

DEED RESTRICTIONS



ROCKY CREEK RANCH

Estate of Mind.

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS,
AND EASEMENTS**

ROCKY CREEK RANCH

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**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS,
AND EASEMENTS**

ROCKY CREEK RANCH

NOTICE TO PURCHASER: ROCKY CREEK RANCH IS A RESTRICTED COMMUNITY. THIS DOCUMENT AFFECTS YOUR RIGHT TO USE THE PROPERTY YOU ARE PURCHASING. BY PURCHASING PROPERTY IN ROCKY CREEK RANCH, YOU ARE BOUND BY ALL OF THE TERMS OF THIS DOCUMENT, INCLUDING THE DESIGN GUIDELINES AND THE RULES AND REGULATIONS INCORPORATED HEREIN.

This Declaration of Covenants, Conditions, Restrictions and Easements (this "Declaration") is made and entered into to be effective as of January ____, 2005, by RCR1187, LTD., a Texas limited partnership (together with its successors and assigns, "Declarant").

RECITALS

A. Declarant owns all of that 1,833.96 acres, more or less, tract of real property (the "Property") in Tarrant County, Texas, more particularly described by metes and bounds on Exhibit A attached hereto and incorporated herein by this reference and depicted on the plat (the "Plat") attached hereto as Exhibit B and incorporated herein by this reference, such plat being recorded at Cabinet ____, Page ____, Plat Records of Tarrant County, Texas.

B. The Property is to be subdivided pursuant to the Plat and known as "Rocky Creek Ranch" (herein so called). Rocky Creek Ranch is to be developed as a quiet, high quality, gated, single family, residential, agricultural, and wildlife conservation community. It is the intent of Declarant that all homes and other improvements in Rocky Creek Ranch shall be compatible with all other homes and improvements in the community, that they be in harmony with their natural surroundings, and that the agricultural and wildlife conservation uses of the land be continued and enhanced as appropriate and consistent with the terms hereof.

C. Declarant desires to adopt, establish, promulgate, and impress upon the Property the following reservations, covenants, restrictions, conditions, easements, assessments, and liens for the benefit of Declarant, the Association (as hereinafter defined), the Property, and the present and future Owners (as hereinafter defined) of the Property.

D. This Declaration and the Restrictions (as hereinafter defined) supercede and replace in all respects those certain restrictions (the "Prior Restrictions") contained in a warranty deed recorded at Volume _____, Page _____, Real Property Records of Tarrant County, Texas. _____ ("Prior Grantee") join herein (1) to evidence their consent to this Declaration and the Restrictions, and (2) to terminate and release the Prior Restrictions.

DECLARATION

NOW, THEREFORE, Declarant hereby declares that the Recitals set forth above shall be a part of this Declaration and all the Property and each of the Lots (as hereinafter defined) which comprise the Property shall, to the fullest extent lawful, be held, sold, and conveyed subject to the following reservations, covenants, restrictions, conditions, easements, assessments, and liens (collectively the "Restrictions," including, but not limited to, those matters set forth in the Design Guidelines) and the Restrictions shall run with the Property and each of the Lots and shall be binding on all parties having or acquiring any right, title, or interest in the Property or any Lot or any part thereof, and shall inure to the benefit of Declarant, the present and future owner(s) of the Property, the Association, and their respective heirs, successors, executors, administrators, and assigns. THE RESTRICTIONS SHALL BE DEEMED INCORPORATED INTO EACH DEED COVERING THE PROPERTY OR ANY LOT OR ANY PART THEREOF AS IF SET OUT FULLY IN SUCH DEED.

ARTICLE 1 DEFINITIONS

1.1 Specific Definitions. The following words when used in this Declaration, or any supplemental declaration, unless the context shall prohibit, shall have the following meanings:

"ARC" shall mean the Architectural Review Committee of the Association which shall, unless otherwise composed by the Association, consist of the Board.

"Association" shall mean a Texas non-profit corporation to be formed and to act as a property owners association named Rocky Creek Ranch Owners Association, Inc. (or such other name as Declarant shall select), its successors and assigns. Until formation of the Association, Declarant shall have all of the rights, powers, and authority of the Association but not the obligations of the Association unless specifically assumed herein.

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

"Building Code" shall mean the International Residential Code - 2000, as amended, supplemented or replaced from time to time.

"Bylaws" shall mean the Bylaws of the Association.

“Common Properties” shall mean the roads, Equestrian Trails, entrances and landscaping thereof, and any and all other areas of land within the Property which are described or designated as common green, common areas, recreational easements, greenbelts, open spaces or private streets on any recorded subdivision plat of the Property or intended for or devoted to the common use and enjoyment of the Owners of the Association, together with any parking area, pavilion, or picnic area, and any and all improvements that are now or may hereafter be constructed or installed thereon, and including all equipment, accessories and machinery used in the operation or maintenance of any of such Common Properties and any additions to or replacements of such Common Properties. Declarant proposes to hold record title to 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 Declarant) record title to the Common Properties will be formally transferred from Declarant to the Association. Declarant reserves the right to effect redesigns or reconfigurations of the Common Properties and execute any open space declarations applicable to the Common Properties which may be permitted by law in order to reduce property taxes.

“Declarant” shall mean the “Declarant” named above and its successors or assigns.

“Declaration” shall mean this Declaration of Covenants, Conditions, Restrictions and Easements, as amended from time to time.

“Equestrian Trails” shall mean collectively the equestrian trails designated as such on the Plat.

“Design Guidelines” shall mean the Design Guidelines promulgated and published by the ARC, as amended from time to time, as described in section 2.10 hereof.

“Initial Owner” shall mean the first purchaser from Declarant of each Lot.

“Lot” shall mean any one of the separate lots that make up all or part of the Property, save and except any applicable Well Site located thereon. “Lots” shall mean any two or more such lots. Each Lot is burdened by an easement for a portion of the Roads and the other Restrictions described herein.

“Member” shall mean every person or entity who holds legal title to the Lot.

“Owner” shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot, and his or its respective heirs, successors, personal representatives, and assigns.

“Pipeline Easements” shall mean collectively the easements shown on the Plat for pipelines, constructed or to be constructed, for the purpose of transporting natural gas and other liquid or gaseous hydrocarbons. In the event the Plat does not show easements for oil and gas pipelines at the time of public recording of this Declaration, it is contemplated that Declarant will amend this Declaration at a later date to include a description of said easements.

“Plat” shall mean the “Plat” described in Recital A above, together with any and all replats thereof and amendments thereto.

“Property” shall mean all the real property referred to in Recital A above and more particularly described on Exhibit A attached hereto and incorporated herein by this reference, and any additions thereto.

“Residence” shall mean a single family residential dwelling constructed or to be constructed on any Lot.

“Restrictions” shall mean the “Restrictions” described in the Declaration section above.

“Roads” means collectively the streets and roads within the Property.

“Rocky Creek Ranch” shall mean the Rocky Creek Ranch subdivision referred to in Recital B above as established by the Plat and this Declaration.

“Rules and Regulations” means any and all rules and regulations promulgated by Declarant or the Board, as amended from time to time, as described in section 6.6. The Rules and Regulations may, at the discretion of Declarant or the Board, be incorporated into and made a part of the Design Guidelines.

“Well Sites” shall mean the parcels of land described on Exhibit C attached hereto and incorporated herein by this reference, upon which are or shall be located certain gas wells and related equipment. The Well Sites are not a part of the Property and are not subject to the Restrictions. It is contemplated that the Well Sites will continue to be owned by Declarant or its assignee(s). In the event Exhibit C is not completed at the time of public recording of this Declaration, it is contemplated that Declarant will amend this Declaration at a later date to include said Exhibit C.

“741 Line” means that line at an elevation of approximately 741' as shown on Exhibit D attached hereto and incorporated herein by this reference.

1.2 Other Definitions. Other terms are defined in other sections of this Declaration and those terms are incorporated herein by this reference.

ARTICLE 2 ARCHITECTURAL REVIEW

2.1 Architectural Review Committee. In order to protect the overall integrity of the development of the Property as well as the value of the improvements of all Owners, a committee of representatives designated as the Architectural Review Committee (“ARC”) is hereby established to carry out all duties as noted herein with full authority to approve, disapprove, and monitor all construction,

development, and improvement activities of any kind (including, without limitation, buildings and roads) within the Property and to help ensure that all such activities are in accordance with the Restrictions and architecturally and aesthetically designed to be compatible with Declarant's conceptual plan for the overall Property. At the discretion of the Board, the duties of the ARC may be delegated in whole or in part to a third party representative of the ARC who need not be an Owner or a member of the Board.

2.2 Plans and Specifications to ARC. (a) No Residence, garage, outbuilding, fence, storage tank, or improvement of any kind shall be erected, placed, constructed, installed, maintained, modified, or altered (including exterior cosmetic alterations such as painting) by any Owner other than Declarant nor shall any sitework be commenced by any Owner other than Declarant until a complete set of plans and specifications, and the construction contract with the Owner's builder shall have been formally submitted to the ARC with a written request for approval and the ARC's written approval received. Plans and specifications which are submitted shall contain and include, but not necessarily be limited to, all the following information (collectively, the "Plans"): floor plans, including finished floor and ground elevations; foundation plans; exterior elevations for any Residence, garage, outbuilding, or other structure; a plat or site plan showing the proposed location of any such improvements and all utilities thereto; exterior lighting and location; samples of exterior finish materials and color samples; and any other plans, specifications, or information deemed pertinent by the ARC, including, but not limited to, all matters required by the Design Guidelines. Declarant may commence construction of any improvements without the approval of the ARC.

(b) Generally, the architectural and aesthetic style of the improvements shall harmonize as much as may be reasonable and practicable with each other and with the heritage and historical architecture of the area. Landscaping generally shall be in harmony with the natural occurring flora of the area using native or native hybrid plants as much as is practicable.

2.3 ARC Review. The ARC shall review all Plans submitted for compliance with all the requirements of the Restrictions and for the compatibility of the proposed improvements with the architectural and aesthetic goals of the Property and Declarant. Each Owner may be required to pay certain fees to the ARC to reimburse the ARC for the cost of its Plan review as provided in the Design Guidelines. The ARC shall have full right and authority to utilize its sole discretion in approving or disapproving any Plans which are submitted. In the event the ARC fails to approve submitted Plans or to request additional information reasonably required within thirty (30) days after submission, the applicant shall give the ARC written notice of its failure to respond. Unless the ARC responds within ten (10) days of receipt of such notice, approval will be deemed granted.

2.4 ARC Discretion to Approve or Disapprove. The ARC will approve or disapprove all Plans in accordance with this Declaration. Approval may be withheld if the construction or architectural design of any improvement is deemed, on any grounds, including purely aesthetic grounds, necessary to protect the continuity of design or value of the Property, or to preserve the serenity and natural beauty of any surroundings. Prior approvals or disapprovals of the ARC pertaining to any improvement activities or regarding matters of design or aesthetics shall not be deemed binding upon the ARC for later requests for

approval if the ARC feels that the repetition of such matters will have an adverse effect on the Property. The ARC shall have the express power to construe and interpret any covenant herein that may be capable of more than one construction, and to grant variances for certain requirements when, in its discretion, it is appropriate to do so (but no variance will be effective unless in writing and signed by the ARC). All approvals or disapprovals by the ARC are for the sole benefit of the Association and the respective Owner to whom the approval or disapproval is addressed, and no other Owner or any third party is or shall be deemed to be a third party beneficiary of such approval or disapproval.

2.5 ARC Right to Inspect. During reasonable hours and, if the Residence is occupied, after reasonable advance notice, Declarant, members of the ARC, any member of the Board, or any authorized representative of any of them, shall have the right (but not the obligation) to enter upon and inspect any Lot, and any structure thereon, for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and said persons shall not be deemed guilty of trespass by reason of such entry. All inspections by the ARC are for the sole benefit of the Association and no individual Owner or other third party is or shall be deemed to be a third party beneficiary of such inspections.

2.6 ARC Variances. The ARC may grant variances from compliance with any provision of these Restrictions when, in its opinion and in its sole and absolute discretion, such variance will not impair or detract from the high quality development of the Property. All variances must in writing to be enforceable. The granting of a variance shall not operate to waive, modify or amend any provision of this Declaration; a granted variance applies only to the particular Lot and matter covered by the variance, and such variance shall not be considered to establish a precedent or future waiver, modification, or amendment of the provisions of this Declaration.

2.7 ARC Decision Final. The ARC shall have the authority to employ professional consultants at the expense of the Association to assist it in performance of its duties. The decisions of the ARC shall be final, conclusive and binding upon all parties other than Declarant and the Board.

2.8 No Liability. Neither the ARC nor its members nor Declarant or the members of the Board shall be liable to any person (including Owners and builders) for any damage or injury to property arising out of their acts hereunder, except in the case of gross negligence or wilful misconduct. Neither the ARC nor its members nor Declarant or the members of the Board shall be deemed to have made any warranty or representation to any Owner, builder, or other third party about any matter whatsoever arising out of any approvals or inspections. Without limiting the foregoing, it is expressly agreed that no approval of Plans by the ARC and no construction inspection approvals shall be deemed a representation or warranty by the ARC that any Residence has been or will be completed in a good and workmanlike manner. No discretionary acts by the ARC (such as approval or disapproval of Plans) shall give rise to any liability of the ARC or its members or Declarant or the members of the Board.

2.9 Number of ARC Members. The number and identity of the initial ARC members shall be decided by Declarant. So long as Declarant owns at least eight (8) Lots, in the event of the death or

resignation of any member of the ARC, Declarant shall have full power and authority to appoint a successor committee member or members, chosen in its sole discretion, with like authority. When Declarant no longer owns at least eight (8) Lots, or when Declarant has otherwise elected to cede control of the Association to the Members, the Board shall appoint the members of the ARC, which shall consist of at least three (3) but no more than five (5) members, and which may be members of the Board.

2.10 Design Guidelines. The ARC may promulgate and publish the Design Guidelines. The Design Guidelines, as amended from time to time, are incorporated into this Declaration by this reference. A copy of the Design Guidelines will be furnished to any Owner on request. The Design Guidelines will supplement this Declaration and may make other and further provisions as to the approval and disapproval of Plans, suggested or prohibited materials, and other matters relating to the appearance, design, quality, and construction of improvements. The Design Guidelines may be more restrictive than the Restrictions. The Design Guidelines may be amended from time to time by the Association or upon the affirmative vote of two-thirds of the members of the ARC and the consent of the Association. The Design Guidelines may include or incorporate any Rules and Regulations promulgated by Declarant or the Board.

2.11 Most Restrictive Instrument Applies. To the extent of any conflict between this Declaration, the Design Guidelines, or the Plat, the most restrictive instrument shall control. Accordingly, each Owner must obtain and study all three instruments and provide them to their architects, builders, contractors, and other appropriate parties prior to purchasing a Lot or commencing the construction of any improvements thereon.

ARTICLE 3 GENERAL RESTRICTIONS

3.1 Single Family Residential Uses Only. (a) No part of a Lot, or improvements thereon, shall be used for any purpose other than one Residence on each Lot and certain accessory improvements, to the extent accessory improvements are specifically authorized elsewhere in this Declaration. It is the intent of Declarant that Rocky Creek Ranch be a single family residential, agricultural, and wildlife conservation community.

(b) Without limiting the foregoing, the construction of any duplex, triplex, quadplex apartment house, or other multi-tenant building is expressly prohibited. No garage may be used as living quarters, and no garage apartment for rental purposes shall be permitted.

(c) If an Owner desires to construct a guest house in strict accordance with these Restrictions, in addition to the main Residence, then, with ARC approval, the guest house may be constructed and occupied prior to the construction of the main Residence so long as the main Residence is constructed within twenty-four (24) months after commencement of the construction of the guest house.

3.2 No Commercial Use. An Owner may maintain an office in a Residence for business purposes so long as: (a) the business does not involve any employee, customer, client, co-worker, or other party being present at the Residence; and (b) there is no sign or other visible evidence of the business on the Lot. No other business or commercial activity of any kind shall be conducted on a Lot, whether for profit or non-profit. Private orchards, gardens, and limited raising of livestock as expressly allowed elsewhere herein shall not be deemed to be commercial or business activity. No hobby may be conducted on any Lot which attracts vehicular or pedestrian traffic to the Lot. No garage sales, yard sales, patio sales, sample sales, promotional parties, or similar activities shall be conducted on any Lot.

3.3 Lease Restrictions. A Residence may be leased for a period of no less than one (1) year. All leases must be in writing and a copy of the lease delivered to the Association within ten (10) days after its execution. All tenants shall be bound by the Restrictions, but the lease of a Residence shall not discharge the Owner from compliance with any of the obligations and duties of the Owner. All leases shall make reference to the Restrictions and Owners shall provide tenants with a copy of this Declaration. All leases shall be subject to this Declaration and the other documents of the Association, regardless of whether the lease makes specific reference to them or whether the Owner delivers this Declaration to the tenant.

3.4 No Mobile Homes. Except as otherwise specifically set forth herein, no mobile home, trailer home, manufactured home, modular home (single or double wide), or pre-fabricated home of any kind, whether or not it has wheels or the wheels have been removed, shall be allowed on any Lot.

3.5 No Temporary Structures. (a) Except for the benefit of Declarant or as otherwise allowed herein, no structure of a temporary character (whether trailer, tent, shack, etc.) shall be used on any Lot at any time for storage or as an office or residence, either temporarily or permanently.

(b) With prior ARC approval, a job site trailer may be placed on the Lot during construction of the Residence thereon.

3.6 No Subdividing. No Lot may be subdivided by any Owner other than Declarant, and no Owner other than Declarant may sell or transfer less than 100% of any Lot (other than the sale or transfer of undivided interests).

3.7 Parking. All vehicles belonging to Owners or guests must be parked in the Owner's driveway, garage, or other ARC approved parking area overnight. In no case may vehicles be parked overnight on the Roads. Vehicles shall not be parked overnight within any building setback. No tractor trailer rigs may be parked on any part of the Property. No travel trailer, motor home, camper, boat, aircraft, recreational vehicle, motorcycle, four wheeler, tractor, or truck larger than one (1) ton, or similar vehicle or trailer shall at any time be parked overnight in front of any Residence or within any building setback area. No more than two (2) vehicles bearing commercial insignia or names shall be parked on any Lot, and then only if the vehicle is utilized by the Owner as transportation to and from the Owner's place of employment. No vehicle of any size which transports flammable or explosive cargo may be kept on a

Lot at any time other than the temporary parking of a properly licensed fuel truck that dispenses propane to an Owner's approved on-site propane tank.

3.8 Storage of Vehicles. (a) No travel trailer, motor home, camper, boat, aircraft, recreational vehicle, motorcycle, four wheeler, or truck larger than one (1) ton or similar vehicle or trailer shall be parked overnight or stored in front of any Residence. No such vehicles or trailers that are stripped down, wrecked, junked, or inoperable shall be kept, parked, stored or maintained on any Lot unless in an enclosed structure or in a screened area which prevents the view thereof from any other Lot or Road. No dismantling or assembling of any such vehicle or trailer or any other machinery or equipment shall be permitted unless in an enclosed structure or in a screened area which prevents the view thereof from any other Lot or Road. The ARC shall have the absolute authority to determine from time to time whether a vehicle is operable and, if not, adequately screened from public view. Upon an adverse determination by the ARC, the vehicle shall be removed or otherwise brought into compliance with these Restrictions.

3.9 No Drilling Operations by Owners Other than Declarant. Declarant will reserve all oil, gas, or other minerals owned by Declarant with respect to the Property and all executive rights associated therewith. No Owner other than Declarant may execute any lease, authorize any oil or gas exploration or drilling, oil or gas development operations, oil refining, quarrying, or mining operations of any kind on any Lot, nor may any Owner other than Declarant authorize oil or gas wells, storage tanks, tunnels, mineral excavation, or shafts on any Lot. No derrick or other structure designed for use in boring for oil or natural gas will be erected on any Lot by any Owner other than Declarant. Each Owner understands and agrees that Declarant may allow oil and gas drilling and other development of oil, gas, and other minerals on the Property, so long as such drilling or other development is located primarily on the Well Sites or within the Pipeline Easement.

3.10 Trash. (a) No trash, garbage, debris, or other refuse may be burned, stored, disposed of, or allowed to remain upon any Lot or Road, whether the Lot is vacant or otherwise. No Lot will be used or maintained as a dumping ground for rubbish, rocks, brush, grass clippings, garbage, or trash. Garbage and other waste will be kept in sealed, sanitary containers prior to disposal.

(b) Declarant or the Association may, but is not obligated to, contract with a garbage collection service for the pick up and disposal of all household garbage on the Property and, in such event, the cost thereof will be an expense of the Association, which shall be paid by the Owners through the assessments provided for in this Declaration. Declarant or the Association may also designate and provide receptacles at collection sites into which each Owner shall deposit its garbage in order to promote clean and efficient removal thereof.

(c) Rubbish, trash, garbage or other waste material to be disposed of shall be placed at all times in an appropriate vaminant resistant receptacle. No such receptacle shall be placed for collection in a location visible from any Road more than 24 hours prior to the scheduled collection time or allowed to remain in a location visible from any Road more than 24 hours after the scheduled collection time.

3.11 No Nuisance or Noxious Activity. No noxious or offensive activity shall be carried on upon any Lot or Road by any Owner, construction workers hired by any Owner, or an Owner's guest, nor shall anything be done upon any Lot or Road which may be or become an annoyance or nuisance to the neighbors (such as, but not limited to, the noise created by the operation of an excessive or unreasonable number of off-road vehicles or motorcycles on a Lot. No junk, railroad cars, buses, inoperative cars or other vehicles, or other noxious, offensive or unsafe equipment or materials may be stored on the Property.

3.12 Animals. Certain farm animals, in number according to the Rules and Regulations, may be kept on a Lot provided the Lot is fenced in accordance with this Declaration. Domestic pets, in reasonable number as determined by the Association, may be kept on a Lot, but no Owner shall allow a pet to run loose or become a nuisance to the other residents. No pets may be raised for sale, and commercial kennels of any kind are expressly prohibited. Hogs, swine, chickens and other poultry are prohibited. All corrals, pens, and barns shall be cleaned regularly so as to reduce odor and flies. Exotic animals (such as lions or tigers) and dangerous pets of any other type (i.e. pit bulls) that may pose a safety or health threat to the community shall not be kept on any Lot. All animals shall be kept in strict accordance with all applicable laws and ordinances, and in accordance with the Rules and Regulations.

3.13 Lawns. All grass, weeds, and vegetation within 100' of each Residence shall be maintained at regular intervals as needed to maintain a neat and well maintained appearance; however, maintained turf lawns shall not exceed one acre. All landscaping, including lawns and shrubs, shall utilize native plants or hybrids to the extent practicable.

3.14 Signs. (a) An Owner may erect an entrance sign to the Owner's Lot so long as the Owner first seeks and obtains approval of the Plans for such sign from the ARC.

(b) Signs are not otherwise allowed on any Lot except as set forth herein. One sign per Lot will be allowed, not more than four square feet, advertising a Lot for sale or lease. Declarant is permitted to use more signs and larger signs and to erect permanent signs at each entrance to the Property. Signs advertising contractors, subcontractors, or suppliers may be authorized by the Design Guidelines. Political signs may be erected upon a Lot by the Owner of the Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue, or proposal provided that such signs shall not exceed four square feet, shall be erected no more than ninety (90) days in advance of the election to which they pertain, and are removed within five (5) days after the election. Declarant or the Association shall have the right to remove any sign that does not comply with the above, and in doing so shall not be subject to any liability in connection with such removal.

3.15 No Adverse Conditions. No Owner or occupant shall construct any improvements or perform any work that will impair any easement or right-of-way, or do any act or allow any condition to exist which will adversely affect the other Lots or their owners or residents.

3.16 Insurance. Each Owner must carry all risk casualty insurance for the full insurable value of the Residence on the Lot. Each Owner must use all insurance proceeds required to properly rebuild in case of a partial loss or damage or, in the case of complete damage, to either rebuild or clear all debris and return the Lot to substantially the natural state as it existed prior to destruction. Reconstruction must be promptly commenced and diligently pursued to completion (and in any event must be completed within eighteen (18) months and if not the Owner shall make payment as described in section 4.9). No damaged buildings, including the foundation, shall be allowed to remain on any Lot unless they are to be promptly repaired or restored. Each Owner must carry homeowner's liability insurance at all times, including prior to the construction of improvements on the Lot.

3.17 Property Taxes. Each Owner shall be responsible for the payment of all ad valorem and other property taxes owing on the Owner's Lot, including, but not limited to, any rollback taxes applicable to the Lot in the event the Lot loses its agricultural exemption. To the extent practicable, all Owners are encouraged to take reasonable measures to maintain an agricultural tax exemption for all or part of their Lot by preserving or enhancing the agricultural and/or wildlife conservation uses of their Lot, consistent with the terms hereof. Declarant makes no representations, warranties, or agreements of any kind concerning whether an Owner can or cannot maintain an agricultural exemption.

3.18 Underground Utilities. All utility lines and other facilities installed by or for any Owner for electricity, water, cable, telephone, sewer, storm sewer, or other utilities must be installed underground; but this provision shall not apply to above-ground utilities existing on the date hereof and any replacement thereof by Declarant or those otherwise expressly authorized in writing by the ARC.

3.19 No Hunting/Firearms. No hunting or trapping (except the trapping of varmints) shall be allowed on any Lot. No firearms shall be discharged on any Lot.

3.20 Fires. Only controlled fires shall be allowed outdoors on any Lot. All fires must be supervised by an adult at all times, and each Owner bears the sole responsibility and risk of any such fires.

3.21 Fireworks. Unless prohibited by law, fireworks may be discharged on a Lot only on July 4th or December 31st of each year, and not later than 11:59 p.m. Otherwise, fireworks are prohibited. The use of fireworks must be supervised by an adult, and each Owner bears the sole responsibility and risk of the use of fireworks.

ARTICLE 4 CONSTRUCTION RELATED RESTRICTIONS

4.1 Approved Builders. No Owner shall contract with any builder or other general contractor or person or entity for the construction of a Residence on a Lot without first obtaining the written approval of that builder from the ARC.

4.2 Minimum Construction Requirements. Each Residence shall have a minimum contiguous interior living area of 3,000 square feet, exclusive of garages, carports, porches, or patios. At least seventy-five percent (75%) of the exterior of each Residence, exclusive of glass and doors, shall be in masonry materials approved by the ARC. All exterior construction shall be of new materials and shall be natural or ARC-approved natural-appearing materials. No Residence or other structure shall exceed two (2) stories in height unless approved by the ARC due to unusual topography. Each Residence shall have a garage capable of housing at least two (2) vehicles. Carports may be constructed in lieu of a fully enclosed garage, but only if they are attached to and built of the same materials as the Residence. Carports and garages shall be constructed so that they do not face the Roads. Construction materials having a life of less than twenty-five (25) years, as determined by the ARC, shall not be utilized in the construction of any improvements on a Lot. Roofing shall be either slate, tile, factory treated fire retardant wood, metal, dimensional composition shingles as specified in the Design Guidelines, or other materials as approved by the ARC.

4.3 Accessory Improvements. (a) A building that is immediately accessory to the Residence and other similar improvements to the Residence, such as a detached garage, maid's quarters, guest house, or cabana may be allowed, provided it conforms to the same style and architecture and is constructed of the same materials as the Residence and is approved by the ARC. No such accessory building to the Residence shall exceed 50% of the interior living area of the Residence.

(b) Storage buildings, shops, livestock barns, and other similar buildings and improvements constructed on a Lot that are at least 200 feet behind the rear plane of the Residence, shall be allowed and need not conform to the size limitations described in (a) above or to the same style and architecture and be constructed of the same materials as the Residence provided the Plans therefor are approved by the ARC.

4.4 Recreational Improvements. Basketball goals, batting cages, tennis courts, swimming pools, or any other similar sporting or recreational equipment or improvement shall be placed behind the Residence unless otherwise approved by the ARC.

4.5 Minimum Setback. No improvements of any kind (other than approved fences) may be placed closer than two hundred feet (200') from the front line of any Lot or one hundred feet (100') from any side property line, or 100' from any rear property line, except where the Lot line is in common with the Equestrian Trail, in which case it shall be 150'. In cases where rugged terrain is encountered, thus necessitating or making highly desirable the use of such space, a variance to this restriction may be granted by written approval of the ARC, within its sole discretion.

4.6 741 Line. The 741 Line delineates generally the approximate commencement point of that portion of the Property controlled in part by the U.S. Army Corps of Engineers (the "Corps") in connection with its control of Benbrook Lake. No Residence shall be constructed on or below the 741 Line or in any flood plain or floodway area, and the construction of any other improvement on or below the 741 Line is

controlled not only by these Restrictions, but also by the Corps. Each Owner is responsible for compliance of the Owner's Lot with all Corps rules, regulations and other applicable laws. It is unlikely that the Corps will authorize the construction of a boat dock or similar structure.

4.7 Storage of Building Materials. No building materials of any kind may be stored on any Lot for longer than one week prior to the commencement of work for which the materials were purchased unless they are stored in an enclosed building or located such that they cannot be viewed from any other Lot.

4.8 Construction Clean-up. From time to time during construction as required to maintain a neat and orderly appearance, and upon completion of construction, the Owner of the Lot will be responsible for the removal of any trash or debris that may have been thrown, placed, or discarded on any part of the Lot or on any other Lot if the trash or debris originated at the Owner's Lot.

4.9 Completion of Construction. In order to promote the marketing of Rocky Creek Ranch and to maintain the aesthetics of the development, once construction of a Residence is commenced on a Lot it shall be diligently continued to completion. No Residence shall remain incomplete for more than eighteen (18) months after construction has commenced. An Owner who breaches this section 4.9 shall pay to Declarant, as liquidated damages, the sum of \$100 per day for each day construction remains incomplete beyond this eighteen (18) months, in addition to any damages owed by such Owner to the Association.

4.10 Air Conditioning. No air conditioning apparatus shall be used, placed, or maintained on any Residence except on the ground or the walls of the side or back of the Residence or on the roof of the Residence. No air conditioning apparatus shall be installed at or on the front of a Residence.

4.11 Lighting. In general, exterior lighting used in connection with the occupancy of a Residence shall be kept to the minimum required for safety and security. Landscape lighting is allowed. All exterior lights must have a bonnet or shield preventing the light from traveling in an upward direction and limiting its vertical travel. No mercury vapor, fluorescent, or neon lights shall be used to illuminate the outside areas of a Lot. No exterior lighting of any sort shall be installed or maintained on a Lot where the light source is offensive or a nuisance to other Owners or Lots (tennis court or similar lighting is permitted with the approval of the ARC).

4.12 Sound Devices. No exterior speakers, horns, whistles, bells, or other sound devices (except reasonable security devices) audible from any adjoining Lot shall be placed or used upon any Lot.

4.13 Fences. (a) All fencing along Roads shall be either pipe and cable, with a pipe top rail and 4 cable strands, or five pipe fencing, as described in the Design Guidelines. Other fencing may be the same or may be five strand wire on metal, creosote, or cedar posts, provided the top wire shall not be barbed wire. No other fencing will be allowed without ARC approval. Each Owner is responsible for maintaining

the fence on the Owner's Lot. An ARC approved fence shall be constructed and completed by each Owner along the front property line of each Owner's Lot within twelve (12) months after the date the Owner acquires the Lot.

(b) A privacy fence or wall not exceeding six (6) feet in height may be erected by an Owner to enclose an area behind or to the side of the Owner's Residence not to exceed 10,000 square feet in the enclosed area. No privacy fence or wall shall be built or maintained forward of the front wall line of the main structure, not including decorative walls, fences or hedges which are part of the architectural design of the main structure and approved in writing by the ARC. All privacy fences or walls shall be of the following composition: masonry, brick, cedar wood, red wood, or other durable wood (not white wood) or other material approved by the ARC. Chain-link fences are not allowed in a location visible from the street, lake, or a neighbor's house.

(c) No fence or gate (other than the main entry gates into the Property) may be erected across or into any Road or any Equestrian Trail.

(d) Each Owner shall maintain in a safe and neat manner all fences on the Owner's Lot. In order to facilitate the use of all easements described herein, fences erected across any utility easement shall contain either: (1) a twelve foot (12') wide gate or (2) two (2) six foot (6') wide gates or (3) a twelve foot (12') section of fence that is susceptible to reasonably easy removal (without damage to the balance of the fence) and replacement.

4.14 Lot Entries and Driveways. There shall be only one primary entry point off any Road onto a Lot. All primary entries off of any Road into a Lot shall be concrete, stone, asphalt or other road material, as described in the Design Guidelines, and shall have a sufficient culvert installed, and the drainage ditch lined with rock. Driveways on each Lot must be constructed of concrete, asphalt, caliche, or gravel (or other surface authorized by the Design Guidelines or approved by the ARC). A secondary ranch-type entry for access is allowed but may not be used in lieu of the construction and use of a primary entry.

4.15 Sewage Disposal. Each Owner must install an aerobic septic system for sewage disposal. All septic systems must be installed by a state certified licensed installer and must be permitted and inspected by Tarrant County. Septic Systems must be inspected by a state certified licensed installer every three years and must be regularly maintained so as to remain fully functional. No outside toilets or cesspools will be permitted.

4.16 Water Wells. (a) The Owner of each Lot of 20 acres or less shall have the right, subject to the approval of and permitting by all appropriate governmental authorities, to have and maintain no more than one (1) producing water well on the Lot for the Owner's personal and domestic consumption in connection with the ownership of that Lot. The Owner of each Lot of more than 20 acres shall have the right, subject to the approval of and permitting by all appropriate governmental authorities, to have and maintain no more than two (2) producing water wells on the Lot for the Owner's personal and domestic

consumption in connection with the ownership of that Lot. In the event the well or wells authorized by this section do not provide sufficient amounts of water for the Owner's personal and domestic consumption, the Association may allow an additional well or wells as reasonably required. Each Owner is strictly prohibited from selling any water commercially from any well. The drilling and operation of any well shall meet the approval of all federal, state, county, or municipal regulatory authorities entitled by law to approve, regulate, or supervise same, and obtaining such approval and the cost thereof shall be the sole responsibility of the Owner.

(b) Declarant makes no representation or warranty of any kind, express or implied, with respect to: (1) whether the Owner will be allowed by appropriate governmental authorities to drill a water well; (2) whether water will be found on any Lot; (3) the quantity of water available to any Lot now or in the future; (4) whether any water found on any Lot will be potable (safe to drink). Each Owner acknowledges that the topography of any given Lot may effect the availability, quality, or quantity of any water.

4.17 Drainage/Impoundment of Surface Water. (a) The existing creeks, ponds, and drainage channels traversing along or across portions of the Property will remain as open channels at all times and will be maintained by the Owners of the Lot or Lots that are traversed by or adjacent to the drainage courses along or across said Lots. Each Owner shall keep the natural drainage channels traversing or adjacent to his Lot clean and free of debris, silt or any substance which would result in unsanitary conditions or any obstruction of the natural flow of water.

(b) No party may dam any creek or seasonal creek. No party may impound water in any setback or in a manner which would violate any applicable law or could affect the safety or do harm to life and property down stream should the impoundment break. All stock tanks or ponds must be approved by the ARC. Typical stock tanks or ponds with a surface area of not greater than five percent (5%) of the surface of the entire Lot will generally be permitted provided any required approvals are obtained from all governing authorities.

4.18 Antenna. No microwave dishes, radio, citizen band or otherwise, or television axial wires or antennas shall be maintained on any portion of any Lot, or in the common area, except direct broadcast satellite (DBS) antennae no more than 18" in diameter, multichannel multipoint distribution system (MMDS) antennae no more than 18" in diameter, or television broadcast antennae, all of which Owner shall screen from view as much as possible without impairing the installation, maintenance or use. All matters set forth in this provision require the express approval, in advance, of the ARC, which shall be exercised in conformity with the rules of the Federal Communications Commission.

4.19 Solar Panels. Solar panels or any other solar apparatus, other than a solar cell utilized to open an entry gate, must be screened from public view.

4.20 Building Codes. All construction will comply with the Building Code, any other applicable local building codes or fire codes, and any other applicable laws, ordinances or regulations of any governmental body or agency.

4.21 Storage Tanks. Propane and other storage tanks shall be screened from public view with stone, stucco, or other masonry material approved by the ARC.

4.22 Mailboxes. Mailboxes must be installed or constructed in accordance with the Design Guidelines.

ARTICLE 5 MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

5.1 Control by Declarant. So long as Declarant owns at least eight (8) Lots, and notwithstanding any provision of the Bylaws to the contrary, Declarant shall, at Declarant's option, have exclusive control of the Association by being the sole voting Member. Declarant may, at any time and at Declarant's option, turnover control of the Association to the Members by filing an instrument to that effect in the Real Property Records of Tarrant County, Texas. At the point in time that Declarant owns less than eight (8) Lots, control shall be delivered to the Members without the need for any further act or action on the part of Declarant. At such time as Declarant cedes control of the Association to the Members, or at such earlier time as Declarant may choose, Declarant shall also deed to the Association title to the Roads and other Common Properties.

5.2 Membership and Voting. (a) Subject to section 5.1 above, every person or entity who is an Owner shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest in a Lot merely as security, unless such persons or entities acquire title to a Lot through judicial or non-judicial foreclosure, or deed in lieu of foreclosure. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership. When more than one person holds a membership interest in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

(b) Upon acquiring a Lot, the Owner thereof shall promptly notify the Association, in writing, of the Owner's name, physical address (not just a post office box), telephone number, and the identity of the Lot acquired.

5.3 Suspension of Voting Rights. All voting rights of a Member may be suspended by the Association during any period in which such Member is delinquent in the payment of any duly established assessment or is otherwise in default and/or violation of these Restrictions or under the Bylaws of the Association or Rules and Regulations.

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

5.5 Action by the Association. Unless otherwise specifically set forth herein, all actions required to be taken by the Association shall be taken by the Association through the action of the Board, and all action which may be taken by the Association, within its discretion, may be taken through the action of the Board.

ARTICLE 6 MAINTENANCE BY AND OTHER ACTIVITIES OF ASSOCIATION

6.1 Board Powers and Duties.

(a) Without limiting section 5.5 above, the Board shall have the right, power and duty to provide, and shall pay out on behalf of the Association, from the assessments provided for herein, the following:

- (1) Maintenance, care, preservation, and repair of the Common Properties and the furnishing and upkeep of any desired personal property for use in the Common properties;
- (2) Any private trash and garbage collection service provided by the Association;
- (3) Taxes, insurance and utilities (including, without limitation, electricity, gas, water and sewer charges) which pertain to the Common Properties only;
- (4) Any security arrangements;

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

(6) Legal and accounting services; and

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

(b) Without limiting section 5.5 or 6.1 above, the Board shall have the following additional rights, powers and duties:

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

(2) To enter into agreements or contracts with insurance companies, taxing authorities and the holders of first mortgage liens on the individual Lots with respect to: (i) taxes on the Common Properties; (ii) insurance coverage (if any) on Common Properties, as they relate to the assessment, collection and disbursement process envisioned herein; and (iii) utility installation, consumption and service matters;

(3) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit or secured by such assets of the Association as deemed appropriate by the lender and the Association;

(4) 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;

(5) 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;

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

(7) Pursuant to Article 7 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 Owners in proportionate amounts to cover the deficiency;

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

6.2 Easement for Maintenance. Declarant and the Association shall have an easement upon and across all Lots for the maintenance of the Common Properties, and there is hereby granted and reserved to Declarant and the Association an easement for those purposes. Declarant, the Association, and any officer or agent thereof shall not be guilty of trespass because of entry in the use of such easement.

6.3 Wildlife Management Plan. The Association may adopt a Wildlife Management Plan for the purpose of promoting wildlife conservation on the Property. A Wildlife Management Plan, if adopted, may impose certain further restrictions and burdens on an Owner's Lot. If adopted, the Wildlife Management Plan may be terminated at the discretion of the Association. This provision shall not preclude two or more Owners from developing their own plan or from forming a Wildlife Conservation Association of their own.

6.4 Easement for Association Cure of Violations. If, pursuant to section 13.2 or 13.3, the Association intends to cure an Owner's violation of the Restrictions, the Association shall have an easement across the Owner's Lot for purposes of curing the violation. [FOR EXAMPLE ONLY: If an Owner dumps rubbish and debris on the Owner's Lot and refuses to remove it after notice pursuant to section 13.2 or 13.3, the Association may enter upon the Lot, remove the rubbish, and charge the cost to the Owner.]

6.5 Declarant Reimbursement. Out of pocket expenses of Declarant on behalf of the Association shall be reimbursed to Declarant upon request. Without limiting the generality of the foregoing, the assessments levied by the Association may be used to reimburse Declarant for all out of pocket costs and expenses incurred by Declarant in organizing and conducting affairs on behalf of the Association, including, but not limited to, organization costs of the Association, creation and modification of the Declaration and any amendments thereto, legal and accounting fees, and other costs.

6.6 Rules and Regulations. The Board may promulgate the Rules and Regulations. The Rules and Regulations, as promulgated and amended from time to time, are incorporated into this Declaration by this reference. A copy of the Rules and Regulations will be furnished to any Owner on request. The Rules and Regulations will supplement this Declaration and may make other and further provisions as to the activities of Owners or their Lots and within the Property. The Rules and Regulations may be amended from time to time by the Board. The Rules and Regulations may, at the discretion of Declarant or the Board, be incorporated into and made a part of the Design Guidelines.

ARTICLE 7

COVENANT FOR ASSESSMENT

7.1 Creation of the Lien and Personal Obligation of Assessment. (a) Each Owner of any Lot, other than Declarant, by acceptance of the deed therefor, whether or not it shall be so expressed in the deed, hereby covenants and agrees to pay to the Association regular assessments and special assessments as provided for in this Declaration, and covenants to the enforcement of payment of the assessments and the lien of the Association as hereinafter provided. Such assessments shall be fixed, established, and collected from time to time as provided by the Association. The regular and special assessments, together with any interest thereon and costs of collection thereof, including reasonable attorney's fees, shall be a charge upon the Lot and a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with any interest and costs of collection thereof, including reasonable attorney's fees, shall also be a personal obligation of the Owner of the Lot at the time when the assessment became due. Such personal obligation shall not pass to the Owner's successors in title unless expressly assumed by them, but shall pass as a lien upon the applicable Lot. No Lot shall be assessed until conveyed by Declarant to an Owner. A Lot or Lots owned by Declarant may be assessed at such time as Declarant owns no more than two (2) Lots.

(b) The following real property, being otherwise subject to this Declaration, shall be exempted from all assessments, charges, and liens created herein:

All property dedicated to and accepted by any public authority and devoted to public use;

All Common Properties; and

All property exempted from taxation by the laws of the State of Texas upon the terms and to the extent to such legal exemption.

7.2 Purpose of Assessments. (a) The assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety, enjoyment and welfare of the residents in the Property, for the improvement and maintenance of the Roads and any other capital improvements owned or controlled by the Association, implementing, maintaining, and enforcing any Wildlife Management Plan adopted by the Association, establishing and maintaining repair and replacement reserves as determined by Declarant or the Association, and any other purpose reasonable, necessary, or incidental to such purposes as determined by the Association.

(b) The Association shall not be obligated to spend all monies collected in a year, and may carry forward, as surplus, any balances remaining. The Association shall not be obligated to apply such surplus to the reduction of the amount of the Annual Assessments in any later year, but may carry forward a surplus as the Board deems desirable for the greater financial security of the Association.

7.3 Regular Assessments. The regular assessments shall be based upon the cash requirements, as the Association shall from time to time determine, necessary to provide for the payment of all estimated expenses arising out of or connected with the purposes described above. The regular assessments may be due monthly, quarterly, or annually, as determined by the Association from time to time.

7.4 Special Assessments. The Association may levy, in addition to the annual assessments, one or more special assessments in any calendar year applicable to that year only: (a) applicable to all Owners, for the purpose of defraying in whole or in part the costs of construction, reconstruction, repair or replacement of a capital improvement or Road or otherwise, including necessary fixtures and personal property related thereto, or for such other lawful purposes related to the use and maintenance of the Property as the Association may determine; (b) applicable only to a particular Owner (or Owners), for the purpose of defraying the costs of reconstruction, repair or replacement of a capital improvement or Road, including necessary fixtures and personal property related thereto, in the event a particular Owner (or Owners) has taken any action or has failed to take action which has resulted in damage to, or extraordinary wear and tear of, a capital improvement or Road; and (c) applicable only to a particular Owner (or Owners), to reimburse the Association for expenditures made pursuant to section 13.2 or 13.3.

7.5 The Effect of Non-Payment of Assessments: Remedies of the Association. Each Owner shall be deemed to covenant and agree to pay to the Association the assessments provided for herein, and each agrees to the enforcement of the assessments in the manner herein specified. In the event the Association employs attorneys for collection of any assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, each Owner against whom collection or enforcement or other action is taken agrees to pay reasonable attorney's fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against said Owner. In the event of a default in payment of any such assessment when due, the assessment shall be deemed delinquent, and in addition to any other remedies herein or by law provided, the Association may enforce each such obligation in any manner provided by law or in equity, specifically including:

(a) Enforcement By Suit. The Association may cause a suit at law to be commenced and maintained in the name of the Association against an Owner to enforce each such assessment obligation. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon at the highest legal rate from the date of delinquency, plus court cost, and reasonable attorney's fees.

(b) Enforcement by Lien. There is, to the full extent permitted by law, hereby created and granted a lien, with power of sale, on each Lot to secure payment to the Association of any and all assessments levied against all Owners of such Lots under these Restrictions and all damages owed by any Owner to the Association, however incurred, together with interest thereon at the highest legal rate from the date of delinquency, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorney's fees. At any time after the occurrence of any default

in payment of any such assessment, the Association, or any authorized representative, may, but shall not be required to, make a written demand for payment to the defaulting Owner, on behalf of the Association. The demand shall state the date and the amount of the delinquency. Each default shall constitute a separate basis for a demand or claim of lien, but any number of defaults may be included within a single demand or claim of lien. If such delinquency is not paid after delivery of such demand, or even without such a written demand being made, the Board may elect to file a claim of lien on behalf of the Association against the defaulting Owner. Such a claim of lien shall be executed and acknowledged by any officer of the Association, and shall contain substantially the following information:

- (1) The name of the delinquent Owner;
- (2) The legal description and, if applicable, street address of the Lot against which the claim of lien is made;
- (3) The total amount claimed to be due and owing for the amount of the delinquency, interest thereon, collection costs, and reasonable attorney's fees; and
- (4) That the claim of lien is made by the Association pursuant to the Restrictions.

Notwithstanding the foregoing, it is expressly intended that the lien herein described shall immediately attach and become effective in favor of the Association as a lien upon any Lot against which an assessment is levied regardless of whether any demand is made or claim of lien filed. Such a lien shall have priority over all liens or claims created subsequent to the recordation of the claim of lien thereof, except only tax liens for real property taxes on any Lot assessments in favor of any municipal or other governmental assessing unit, and the liens which are hereinafter specifically described in section 7.5(b)(5) below. Any such lien may be foreclosed by appropriate action in court or in the manner provided by law for the foreclosure of a deed of trust or other contracted lien with power of sale as set forth by the laws of the State of Texas, as the same may be changed or amended. The lien provided for herein shall be in favor of the Association and all other Lot Owners. The Association shall have the power to bid in at any foreclosure sale and to purchase, acquire, hold, lease, mortgage, and convey any Lot. In the event such foreclosure is by action in court, reasonable attorney's fees, court costs, title search fees, interest, and all other costs and expenses shall be allowed to the extent permitted by law. Each Owner, by becoming an Owner of a Lot, hereby expressly waives any objection to the enforcement and foreclosure of this lien in this manner.

(5) Subordination of the Lien to Mortgages. The lien described herein shall be subordinate to any first deed of trust lien on the Property or a Lot which was recorded before the delinquent assessment became due and any deed of trust home equity lien or lien for improvements on a Lot which was recorded before the delinquent assessment became due.

ARTICLE 8

ADMINISTRATION AND MANAGEMENT

8.1 Governing Documents. The administration of the Property shall be governed by these Restrictions, the Bylaws, and any Design Guidelines or the Rules and Regulations of the Association as promulgated and published from time to time.

8.2 Evidence of Compliance with Declaration. Records of Declarant or the Association with respect to compliance with this Declaration shall be conclusive evidence as to all matters shown by such records. A certificate of completion and compliance issued by Declarant or the secretary of the Association stating that the improvements to a Lot were made in accordance with this Declaration, or a certificate as to any matters relating to this Declaration issued by Declarant or the secretary of the Association, shall be conclusive evidence that shall justify and protect any title company insuring title to any portion of the Property and shall fully protect any purchaser or lender in connection therewith.

8.3 Association Insurance. The Association shall be vested with the authority to obtain property insurance, comprehensive public liability insurance, and errors and omissions insurance on behalf of the directors, officers, managers and employees. The Association has the power to assess for the cost of insurance obtained by the Association.

8.4 Personal Property for Common Use. The Association may acquire and hold property, tangible and intangible, real and personal, in the name of the Association, for the use and benefit of all Owners and may dispose of the same by sale or otherwise. The beneficial interest in any such property shall be owned by the Owners, and their interest therein shall not be transferable; however, the interest of a Owner shall be deemed to be transferred upon the transfer of title to the Owner's Lot, including foreclosure.

ARTICLE 9

PROPERTY RIGHTS OF DECLARANT

So long as Declarant owns any interest in the Property, Declarant hereby specifically excepts, excludes, and reserves the following rights and interests in the Property:

9.1 Amendments. So long as Declarant owns at least eight (8) Lots, Declarant shall have the right to amend this Declaration and each amendment shall apply to all of the Property, whether owned by Declarant or not.

9.2 Plat Revision. Declarant reserves the right to replat the Property and revise the acreage and configuration of Lots owned by Declarant, to change any building lines or setback lines, or change the course or size of easements or roads so long as Declarant holds legal title to the affected Lots.

9.3 Sales and Construction Activities. Declarant shall have the right to maintain sales and administrative offices, construction offices or trailers, model homes, and parking facilities, storage facilities, and signs on the Property and to conduct sales activities on the Property as long as Declarant owns at least eight (8) Lots.

9.4 Construction Work by Declarant. Declarant shall have the right to construct and complete the construction of Roads and any other common improvements on the Property. In connection therewith, Declarant reserves the right to use, occupy, and excavate the surface and subsurface of the ground for the erection, construction, and installation of said improvements including, but not limited to, the right to locate, install, maintain, and repair all utilities and utility lines, whether temporary or permanent, necessary for Declarant's construction, reconstruction, maintenance, and operation. Declarant also reserves the right to extend the Roads located or to be located on the Property to other property. Declarant, in addition, reserves the right to convey to any county, water district, sanitary sewer district, or other municipal or quasi municipal corporation all sewer lines and mains, water lines and mains, and any other utilities constructed or to be constructed on the Property, together with suitable rights-of-way over said lands for the required maintenance, repair, replacement, and operation thereof. The foregoing rights reserved by Declarant do not impose on Declarant the obligation to construct or install any improvements of any kind.

9.5 General Easements for Declarant. Declarant, so long as it shall retain record title to at least eight (8) Lots, reserves for itself and for the Association the right and easement to the use of any Lot, or any portion thereof, as may be needed for repair, maintenance, or construction on any of the Property in accordance with these Restrictions.

9.6 Road Easement for Declarant. Declarant reserves an easement over and across the Property for the use of the Roads and any other existing roads and rights-of-way on the Property. Without limiting the foregoing, Declarant reserves the right to use the Roads for ingress and egress to and from any adjacent undeveloped property owned by Declarant.

9.7 Grazing Lease and Easement for Grazing. Each Owner hereby leases to Declarant or its assigns or sublessees for livestock grazing, for the sum of Ten Dollars (\$10.00) per calendar year (or part thereof if less than a year), any unfenced portion of any Lot. In addition, Declarant reserves an exclusive livestock grazing easement over and across each Lot for the purpose of grazing the livestock of Declarant or its assigns on any unfenced portion of any Lot. Until an Owner fences the Owner's Lot, no Owner may lease the Lot to any other party for grazing. Declarant shall have no liability to any Owner for grass and other plants consumed by such livestock or damage caused by such livestock. The lease and easement described in this section may be assigned or sublet by Declarant and shall terminate on the earlier of notice of termination from Declarant or at such time as Owner has fenced the Lot.

ARTICLE 10 OTHER EASEMENTS AND RIGHTS

10.1 Roads, Utility, and other Easements.

- (a) **An easement for egress and ingress is hereby reserved to Declarant, the Association, all Owners, and each of their respective authorized employees and agents, family members, and authorized guests, over and across all of the Roads and Equestrian Trails.** No Owner may deny, limit, impair, restrict, or otherwise interfere in any way with the use of the Roads by Declarant, the Association, any Owner, or any of their respective authorized employees and agents, family members, and authorized guests.
- (b) Notwithstanding the foregoing easement, no cars, trucks, motorcycles, four-wheelers, or motorized vehicles of any kind shall be allowed on the Equestrian Trails except (i) such motorized vehicles as are utilized by Declarant or the Association to maintain the Equestrian Trails or construct improvements thereon; and (ii) in the case of any Owner who is physically handicapped, such Owner may access the Equestrian Trails utilizing an electric powered vehicle so long as such vehicle is designed for a maximum capacity of two (2) persons and 600 pounds and has a speed limitation of 20 miles per hour.
- (c) Declarant will bring an underground electric line and an underground telephone line to the utility easement adjacent to each Lot. Each Owner will be responsible for bringing electricity and telephone service from such point to the Residence. A drainage and utility easement fifteen feet (15') in width is hereby reserved to Declarant and Association inside and along the property lines of each Lot (that is, each Lot shall be burdened with a utility easement 15' in width measured from the property line and then 15' into each Lot and running parallel to the property line). In the event topography necessitates or makes desirable a route for drainage or utilities other than within the 15' easement described above, Declarant and the Association shall each have the right to use such other route as is reasonable, and an easement for such route, once recorded by Declarant or the Association, shall be binding on all Owners of the affected Lot. The easements described herein shall be for the purpose of installation and maintenance of possible drainage facilities or utilities, and for any other purpose deemed by Declarant or the Association to be beneficial to the Property as a whole. Nothing contained herein shall be construed as imposing upon Declarant or the Association any obligation to provide any utilities or services. Furthermore, Declarant reserves the right to sell, lease, license, or assign, in whole or in part, such easements and to otherwise negotiate as to such lines, utilities, or other facilities for the providing of services by a municipality, governmental agency, or other private or public service corporation. **Except Declarant's obligation set forth in the first sentence of this section 10.1 (c), each Owner shall be responsible for, and shall pay for,**

the installation and maintenance of all utilities to the Owner's Lot, and Declarant does not warrant or guaranty the availability of utilities or the economic feasibility of bringing utilities to any Lot.

- (d) On, over, and across each Lot, upon which is now or hereafter constructed (or replaced) all or any part of any common gate or common entryway into the Property, there is hereby reserved to Declarant and the Association an easement for the construction, maintenance, repair, and replacement of all common gate and common entryway improvements including, but not limited to, gates, poles and posts associated therewith, motors and electrical lines associated therewith, irrigation systems and water lines, brick, stone, metal, or other decorative fences, walls, planters, or other improvements, landscaping, and similar common gate or common entryway improvements. **Further, each Owner acknowledges and agrees that all emergency services such as, but not limited to, fire, police, and ambulance service, shall be granted emergency access through all common gates.**
- (e) The Property, and each Lot, as applicable, is subject to all easements established by or shown on the Plat, including the Pipeline Easements.

10.2 Owners Easements of Enjoyment. Subject to the provisions of section 10.4 of this Article, every Owner and every tenant of every Owner, who resides on a Lot, and each individual who resides with either of them, on such Lot shall have a right and easement of use, recreation and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot, provided, however, such easement shall not give such person the right to make alterations, additions or improvements to the Common Properties.

10.3 Title to the Common Properties. Declarant will hold record title to the Common Properties for an indefinite period of time, subject to the easements set forth in sections 10.1 and 10.2 above. Declarant shall have the right and option (without the joinder and consent of any person or entity) to encumber, mortgage, design, redesign, reconfigure, alter, improve, landscape and maintain the Common Properties. At some point in time (deemed reasonable and appropriate by Declarant), Declarant will convey title to the Common Properties to the Association for the purposes herein envisioned. Declarant reserves the right to execute any open space declarations applicable to the Common Properties which may be permitted by law in order to reduce property taxes.

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

- (a) The right of the Association to prescribe Rules and Regulations governing, and to charge fees and or deposits related to, the use, operation and maintenance of the Common Properties;

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

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

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

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

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

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

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

10.5 Perpetual Easements. All easements reserved or created in any part of this Declaration for the benefit of Declarant or the Association are perpetual. All easements reserved or created herein for the benefit of Declarant may be granted or assigned by Declarant, in whole or in part, on an exclusive or nonexclusive basis, to any third party. Utility easements reserved or created herein for the benefit of the Association may be granted or assigned by the Association, in whole or in part, on an exclusive or nonexclusive basis, to any public utility or utilities.

10.6 Condemnation or Governmental Taking. (a) If all or any part of the Common Properties are taken by any authority having the power of condemnation or eminent domain or are conveyed in lieu thereof, the funds payable with respect thereto shall be payable to the Association and shall be used by the

Association to purchase additional Common Properties to replace that which has been condemned or to take whatever steps it deems reasonably necessary to repair any damage suffered by the condemnation. If all of the funds cannot be used in such manner, any remaining funds may be distributed equitably to the Owners.

(b) If all or any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and the Owner elects not to restore the remainder of the Lot, then the Owner shall promptly remove any remaining improvements damaged or destroyed by such taking or conveyance and shall leave the Lot in orderly, safe and net condition;

(c) If any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof and the Owner elects to restore the remainder of the Lot, then, subject to the provisions of this Declaration, the Owner shall diligently restore, within 90 days after the taking, the remainder of the Lot to the same condition it was in prior to such taking or conveyance.

ARTICLE 11 INSURANCE AND INDEMNIFICATION

11.1 Insurance Requirements Generally. (a) The Association shall obtain and maintain in full force and effect commercial general liability insurance and such other insurance as it deems necessary or desirable. All such insurance shall be obtained from responsible companies duly authorized and licensed to do business in the State of Texas. To the extent possible, the insurance shall:

(1) Provide for a waiver of subrogation by the insurer as to claims against the Association, its directors, officers, employees, agents and Owners; and

(2) Provide that the policy of insurance shall not be terminated, canceled, or substantially modified without at least thirty (30) days prior written notice to the Association.

Any insurance policy may contain such deductible provisions as the Association deems consistent with good business practice. The cost and expense of all insurance obtained by the Association shall be paid out of Association funds.

(b) The Association will not carry any insurance pertaining to, nor does it assume any liability or responsibility for, the real or personal property of the Owners (and their respective family members and guests). Each Owner expressly understands, covenants and agrees with Declaration and the Association that:

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

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

(c) Each Owner releases and holds Declarant and the Association harmless from any uninsured liability, claims, causes of action or related (directly or indirectly) to any and all aspects of the gated entry system and private Roads within the Property.

(d) Each Owner will cooperate with Declarant, the Association and the ARC in connection with the establishment, evolution and maintenance of reasonable controls on the pedestrian and vehicular traffic into and within the Property and abide by any and all Rules and Regulations, as adopted and promulgated from time to time, related to the entry upon and use of the Roads and other Common Properties.

11.2 Indemnification. Each officer, director, ARC or other committee member, or agent of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been an officer, director, committee member, or agent of the Association; provided, however, that (a) in the case of Declarant or any affiliate entity of Declarant, or any officer, director, or employee of Declarant or any affiliate, this indemnification shall not apply if Declarant or any affiliate or the indemnified officer, director, or employee of Declarant or any affiliate is adjudged guilty of gross negligence or malfeasance in the performance of its or his obligations hereunder, and (b) in the case of any other indemnified party, this indemnification shall be applicable only as set forth in the Bylaws of the Association.

11.3 Security Arrangements. Declarant and the Association hope that the gated entry and private Roads concept will discourage undesired and unauthorized vehicular and pedestrian traffic within the Property and foster a higher degree of peace and tranquility. Nevertheless, neither Declarant nor the Association warrant or guarantee that: (a) the gated entry and private Roads security personnel arrangements are sufficient and adequate to diminish or eliminate the commission of crimes against persons or property; and (b) such acts will not be attempted or actually occur within the Property. These security arrangements are not designed or intended to replace the obligations of each Owner to secure thereunder their Residence or conventional law enforcement protection.

ARTICLE 12 PROTECTION OF MORTGAGEES

12.1 Notice to Association. An Owner who mortgages his Lot shall notify the Association, giving the name and address of the mortgagee. Each mortgagee shall be permitted to notify the Association

of the fact that such mortgagee holds a deed of trust or mortgage on a Lot. The Association shall maintain a record of such information.

12.2 Examination of Books. The Association shall permit first or second mortgagees to examine the books and records of the Association during normal business hours.

ARTICLE 13 GENERAL PROVISIONS

13.1 Term of and Amendment to Restrictions. The provisions hereof, including the Restrictions, shall run with the Property and be binding on each Owner for a period of thirty (30) years from the date hereof, at which time all provisions shall be automatically extended for successive periods of ten (10) years, unless prior to the expiration of any such initial period or extended period, Declarant and at least seventy-five percent (75%) of the other Owners shall have executed and recorded an instrument to become operative at the expiration of the particular period. So long as Declarant owns at least eight (8) Lots, these Restrictions may be amended or revoked only by Declarant, and no other Owner shall have a vote regarding amendment or revocation. After Declarant no longer owns at least eight (8) Lots, these Restrictions may be amended with the consent of seventy-five percent (75%) of the Lot Owners, with each Lot being entitled to one (1) vote.

13.2 Complaints by Owner. If any Owner believes any other Owner is in violation of this Declaration, he or she may so notify such Owner in writing, explaining the reasons for such complaint. If the Owner fails to remedy the alleged violation in ten (10) days after delivery of such notice, a complaint may be transmitted in writing to the President of the Association, who shall thereupon notify the Board. The Board shall have the right (but not the obligation or duty) to institute appropriate legal action, at law or in equity, to enforce this Declaration, and may recover its reasonable expenses, including attorney's fees. Without limiting the foregoing, the Association may take such other action as it deems necessary to cure the Owner's violation and the cost expended by the Association in doing so shall be a charge and lien upon the subject Lot.

13.3 Complaints by Association. If an Owner is in violation of this Declaration, the Association may so notify such Owner in writing. If the Owner fails to remedy the violation within ten (10) days following delivery of such notice, then the Association shall have the right (but not the obligation or duty) to institute appropriate legal action, at law or in equity, including, but not limited to, obtaining a temporary restraining order and subsequent injunction, to enforce this Declaration, and may recover the damages owed by such Owner pursuant to 13.4 below, any other damages incurred by the Association, and its reasonable expenses, including attorney's fees. Without limiting the foregoing, the Association may take such other action as it deems necessary to cure the Owner's violation and the cost expended by the Association in doing so shall be a charge and lien upon the subject Lot.

13.4 Per Day Damages for Violations. Any Owner in breach or violation of the Restrictions shall incur a penalty of \$100 per day per breach or violation until the breach or violation is remedied or cured. Such sum shall be payable to the Association as damages.

13.5 Waiver of Enforcement. Waiver of enforcement of any provision of this Declaration shall be limited to that particular provision which is waived, in writing, as to a particular matter as it relates to a particular Lot, and shall not be construed to be a waiver of any other provision of this Declaration. A variance granted by Declarant or the Association is not a waiver.

13.6 Effect of Ordinances. Police, fire, and other public safety ordinances of any governmental corporation or unit having jurisdiction over any portion of the Property shall govern where more restrictive than this Declaration.

13.7 Bylaws. To the extent of any conflict between this Declaration and the Bylaws, this Declaration shall control.

13.8 Severability. Invalidation of any provision of this Declaration by judgment or court decree shall in no way affect any other provisions which shall remain in full force and effect. Nothing herein shall be in conflict with Texas homestead law. Should a provision herein be in conflict, Texas homestead law shall apply. All other provisions shall remain in full force and effect.

13.9 Dispute Resolution between Owners. (a) Each Owner agrees that if any dispute arises between such Owner and Declarant, the Association, or the ARC as to any matter arising out of or related to this Declaration, then before proceeding with any legal action the parties shall, with reasonable promptness, arrange a mutually agreeable time for a face-to-face meeting between fully authorized representatives to seek to resolve the dispute in a mutually acceptable manner.

(b) If the meeting described in (a) above fails to resolve the dispute or fails to occur, then said parties shall agree to promptly submit the dispute to mediation in Tarrant County, Texas before a single attorney mediator practicing law in Tarrant County, Texas (or any surrounding county) chosen by Declarant or the Association, as the case may be, and approved by the Owner within the Owner's reasonable discretion.

(c) If the mediation described in (b) above fails to resolve the dispute or fails to occur, then subject to section 13.3 above and section 13.9(i) below, upon demand by either party the parties shall submit to binding arbitration all disputes between or among them arising out of or relating to this Agreement.

(d) Any arbitration proceeding in accordance with (c) above will (i) proceed in a location in Tarrant County, Texas (or any surrounding county) selected by the American Arbitration Association ("AAA"); (ii) be governed by the Federal Arbitration Act (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties;

and (iii) be conducted by the AAA, or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures (the commercial dispute resolution procedures to be referred to as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Any party who fails or refuses to submit to arbitration following a proper demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any dispute.

(e) The arbitrator will determine whether or not an issue is arbitratable and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any pre-hearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication. The arbitrator shall resolve all disputes in accordance with the substantive law of Texas and may grant any remedy or relief that a court of such state could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action 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 or other applicable law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief by Declarant or the Association or pursuit of a provisional or ancillary remedy by Declarant or the Association shall not constitute a waiver of the right of to submit the controversy or claim to arbitration if any other party contests such action for judicial relief.

(f) In any arbitration proceeding discovery will be permitted in accordance with the Rules. All discovery shall be expressly limited to matters directly relevant to the dispute being arbitrated and must be completed no later than twenty (20) days before the hearing date and within ninety (90) days of the filing of the dispute with the AAA. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

(g) The arbitrator shall award all costs and expenses of the arbitration proceeding.

(h) To the maximum extent practicable, the AAA, the arbitrators, and the parties shall take all action required to conclude any arbitration proceeding within one hundred and twenty (120) days of the filing of the dispute with the AAA. No arbitrator or other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a dispute, the arbitration provision most directly related to the Declaration or the subject matter of the dispute shall control.

(i) Notwithstanding the foregoing, this section 13.9 shall not preclude the Declarant or the Association from exercising its rights pursuant to section 13.3 or from seeking, in an appropriate court of law, an injunction or temporary restraining order otherwise designed to enforce against any Owner any such compliance with, and prohibit any further violation(s) of, this Declaration.

13.10 Additional Property. Declarant may at any time subject additional land to this Declaration and the Restrictions by filing an amendment or supplement to this Declaration covering the additional land and declaring it to be subject hereto. Unless the additional land is an easement interest or common use area, the land covered by the amendment to this Declaration shall be deemed to be a Lot or Lots, as described in the amendment or supplement, and part of the Property and each Owner of the additional land shall be deemed an Owner, and entitled to membership in the Association, in accordance with the terms of this Declaration.

EXECUTED to be effective the date first written above.

DECLARANT:

RCR 1187, Ltd.,
a Texas Limited Partnership

By: 1187 Plover, LLC, a Texas Limited
Liability Company, its General Partner

By: _____
Jack Huff, Manager

PRIOR GRANTORS:

THE STATE OF TEXAS §
 §
COUNTY OF _____§

This instrument was acknowledged before me on _____, 2005, by Jack Huff, Manager of 1187 Plover, LLC, a Texas Limited Liability Company, General Partner of RCR, 1187, Ltd., a Texas Limited Partnership, on behalf of the Partnership.

Notary Public, State of Texas

My Commission Expires:

Printed Name of Notary:

THE STATE OF TEXAS §
 §
COUNTY OF _____§

This instrument was acknowledged before me on _____, 2005, by _____.

Notary Public, State of Texas

My Commission Expires:

Printed Name of Notary:

THE STATE OF TEXAS §
 §
COUNTY OF _____§

This instrument was acknowledged before me on _____, 2005, by _____.

Notary Public, State of Texas

My Commission Expires:

Printed Name of Notary:

THE STATE OF TEXAS §
 §
COUNTY OF _____§

 This instrument was acknowledged before me on _____, 2005, by
_____.

Notary Public, State of Texas

My Commission Expires:

Printed Name of Notary:

AFTER RECORDING RETURN TO:
Kendall D. Adair
Harris, Finley & Bogle, P.C.
777 Main Street, Suite 3600
Fort Worth, Texas 76102-5341

Exhibit List

- Exhibit A - Legal Description of the Property
- Exhibit B - Plat of the Property
- Exhibit C - Legal Description of Well Sites
- Exhibit D - 741 Line

Subordination by Lienholder

TexasBank is the owner and holder of that one certain first priority deed of trust lien (the "First Lien") dated _____, recorded at Volume _____, Page _____, Real Property Records of Tarrant County, Texas. TexasBank joins herein for the sole purpose of subordinating the First Lien to the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for Rocky Creek Ranch (the "Declaration"); provided, however, such subordination shall not apply to Section 7.5(b)(5) of the Declaration wherein it is expressly stated, among other things, that the lien for assessments shall be subordinate to any first deed of trust lien on the Property or Lot which was recorded before the delinquent assessment became due. Section 7.5(b)(5) of the Declaration shall prevail for all purposes.

TEXASBANK, a _____

By: _____

Name: _____

Title: _____

Exhibit A

[Legal Description of the Property]

TRACT 1

BEGINNING AT A 1/2 INCH IRON ROD FOUND BEING THE SOUTHWEST CORNER OF THE JOSEPH BELL SURVEY, ABSTRACT NO. 171, TARRANT COUNTY, TEXAS;

THENCE N00°16'19"W, 2194.47 FEET TO A 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544";

THENCE N00°16'42"W, 87.17 FEET TO 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544";

THENCE N51°30'06"W, 817.85 FEET TO THE BEGINNING OF A CURVE TO THE LEFT WITH A RADIUS OF 665.31 FEET AND WHOSE CHORD BEARS N55°40'04"W, 96.67 FEET;

THENCE WITH SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 08°19'56" AN ARC LENGTH OF 96.75 FEET TO A 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544";

THENCE N59°43'28"W, 178.22 FEET TO 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544", AT THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 367.54 FEET AND WHOSE CHORD BEARS N40°03'49"E, 247.32 FEET;

THENCE WITH SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 39°19'19" AN ARC LENGTH OF 252.24 FEET TO 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544";

THENCE N20°24'09"W, 405.53 FEET TO 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544", AT THE BEGINNING OF A CURVE TO THE LEFT WITH A RADIUS 228.96 FEET AND WHOSE CHORD BEARS N49°58'26"W, 178.30 FEET;

THENCE WITH SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 45°49'54" AN ARC LENGTH OF 183.15 FEET TO A 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544";

THENCE N72°53'22"W, 607.07 FEET TO A 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544";

THENCE S76°31'06"W, 711.34 FEET TO A 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544";

THENCE S89°43'18"W, 1274.53 FEET TO A CORNER IN THE MEANDERS OF MUSTANG CREEK;

THENCE WITH THE MEANDERS OF MUSTANG CREEK THE FOLLOWING COURSES AND DISTANCES:

S08°42'57"E, 226.71 FEET FOR CORNER AND THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 272.81 FEET AND WHOSE CHORD BEARS S18°43'26"W, 251.43 FEET;

WITH SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 54°52'46" AN ARC LENGTH OF 261.31 FEET FOR CORNER;

S42°40'21"W, 259.04 FEET FOR CORNER AND THE BEGINNING OF A CURVE TO THE LEFT WITH A RADIUS OF 247.02 FEET WHOSE CHORD BEARS S13°46'37"W, 238.73 FEET;

WITH SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 57°47'29" AN ARC LENGTH OF 249.16 FEET FOR CORNER;

S15°07'08"E, 157.60 FEET FOR CORNER;

S36°53'17"E, 181.19 FEET FOR CORNER;

S27°00'40"E, 179.61 FEET FOR CORNER;

S39°57'18"E, 141.15 FEET FOR CORNER;

THENCE S89°43'18"W, 813.98 FEET TO A CORNER LOCATED UNDER A STOCK PILE;

THENCE N07°44'18"E, 2453.70 FEET TO A 1/2 INCH IRON ROD FOUND FOR CORNER AT THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 2864.81 FEET AND WHOSE CHORD BEARS N22°10'03"E, 530.44 FEET;

THENCE WITH SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 10°37'26" AN ARC LENGTH OF 531.20 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 2864.79 FEET WHOSE CHORD BEARS N28°18'48"E, 83.39 FEET;

THENCE WITH SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 01°40'04" AN ARC LENGTH OF 83.39 FEET TO CORPS OF ENGINEERS MONUMENT NO. 231-4 FOUND;

THENCE N29°14'38"E, 1878.06 FEET TO CORPS OF ENGINEERS MONUMENT NO. 231-3 FOUND, BEING THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 2864.79 FEET, WHOSE LONG CHORD BEARS N36°21'46"E, 698.29 FEET;

THENCE WITH SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 14°00'02" AN ARC LENGTH OF 700.03 FEET TO A 1/2 INCH IRON ROD SET WITH A PLASTIC CAP STAMPED, "RPLS 5544";

THENCE N42°30'23"E, 287.69 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-37 FOUND;

THENCE S29°56'43"W, 462.49 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-36 FOUND;

THENCE S56°50'17"E, 450.48 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-35 FOUND;

THENCE N11°14'39"E, 519.49 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-34 FOUND;

THENCE N61°01'39"E, 1026.55 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-33 FOUND;

THENCE N02°53'01"E, 404.37 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-32 FOUND;

THENCE N00°44'11"E, 633.51 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-31 FOUND;

THENCE N31°11'00"E, 2569.61 FEET TO A 1/2 INCH IRON ROD SET "RPLS 5544";

THENCE S71°38'52"E, 1375.61 FEET TO A POST;

THENCE N75°06'05"E, 276.24 FEET TO A POST;

THENCE N10°13'43"E, 1730.48 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-29 FOUND;
THENCE N81°42'51"E, 356.39 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-28 FOUND;
THENCE S65°45'22"E, 573.56 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-27 FOUND;
THENCE S16°07'13"E, 995.52 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-26 FOUND;
THENCE S39°46'25"E, 1551.09 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-25 FOUND;
THENCE N16°01'09"W, 279.67 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-24 FOUND;
THENCE S82°10'47"E, 778.54 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-23 FOUND;
THENCE S24°54'23"E, 1045.44 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-22 FOUND;
THENCE S17°00'24"W, 1262.37 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-21 FOUND;
THENCE S02°11'09"E, 1140.48 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-20 FOUND;
THENCE N24°24'12"E, 1283.72 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-19 FOUND;
THENCE S03°28'18"W, 1271.46 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-18 FOUND;
THENCE S00°08'50"E, 836.66 FEET TO CORPS OF ENGINEERS MONUMENT NO. C-17 FOUND;
THENCE S00°14'33"E, 3100.12 FEET TO A 1/2 INCH IRON ROD FOUND;
THENCE S00°14'33"E, 461.54 FEET TO A PK NAIL SET IN CENTER LINE OF RAILROAD;
THENCE S28°30'42"W, 1181.60 FEET, TO A PK NAIL SET IN THE CENTERLINE OF RAILROAD AT THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 6875.56 FEET WHOSE CHORD BEARS S36°16'46"W, 1858.59 FEET;
THENCE WITH SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 15°32'08" AN ARC LENGTH OF 1864.29 FEET TO A PK NAIL SET IN THE CENTERLINE OF THE RAILROAD;
THENCE S89°43'20"W, 3601.44 FEET TO THE **POINT OF BEGINNING** AND CONTAINING 1731.874 ACRES OF LAND, MORE OR LESS.

TRACT 2

BEGINNING AT THE MOST SOUTHWESTERLY CORNER OF SAID TRACT 2, AND BEING A CORPS OF ENGINEERS MONUMENT NO. C-38;

THENCE N43°43'20"E, 654.57 FEET TO A 1/2 INCH IRON ROD FOUND;

THENCE S89°54'12"E, 296.11 FEET TO A 1/2 INCH IRON ROD FOUND;

THENCE S14°46'48"W, 289.91 FEET TO A CORPS OF ENGINEERS MONUMENT NO. C-39;

THENCE S74°05'20"W, 701.51 FEET TO THE **POINT OF BEGINNING** AND CONTAINING 3.618 ACRES OF LAND, MORE OR LESS.

Exhibit C

[Legal Description of Well Sites]

Exhibit D

[741 Line]