

Denton County Cynthia Mitchell County Clerk Denton, TX 76202

Instrument Number: 2006-3647

Recorded On: January 10, 2006

Misc General Fee Doc

Parties: TWIN LAKES OWNERS ASSOCIATION

Billable Pages: 44

To

Number of Pages: 44

Comment:

** Examined and Charged as Follows: **

Misc General Fee Doc

188.00

Total Recording:

188.00

******* THIS PAGE IS PART OF THE INSTRUMENT *********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Record and Return To:

Document Number: 2006-3647

Receipt Number: 255842

Recorded Date/Time: January 10, 2006 01:43P

OSCAR BURCHARD

230 LAKE TRAIL COURT **DOUBLE OAK TX 75077**

User / Station: J Robinson - Cash Station 2



THE STATE OF TEXAS } COUNTY OF DENTON }

I hereby certify that this instrument was FILED in the File Number sequence on the date/time printed heron, and was duly RECORDED in the Official Records of Denton County, Texas.

Chitchell.

County Clerk Denton County, Texas

Oscar Burchard 230 Laze Trail Court Double Cak, Tx. 75077

STATE OF TEXAS

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COUNTY OF DENTON

SECRETARY'S CERTIFICATE OF TWIN LAKES OWNERS ASSOCIATION, INC.

The undersigned ("Affiant") hereby certifies that Affiant is the duly elected and acting Secretary and Officer, of TWIN LAKES OWNERS ASSOCIATION, INC., a Texas not-for-profit corporation (the "Association"), and is authorized to execute and deliver this Certificate, and Affiant further certifies as follows:

- 1. <u>Custodian</u>: That I am the custodian of the Association=s records and have personal knowledge of the Association=s records and each of the matters specified herein.
- 2. Consent in Lieu of Special Meeting of the Members Relating to the Amended and Restated Declaration and Bylaws. That Exhibit "A", attached hereto and incorporated herein by reference for all purposes, is a true, complete and correct restatement of certain Consent in Lieu of Special Meeting of the Members (the "Consent") adopted by fifty-one percent (51%) of the Members of the Association as of December 12, 2005.
- 3. <u>Effect</u>: That the Consent attached hereto has not been amended, modified or rescinded, and such Consent is in full force and effect on the date hereof.

IN WITNESS WHER	OF, I have hereunto set my hand and the seal of the Association as
6th day of January	, 2005/. 6
/	AFFIANT:
	TWIN LAKES OWNERS ASSOCIATION, INC.,
	a Texas not-for-profit corporation
	By: Miles I Walter
	Name: / / ick/ / Wa/ter Title: Secretary
THE STATE OF TEXAS	§
COUNTY OF 'Ou in how	§ §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Che Walter, Secretary of Twin Lakes Association, Inc., a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same as a duly authorized officer of such non-profit corporation, and as the act and deed of such non-profit corporation, acting in his/her capacity as Secretary, for the purposes and consideration therein expressed, and in the capacity stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this day of July 200/2.



Notary Public, State of Texas
My commission Expires: JUNUARY 31, 2005

Consent in Lieu of Special Meeting of the Members Twin Lakes Owner's Association

[See attached]

CONSENT IN LIEU OF SPECIAL MEETING OF THE MEMBERS TWIN LAKES OWNERS ASSOCIATION, INC.

Dated as of	•	2005

The undersigned, being at least fifty-one percent (51%) of the Members of TWIN LAKES OWNERS ASSOCIATION, INC., a Texas non-profit corporation (the "Association"), do hereby waive any and all notices required by law or by the Bylaws of the Association of the time, place and purposes of a special meeting of the Members of the Association, and do hereby consent, pursuant to the provisions of Article 1396-9.10 of the Texas Non-Profit Corporation Act, to the taking of the following actions:

WHEREAS, the undersigned Members of the Association constitute the requisite quorum (such quorum being fifty-one percent (51%) of the Members) for these actions pursuant to the terms of the Bylaws of the Association and the Texas Non-Profit Corporation Act.

RESOLVED, that the undersigned Members deem it desirable to supercede, replace, amend and restate the Declaration of Covenants, Conditions and Restrictions for Twin Lakes Owners Association, Inc. (the "Current Declaration") recorded in Volume 2070, Page 642 of the Real Property Records of Denton County, Texas, as amended by that certain Consent to Amendment to Declaration of Covenants Conditions and Restrictions for Twin Lakes Owners Association (the "First Amendment") filed on August 24, 1993 as Instrument Number 93-R0058675 in the Real Property Records of Denton County, Texas (the Current Declaration, as amended by the First Amendment, is hereinafter referred to as the "Declaration").

RESOLVED, that the Members deem it desirable to supercede, replace, amend and restate the Bylaws of Twin Lakes Owners Association, Inc. (the "Current Bylaws") dated January 21, 1987.

RESOLVED, that the Members have reviewed and approved the terms and provisions of (i) the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Twin Lakes Owners Association, Inc. (the "Restated Declaration"), a copy of which is attached hereto as Exhibit A and incorporated herein by reference, and (ii) the First Amended and Restated Bylaws of the Twin Lakes Owners Association, Inc. (the "Restated Bylaws"), a copy of which is attached hereto as Exhibit B and incorporated herein by reference, and hereby authorize and direct the officers and directors of the Association to

execute and immediately record the Restated Declaration and the Restated Bylaws in the Real Property Records of Denton County, Texas.

RESOLVED, that the officers and directors of the Association are hereby directed and authorized to take any and all other actions necessary or appropriate to effectuate the foregoing actions and resolutions.

RESOLVED, that the Members hereby ratify and confirm any and all actions taken by the officers and directors of the Association prior to the date of this Consent in Lieu of Special Meeting of the Members Twin Lakes Owners Association, Inc. (this "Consent") regarding the actions and resolutions described herein.

RESOLVED, that this Consent may be executed in one (1) or more counterparts, each of which when taken together shall constitute but one and same Consent.

EXECUTED as of (although not necessarily on) the first date written above.

[SIGNATURE PAGE TO FOLLOW]

CONSENT IN LIEU OF SPECIAL MEETING OF THE MEMBERS TWIN LAKES OWNERS ASSOCIATION, INC.

The following being a Member of the Twin Lakes Owners Association, Inc.:

By:	 		
Name:	 	 	
Address:	 	 	

EXHIBIT A

SECOND AMENDED AND RESTATED DECLARATION

[See attached]

EXHIBIT B

AMENDED AND RESTATED BYLAWS

[See attached]

SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TWIN LAKES OWNERS ASSOCIATION. INC.

STATE OF TEXAS	<i>କ</i> କ	KNOW ALL MEN BY THESE PRESENTS
COUNTY OF DENTON		(

THIS SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TWIN LAKES OWNERS ASSOCIATION, INC. (hereinafter referred to as the "Restated Declaration") is made on this _____ day of _____, 20__, by the membership of the Twin Lakes Owners Association, Inc., a Texas nonprofit corporation (hereinafter referred to as the "Association").

WITNESSETH:

WHEREAS, on or about January 21, 1987, SADAE, Inc., as Declarant, made that certain Declaration of Covenants, Conditions and Restrictions for Twin Lakes Owners Association, Inc., which is recorded in Volume 2070, Page 642, et seq. of the Real Property Records of Denton County, Texas (the "Original Declaration"); and

WHEREAS, the Original Declaration was amended by virtue of that certain Consent to Amendment of Declaration of Covenants, Conditions and Restrictions for Twin Lakes Owners Association, Inc. executed by Double Oak Limited Partnership, and filed of record August 24, 1993 as Instrument Number 93-R0058675 in the Real Property Records of Denton County, Texas (the "First Amendment"); and

WHEREAS, the membership of the Association desires to amend, restate and substitute the Original Declaration and the First Amendment with this Restated Declaration, with the intention that this Restated Declaration shall constitute the complete covenants, conditions and restrictions on and for the residential subdivision known as Twin Lakes, and that the Original Declaration and the First Amendment, except as substantially restated herein, are void and of no further force and effect, such Restated Declaration having been approved pursuant to and in accordance with Article XII, Section 2 of the Original Declaration; and

NOW, THEREFORE, the membership of the Association hereby amends, replaces and supercedes the Original Declaration and the First Amendment with this Restated Declaration and, from and after the recording of this instrument in the Real Property Records of Denton County, Texas, the real property described on **EXHIBIT A** attached hereto and incorporated herein by reference, is hereby subjected to the provisions of this Restated Declaration and shall be held, sold, transferred, conveyed, used, occupied and mortgaged or otherwise encumbered subject to the following covenants, conditions, restrictions, easements, assessments and liens, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, such real property. This Restated Declaration shall be binding on and shall inure to the benefit to all persons having any right, title or interest in all or any portion of such real property, including their respective heirs, legal representatives, successors, transferees and assigns.

ARTICLE I DEFINITIONS

- Section 1. "Areas of Common Responsibility" shall mean and refer to all real property and the improvements thereon for the use, enjoyment and/or benefit of the Members, including, without limitation, at least the following:
- (a) All wells, pumps, and aerators installed on the lakes and ponds, and the dams:
 - (b) All street lighting within the Property;
 - (c) All bridges located on the roads or other road side improvements within the Property;
- (d) The landscaping, maintenance, and irrigation of all entrances to the Subdivision including, but not limited to, brick structures and signage; and
 - (e) Any other new assets purchased or constructed by the Association.
- Section 2. <u>Articles of Incorporation</u> shall mean the Articles of Incorporation of the Twin Lakes Owners Association, Inc., dated February 24, 1987 and attached hereto as **EXHIBIT C** and incorporated herein by reference.
- Section 3. "Association" shall mean and refer to Twin Lakes Owners Association, Inc., a Texas nonprofit corporation, its successors and assigns, to which Association shall be delegated and assigned the powers of managing, maintaining and administering the Areas of Common Responsibility identified in this Restated Declaration and disbursing funds, collecting assessments and charges and performing such other acts as shall generally benefit the Property now and hereafter covered by this Restated Declaration.
- Section 4. "<u>Board of Directors" or "Board"</u> shall mean or refer to the elected or appointed body having its normal meaning under Texas corporate law as applicable to the corporation status.
- Section 5. <u>Bylaws</u> shall mean the First Amended and Restated Bylaws of the Twin Lakes Owners Association, Inc., attached hereto as **EXHIBIT D** and incorporated herein by reference.
- Section 6. "<u>Common Expense</u>" shall mean or refer to the actual and estimated expense or expenses of operating the Association, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Bylaws, and the Articles of Incorporation of the Association, as the same may from time to time be duly amended.
 - Section 7. "Lot" or "Lots" shall mean any platted lot in the Property that has

been conveyed to a Person for the purpose of developing a single family residence thereon.

- Section 8. "<u>Member</u>" shall mean or refer to a person or entity entitled to membership in the Association, as set forth herein.
- Section 9. "Mortgage" shall mean or refer to a deed of trust or other similar mortgage instrument.
- Section 10. "Mortgagee" shall mean or refer to a beneficiary, lender, or holder of a deed of trust.
 - Section 11. "Mortgagor" shall mean or refer to a grantee in a deed of trust.
- Section 12. "Owner" shall mean or refer to each and every person or entity who is, alone or together with another person or entity, a record owner of a fee or undivided interest in any Lot or tract or parcel of real estate out of or part of the Property; provided, however, that the term "Owner" shall not mean or refer to any party holding an interest merely as security for the performance of an obligation.
- Section 13. "<u>Person</u>" shall mean or refer to a natural person, corporation, partnership, trustee, or other legal entity.
- Section 14. "<u>Property</u>" shall mean or refer to all existing real property subject to this Restated Declaration described in <u>EXHIBIT A</u> attached hereto and made a part hereof for all purposes, including any and all improvements thereon, and any additions of real property made subject to this Restated Declaration through any Supplemental Amendment prepared and filed of record or which is owned by the Association.
- Section 15 "<u>Single Family</u>" shall mean or refer to one (1) family unit related by blood, adoption, or marriage.
- Section 16 "<u>Subsequent Amendment</u>" shall mean or refer to any subsequent amendment to the Original Declaration or this Restated Declaration which adds additional property or extends the plan of the Original Declaration or this Restated Declaration.

ARTICLE II PROPERTY RIGHTS

The Association shall have a right and easement in and to the Areas of Common Responsibility, the Lots, Property and ponds in common with an Owner as shown on the plat for Twin Lakes Estates recorded in Cabinet F, Page 223, Plat Records of Denton County, Texas, for the purposes of repairing, mowing, maintaining, rebuilding, replacing, relocating and constructing such Areas of Common Responsibility, Lots, Property and ponds, pursuant to the terms of this Restated Declaration.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. <u>Membership</u>. Every Owner, as defined in Article I, Section 12, shall be deemed to have a membership in the Association. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot owned. In the event the Owner of a Lot is more than one person or entity, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership, including the right to vote, may be exercised by a Member or the Member's spouse, but in no event shall more than one (1) vote be cast for each Lot.

Section 2. <u>Voting</u>. Members shall be entitled on all issues to: one (1) vote for each Lot in which each Member holds the interest required for membership in the Association; there shall be only one (1) vote per Lot. When more than one Person holds such interest in any Lot, the vote for such Lot shall be exercised as those holding such interest themselves determine and notify the Secretary of the Association in writing prior to any meeting. In the absence of such notification, the Lot's vote shall be suspended in the event more than one Person seeks to exercise it. Any Owner of a Lot which is leased may, in the lease or other similar instrument, assign the voting right appurtenant to that Lot to the lessee provided that a copy of such lease instrument or assignment is furnished to the Secretary prior to any meeting.

Section 3. <u>Suspension of Voting Rights</u>. The voting rights of any Member set forth in this Restated Declaration may be suspended by the Board of Directors of the Association for any period of time during which any assessment set forth herein remains past due, as further specified in Article IX, Section 5.

ARTICLE IV MAINTENANCE

Section 1. <u>Association's Responsibility</u>. The Association shall maintain and keep in good repair the Areas of Common Responsibility, such maintenance to be funded as hereinafter provided. This maintenance shall include, but not be limited to, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures, and improvements situated upon the Areas of Common Responsibility.

Section 2. Owner's Responsibility. All maintenance of a Lot and all structures, parking areas, and other improvements within the Lot (other than those defined as Areas of Common Responsibility) shall be the sole responsibility of the Owner thereof and who shall perform such maintenance in a manner consistent with **EXHIBIT B** of this Restated Declaration, and provided, further, the Owner shall be responsible for mowing any grass that may extend beyond the pavement line of the street on Town-owned right-of-way adjacent to the Lot. If this work is not properly performed by the applicable Owner(s), the Association may provide written notice of such failure to the applicable Owner(s) requesting such Owner(s) to comply with their responsibility under this Article IV, Section 2 within ten (10) days after delivery of such written notice by the Association. If such Owner(s) fail to comply within such ten (10) day period or, in the event that compliance is unreasonable, such Owner(s) make no apparent effort to comply within such ten (10) day period, the Association may perform the work necessary to comply with Owner(s) obligation under this

Article IV, Section 2 and assess the applicable Owner(s) for actual costs and expenses incurred by the Association in performing such work as provided herein relating to the assessments. An Owner shall not build on, fence in, or plant trees or shrubbery on, over, or across any property that interferes with maintenance or repair by the Association. The Association shall have the right to remove, totally or partially, any such encroachments of building, fencing, trees or shrubs and assess the Owner the costs of such removal.

ARTICLE V INSURANCE AND CASUALTY LOSSES

Section 1. <u>Insurance</u>. The Association, acting by and through its Board of Directors, shall have the authority to obtain and maintain insurance, as a Common Expense, for all insurable improvements on the Areas of Common Responsibility, to the extent determined by the Board in its sole discretion to be reasonably obtainable, appropriate and relevant, and in such amounts as the Board of Directors shall determine to be appropriate including, but not limited to, fire and casualty insurance (including flood insurance if applicable) and liability insurance. The Association's Board of Directors shall have the exclusive authority to adjust losses under the insurance policies in force.

The Board of Directors shall obtain and maintain, as a Common Expense, and in its sole discretion to be reasonably obtainable, appropriate and relevant, and in such amounts as the Board shall, in it's sole discretion, determine to be appropriate, directors' and officers' liability insurance. The Board of Directors may also obtain and maintain, as a Common Expense, such other insurance as it shall deem necessary or desirable from time to time including worker's compensation insurance, a fidelity bond or bonds, and "umbrella" catastrophe coverage.

Section 2. <u>Individual Insurance</u>. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each individual Owner shall carry blanket all-risk casualty insurance on the Lot and structures constructed thereon as provided below:

Each individual Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction, the individual lot Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction. In the event that the structure is totally destroyed, then the individual Owner shall clear the Lot of all debris and any hazardous waste and return it to substantially the natural state in which it existed prior to the beginning of construction within six (6) months of the date of loss.

- Section 3. <u>Disbursement of Proceeds</u>. Proceeds of insurance policies purchased by the Association shall be disbursed as follows:
- (a) If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Areas of Common Responsibility or, in the event no repair or reconstruction is made, shall be retained by and for the benefit of the Association.

- (b) If it is determined by the Board of Directors that the damage or destruction to the Areas of Common Responsibility for which the insurance proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner as provided for excess proceeds in Section 3 (a) of this Article V. Any damage or destruction to the Areas of Common Responsibility shall be repaired or reconstructed unless, within one hundred twenty (120) days after the casualty, at least sixty percent (60%) of the vote of the Members present at a meeting of the Association where a quorum is present decide not to repair or reconstruct the damage or destruction. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction shall be repaired or reconstructed.
- (c) In the event that it should be determined by the Association in the manner described above that the damage or destruction of the Areas of Common Responsibility shall not be repaired or reconstructed and no alternative improvements are authorized, then, and in that event and within ninety (90) days after a vote of the Members not to repair or reconstruct such damages or destruction as provided in subparagraph (b) above, the affected portion of the Property shall be cleared by the Association of any debris and/or hazardous conditions and such affected portions(s) of the Property shall revert to the control and care of the applicable Owner(s) of the adjoining Lot(s) who hold title to such affected portion of the Property which makes up those Areas of Common Responsibility.
- (d) If the insurance proceeds are insufficient to repair or replace any loss or damage to the Areas of Common Responsibility or the improvements thereon or appurtenant thereto, the Association may levy a special assessment as provided for in this Restated Declaration to cover the deficiency. If the insurance proceeds are insufficient to repair or replace any loss or damage for which any Owner or Owners are responsible, such Owner(s) shall be jointly and severably liable for such excess cost and shall pay any excess cost of repair or replacement.

ARTICLE VI NO PARTITION

Except as permitted in this Restated Declaration, there shall be no physical partition of the Areas of Common Responsibility or any part thereof, nor shall any Person acquiring any interest in the Property or any part thereof seek any such judicial partition until the happening of the conditions set forth in Section 3 of Article V in the case of damage or destruction, or unless the Property has been removed from the provisions of this Restated Declaration. This Article shall not be constructed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Restated Declaration.

ARTICLE VII ANNEXATION OF ADDITIONAL PROPERTY

Subject to the consent of the owner thereof, upon the written consent or affirmative vote of a majority of the Members present or represented by proxy at a meeting duly called for such purpose, the Association may annex real property, and may subject such properties to the provisions of this Restated Declaration and the jurisdiction of the Association by filing of record in the Real Property Records of Denton County, Texas, a

Subsequent Restated Declaration in respect to the Property being annexed. Any such Subsequent Amendment shall be signed by the President and the Secretary of the Association, and the owner of the properties being annexed, and any such annexation shall be effective upon filing unless otherwise provided therein. The time within which and the manner in which notice of any such meeting of the Members of the Association, called for the purpose of determining whether additional property shall be annexed, and the quorum required for the transaction of business at any such meeting shall be as specified in the Bylaws of the Association for regular or special meetings, as the case may be. Upon annexation of any property as provided herein, **EXHIBIT A** of this Restated Declaration shall be amended to include the legal description of such property being annexed.

ARTICLE VIII RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. Management of Areas of Common Responsibility. The Association, subject to the rights of Owners expressly set forth in the Restated Declaration or any Subsequent Amendment, shall be responsible for the management, maintenance, and control of the Areas of Common Responsibility as defined in the Restated Declaration or any Subsequent Amendment. The Association shall keep such Areas of Common Responsibility in good, clean, attractive, and sanitary condition, order, and repair. If the Association fails, for any reason whatsoever, to maintain the bridges and other assets within the Areas of Common Responsibility in a reasonably safe condition, as determined by the Town of Double Oak, then such bridges may be destroyed by the Town of Double Oak without any liability to the Association, or the Owners. The Association, subject to the rights of the Owners expressly set forth in the Restated Declaration or any Subsequent Amendment, may, if it so elects, be responsible for the maintenance of all roads within the Property as defined in this Restated Declaration or any Subsequent Amendment.

Section 2. <u>Personal Property and Real Property for Common Use</u>. The Association, through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Board of Directors, acting on behalf of the Association, will accept any real or personal property, leasehold, or other property interests within the Property.

Section 3. Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Property, which rules and regulations shall be consistent with the rights and duties established by this Restated Declaration. All Owners, tenants, and occupants shall abide by any rules and regulations adopted by the Board or the Architectural Review Committee as set forth in Article X. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, including but not limited to, reasonable monetary fines, abatement of nuisances, and suspension of the right to vote. An Owner determined by a judicial action to have violated said rules and regulations shall be liable to the Association for all damages and costs, including reasonable attorney's fees.

The Bylaws of the Association may also provide for sanctions, which may, at the option of the Board, be implemented to enforce such rules and regulations and to impose penalties for failure to comply with such rules and regulations. In addition, the Association

acting through its Board of Directors, may by contract or other agreement, enforce county ordinances, or permit the Town of Double Oak to enforce ordinances, on the Property for the benefit of the Association and its Members.

Section 4. <u>Implied Rights</u>. The Association may exercise any other right or privilege given to it expressly by this Restated Declaration or the Restated Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

ARTICLE IX ASSESSMENTS

Section 1. <u>Creation of Assessments</u>. The Board of Directors is hereby authorized to create and make general or special assessments or other charges for Common Expenses to commence at the time and in the manner as set forth in this Article. General and special assessments shall be fixed at a uniform rate for all Lots and shall be for the estimated Common Expenses required for the budget year as determined by the Board to be for the benefit of the Association as a whole. Each Owner, by acceptance of his or her deed or recorded contract of sale, is deemed to covenant and agree to pay these assessments. All such assessments, together with interest at the highest rate allowable under the laws of Texas from time to time related to usury for residential real estate loans or such other rate established and adopted by the Board of Directors, costs, late charges, fines, and reasonable attorney's fees for the enforcement of same, shall be a charge on the Lot or Property and shall be a continuing lien upon the Lot or Property of the Owner against which each assessment is made.

Each such assessment, together with interest, costs, late charges, fines, and reasonable attorney's fees, shall also be the personal debt and obligation of the person who was the Owner of such Lot or Property at the time the assessment was made and the subsequent transfer of his or her ownership interest shall not terminate the outstanding obligation, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; except that no first lien Mortgagee who obtains title to a Lot or Property through a foreclosure action shall be liable for unpaid assessments which accrued prior to such acquisition of title. Any funds remaining after a foreclosure action shall be applied to any outstanding assessments which a Person owes to the Association prior to being disbursed to the Person.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual assessment for delinquency.

The Association is specifically authorized and encouraged to seek public funds and private funds to help defray, in whole or in part, the expenses for which assessments would be necessary. To the extent received, such funds shall be used to reduce the assessments otherwise required by the budget referred to in Section 2 of this Article.

Section 2. <u>Budget and Computation of Assessment</u>. The Board shall prepare or cause to be prepared an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated Common Expenses and cash

requirements for the year, including, but not limited to, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance on Areas of Common Responsibility, management fees, salaries, wages, any applicable taxes on the Areas of Common Responsibility, and other common expenses. The annual budget may also take into account and provide for a reserve for contingencies for the year and a reserve for replacements of common elements, in reasonable amounts as fixed by the Board. Any surplus or deficit in regard to previous budgets shall also be considered.

Copies of the annual budget shall be furnished to each Owner not later than fifteen (15) days prior to the annual meeting. The annual budget and assessment for the fiscal year as estimated and adopted by the Board and approved by a majority vote of the Members of the Association at an open meeting of the Association, shall serve as the basis for the general assessment against an Owner.

Notwithstanding the foregoing, however, in the event the membership disapproved the proposed budget, or the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

Section 3. <u>Capital Budget and Contribution</u>. The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by annual assessments over the period of the budget. The capital contribution required shall be fixed by the Board and included within the budget and assessment, as provided in Section 2 of this Article. A copy of the capital budget shall be distributed to each Member in the same manner as the operating budget.

Section 4. <u>Special Assessments</u>. In addition to the assessments authorized in Section 1, the Association may levy a special assessment or special assessments in any year applicable to that year. So long as the total special assessments in any year authorized under this Section 4 do not exceed an amount equal to the total general assessment for such year per Lot, the Board, by majority vote of all the Directors, may impose the special assessments. If such total amount be exceeded, any special assessment in excess of such total amount shall be effective only with the approval of a majority of the members.

Section 5. <u>Lien to Secure Assessments</u>. In the event any Owner shall fail or refuse to pay his or her pro-rata share of the assessments or other expenses, as the same shall become due and payable, then all such assessments, interests, costs, fines, late charges, and reasonable attorney's fees authorized by the Board and in connection therewith, which have become due and payable which have not been paid shall constitute and be secured by a valid lien against such Lot or Property for the benefit of the Association. Such liens shall be prior to all other liens, except that such assessment shall be subordinate, secondary, and inferior to all liens for taxes or special assessments levied by the Town of Double Oak, the County of Denton, and the State of Texas or any political subdivision or special district thereof, as well as for any Federal taxes or liens.

Such lien, when delinquent, may be enforced by suit, judgment, and/or foreclosure.

The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period owned by the Association, following foreclosure: (1) no right to vote shall be exercised on the Association's behalf in regard to its ownership of said Lot; (2) no assessment shall be assessed or levied on the Association in regard to its ownership of said Lot; and (3) each other Lot shall be charged, in addition to its usual assessment, an equal pro rata share of the assessment that would have been charged such Lot had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid common expenses, and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

The Board is hereby authorized to suspend the voting rights of a Member in the event such Member fails or refuses to pay his or her pro-rata share of assessments. Prior to taking such action, however, the Board shall provide the Member written notice and an opportunity at a regular or special meeting of the Board to contest such action.

Section 6. <u>Date of Commencement of Annual Assessments; Due Dates.</u> The annual assessments provided for herein shall commence on the date (which shall be the first day of a calendar month) fixed by the Board of Directors of the Association to be the date of commencement. Assessments shall be considered delinquent if not paid by an Owner by a date fixed by the Board of Directors; provided, however, the Board of Directors may authorize an installment schedule for any Owner when equal payments of the assessments may be paid. Such alternate manner and schedule may include a reasonable late charge for late payments, and a reasonable, nonusurious post-maturity interest charge for any assessment paid.

The due date of any special assessment provided for herein shall be fixed in the resolution by the Board authorizing such assessment.

ARTICLE X ARCHITECTURAL REVIEW COMMITTEE

Section 1. <u>Authority to Enforce Architectural Standards</u>. The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce the decisions of the Architectural Review Committee (the "Committee") established in this Article.

No construction, which term shall include within its definition, staking, clearing, excavation, grading and other site work, and no landscaping or major removal of plants, trees, or shrubs shall take place except in strict compliance with this Article, until the requirements thereof have been fully met, and until the approval of the Committee has been obtained.

Section 2. <u>Architectural Review Committee</u>. The Committee shall be composed of three (3) or more individuals designated, selected or appointed by the Board of Directors. All members of the Committee shall be appointed, and may be reappointed for one (1) year terms. The Board shall elect a member to succeed the member whose term has expired or otherwise ended by death, removal or resignation. Each member of the Committee shall act reasonably and in good faith in performing such member's duties and obligations under this Article X.

The Committee shall have the exclusive jurisdiction over all construction and landscaping, including all construction for improvements or modifications, on any portion of the Property. The Committee shall prepare, and upon approval by the Board of Directors, shall promulgate design guidelines, standards and application procedures. The standards and procedures shall be those of the Association. The Committee shall also have the sole and full authority to prepare and amend the standards and procedures, which, upon approval by the Board of Directors, shall become the new standards and procedures for the Association. The Committee shall make these standards and procedures available to Owners and builders who seek to engage in development of, or construction upon, any or all portion of the Property and who shall conduct their operations strictly in accordance therewith.

The Committee is authorized to review any and all aspects of construction and or improvements, including location, quality and quantity of landscaping on the Property or any portion thereof, which may, in the reasonable opinion of the Committee, adversely affect the living enjoyment of one or more Owners or the general value of the Property. The Committee shall have the authority to make final decisions in interpreting the general intent and purpose of the restrictions of this Restated Declaration and any Subsequent Amendments.

Section 3. <u>Basis of Approval</u>. No plan or map shall be recorded against any portion of the Property and no construction, including driveways and fences or other site work shall be undertaken on any Property until the plans and specifications have been submitted to and approved in writing by the Committee or a majority of its members.

All plans submitted to the Committee for approval shall show the nature, kind, shape, color, size, material and location of any and all construction, including additions and alterations to existing structures. The Committee shall consider such plans as to quality of workmanship and design and harmony of external design with existing structures, and as to location in relation to surrounding structures and topography. No permission or approval shall be required to repaint in accordance with the originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his residence, or to paint the interior any color desired.

Any improvements constructed in accordance with the plans and specifications approved by the Committee, in accordance with its then applicable standards and requirements, shall not be required to be changed because such standards are thereafter amended. The Committee shall review and act upon complete submitted plans and specifications within thirty (30) days after the date of submission of such complete plans and specifications. The Committee may, at its discretion, request additional data or information which it deems necessary for the review. Failure to provide such data or information in a timely manner shall be sufficient reason for the Committee to disapprove the submission. The Committee decisions shall be in writing. If the Committee fails to approve or disapprove the plans or specifications within thirty (30) days of submission of complete data, then approval of the plans submitted to the Committee shall be presumed. Each Owner shall be obligated and commits to construct all improvements in accordance with the approved plans and specifications.

In the event the Committee disapproves any plans or specifications, the Owner

may appeal such decision of the Committee to the Board of Directors for a review at its next regular meeting. The decision of the Board of Directors shall be final and binding.

In the event the plans or specifications of an Owner to construct or install improvements which are in variance from the design guidelines and standards are submitted to the Committee pursuant to this Article X, Section 3, the Committee may, at its discretion, recommend to the Board of Directors the approval, by majority vote of the Board of Directors, of such variance; provided, however, that such variance shall be in basic conformity with and shall blend effectively with the general architectural style and design of the community. Each request for a variance shall be reviewed separately and the grant of a variance to any Owner shall not constitute a precedent and shall not constitute a waiver of the Committee's or the Board of Director's right to strictly enforce the guidelines, standards, or other restrictions of this Article X against any other Owner.

Section 4. <u>Unapproved or Nonconforming Modifications or Improvements</u>. The Committee may require any Owner, at such Owner's expense, to restore such Owner's improvements to the condition existing prior to the construction thereof (including, without limitation, the demolition and removal of any unapproved modification or improvement) if such improvements were commenced or constructed in violation of this Article X. In addition, the Committee may (but has no obligation to do so) cause such restoration, demolition and removal and recover the amount of the cost thereof from the Owner.

The Board of Directors may establish reasonable fines for any and all violations of this Article X.

Section 5. No Liability. Neither the Architectural Review Committee nor the Board of Directors, nor any officer, member or agent of any of them, shall be liable for damages to anyone submitting plats, plans or specifications to them for approval. Plans and specifications are not reviewed or approved for engineering and structural design or quality of material, and by approving such plans and specifications, neither the Committee or the Board of Directors or the Association, assumes liability or responsibility therefore. Every Person who submits plans or specifications and every Owner agrees that he or she will not bring any action or suit against the Committee, the Board of Directors or the Association, nor any officer, member or agent of any of them, to recover any such damages.

ARTICLE XI USE RESTRICTIONS

The Property, and all Lots, shall be used exclusively for Single Family residential purposes along with such ancillary and related recreational purposes as may be more particularly described in this Restated Declaration, any amendment thereof or use limitation hereinafter promulgated various other use limitations and standards are attached hereto as **EXHIBIT B** and incorporated herein by reference for all purposes. The Association, acting by and through its Board of Directors, shall have the power and authority to promulgate, and amend from time to time, additional standards, restrictions, rules and regulations governing the use of Lots, the Property, and Areas of Common Responsibility. The Association, acting by and through its Board of Directors, shall have the authority and standing to pursue all legal and equitable remedies enforce the provisions of this Restated Declaration including any rules, regulations, use limitations and standards adopted in accordance with

ARTICLE XII GENERAL PROVISIONS

Section 1. <u>Term.</u> The covenants and restrictions of this Restated Declaration shall run with and bind the Property, Lots, and Areas of Common Responsibility subject to this Restated Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owner of any Lot, his/her/its respective legal representative, heirs, successors and assigns, subject to the terms of this Restated Declaration, or a term of thirty (30) years from the date of the Original Declaration, dated January 21, 1987, as recorded in the office of the County Clerk of Denton County, Texas, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument in writing, signed by a majority of the then Owners, has been recorded in the office of the County Clerk of Denton County, Texas, agreeing to abolish the covenants and restrictions in whole or a substantial portion thereof; provided, however, that no such agreements to abolish shall be effective unless made and recorded within one (1) year in advance of the effective date of such abolishment.

Section 2. <u>Subsequent Amendments</u>. Notwithstanding Section 1 of this Article (where applicable), these covenants and restrictions may be amended and/or changed in part with affirmative vote (in person or by proxy) of at least fifty-one percent (51%) total number of votes of the Members of the Association. Any and all subsequent amendments shall be recorded in the office of the County Clerk of Denton County, Texas.

Section 3. Indemnification. The Association shall indemnify every officer and director and committee member against any and all expenses, including attorney fees, reasonably incurred by or imposed upon any officer, director or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the Board of Directors) to which he or she may be party by reason of being or having been an officer or director or committee member. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own willful misfeasance, malfeasance, misconduct, or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers, directors or committee members may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and director and committee member free and harmless against any and all liabilities to others on account of any such contract or commitment. Any right to indemnification provided herein shall not be exclusive of any other rights to which any officer or director or committee member or former officer or director or committee member may be entitled. The Association may, as a Common Expense, maintain adequate general liability and Officers' and Directors' Liability insurance to fund this obligation, if such insurance is reasonably available.

Section 4. <u>Easements for Utilities, Etc.</u> Without limiting the generality of the foregoing, there are hereby reserved for the Bartonville Water Supply Corporation or any other designated water supplier and other utility companies, easements across all Lots on the Property as shown on the plats for each of the Lots for ingress, egress, installation, reading, replacing, repairing, and maintaining meter boxes.

Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on said Property and/or Lots, except as may be approved by the Association's Board of Directors. Should any entity furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Board of Directors shall have the right to grant such easement on said Property and/or Lots without conflicting with the terms hereof. The easements provided for in this Article shall in no way adversely affect any other recorded easement on the Property and/or Lots.

Section 5. Pets. Except as specifically permitted in this Section or otherwise set out in this Restated Declaration, no animals or poultry of any kind shall be kept, raised, or bred on the Property. No more than a total of three (3) normal household pets (dogs or cats) may be kept in or on a Lot. Horses, mules, and ponies shall not be permitted unless otherwise approved by the Board of Directors of the Association pursuant to rules and regulations for the keeping of such animals adopted by the Board of Directors and approved by a majority of the Members of the Association. The Board of Directors shall have the absolute power to prohibit the keeping of pets and/or animals except in accordance with this Restated Declaration. The Association, acting through its Board of Directors, and/or any Owner shall have standing and the power to enforce this Section or such adopted rules and regulations.

Section 6. <u>Severability</u>. Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provision which shall remain in full force and effect.

Section 7. Right of Entry. The Association shall have the right (but shall not be obligated) to enter onto any Lot for emergency, security and safety reasons, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and not earlier than three (3) days after delivery of written notice to the Owner. This right of entry shall include the right of the Association to enter onto a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon the request of the Board.

Section 8. Owner's Compliance. Each Owner, tenant or occupant of a Lot or Property shall comply with the provisions of this Restated Declaration, and shall comply with the decisions and resolutions of the Association or its duly authorized representatives, and failure to comply with any such provisions, decisions, or resolutions, shall be grounds for an action to recover sums due, for damages and/or fines or for injunctive relief. All agreements and determinations lawfully made by the Association in accordance with the voting procedures established herein shall be deemed to be binding on all Owners, their respective successors and assigns.

Section 9. <u>Headings</u>. The headings contained in this Restated Declaration are for reference purposed only and shall not in any way effect the meaning or interpretation of this Restated Declaration.

ARTICLE XIII MORTGAGEE RIGHTS

The following provisions are for the benefit of a holder, insurer or guarantor of a first lien mortgage on a Lot which are defined as "Eligible Holders" in Section 1 of this Article XIII

Section 1. <u>Eligible Holders and Notices to Eligible Holders</u>. An "Eligible Holder" shall mean and refer to the holder, insurer or guarantor of a first lien on a Lot who has requested notice of matters affecting the interest of such lender, insurer or guarantor. Requests for notice must be sent in writing to the Association, must specify the name and address of the lender, insurer or guarantor and must clearly identify the Lot in which the lender, insurer or guarantor holds an interest which entitles it to receive notice as provided herein.

All Eligible Holders holding first lien mortgages on a Lot, or portion thereof, shall be given notice of the following events if they deliver to the Association a written request that they receive such notices, together with a complete and accurate description of the Lot securing their mortgage and an accurate address for such Eligible Holder:

- (a) any proposed termination of the Association;
- (b) any condemnation loss which affects a material portion of the Lot on which there is a first lien mortgage held, insured or guaranteed by such Eligible Holder:
- (c) any delinquency in the payment of assessments or charges owed and any other default in the performance of an obligation set forth in this Restated Declaration by an Owner of a Lot subject to a first lien mortgage held, insured or guaranteed by such Eligible Holder, which remains uncured for a period of sixty (60) days; and
- (d) any proposed action which would require the consent of a specified percentage of Eligible Holders.

Section 2. Other Provisions for Eligible Holders. Notwithstanding anything to the contrary contained in this Restated Declaration and any Subsequent Amendment, an election to terminate the legal status of the Association after a substantial destruction or a substantial taking in condemnation shall require the approval of a majority of Eligible Holders of first lien mortgages on Lots which have at least fifty-one percent (51%) of the votes of such Lots.

If substantial destruction or condemnation has not occurred, the legal status of the Association shall not be terminated unless Eligible Holders subject to this Restated Declaration which have at least sixty-seven percent (67%) of the votes of such Lots subject to Eligible Holder mortgages consent.

Section 3. <u>FHLMC Provision</u>. Notwithstanding any other provision of this Restated Declaration, unless at least two-thirds (2/3) of the Eligible Holders of first lien mortgages (based upon one vote for each mortgage held) and Owners have given their prior written approval, the Association shall not be entitled to (a) by act or omission seek to

abandon, partition, subdivide, encumber, sell or transfer the Areas of Common Responsibility (the granting of easements for public utilities or for other public purposes consistent with this Restated Declaration and the intended use of the Areas of Common Responsibility shall not be deemed a transfer within the meaning of this clause); (b) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner; (c) by act or omission change, waive or abandon the scheme of regulation or enforcement thereof pertaining to the architectural design or the exterior appearance of Lots and of the Areas of Common Responsibility; (d) fail to maintain fire and extended coverage insurance, as required by this Restated Declaration; or (e) use hazard insurance proceeds for losses to the Areas of Common Responsibility other than the repair, replacement, or reconstruction of such Property.

The provisions of this Section shall not be construed to reduce the percentage vote that must be obtained from Mortgagees or Owners where a larger percentage vote is otherwise required for any of the actions contained in this Section.

Section 4. Compliance with FHLMC, FNMA, VA, and FHA Regulations. All Owners of Lots and Property intend that the documents governing the Association and/or this Restated Declaration may be amended to comply (if not in compliance) with all requirements of the Federal Home Loan Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA"), Federal Housing Administration ("FHA") and Veterans Administration ("VA") pertaining to the purchase or guaranty by FHLMC, FNMA, VA, or FHA of conventional home loans. All Owners therefore agree that the Board of Directors of the Association shall have the power, in its discretion (on behalf of the Association and each and every Owner) to amend the terms of this Restated Declaration. the Bylaws and Articles of Incorporation of the Association and any other documents or instruments governing or creating same and/or to enter into any agreement with FHLMC (or its designee), FNMA (or its designee), VA (or its designee), or FHA (or its designee), reasonably required by FNMA or FHLMC, VA or FHA, to allow the Property, the Association, this Restated Declaration, and/or any other related documents to comply with such requirements.

This Restated Declaration has been duly executed as of the date first above written.

MEMBERSHIP

TWIN LAKES OWNERS ASSOCIATION, INC. A TEXAS NONPROFIT CORPORATION

[SIGNATURES APPEAR ON SEPARATE PAGE(S)]

LENDERS

[SIGNATURES APPEAR ON SEPARATE PAGE(S)]

EXHIBIT A

To FIRST AMENDMENT AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS For TWIN LAKES OWNERS ASSOCIATION, INC.

Being all of Twin Lakes Estates, an Addition to the Town of Double Oak, Denton County, Texas, according to the plat thereof recorded in Cabinet F, Page 223, Plat Records of Denton County, Texas, only excluding Lot 13 of Block A and Lot 3 of Block E as shown on said plat, with the street address of 120 Twin Lakes Drive and 135 Twin Lakes Drive respectively.

EXHIBIT B

TO

FIRST AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TWIN LAKES OWNERS ASSOCIATION, INC.

LAND USE STANDARDS

1. GUIDELINES

In addition to the standards listed below, further standards are detailed in the Construction Guidelines issued by, and from time to time amended by the Architectural Review Committee (ARC) of the Association.

2. AERIALS AND ANTENNAS

Other than television satellite dishes not exceeding twenty-four inches (24") in diameter and attached to the exterior of a residence, no exterior radio or television or other aerials, antenna, satellite dish or other transmitting or receiving structure or support thereof, shall be erected, installed or placed on any Lot for any purpose, except as may be allowed by the Architectural Review Committee (ARC). An antenna permissible by these rules of the Association may only be installed in a side or rear yard location, not visible from the street, and integrated with the dwelling and surrounding landscape. All installations shall be installed with and be in compliance with all Federal, State and local laws and regulations, including zoning, land-use and building regulations.

3. AIR CONDITIONING UNITS

No Single Family residence shall be constructed on any Lot without an integral central air conditioning system. All exterior air conditioning or other exterior mechanical equipment shall be adequately screened by a wall, fence or landscaping to prevent unreasonable noise and exposure to neighboring Lots and streets. A plan showing the location and screening of all exterior equipment must be approved by the ARC. Air conditioning units and other mechanical equipment extending from windows or protruding from roofs are not permitted. No air conditioning, other mechanical or pool equipment shall be located on the front of any dwelling.

4. CLOTHES DRYING AREAS

Any clothes drying or hanging areas will be screened so as not to be visible from the neighboring properties and streets.

5. <u>SIGNAGE</u>

No signs, advertisements, billboards or advertising structure of any kind shall be displayed to the public view on any portion of a Lot or structure, or on any separately platted Lot or other portion of the Properties, except (i) a sign of not more than four square feet advertising such Lot, lot or other portion of the Properties for sale or rent, or (ii) a sign which is first approved by the ARC in writing or in the design guidelines adopted by the ARC pursuant to Article X, Section 2 of this Restated Declaration of which this **EXHIBIT B** is a part.

6. WALLS, FENCES, HEDGES AND SCREENING

No wall, fence, hedge or similar structure shall be placed, constructed, erected or permitted on a Lot unless approved by the ARC in writing. No wall, fence, planter or hedge in excess of two and one half (2½) feet in height shall be erected or maintained nearer to the front lot line than the front building setback line. No side or rear fence or wall shall be more than six (6) feet high. No fence shall be of wire or chain link construction, nor shall any fence of wire or chain link construction be visible from the neighboring streets. The ARC, at it's sole discretion, shall have the authority to modify or expand these restrictions and regulations.

7. <u>DECKS AND PATIOS</u>

No metal or fiberglass awnings or roofs over deck or patio enclosures are permitted.

8. <u>RETAINING WALLS</u>

No retaining walls which adversely alter or affect, in the opinion of the ARC, existing drainage patterns are permitted.

9. <u>ARTIFICIAL VEGETATION</u>

No artificial vegetation is permitted anywhere on or outside any Lot.

10. SIGHT DISTANCES AT INTERSECTION

No fence, wall hedge or shrub planting or other structure shall be placed on corner lots which obstructs sight lines at elevations between two and one half (2½) feet and eight (8) feet above the top of the street edge within the triangular area formed by the junction of street edge lines and a line connecting such street edge lines at points thirty-five (35) feet from the junction of such street edge lines.

11. LANDSCAPING AND GROUND MAINTENANCE

- (a) Grass, hedges, shrubs, vines and mass planting of any type on each Lot shall be irrigated and mowed, trimmed and cut at regular intervals so as to be maintained in a neat and attractive manner. Trees, shrubs, vines, plants and grass which die shall be promptly removed and replaced with living foliage of like kind.
- (b) Lots shall be kept at all times in a sanitary, healthful, attractive and safe condition, and the Owners or occupants of all Lots shall keep all weeds, grass and dead trees thereon cut and shall in no event use any Lot, or structure on such Lot, for storage of materials and equipment, or permit the accumulation of garbage, trash or rubbish of any kind thereon or therein, except for normal residential requirements or incident to construction of improvements thereon. All yard equipment or storage piles shall be kept screened by a walled service yard or similar facility, so as not to be visible from the neighboring properties and streets. Woodpiles shall be stacked and neatly maintained.

12. POOLS AND POOL EQUIPMENT

No pools shall be installed above ground. Pumps, tanks, machinery, heaters and related equipment shall be concealed so as not to be visible from the neighboring properties and streets.

13. WELL AND WELL EQUIPMENT

All pumps, tanks, and related equipment shall be concealed so as not to be visible from neighboring property and streets.

14. EXTERIOR LIGHTING

No exterior lighting fixture shall be installed upon any Lot or structure except as approved in writing by the ARC. No lighting fixture will be approved that may become an annoyance or a nuisance to Owners or occupants of the neighboring properties.

15. AUTOMOTIVE REPAIR AND MAINTENANCE

Except in the case of emergencies, no automotive repair or maintenance may be conducted within or upon any Lot in such a manner as to be visible from any point outside the Lot.

16. VEHICLE PARKING

Subject to the provisions of Paragraphs 17 and 18 in this **EXHIBIT B** below, all motor vehicles shall be parked in garages or driveways. A minimum of three (3) garage parking spaces shall be provided on each Lot. All three (3) garage parking spaces, normally contiguous with the residence (unless approved otherwise by the ARC) shall be enclosed. No car ports. Parking on lawns or on areas not designated for vehicular purposes is prohibited. Subject to any laws, rules or regulations promulgated by government authority, temporary parking along the side of streets is not permitted unless:

- (a) there is temporarily inadequate space in the garage or driveway (not caused by any permanent or semi-permanent condition to permit the vehicle to be parked therein, and
- (b) the vehicle owner and operator shall, whenever possible, cause the vehicle to be parked in front of the Lot of which the owner or operator is a resident, guest or invitee.

17. RECREATIONAL VEHICLES, BOATS, MOBILE HOMES

No boats, trailers, recreational vehicles, buses, camping rigs or trucks, no inoperative vehicles of any kind and no boat rigging or other similar items of conveyance shall be parked or stored permanently or semi-permanently (i) on any public street or right-of-way, or (ii) on any Lot unless such vehicle can be, and is, totally behind the front building line of the house and generally concealed from view by fencing. No mobile home shall be parked, stored or placed upon any part of the Lot.

18. COMMERCIAL MOTOR VEHICLES

No motor vehicles or trailers of a type generally used in a trade or business or otherwise for commercial purposes including, without excluding passenger automobiles, pickup trucks, and trailers (but specifically excluding passenger automobiles, pickup trucks of one ton or less, and small vans, these being subject to Paragraphs 16 and 17 above in this **EXHIBIT B**), shall be parked or stored.

19. REFUSE COLLECTION

Refuse shall be deposited in closed garbage cans or sealed garbage bags and taken to the edge of the street for scheduled collection not more than twelve (12) hours before such collection is scheduled to occur. Emptied cans shall be removed from the edge of the street as soon as practicable following such collection. Except when temporarily placed at the edge of the street for scheduled collection, all garbage cans and other refuse containers shall be located in a suitable storage area not visible from the neighboring properties and street.

20. <u>LITTER, TRASH, GARBAGE</u>

No vacant Lot shall be used or maintained as a dumping ground for rubbish, trash, waste materials or garbage.

21. PERMANENT BARBECUES

No permanent barbecues are permitted in front yards.

22. <u>ACTIVITIES</u>

No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

23. DRAINAGE

No building or other structure shall be constructed on any drainage easement as shown and reserved on any duly recorded subdivision plat coverall all or any portion of the Properties.

24. <u>OUTBUILDINGS</u>

No barn, temporary building, guest house, storage shed, or outbuilding of any kind shall be erected on any Lot prior to construction on that Lot, of a residence, except on the written approval of the ARC.

25. SETBACKS

No building or any part thereof, including garages and porches, shall be erected on any Lot closer than forty-five (45) feet to the front street line, or closer than twenty (20) feet to either side lot line, or closer than twenty-five (25) feet to the rear lot line, provided, however, than in the case of corner lots, the setback from the side street shall not be less than forty-five (45) feet. Notwithstanding anything to the contrary herein, the ARC shall have the right to permit reasonable modifications of the setback requirements wherein the discretion of the ARC, strict enforcement of these setback provisions would work a hardship.

26. <u>SUBDIVISION OF LOTS</u>

No Lot shall be resubdivided except on the written consent of the ARC.

27. MINERALS

No gas, oil, mineral, quarry, or gravel operation shall be permitted on any Lots.

28. COMPLETION OF CONSTRUCTION

All construction, including landscaping, must be substantially completed within nine (9) months following the commencement thereof.

29. MINIMUM RESIDENCE SQUARE FOOTAGE

The ARC may approve no plans for the construction of a residence consisting of less than 3250 square feet.

30. ENERGY CONSERVATION EQUIPMENT

No unsightly finishes, reflective surfaces (which cause glare to the neighboring properties or streets) or unsightly exposed piping and wiring are permitted on any solar energy collector panels or attendant hardware or other energy conservation equipment constructed or installed on any lot.