

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
THE ESTATES OF HICKORY WOODS
ANTIOCH, TENNESSEE

This Declaration made this 13 day of August 2001, by Southfork Development, Ltd., (hereinafter called "Developer").

WITNESETH:

WHEREAS, Developer is the owner of certain real property located on Lavergne-Couchville Pike and Maxwell Road in Davidson County, Antioch, Tennessee and described in Article II of this Declaration; and

WHEREAS, Developer desires to create thereon a residential community with open spaces, sidewalks, roadways and other common facilities for the benefit of said community; and

WHEREAS, Developer desires to provide for the efficient preservation of the values and amenities in said community and for the maintenance of said open spaces, sidewalks, roadways and other common facilities; and to this end, desires to impose a general plan and to subject the real property described in Article II, together with such additions as may hereafter be made thereto, pursuant to the provisions of this Declaration, to certain covenants, restrictions, easements, charges and liens, as hereinafter set forth, and to adopt and establish Covenants Conditions and Restrictions upon said real property and each and every lot and portion thereof and upon the use, occupancy and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of said property; and

WHEREAS, Developer will convey title to all lots in said property subject to certain protective covenants, conditions, and restrictions hereinafter set forth; and

WHEREAS, Developer has deemed it desirable to create an agency to which should be delegated and assigned the powers of maintaining, administering and enforcing the Covenants, Conditions, and Restrictions and managing, collecting and disbursing the funds pursuant to the assessments and charges hereinafter created and referred to; and

WHEREAS, Developer has incorporated under the laws of the State of Tennessee a non-profit corporation, The Estates of Hickory Woods Homeowner's Association, Inc. for the purpose of exercising the functions aforesaid; and

NOW, THEREFORE, the Developer hereby declares and agrees that the real property described in Article II and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, sold, transferred, conveyed, and occupied subject to the articles, covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I

Definitions:

Section 1. The following words when used in this Declaration or any supplemental declaration (unless the content shall prohibit) shall have the following meanings:

A. "Association" shall mean and refer to The Estates of Hickory Woods Homeowner's Association, Inc.

B. **"The Property"** shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any supplemental declaration under the provisions of Article II hereof.

C. **"Common Area"** shall mean and refer to those areas of land shown on any recorded subdivision plat of the Properties and devoted to the common use and enjoyment of the owners of the Properties including, but not limited to, sidewalks, roadways, stop signs and other road signs and open spaces within the Properties.

D. **"Lot"** shall mean and refer to any plot of land within the existing property or any other properties annexed pursuant to this Declaration and shown upon the recorded subdivision map of the Property with the exception of Common Properties as heretofore defined.

E. **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, but

F. **"Member"** shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section 1, hereof.

ARTICLE II

Property subject to this Declaration - Additions Thereto:

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Davidson County, Tennessee, and is more particularly described in the attached Exhibit A, all of which real property shall hereinafter be referred to as **"the property"**.

Section 2. Additions to Existing Property. Additional lands may become subject to this Declaration in the following manner.

A. Additions in Accordance with a General Plan of Development. The Developer, his heirs and assigns shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development, provided that such additions are in accord with a general plan of development prepared prior to the sale of any Lot and made known to every purchaser (which may be done by brochure delivered to each purchaser) prior to such sale.

Such general plan of development shall show the proposed additions to the Existing Property and contain: (1) a general indication of size and location of additional development stages and proposed land uses in each; (2) the general nature of proposed common properties and improvements; (3) a statement that the proposed additions, if made, will become subject to assessment for their just share of Association expenses; and (4) a schedule for termination of the Developer's right under the provisions of this subsection to bring additional development stages within the scheme. Unless otherwise stated therein, such general plan shall not bind the Developer, its successors and assigns, to make the proposed additions or to adhere to the plan in any subsequent development of the land shown thereon and the general plan shall contain a conspicuous statement to this effect.

The additions authorized under this and the succeeding subsection shall be made by filing of record a supplementary declaration of covenants and restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property.

Such supplementary declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such supplementary declaration revoke, modify or add to the covenants established by this Declaration with the Existing Property.

B. Other Additions. Upon approval in writing of the Association pursuant to a vote of its members as provided in its Articles of Incorporation and By-Laws, the Owner of any property who desires to

add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association, may file of record a supplementary declaration of covenants and restrictions.

C. Mergers. Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association, may be operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration with the Existing Property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation change or addition to the covenants established by this Declaration within the Existing Property except as hereinafter provided.

ARTICLE III

Membership and Voting Rights in the Association:

Section 1. Membership. Every person or entity who is a record owner of a fee, or undivided fee interest, in any Lot which is subject by covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

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

Class B. Class B members shall be the Developer. The Class B member shall be entitled to vote as a separate class in all referendums requiring the concurrence of both classes of members, and with respect to those matters solely to be voted upon by the Class B member, as well as being entitled to three (3) votes for each Lot in which he holds the interest required for membership by Section 1., when voting in all matters requiring the concurrence of a specified percentage of the membership as a whole. Further, the transferee(s), successor(s), and assignee(s) of the Class B member who are constructing initial improvement(s) on any lot within the property shall take title to any such Lot(s) as a Class B member with the same rights and responsibilities as the said Class B. member. The class B membership shall cease and become converted to Class A membership at such time as seventy-five percent (75%) of the Lots have been sold, transferred and/or conveyed, or notwithstanding the number of Lots, or percentage thereof that has been sold, transferred and/or conveyed, on December 31, 2006, or upon a written notice to such effect from the Developer to the Association.

Section 3. Approval by Developer. For so long as Developer retains title to any Lot, no action of the Association, its Board of Directors or Committee designated by it shall become effective until satisfied in writing by the Developer, his heirs, assigns, or successors in interest.

ARTICLE IV

Property Rights in the Common Properties:

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3. of this Article, every member shall have a right and easement of enjoyment in and to the Common Properties, and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Properties. The Developer shall retain the legal title to the Common Properties until such time as it has completed improvements thereon and until such times as, in the sole discretion of the Developer, the general plan of development has been accomplished. Notwithstanding any

provision herein, the Developer hereby covenants, for itself, its successors and assigns that it shall convey the Common Area to the Association, free and clear of all liens and encumbrances except current real property taxes, which taxes shall be prorated as of the date of transfer and easements, conditions and restrictions then of record, including those set forth in this Declaration, no later than the date on which Developer's membership in the Association shall terminate. See Article III, Section 2. infra.

Section 3. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

A. The right of the Developer and of the Association in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and in aid thereof, to mortgage said property.

B. The right of the Association to take such steps as are reasonably necessary to protect the above described property against foreclosure; and

C. The right of the Association, as provided in its Articles and By-Laws, to suspend the voting rights and the enjoyment rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations, provided that any suspension of such voting rights, except for the failure to pay assessments, shall be made only by the Association or a duly appointed Committee thereof, after notice and hearing given and held in accordance with the By-Laws of the Association; and

D. The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by members entitled to cast two-thirds (2/3) of the votes of each class of membership has been recorded, agreeing to such dedication, transfer, purpose or condition, and unless written notice of the proposed agreement and action thereunder is sent to every Member at least ninety (90) days in advance of any action taken.

E. The right of the Developer, its successors and assigns together with the employees, agents and representatives thereof, to the non-exclusive use of the common areas and other facilities, in connection with the display and sale of residential units within the property, which right Developer hereby reserves until such time as the Developer shall, in its opinion, have completed the development; provided, further, that no such use by Developer or its sales agents or representatives shall otherwise restrict the members in their use and enjoyment of the common areas or facilities thereof.

ARTICLE V

Covenant for Maintenance Assessments:

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to pay to the Association: (1) regular monthly assessments to be fixed, established, and collected from time to time as hereinafter provided. The regular monthly and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest and costs of collection, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety and welfare of the residents in the Property and in particular for the improvement and maintenance of properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area and of the homes situated upon the Property.

Section 3. Regular Assessments. The amount and time of payment of regular monthly assessments shall be determined by the Board of Directors of the Association pursuant to the Articles of Incorporation and By-

Laws of said Association after giving due consideration to the current costs of services and future needs of the Association. Written notice of the amount of assessments shall be sent to every owner, and the due date, or dates, for payment shall be set forth in said notice. Further, the Board of Directors of the Association may change the amount of the regular assessments as such times that they determine that such change is necessary after giving due consideration to current costs of services and future needs of the Association provided that increases shall not be more than 20% of the most recently established assessment.

Section 4. Special Assessments for Capital Improvements. In addition to the regular monthly assessments authorized by Section 3. hereof, the Association may levy in any calendar year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of seventy-five percent (75%) of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Class B Member. The Class B Member shall have no responsibility for payment of regular assessments; however, for as long as the Class B membership exists, the Class B Member shall pay any budgetary shortfall that is owed by the Association after all regular assessments have been paid by Class A Members. The Class B Member during its existence, shall have no responsibility for payment of special assessments for capital improvements, except and unless after assent as called for in Section 4. of this Article, the Class B Member agrees to pay any budgetary shortfall that exists in the cost of construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Property.

Section 6. Quorum for Any Action Authorized Under Section 4. The quorum required for any action authorized by Section 4. hereof, shall be as follows:

At the first meeting called, as provided in Section 4. hereof, the presence at the meeting of Members or of proxies entitled to cast sixty percent (60%) of all the votes of both classes of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement set forth in Sections 4. and 5. and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than one hundred eighty (180) days following the preceding meeting.

Section 7. Rate of Assessment. The rate of assessment for all lots for both regular and special assessments shall be established by the Board of Directors of the Association and may be collected on a monthly basis.

Section 8. Date of Commencement of Assessments: Due Dates. The regular monthly assessments provided for herein shall commence as to all lots in the property described within Exhibit A and in all property annexed hereto on the first day of the month following the conveyance of each Lot to an individual owner. Provided, however, that the Association may by a majority vote of its Board of Directors extend the commencement date of regular month assessments to a later time if Developer, by a written agreement with the Association, commits to maintain the services and common properties until such extended date. The regular monthly assessments shall be due and payable on the first day of each month.

The due date of any special assessments under Section 4. hereof shall be fixed in the resolution authorizing such assessment.

The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period of at least thirty (30) days in advance of each date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 10. Effect of Non-payment of Assessment - The Personal Obligation of the Owner; The Lien; Remedies of Association. If the assessments are not paid on the date when due (being the dates specified in Section 8. hereof) then, such assessment shall become delinquent and shall, together with such interest thereon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them. The Owner shall be required to pay a "late charge" of Twenty-Five Dollars (\$25.00) per each delinquent assessment.

If the assessment is not paid within ten (10) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum or such reasonable interest not to exceed the legal rate as may be otherwise set by the Board of Directors, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessments the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the Court together with the costs of the action.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 12. Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charge and lien created herein: (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use; (b) all Common Area defined in Article I, Section 1. hereof; (c) all properties exempted from taxation by the law of the State of Tennessee, upon the terms and to the extent of such legal exemption.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use, and owned by Class A membership as that term is defined in Section 2. Article III, shall be exempt from said assessments, charges or liens.

ARTICLE VII

Architectural Review:

Section 1. The Architectural Control Committee. An Architectural Control Committee consisting of three or more persons shall be appointed by the Class B Member so long as the Class B membership exists. At such time as the Class B membership expires, the Architectural Control Committee shall be appointed by the Board. The members of the Architectural Control Committee shall serve for a term of one (1) year and until their successors are appointed. Any vacancies on the Architectural Control Committee shall be filled by the Class B Member or the Board as the case may be.

Section 2. Purpose. The Architectural Control Committee shall regulate the external design, appearance, use, location, and maintenance of the Properties and of the improvements thereon in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography. This committee shall establish certain rules which it may deem necessary to accomplish such purpose. These rules may be amended from time to time by a two-thirds (2/3) vote of the members of said committee.

Section 3. Conditions. No improvements, alterations, repairs, change of paint colors, excavations, changes in grade or other work which in any way alters any Lot or Common Area or the exterior of any improvement located thereon from its natural or improved state existing on the date such Lot or Common Areas was first conveyed by the Developer to an Owner or to the Association shall be made or done without the prior approval of the Architectural Control Committee, except as otherwise expressly provided in this

Declaration. No building, fence, wall, residence, or other structure, including patio covers, satellite dishes and antennas, shall be commenced, erected, improved, altered, or maintained other than in its original state or condition without the prior written approval of the Architectural Control Committee.

Section 4. Procedures. In the event the Architectural Control Committee fails to approve, modify or disapprove in writing an application within thirty (30) days after plans and specifications have been submitted to it, in accordance with any reasonable procedures adopted by it, approval will be deemed granted. The applicant may appeal an adverse decision by the Architectural Control Committee to the Board who may reverse or modify such decision by a two-thirds (2/3) vote of the Board.

ARTICLE VII

Duties and Powers of the Association:

Section 1. Duties and Powers. In addition to the duties and powers enumerated in its Articles of Incorporation and By-Laws, or elsewhere provided for herein, and without limiting the generality hereof, the Association shall:

- (a) Own, maintain and otherwise manage all of the common areas and all facilities, improvements and landscaping thereon, including, but not limited to, the private streets, walkways, cemetery, retaining walls, open space, detention basins and/or ponds and all other property acquired by the Association.
- (b) Pay any real and personal taxes and other charges assessed against the common areas.
- (c) Have the authority to obtain, for the benefit of all of the common areas, all water, sewer, gas and electric services and refuse collection.
- (d) Grant easements where necessary for utilities and sewer facilities over the common areas to serve the common areas and the lots.
- (e) Maintain such policy or policies of insurance as the Board of Directors of the Association deems necessary or desirable in furthering the purposes of and protecting the interests of the Association and its members.
- (f) Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association.
- (g) Have the power to establish and maintain a working capital and contingency fund in an amount to be determined by the board of Directors of the Association.
- (h) Have the power of entry upon any lot where necessary in connection with construction, maintenance or repair for the benefit of the owners or of the common areas.
- (i) Have a duty to maintain: (i) the landscaping in the areas between the edge of the private streets and the outer walls and fences of all courtyards, patios and dwellings; and (ii) the streets and sidewalks and any off-street parking areas within the property.
- (j) Have the power and duty to enforce the provisions of this Declaration by appropriate means, including without limitation the expenditure of funds of the Association, the employment of legal counsel and the commencement of actions.

ARTICLE VIII

Use Restrictions Protective Covenants:

Section 1. All lots in the property and in such property as shall be annexed thereto shall be known and described as residential lots and shall be used for no purpose other than residential purposes, save and except that Developer, his successors or assigns may use said lots for purposes incidental to construction and development and for model home sites, and a display and sales office during the construction and sales period.

Section 2. No part of the properties shall ever be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any commercial, manufacturing, mercantile, storing, vending, or other non-residential purposes, except Developer, his successors and assigns may use the properties for purposes incidental to construction and development and for a sales office during the construction and sales period.

Section 3. No Living Unit on any Lot shall be used for any other purpose than a single family dwelling.

Section 4. Any purchaser of a Lot and Living Unit constructed thereon shall by such purchase automatically become a member of The Estates of Hickory Woods Homeowner's Association, Inc. and shall be responsible for the assessments of said Association and shall be governed by and abide by the covenants, conditions and restrictions, and By-Laws of said Association and the actions of the Board of Directors and Architectural Control Committee.

Section 5. No Lot or Lots as shown hereon shall again be subdivided, re-subdivided, altered or changed so as to produce less area than hereby established, unless otherwise approved by the Metropolitan Planning Commission of Nashville and Davidson County and by an eighty percent (80%) vote of the Association; and no portion less than all of any such Lot shall be conveyed or transferred by an Owner; provided that this shall not prevent or prohibit deeds of correction, deeds to resolve boundary line disputes and similar corrective instruments.

Section 6. No noxious or offensive activity shall be carried on upon any Lot or any part of the Properties, nor shall anything be done there on which may be or may become, an annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners of his respective dwelling unit, or which shall, in any way increase the rate of insurance.

Section 7. No structure of a temporary character, mobile home, trailer, recreational vehicle (RV), basement, tent, shack, garage, barn, or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently. No mobile home, trailer, recreational vehicle (RV), camper, boat or similar equipment shall be permitted to remain upon the Properties, unless placed or maintained within an enclosed garage or carport.

Section 8. No animals, livestock or poultry of any kind, shall be raised, bred, or kept on any Lot, except that dogs, cats or other common household pets may be kept on the Lots and within the garden wall area of each dwelling, provided they are not kept, bred or maintained for any commercial purposes or in unreasonable numbers. Notwithstanding the foregoing, no animals or fowl may be kept on the Properties which result in an annoyance or are obnoxious to residents in the vicinity.

Section 9. All rubbish, trash and garbage shall be regularly removed from the Properties, and shall not be allowed to accumulate thereon. All garbage, trash and rubbish cans or containers must be removed from the curbside within twenty-four (24) hours of scheduled pickup and stored in that owner's garage. Clothes lines, refuse containers, woodpiles, storage areas and machinery and equipment shall be prohibited upon any Lot, unless obscured from view of adjoining lots and streets.

Section 10. No fence, hedge, wall or other dividing instrumentality over six (6) feet in height measured from the ground on which it stands shall be constructed or situated on any lot without the prior written approval of the architectural committee, except that Developer and its transferees may vary or exceed such height in construction fences.

Section 11. There is hereby created a blanket easement upon, across, over through and under the Properties for ingress, egress, installation, replacing, repairing, and maintaining all utility and service lines and systems, including, but not limited to water, sewer, gas, telephone, electricity, television cable or communication lines or systems. By virtue of this easement, it shall be expressly permissible for the Developer or any company providing utility or service to install and maintain facilities and equipment on the Properties, to excavate for such purposes and to affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of any structure located on the Properties provided that the disturbed areas shall be restored to the

condition in which they were found. Notwithstanding anything to the contrary contained in this section, no sewers electrical lines, water lines, or other utility service or communication lines or facilities may be installed or relocated on the Properties except as programmed and approved by the Developer prior to the conveyance of the last Lot to an Owner or by the Architectural Control Committee thereafter. This easement shall in no way affect any other easement or easements on the Properties as the same may be or have been filed for record.

Section 12. Each Owner shall keep any Lot or Lots owned by him, and all improvements therein or thereon, in good order and repair and free of debris and in accordance with the rules established by the Architectural Committee. In the event an Owner of any Lot in the Properties shall fail to so maintain the property and improvements situated thereon, the Association, shall have the right through its agents and employees to enter upon said Lot to repair, maintain and restore the Lot and any improvements erected thereon. All costs related to such correction, repair or restoration shall be added to and become a special assessment upon such Lot, to have the same effect as any assessment made under Article V hereof.

Section 13. In the event all or any portion of the improvements constructed on a Lot shall be destroyed in whole or in part any reconstruction or repair shall be in conformity with the requirements of the Architectural Control Committee and so long as the Class B membership exists, such reconstruction and repair must be approved by the Developer, unless he waives this provision in writing. Reconstruction or repair of said unit is required to commence within thirty (30) days of such damage, and all repairs shall be completed within one hundred eighty (180) days from the commencement of construction. Time is of the essence in this regard and upon a failure to comply with these requirements, the Association shall under take such measures necessary to implement the reconstruction in conformity with Section 13. above.

Section 14. The right of enforcement of each of the restrictive covenants is vested in the Owner of each and all of the Lots in this subdivision, as well as the Association, and any Owner of a Lot or the Association, shall have the right at any time, to compel compliance with said covenants, or any of them, by institution of an action at law, or a suit in equity for injunctive or other relief.

Section 15. Nothing shall be altered in, constructed on, or removed from the Common Area except upon the written consent of the Association.

Section 16. If any provisions of this instrument shall be declared void or inoperative by any court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

Section 17. Any of the restrictions imposed in this instrument may, at any time or times, be amended by a recorded instrument in writing, signed and acknowledged by the Owner or Owners of record of a least eighty percent (80%) of the Lots as shown on said Plan, and any additional restrictions may be placed on said Lots in the same manner.

ARTICLE IX

General Provisions:

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of forty (40) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then Owners of eighty percent (80%) of the Lots has been recorded, agreeing to change said covenants and restrictions in whole or in part.

Section 2. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 4. Enforcement. The Association or any Owner, or the Successor in interest of an Owner, shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants, reservations,

liens and charges now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants or reservations and the right to recover damages or other dues for such violations; provided, however, that with respect to assessment liens, the Association shall have the exclusive right to the enforcement thereof. Failure by the Association or any Owner to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of common areas and streets. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions or interpretation or construction.

Section 6. Mortgage Protection Clause. No breach of the covenants, conditions or restrictions herein contained, nor the enforcement of any lien provisions herein, shall defeat or render invalid the lien of any deed of trust made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise.

Section 7. Singular Includes Plural. Whenever the contest of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine.

Section 8. Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in the Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Association, or any other landowner in the tracts. Such remedy shall be deemed cumulative and not exclusive.

Section 9. Attorney's Fees. In the event action is instituted to enforce any of the provisions contained in this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment reasonable attorney's fees and costs of such suit.

IN WITNESS WHEREOF, the said Developer has executed this instrument at Dallas, Texas, on this the 13 day of August 2001.

SOUTHFORK DEVELOPMENT, LTD.,
A Texas Limited Partnership

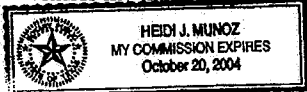
By **HOLLY MANAGEMENT, LLC**, a Texas
Limited Liability Company, its General
Partner

By: [Signature]
Its: Robert L. Adair III
Authorized Signatory

STATE OF Texas
COUNTY OF Dallas

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Robert L. Adair III, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged that he is the Authorized of Southfork Development, Ltd. and acknowledged that he as Authorized, being authorized so to do, executed the foregoing Declaration of Covenants, Conditions, and Restrictions by signing the name of Robert L. Adair III by himself as Authorized Signatory.

Witness my hand and seal this 13th day of August, 2001.



[Signature]
NOTARY PUBLIC

My Commission Expires: 10/20/04