are made. Assessments shall be due and payable in accordance with the Declaration.

ARTICLE XI CORPORATE SEAL

The Association may, but shall have no obligation to, have a seal in a form adopted by the Board.

ARTICLE XII DECLARANT PROVISIONS

Section 12.1. Conflict. The provisions of this Article control over any provision to the contrary elsewhere in these Bylaws.

Section 12.2. Board of Directors. As provided in Section 4.1 of these Bylaws, **Declarant is entitled to appoint and remove all members of the Board of Directors until the Transition Date and thereafter, two members of the Board of Directors until the Declarant no longer owns any portion of the Property.** Until Declarant's right to appoint members of the Board of Directors terminates, the Directors appointed by Declarant need not be Owners or residents and may not be removed by the Owners. In addition, Declarant has the right to fill vacancies in any directorship vacated by a Declarant appointee.

**ARTICLE XIII
AMENDMENTS**

Section 13.1. These Bylaws may be amended, (i) on or before the Declarant Turnover Date, by unilateral vote or written consent of Declarant, and thereafter (ii) by a majority vote or written consent of a majority of the Directors on the Board of Directors of the Association.

Section 13.2. In the case of any conflict between the Certificate and these Bylaws, the Certificate shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.


**ARTICLE XIV
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

THE ASSOCIATION SHALL INDEMNIFY EVERY DIRECTOR AND OFFICER OF THE ASSOCIATION AGAINST, AND REIMBURSE AND ADVANCE TO EVERY DIRECTOR AND OFFICER FOR, ALL LIABILITIES, COSTS AND EXPENSES INCURRED IN CONNECTION WITH SUCH DIRECTORSHIP OR OFFICE AND ANY ACTIONS TAKEN OR OMITTED IN SUCH CAPACITY TO THE GREATEST EXTENT PERMITTED UNDER THE TEXAS BUSINESS ORGANIZATION CODE AND ALL OTHER APPLICABLE LAWS AT THE TIME OF SUCH INDEMNIFICATION, REIMBURSEMENT OR ADVANCE PAYMENT; PROVIDED, HOWEVER, NO DIRECTOR OR OFFICER SHALL BE INDEMNIFIED FOR: (A) A BREACH OF DUTY OF LOYALTY TO THE ASSOCIATION OR ITS MEMBERS; (B) AN ACT OR OMISSION NOT IN GOOD FAITH OR THAT INVOLVES INTENTIONAL MISCONDUCT OR A KNOWING VIOLATION OF THE LAW; (C) A TRANSACTION FROM WHICH SUCH DIRECTOR OR OFFICER RECEIVED AN IMPROPER BENEFIT, WHETHER OR NOT THE BENEFIT RESULTED FROM AN ACTION TAKEN WITHIN THE SCOPE OF DIRECTORSHIP OR OFFICE; OR (D) AN ACT OR OMISSION FOR WHICH THE LIABILITY OF SUCH DIRECTOR OR OFFICER IS EXPRESSLY PROVIDED FOR BY STATUTE.

**ARTICLE XV
MISCELLANEOUS**

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.

I, the undersigned, being the Secretary of Crespi Estates Homeowners Association, Inc. does hereby certify that the foregoing are the Bylaws of said non-profit corporation, as adopted by the Association's Board of Directors pursuant to a Unanimous Consent of Directors in Lieu of Organizational Meeting of the Corporation dated to be effective as of May 6, 2019.



Dustin Warren, Secretary

ATTACHMENT A

FOR CRESPI ESTATES

RECORDS PRODUCTION, COPYING, AND RETENTION POLICIES

ATTACHMENT A
TO THE BYLAWS OF
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

Records Production, Copying, and Retention Policy

WHEREAS, the Board of Directors (the "Board") of Crespi Estates Homeowners Association Inc. (the "Association") wishes to adopt reasonable guidelines to establish Records Production, Copying, and Retention Policy for the Association; and

WHEREAS, the Board wishes to adopt these reasonable guidelines in compliance with Section 209.005 of the Texas Property Code ("Section 209.005") regarding Owner access to Association documents and records ("Records"); and

WHEREAS, the Board intends to file these guidelines with the Bylaws for Crespi Estates in the real property records of each county in which the subdivision is located, in compliance with Section 209.005 of the Texas Property Code; and

WHEREAS, this policy may be amended at any time and from time to time by the Declarant during the Declarant Control Period and thereafter by the Board of Directors by Resolution, without the need for amendment to the Bylaws, to comport with industry standards, to amend or revise provisions of the policy as may be deemed necessary and in the best interest of the Association. Any amendment or revision shall be mailed to each homeowner and a copy placed on the Association's website if applicable; and

NOW, THEREFORE, IT IS RESOLVED that the following guidelines for Records Production and Copying are established by the Board:

1. Association Records shall be reasonably available to every owner. An owner may also provide access to Records to any other person (such as an attorney, CPA or agent) they designate in writing as their proxy for this purpose. To ensure a written proxy is actually from the owner, the owner must include a copy of his/her photo ID or have the proxy notarized.
2. An owner, or their proxy as described in section 1, must submit a written request for access to or copies of Records. The letter must:
 - a. be sent by certified mail to the Association's address as reflected in its most recent Management Certificate filed in the County public records; and
 - b. contain sufficient detail to identify the specific Records being requested; and
 - c. indicate whether the owner or proxy would like to inspect the Records before possibly obtaining copies or if the specified Records should be forwarded. If forwarded, the letter must indicate the format, delivery method and address:
 - i. format: electronic files, compact disk or paper copies
 - ii. delivery method: email, certified mail or pick-up
3. Within ten (10) business days of receipt of the request specified in section 2 above, the Association shall provide:
 - a. the requested Records, if copies were requested and any required advance payment had been made; or
 - b. a written notice that the Records are available and offer dates and times when the Records may be inspected by the owner or their proxy during normal business hours at the office of the Association; or
 - c. a written notice that the requested Records are available for delivery once a payment of

ATTACHMENT A
TO THE BYLAWS OF
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

- the cost to produce the records is made and stating the cost thereof; or
- d. a written notice that a request for delivery does not contain sufficient information to specify the Records desired, the format, the delivery method and the delivery address; or
 - e. a written notice that the requested Records cannot be produced within ten (10) business days but will be available within fifteen (15) additional business days from the date of the notice and payment of the cost to produce the records is made and stating the cost thereof.
4. The following Association Records are **not** available for inspection by owners or their proxies:
- a. the financial records associated with an individual owner; and
 - b. deed restriction violation details for an individual owner; and
 - c. personal information, including contact information other than an address for an individual owner; and
 - d. attorney files and records in the possession of the attorney; and
 - e. attorney-client privileged information in the possession of the Association.

The information in a, b and c above will be released if the Association receives express written approval from the owner whose records are the subject of the request for inspection.

5. Association Records may be maintained in paper format or in an electronic format. If a request is made to inspect Records and certain Records are maintained in electronic format, the owner or their proxy will be given access to equipment to view the electronic records. Association shall not be required to transfer such electronic records to paper format unless the owner or their proxy agrees to pay the cost of producing such copies.
6. If an owner or their proxy inspecting Records requests copies of certain Records during the inspection, Association shall provide them promptly, if possible, but no later than ten (10) business days after the inspection or payment of costs, whichever is later.
7. The owner is responsible for all costs associated with a request under this Policy, including but not limited to copies, postage, supplies, labor, overhead and third party fees (such as archive document retrieval fees from off-site storage locations) as listed below: (Please go to the Attorney General web-site for current charges) <https://texasattorneygeneral.gov/og/charges-for-public-information>
8. Any costs associated with a Records request must be paid in advance of delivery by the owner or their proxy. An owner who makes a request for Records and subsequently declines to accept delivery will be liable for payment of all costs under this Policy.
9. On a case-by-case basis, in the absolute discretion of the Association, and with concurrence of the owner, the Association may agree to invoice the cost of the Records request to the owner's account. Owner agrees to pay the total amount invoiced within thirty (30) days after the date a statement is mailed to the Owner. Any unpaid balance will accrue interest as an assessment as allowed under the Declarations.

ATTACHMENT A
TO THE BYLAWS OF
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

10. On a case-by-case basis where an owner request for Records is deemed to be minimal, the Association or its managing agent reserves the right to waive notice under section 2 and/or fees under section 4.
11. All costs associated with fulfilling the request under this Policy will be paid by the Association's Managing Agent. All fees paid to the Association under this Policy will be reimbursed to the Association's Managing Agent or paid directly to the Association's Managing Agent.

1. **Standard paper copy.** The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$.10 per page or part of a page. Each side that has 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) Data cartridge--actual cost;
- (C) Rewritable CD (CD-RW)--\$1.00;
- (D) Non-rewritable CD (CD-R)--\$1.00;
- (E) Digital video disc (DVD)--\$3.00;
- (F) JAZ drive, Thumb Drive, or other external hard drive --actual cost;
- (G) Other electronic media--actual cost;
- (H) All other mediums for copying data not provided herein — actual cost;
- (I) Oversize paper copy or specialty paper (e.g.: 11 inches by 17 inches, greenbar, bluebar)--\$.50 per page;

3. **Labor charge for programming.** If a particular request requires the services of a programmer in order to execute an existing program or to create a new program so that requested information may be accessed and copied, the Association may charge a reasonable fee for the location of the Property for the programmer's time.

ATTACHMENT A
TO THE BYLAWS OF
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

4. Labor charge for locating, compiling, manipulating data, and reproducing public information.

(A) The charge for labor costs incurred in processing a request for public information is \$15 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

(B) A labor charge shall not be billed in connection with complying with requests that are for 50 or fewer pages of paper records.

5. Labor charge for third parties. A labor charge shall not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested information to determine whether the Association will raise any exceptions to disclosure of the requested information under applicable law.

6. Miscellaneous supplies. The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

7. 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. The Association that accepts payment by credit card for copies of public information and that is charged a "transaction fee" by the credit card company may recover that fee. The Association may require advance payment of the charges in this Policy. The Association will provide an invoice to the Owner within 30 days after delivering the requested information. In the event the invoiced amount is less than the pre-paid amount, the Association will refund the excess amount to the Owner within 30 days after the invoice is sent to the Owner. If the actual cost invoiced is greater than the pre-paid amount, the Owner will pay such excess within 30 days of receipt of the invoice. In the event such excess is not paid by the owner timely, the Association may add such unpaid amounts to the Owner's assessment account.

9. Savings Clause. This Policy is subject to periodic reevaluation and update. Notwithstanding anything to the contrary, the Association will not in any event be entitled to receive or collect the charges in this Policy in amounts greater than the maximum allowed by applicable law. In the event the Association receives amounts charged which are in excess of the maximum charges permitted by law, the excess amount will be returned to the Owner.

ATTACHMENT A
TO THE BYLAWS OF
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

RECORDS RETENTION

The Record Retention Policy of Riverside Place Community Association ensures that necessary records and documents are adequately protected and maintained and that records that are no longer needed or are of no value are discarded at the proper time.

1. Policy. This Policy represents the Association's policy regarding the retention and disposal of records and the retention and disposal of electronic documents.

2. Administration. The Record Retention Schedule herein is approved as the initial maintenance, retention and disposal schedule for physical records of the Association and the retention and disposal of electronic documents. The Board or Secretary of the Association ("Administrator") is the officer in charge of the administration of this Policy and the implementation of processes and procedures to ensure that the Record Retention Schedule is followed. The Administrator is also authorized to: make modifications to the Record Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and includes the appropriate document and record categories for the Corporation; monitor local, state and federal laws affecting record retention; annually review the record retention and disposal program; and monitor compliance with this Policy.

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 any employee becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, such employee shall inform the Administrator and any further disposal of documents shall be suspended until such time as the Administrator, with the advice of counsel, determines otherwise. The Administrator will take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents.

4. Applicability. This 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 the electronic documents described above.

Record Retention Schedule

The Record Retention Schedule is organized as follows:

SECTION TOPIC

- A. Accounting and Finance
- B. Contracts
- C. Corporate Records
- D. Electronic Documents
- E. Payroll Documents
- F. Personnel Records
- G. Property Records
- H. Tax Records

ATTACHMENT A
TO THE BYLAWS OF
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

The following are the Association's retention periods. These apply to both physical and electronic documents. If no physical copy of an electronic document is retained, the means to 'read' the electronic document must also be retained. If a record does not fall within the following categories, Board approval must be obtained to dispose of such record.

A. ACCOUNTING AND FINANCE

Record Type

Accounts Payable & Accounts Receivable ledgers and schedules	7 years
Annual Audit Reports and Financial Statements	7 years
Annual Audit Records, including work papers and other documents that relate to the audit	7 years after completion of audit
Bank Statements and Canceled Checks Employee Expense Reports	7 years
General Ledgers	7 years
Notes Receivable ledgers and schedules Investment Records	Permanent

B. CONTRACTS

<u>Record Type</u>	<u>Retention Period</u>
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documentation)	4 years after expiration or termination

C. ASSOCIATION RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Corporate Records (unless otherwise specifically addressed in this Policy - Governing Documents, Dedicatory Instruments, minute books, signed minutes of the Board and all committees, corporate seals, annual corporate reports)	Permanent
Licenses and Permits	Permanent
Account records of current owners	5 years

D. ELECTRONIC DOCUMENTS

- 1. Electronic Mail:** Not all email needs to be retained, depending on the subject matter.
 - All e-mail—from internal or external sources—is to be deleted after 12 months.
 - Staff will strive to keep all but an insignificant minority of their e-mail related to business issues.
 - The Corporation's business-related email should be downloaded to a service center or user directory on the server, when determined by the Board.

ATTACHMENT A
TO THE BYLAWS OF
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

- Staff will not store or transfer the Corporation's related e-mail on non-work-related computers except as necessary or appropriate for the Corporation's purposes.
 - Staff will take care not to send confidential/proprietary information to outside sources.
- 2. Electronic Documents:** Retention depends on the subject matter and follows D.1 above

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

ATTACHMENT A
TO THE BYLAWS OF
CRESPI ESTATES HOMEOWNERS
ASSOCIATION, INC.
E. PAYROLL DOCUMENTS

<u>Record Type</u>	<u>Retention Period</u>
Employee Deduction Authorizations	4 years after termination
Payroll Deductions	Termination + 7 years
W-2 and W-4 Forms	Termination + 7 years
Garnishments, Assignments, Attachments	Termination + 7 years
Payroll Registers (gross and net)	7 years
Time Cards/Sheets	2 years
Unclaimed Wage Records	6 years

F. PERSONNEL RECORDS

<u>Record Type</u> <u>Period</u>	<u>Retention</u>
EEO- I/EEO-2 - Employer Information Reports	2 years after superseded or filing (whichever is longer)
Employee Earnings Records	Separation + 7 years
Employee Handbooks	1 copy kept permanently
Employee Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, withholding information, garnishments, test results, training and qualification records)	6 years after separation
Employment Contracts — Individual	7 years after separation
Employment Records - Correspondence with Employment Agencies and Advertisements for Job Openings	3 years from date of hiring
Employment Records - All Non-Hired Applicants (including all applications and resumes - whether solicited or unsolicited, results of post-offer, pre-employment physicals, results of background investigations, if any, related correspondence)	2-4 years (4 years if file contains any correspondence which might be construed as an offer)
Job Descriptions	3 years after
Record Retention Policy	

ATTACHMENT A
TO THE BYLAWS OF
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

<u>Record Type</u>		<u>Retention Period</u>
Personnel Count Records		3 years
Forms 1-9	PROPERTY RECORDS	3 years after hiring, or 1 year ^G . after separation if later

<u>Record Type</u>	<u>Retention Period</u>
Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent
Property Insurance Policies	Permanent

H. TAX RECORDS

<u>Record Type</u>	<u>Retention Period</u>
Tax-Exemption Documents and Related Correspondence	Permanent
IRS Rulings	Permanent
Tax Bills, Receipts, Statements	7 years
Tax Returns - Income, Franchise, Property	Permanent
Tax Workpaper Packages - Originals	7 years
Annual Information Returns - Federal and State	Permanent
IRS or other Government Audit Records	Permanent
All other Tax Records	7 years

[END OF RECORDS PRODUCTION, COPYING, AND RETENTION POLICY]

ATTACHMENT B

FOR CRESPI ESTATES

ALTERNATIVE PAYMENT SCHEDULE POLICY

ATTACHMENT B
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.
Alternative Payment Schedule Guidelines for Certain Assessments

WHEREAS, the Board of Directors (the “Board”) of the Crespi Estates Homeowners Association, Inc. (the “Association”) wishes to adopt reasonable guidelines to establish an alternative payment schedule by which an owner may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association; and

WHEREAS, the Board wishes to adopt these reasonable guidelines in compliance with Section 209.0062 of the Texas Property Code. The provisions of this policy may be amended, from time to time, as the Board deems necessary and appropriate by Resolution of the Board; and

WHEREAS, the Board intends to file these guidelines in the real property records of each county in which the subdivision is located, in compliance with Section 209.0062 of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED that the following guidelines are established by the Board:

1. Upon the request of a delinquent owner, the Association shall enter into an alternative payment schedule with such owner, subject to the following guidelines:
 - a. An Alternative Payment Schedule is only available to owners who have delinquent regular assessments, special assessments or any other amount owed to the Association.
 - b. An Alternative Payment Schedule will not be made available in the following cases: (1) to owners who have failed to honor the terms of a previous Alternative Payment Schedule during the two (2) years following the owner’s default of such previous Alternative Payment Schedule; (2) to owners who have failed to request an Alternative Payment Schedule prior to the 30 day deadline to cure the delinquency as set forth in the Association’s letter sent pursuant to Tex. Prop. Code § 209.0064(b); and/or (3) to owners who have entered into an Alternative Payment Schedule within the previous 12 months. Notwithstanding the foregoing, the Board has discretion to allow any owner to enter into an Alternative Payment Schedule.
 - c. During the course of an Alternative Payment Schedule, additional monetary penalties shall not be charged against an owner so long as the owner timely performs all obligations under the Alternative Payment Schedule and does not default. However, the Association may charge reasonable costs for administering the Alternative Payment Schedule (“Administrative Costs”) and, if interest is allowed under the Declaration, then interest will continue to accrue during the term of the Alternative Payment Schedule. The Association may provide an estimate of the amount of interest that will accrue during the term of the Alternative Payment Schedule.

ATTACHMENT B
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

- d. The total of all proposed payments in an Alternative Payment Schedule must equal the sum of the current delinquent balance, the estimated interest, and any Administrative Costs; and may include any assessments that will accrue during the term of the Payment Plan.
- e. All payments under an Alternative Payment Schedule shall be due and tendered to the Association by the dates specified in the Alternative Payment Schedule, and shall be made by cashier's checks or money orders.
- f. The minimum term for an Alternative Payment Schedule is 3 months from the date of the owner's request for an Alternative Payment Schedule. The Association is not required to allow an Alternative Payment Schedule for any amount that extends more than 18 months from the date of the owner's request for an Alternative Payment Plan.
- g. Any owner may submit to the Board a request for an Alternative Payment Schedule that does not meet the foregoing guidelines, along with any other information he/she believes the Board should consider along with such request (e.g. evidence of financial hardship). The Board, in its sole discretion, may approve or disapprove such a request for a non-conforming Alternative Payment Schedule. An owner who is not eligible for an Alternative Payment Schedule may still request an Alternative Payment Schedule, and the Board, in its sole discretion, may accept or reject such a request.
- h. Default
 - 1. The following shall result in an immediate default of an Alternative Payment Schedule:
 - i. The owner's failure to timely tender and deliver any payment when due under the Alternative Payment Schedule;
 - ii. The owner's failure to tender any payment in the full amount and form (e.g., cashier's check or money order) as specified in the Alternative Payment Schedule; or
 - iii. The owner's failure to timely comply with any other requirement or obligation set forth in the Alternative Payment Plan.
 - 2. Any owner who defaults under an Alternative Payment Schedule shall remain in default until his/her entire account balance is brought current.
 - 3. The Association is not required to provide notice of any default.
 - 4. Owners are not entitled to any opportunity to cure a default.
 - 5. While an owner is in default under an Alternative Payment Schedule,


ATTACHMENT B
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

the owner's payments need not be applied to the owner's debt in the order of priority set forth in Tex. Prop. Code § 209.0063(a). But, in applying a payment made while the owner is in default, a fine assessed by the Association may not be given priority over any other amount owed to the Association.

6. The failure by the Association to exercise any rights or options shall not constitute a waiver thereof or the waiver of the right to exercise such right or option in the future.
 - i. All other terms of an Alternative Payment Schedule are at the discretion of the Board of Directors.

This is to certify that the foregoing Alternative Payment Schedule Guidelines for Certain Assessments was adopted by the Board of Directors the 6th day of May, 2019, in accordance with Section 209.0062 of the Texas Property Code.

Crespi Estates Homeowners Association, Inc.


Dustin Warren, Secretary

ATTACHMENT C

FOR CRESPI ESTATES

NOTICE AND HEARING; SCHEDULE OF FINES

ATTACHMENT C
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

NOTICE AND HEARING; SCHEDULE OF FINES

Notice and Hearing.

(a) Prior to the imposition of any fine for a violation of the Declaration or the levying of any special individual assessment on an Owner, the Association will give at least one (1) notice of not more than five (5) days each to the Owner for most violations in compliance with the Declaration and/or Section 209.006 of the Texas Property Code (the “**Property Code**”), as the same may be hereafter amended. Some violations, per the Declaration, may require less of a notice than other violations and emergency or health and safety hazards may be addressed immediately, without the benefit of a notice, should the Board deem it necessary or appropriate. Other violations may have a 72-hour notice and response time. Notice(s) shall be as follows:

(i) First Notice shall be sent regular U.S. mail. Friendly Reminders or Courtesy Notices may be sent via e-mail only.

(ii) Second Notice (**Fine Warning Notice**) shall be delivered by certified mail.

(iii) Notice of Fine Levied shall be delivered by certified mail.

(iv) The notice must describe the violation or property damage that is the basis for the fine for such violation, and state any amount due the Association from the Owner.

(v) The notice must inform the Owner that the Owner is entitled to a reasonable time to cure the violation and avoid the fine and that the Owner may request a hearing as outlined in Article 12 of the Declaration and Section 209.007 of the Texas Property Code on or before the 30th day after the Owner receives the notice.

(b) In compliance with Section 209.007 of the Texas Property Code, if the Owner submits a written request for a hearing, the Association shall hold a hearing not later than the thirtieth (30th) day after the date the Board receives the Owner’s request, and shall notify the Owner of the date, time and place of the hearing not later than the tenth (10th) day before the date of the hearing. The Board or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. If the hearing is to be held before a committee appointed by the Board, the notice shall state that the Owner has the right to appeal the committee’s decision to the Board by written notice to the Board.

ATTACHMENT C
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

(c) If a violation has not previously been cured, the Association may send (i) a second notice (Notice of Fine Warning) not more than five (5) days after the first notice of violation is sent by the Association to an Owner, and (ii) a third notice (Notice of Fine Levied) three (3) days after the second notice (Notice of Fine Warning) has been sent. As noted above emergencies and matters deemed to be a risk or threaten the safety, health, and welfare of any person or the community shall not require any notice prior to the Board taking action. Notwithstanding, the Board shall attempt to notify the Owner and make contact as promptly as possible after the action is taken. If in the process of abating a violation the Association incurs expenses, the Association may not levy the charges to the Owner's account until the Association has notified the Owner by certified and regular U.S. mail and provided information on the violation(s) and actions taken to abate the violation(s) along with a statement of costs and expenses incurred. A notice is deemed to have been delivered after the Association, a designee, or its Managing Agent has delivered the notification to the U.S. postal service for delivery which may include depositing in a U.S. Postal mail receptacle, depositing with a U.S. Postal Worker, or at a U.S. Post Office.

(d) If the violation is not cured to the reasonable satisfaction of the Association within

(e) a five (5) day period after delivery of the first notice of violation, provided that such Owner has not requested a hearing in accordance with the above, then the Association shall levy and send notice of the fine assessed for such violation. The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard, pursuant to Section 209.006 and Section 209.007 of the Texas Property Code.

(f) Fines levied by the Association for violations shall be in accordance with the Schedule of Fines (herein so called) listed below notwithstanding, certain violations may carry a different fine schedule as may be set forth in the Declaration, or by the adoption or amendment of any Rule and/or Regulation of the Association, including violation of the Community Wide Standard. Any fine levied shall be reflected on the Owner's periodic statements of account or delinquency notices. The number of notices set forth below does not mean that the Board is required to provide each notice prior to exercising additional remedies as set forth in the Declaration. The Board may elect to pursue such additional remedies at any time in accordance with applicable law. The Board also reserves the right to set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effect of the violation.

FINES:

Violation:

Fine Amount:

Notice of Fine -1st Notice

\$100.00 (may be avoided if Owner cures the violation within five (5) days or less)

ATTACHMENT C

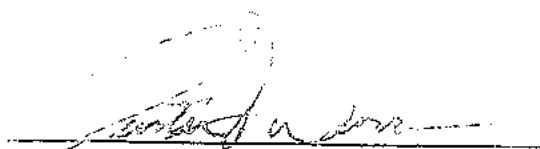
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

Notice of Fine -2 nd Notice	\$200.00
Notice of Fine -3 rd Notice	\$300.00
Notice of Fine -4 th Notice	Fine will increase an additional \$100.00 every week until Owner cures the violation

MAXIMUM FINE AMOUNT PER VIOLATION IS \$2,000.00. ONCE THE MAXIMUM FINE AMOUNT IS REACHED IF THE OWNER HAS NOT CURED THE VIOLATION, THE FINE PROCESS WILL START OVER AND THIS PROCESS WILL CONTINUE UNTIL THE OWNER CURES THE VIOLATION. Any violation that is cured and then repeated by an Owner within a six (6) month period will not require the Association to send the initial 5-day notice and the Association may, at its discretion, begin wherever the last notification or violation process ended.

The policy was adopted by the Board of Directors on the 6th day of May, 2019 by majority vote of the Board. This policy may be amended or revoked from time to time, by Resolution of the Board. Amendment to the Bylaws is not required to amend or otherwise revoke any portion of this policy. This policy will remain effective until the Association records an amendment to this policy in the county's official public records.

Crespi Estates Homeowners Association, Inc.



Dustin Warren, Secretary

ATTACHMENT D
FOR CRESPI ESTATES
COLLECTION POLICY

ATTACHMENT D
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.
COLLECTION POLICY

WHEREAS, Crespi Estates Homeowners Association, Inc. (the "Association") has authority pursuant to the Declaration of Covenants, Conditions & Restrictions for Crespi Estates (the "Declaration") to levy assessments against Owners of Lots within Crespi Estates, a planned community located in Dallas County, Texas (the "Property"); 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 the laws of the State of Texas 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 Property 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.

Due Dates. Pursuant to the Declaration, the assessment shall be paid annually on the first day of January of each year unless the Board determines a different schedule. The due date and delinquency date for a Special Assessment authorized per the Declaration shall be determined by the Board of Directors. Any installment of the Annual Assessment which is not paid in full by January 30 is delinquent (the "Delinquency Date") and shall be assessed late fees and interest as provided below.

2. Written Notice of Delinquency. Subsequent to an Owner becoming delinquent, and prior to referring the account to the Association's legal counsel for collection, the Association will send at least one (1) written notice of the delinquency to the Owner via certified mail (the "Delinquency Notice"). The Delinquency Notice shall: (i) detail each delinquent amount and the total amount owed; (ii) describe the options the Owner has to avoid having the account referred to the Association's legal counsel, including the availability of a payment plan, and (iii) provide the Owner a period of at least thirty (30) days to cure the delinquency before further collection action is taken. This notice is more commonly known as the "thirty-day demand letter."

3. Payment Plans. Section 209.0062 of the Texas Property Code requires that the Association adopt reasonable guidelines to establish an alternate payment schedule by which an owner may make partial payments for delinquent amounts owed to the Association in certain circumstances. The Board has adopted and recorded a policy which governs payment plans and the Association will follow the policies and procedures contained therein.

ATTACHMENT D
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

4. Interest. In the event any assessment, or any portion thereof, is not paid in full by the Delinquency Date, interest on unpaid assessments at the rate of eighteen percent (18%) per annum from the Delinquency Date until paid shall be charged to the Owner's account. Such interest, as and when it accrues hereunder, is secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments. The Board may, in its sole discretion, waive the collection interest; provided, however, that the waiver of interest shall not constitute a waiver of the Board's right to collect any interest or any other charges in the future.

5. Late Charges. In the event any assessment, or any portion thereof, is not paid in full by the Delinquency Date, late charges in an amount up to \$25.00 shall be assessed against the Owner's account each month and every month until the assessment is paid in full. Such late charge, as and when levied, is secured by the Assessment Lien described in the Declaration, and 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 or late charges or any other charges in the future.

6. Collection Fees. In the event any assessment, or any portion thereof, is not paid in full by the Delinquency Date, collection fees shall be assessed against the Owner's account each month and every month until the assessment is paid in full. Collection fees are charges by the managing agent for the servicing of accounts, collection of delinquent accounts and for other services rendered such as payment plan processing and monitoring, demand letters, etc., and may not be waived by the Board without the consent of the managing agent. Such collection fee, as and when levied, is secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments.

7. Handling Charges and Return Check Fees. In order to recoup for the Association, 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 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. Charges may be owed to the Association and/or its Managing Agent.

b. A charge of \$25.00 per item or the amount charged by the Bank if greater, 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.

ATTACHMENT D
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

c. Any fee or charge becoming due and payable pursuant to this Policy 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.

9. Collection Agencies. In the event an account has not been paid in full following thirty (30) days from the date Delinquency Notice was mailed to the Owner, the Association's agent may refer the account to a "third-party" entity which may include, but is not limited to, the Association's Attorney, a collection agency for collection, including reporting delinquent account to any credit bureau or other agency providing credit histories to authorized entities. All costs incurred by the Association for services rendered by any such third-party agency, or administering the referral and handling of the account to a third-party agency are deemed costs of collection of the Association. Such costs of collection, when incurred by the Association and added to an Owner's account, are secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments.

10. Application of Funds Received. All monies received by the Association will be applied to the Owner's delinquency in the following order of priority:

- a. First, to any delinquent assessment;
- b. Second, to any current assessment;
- c. Next, to 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;
- d. Next, to any attorney's fees incurred by the Association that are not subject to Subsection 10 (c) above;
- e. Next, to any fines assessed by the Association; and
- f. Last, to any other amount owed to the Association.

If the Owner is in default under a payment plan entered into with the Association at the time the Association receives a payment from the Owner, the Association is not required to apply the payment in the order of priority specified herein, except that a fine assessed by the Association may not be given priority over any other amount owed to the Association.

ATTACHMENT D

CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

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 or 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 interest 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 Delinquency 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. Upon direction of the Board or the Association's agent, 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 Official Public Records of Dallas County, a written notice of assessment 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.

ATTACHMENT D
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

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 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 at the Dallas County Courthouse for a 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 inferior 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.

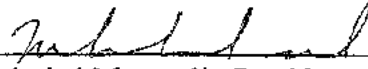
g. Remedies Not Exclusive. All rights and remedies provided in this Policy and herein above are cumulative and not exclusive of any other rights or remedies that may be available to the Association, whether provided by law, equity, the Association’s governing documents or otherwise.

14. Compromise. In order to expedite the resolution of a delinquent account, the Board may, at any time, compromise or waive the payment of interest, late charges, handling charges, collection costs other than collection fees, unless approved by the managing agent, legal fees or any other application charge.


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 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.

ATTACHMENT D
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

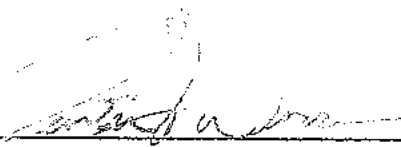
IT IS FURTHER RESOLVED, that this Policy replaces and supersedes in all respects any prior policy and resolution with respect to the collection of assessments filed by the Association or its predecessor-in-interest, is effective upon its filing with the Office of the Dallas County Clerk, and shall remain in full force and effect until revoked, modified or amended by Resolution of the Board of Directors.



Mehrdad Moayedi, President



Brock Babb, Vice President



Dustin Warren, Secretary/Treasurer

ATTACHMENT E
FOR CRESPI ESTATES
E-MAIL REGISTRATION POLICY

ATTACHMENT E
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

E-MAIL REGISTRATION POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for Crespi Estates Homeowners Association, Inc. Recorded in the Official Public Records of Dallas County, Texas, as the same may be amended from time to time by Resolution of the Board.

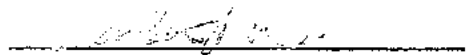
1. Purpose. The purpose of this Email Registration. Policy is to facilitate proper notice of Board, Annual and Special meetings of members of the Association pursuant to Section 209.0051(e) of the Texas Property Code.

2. Email Registration. Should the owner wish to receive any and all email notifications of annual and special meetings of members of the Association, it is the owner's sole responsibility to register his/her email address with the Association and to continue to keep the registered email address updated and current with the Association. In order to register an email address, the owner must provide their name, address, phone number and email address through the method provided on the Association's website, if any, and/or to the official contact information provided by the Association for the community manager.

3. Failure to Register. An owner may not receive email notification or communication of annual or special meetings of members of the Association should the owner fail to register his/her email address with the Association and/or properly and timely maintain an accurate email address with the Association. Correspondence to the Association and/or Association manager from an email address or by any method other than the method described in Paragraph No. 2 above will not be considered sufficient to register such email address with the Association.

4. Amendment. The Association may, from time to time, modify, amend, or supplement this Policy or any other rules regarding email registration.

CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.



Secretary

ATTACHMENT F
FOR CRESPI ESTATES
GENERERATOR POLICY

ATTACHMENT F
CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

GENERATOR POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for Crespi Estates Homeowners Association, if applicable, recorded or to be recorded in the Official Public Records of Dallas County, Texas, as the same may be amended from time to time.

A. ARCHITECTURAL REVIEW APPROVAL REQUIRED

As part of the installation and maintenance of a generator on an Owner's Lot, an Owner may submit plans for and install a standby electric generator ("Generator") upon written approval by the architectural review authority under the Declaration (the "ACC").

B. GENERATOR PROCEDURES AND REQUIREMENTS

1. Application. Approval by the ACC is required prior to installing a Generator. To obtain the approval of the ACC for a Generator, the Owner shall provide the ACC with an application containing the following information: (i) the proposed site location of the Generator on the Owner's Lot; (ii) a description of the Generator, including a photograph or other accurate depiction; and (iii) the size of the Generator (the "Generator Application"). The ACC is not responsible for: (i) errors or omissions in the Generator Application submitted to the ACC for approval; (ii) supervising installation or construction to confirm compliance with an approved Generator Application or (iii) the compliance of an approved application with Applicable Law.

2. Approval Conditions. Each Generator Application and all Generators to be installed in accordance therewith must comply with the following:

(i) The Owner must install and maintain the Generator in accordance with the manufacturer's specifications and meet all applicable governmental health, safety, electrical, and building codes.

(ii) The Owner must use a licensed contractor(s) to install all electrical, plumbing, and fuel line connections and all electrical connections must be installed in accordance with all applicable governmental health, safety, electrical, and building codes.

(iii) The Owner must install all-natural gas, diesel fuel, biodiesel fuel, and/or hydrogen fuel line connections in accordance with applicable governmental health, safety, electrical, and building codes.

(iv) The Owner must install all liquefied petroleum gas fuel line connections in accordance with the rules and standards promulgated and adopted by the Railroad Commission of Texas and other applicable governmental health, safety, electrical, and building codes.

(v) The Owner must install and maintain all non-integral standby Generator fuel tanks in compliance with applicable municipal zoning ordinances and governmental health, safety, electrical, and building codes.

(v) The Owner must install all liquefied petroleum gas fuel line connections in accordance with the rules and standards promulgated and adopted by the Railroad Commission of Texas and other applicable governmental health, safety, electrical, and building codes.

(vi) The Owner must install and maintain all non-integral standby Generator fuel tanks in compliance with applicable municipal zoning ordinances and governmental health, safety, electrical, and building codes.

(vii) The Owner must maintain in good condition the Generator and its electrical lines and fuel lines. The Owner is responsible to repair, replace, or remove any deteriorated or unsafe component of a Generator, including electrical and fuel lines.

(viii) The Owner must screen a Generator if it is visible from the street faced by the residence, located in an unfenced side or rear yard of a Lot, and is visible either from an adjoining residence or from adjoining property owned by the Association, and/or is located in a side or rear yard fenced by a wrought iron and is visible through the fence either from an adjoining residence or from adjoining property.

(ix) The Owner may only perform periodic testing of the Generator consistent with the manufacturer's recommendations between the hours of 9 a.m. to 5 p.m., Monday through Friday.

(x) No Owner shall use the Generator to generate all or substantially all of the electric power to the Owner's residence unless the utility-generated electrical power to the residence is not available or is intermittent due to causes other than nonpayment for utility service to the residence.

(xi) No Owner shall locate the Generator (i) in the front yard of a residence; or (ii) in the side yard of a residence facing a street without written permission of the ACC and approved screening.

(xii) No Owner shall locate a Generator on property owned by the Association.

(xiii) No Owner shall locate a Generator on any property owned in common by members of the Association.

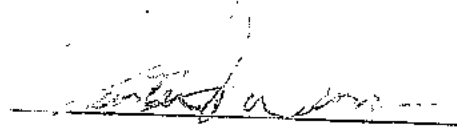
3. Process. Any proposal to install a Generator on property owned by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to the requirements set forth in this Generator Policy when considering any such request.

4. Approval. Each Owner is advised that if the Generator Application is approved by the ACC, installation of the Generator must: (i) strictly comply with the Generator Application; (ii) commence within thirty (30) days of approval; and (iii) be diligently prosecuted to completion. If the owner fails to cause the Generator to be installed in accordance with the approved Generator Application, the ACC may require the Owner to:

(a) modify the Generator Application to accurately reflect the Generator installed on the Property; or (b) remove the Generator and reinstall the Generator in accordance with the approved Generator Application. Failure to install the Generator in accordance with the approved Generator Application or an Owner's failure to comply with the post-approval requirements constitutes a violation of the Declaration and may subject the Owner to fines and penalties. Any requirement imposed by the ACC to resubmit a Generator Application or remove and relocate a Generator in accordance with the approved Generator Application shall be at the Owner's sole cost and expense.

This is to certify that the foregoing Generator Policy was adopted by the Board of Directors the 6th day of May, 2019, in accordance with Section 209.0062 of the Texas Property Code.

Crespi Estates Homeowners Association, Inc.



Secretary

**Filed and Recorded
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
06/17/2019 02:45:10 PM
\$458.00
201900155155**

