

STATE OF TEXAS §
COUNTY OF ELLIS §

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration") is made this 31st day of May, 2002, by MEADOWS OF LONGBRANCH PARTNERS, a Texas general partnership (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of the certain real property referred to in Article II and described on Exhibit A of this Declaration, which property represents a community development known as the "**MEADOWS AT LONGBRANCH**." Declarant desires to take advantage of the presently existing unique geographical features of the subject property and proposes to establish and implement highly sophisticated plans for residential living, recreation and aesthetic considerations. Declarant desires to impose these restrictions on the subject property and yet retain reasonable flexibility to respond to changing or unforeseen circumstances so as to control and maintain the first-class quality and distinction of the **MEADOWS AT LONGBRANCH** community project, to protect the value and desirability of the subject property.

NOW, THEREFORE, Declarant hereby declares that the real property referred to in Article II and described on Exhibit A, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes collectively referred to herein as "Covenants and Restrictions") hereinafter set forth.

ARTICLE I

DEFINITIONS

The following words when used in this Declaration or any amendment or supplement hereto (unless the context shall otherwise clearly indicate or prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the **MEADOWS AT LONGBRANCH** Homeowners Association, Inc., a Texas non-profit corporation, which has the power, duty and responsibility of maintaining and administering the Common Properties, and collecting the assessments and charges hereinafter prescribed, and has the right of administering and enforcing the Covenants and Restrictions.

(b) "Common Properties" shall mean and refer to any and all areas of land within the Property which are known, described or designated as common green, common areas, recreational easements, greenbelts, open spaces or private streets or sidewalks on any recorded subdivision plat of the Property of intended for or devoted to the common use and enjoyment of the Members of the Association, together with any and all improvements that are now or may hereafter be constructed or installed thereon, and including all equipment, accessories and machinery used in the operation or maintenance of any of such Common Properties and any additions to or replacements of such Common Properties. The common areas now within the **MEADOWS AT LONGBRANCH** residential community generally consist of private sidewalks, entryway, sprinklers, playground equipment, and open spaces. Declarant proposes to hold record title to the Common Properties, consistent with the objectives envisioned herein and subject to the easement rights herein of the Members to use and enjoy the Common Properties, for an indefinite period of time and at a point in time (deemed appropriate and reasonable by the Declarant but prior to May 1, 2012) record title to the Common Properties will be formally transferred from the Declarant to the Association. Declarant reserves the right to effect minor redesigns or reconfiguration of the Common Properties and execute any open space declarations applicable to the Common Properties which may be permitted by law in order to reduce property taxes.

(c) "Declarant" shall mean and refer to **MEADOWS OF LONGBRANCH PARTNERS** and its successors and assigns (if any) with respect to the voluntary disposition of all (of substantially all) of the assets pertaining to the Property prior to the completion of development thereon. No person or entity purchasing one or more Lots from **MEADOWS OF LONGBRANCH PARTNERS** in the ordinary course of business shall be considered as "Declarant".

(d) "Existing Property" shall mean and refer to the real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration pursuant to Section 2.01 of Article II hereof.

(e) "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map(s) or plat(s) of the Property, as amended from time to time, which is designated as a lot therein and which is or will be improved with a residential dwelling in conformity with the building restrictions herein set forth. Although some portions of the Common Properties may be platted as a "lot" on the subdivision plat, these lots shall be excluded from the definition of "Lot" as used herein. "Adjoining Lot" shall mean and refer to a Lot which is adjacent to any other Lot as shown on any recorded plat of the Property. Any reference in Article IX hereof to the visibility of an item from any Adjoining Lot shall mean the visibility of such item from the ground level of the structure located on the Adjoining Lot and not the second story of a two-story dwelling located thereon.

(f) "Member" shall mean and refer to each Owner of a Lot.

(g) "Owner" shall mean and refer to each and every person or business entity who or which is a record owner of a fee or undivided fee interest in any Lot subject to these Covenants and Restrictions; however, the word "Owner" shall not include person(s) or entity(ies) who hold a bona fide lien or interest in a Lot as security for the performance of an obligation.

(h) "Property" shall mean and refer to all such existing properties, and any additions thereto, as are subject to this Declaration, or any amendment or supplement hereto, prepared and filed of record pursuant to the provisions of Article II hereof.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

2.01. Existing Property The Existing Property is located in the City of Midlothian, Ellis County, State of Texas, and is more particularly described on Exhibit "A" attached hereto and incorporated herein by reference for all purposes.

2.02. Additions to Existing Property. Additional land(s) may become subject to this Declaration in any of the following manners:

(a) In the event any person or entity including Declarant desires to add or annex additional residential and/or common areas to the scheme of this Declaration, such proposed annexation must have the prior written consent and approval of the majority of the outstanding votes within each voting class of the Association.

(b) Any additions made pursuant to Paragraph (a) of this Section 2.02, when made, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

3.01. Membership. Every Owner of a Lot shall automatically be and must remain a Member of the Association in good standing. The Board of Directors may declare that an Owner is not a Member in good standing because of past unpaid dues, fines, late charges, interest, legal fees, and/or any other assessments of any nature. The Board of Directors may temporarily suspend the voting rights of any member who is not in good standing until such past unpaid amounts are paid in full.

3.02. Voting Rights. The Association shall have three classes of voting membership:

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

CLASS B: Class B Members shall be any bona fide Owner (i.e., builder) who is engaged in the process of constructing a residential dwelling on any Lot for sale to consumers: Class B Members shall be non-voting members of the Association. The Class B membership shall cease, and each Class B Member shall become a Class A Member:

- (1) when the total number of votes outstanding in the Class A membership equals the total number of votes outstanding in the Class C membership, or
- (2) on the tenth (10th) anniversary of the date hereof,

whichever occurs first in time.

CLASS C: The Class C Member shall be Declarant. The Class C Member shall be entitled to two (2) votes for each Lot which it owns and two (2) for each Lot owned by all Class B Members.

Notwithstanding the aforementioned voting rights within the Association and consistent with the provisions of Section 12.02 hereinafter, until:

- (1) Declarant no longer owns:
 - (i) record title to any Lot, nor
 - (ii) a lien interest in any Lot; or
- (2) May 1, 2012;

whichever occurs first in time, neither the Association nor the Members shall take any action or inaction with respect to any matter whatsoever without the consent and approval of the Declarant, which shall not be unreasonably withheld or delayed.

3.03. Quorum, Notice and Voting Requirements. The quorum, notice and voting requirements of and pertaining to the Association are set forth within Articles of Incorporation and Bylaws of the Association, as same may be amended from time to time. Subject to the provisions of Section 3.02 above, any action by or on behalf of the Association may be taken with the assent given in writing and signed by members who collectively hold or control more than sixty percent (60%) of the outstanding votes of the Association.

ARTICLE IV

GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS

4.01. Powers and Duties. The Affairs of the Association shall be conducted by its Board of Directors (hereinafter referred to as the "Board"). The Board shall be selected in accordance with the Articles of Incorporation and Bylaws of the Association. The Board, for the benefit of the Common Properties and the Owners, shall provide, and shall pay for out of the maintenance fund(s) provided for in Article IV below, the following:

- (a) Care and preservation of the Common Properties and the furnishing and upkeep of any desired personal property for use in the Common Properties;
- (b) Any private trash and garbage collection service and security arrangements;

(c) Taxes, insurance and utilities (including, without limitation, electricity, gas, water, and sewer charges) which pertain to the Common Properties only;

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

(e) Legal and accounting services; and

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

The Board shall have the following additional rights, powers and duties, including the power to delegate a representative to carry out these duties:

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

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

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

(j) To enter into contracts, maintain one or more bank accounts, and, generally, to have all the powers necessary or incidental to the operation and management of the Association;

(k) To protect or defend the Common Properties from loss or damage by suit or otherwise, to sue or defend in any court of law on behalf of the Association and to provide adequate reserves for repairs and replacements;

(l) To make reasonable rules and regulations for the operation of the Common Properties and to amend them from time to time;

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

(n) Pursuant to Article VII herein, to adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property; and if proceeds are insufficient to repair damage or replace lost property, to assess the Members in proportionate amounts to cover the deficiency;

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

4.02. Board Powers, Exclusive. The Board shall have the exclusive right to contract for all goods, services, and insurance, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein. In the event or if for any reason the Board is not deemed authorized to act for and on behalf of the Association and the Members, then Declarant may exercise its power and authority under Section 12.02 hereof to act for and on behalf of the Association and the Members, and the Association shall reimburse Declarant for any and all reasonable expenses incurred in so acting.

4.03. Contracts with Owners. The Board, on behalf of the Association, shall have full power and authority to contract with any owner (including, without limitation, Declarant) for the performance, on behalf of the Association, of services which the Board is otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable and in the best interest of the Association.

4.04. Liability Limitations. Neither any Member, the Board, any Director, nor any Officer of the Association shall be personally liable for debts contacted for, or otherwise incurred by the Association, or for a tort of another Member, whether such other Member was acting on behalf of the Association or otherwise. Neither Declarant, the Association, its Directors, officers, agents, or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portion thereof or for failure to repair or maintain the same. Declarant, the Association or any other person, firm or corporation liable to make such repairs or maintenance shall not be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements or portion thereof.

4.05. Reserve Funds. The Board may establish reserve funds which may be maintained and accounted for separately from other funds maintained for annual operating expenses and may establish separate, irrevocable trust accounts in order to better demonstrate that the amounts deposited therein are capital contributions and not net income to the Association.

4.06. Restrictions on Contracts. Neither Declarant nor the Association may directly or indirectly enter into any management agreement or any other contract on behalf of the Association which extends beyond the date Class B memberships cease as provided in Section 3.02 of this Declaration. The Association may, however, following such date, enter into new management agreements or other contracts in accordance with this Declaration.

ARTICLE V

PROPERTY RIGHTS IN THE COMMON PROPERTY

5.01. Members' Easements of Enjoyment. Subject to the provisions of Section 5.03 of this Article, every Member and every tenant of every Member, who resides on a Lot, and each individual who resides with either of them, on such Lot shall have a right and easement of use, recreation and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot, provided, however, such easement shall not give such person the right to make alterations, additions or improvements to the Common Properties.

5.02. Title to the Common Properties. Declarant will hold record title to the Common Properties for an indefinite period of time, subject to the easements set forth in Section 5.01 hereof. Declarant shall have the right and option (without the joinder and consent of any person or entity, save and except any consent, joinder or approval required by the City of Midlothian) to encumber, mortgage, design, redesign, reconfigure, alter, improve, landscape and maintain the Common Properties, provided that Declarant fully and timely complies with any and all requirements of the City of Midlothian. At some point in time (deemed reasonable and appropriate by the Declarant but prior to May 1, 2012), the Declarant will convey title to the Common Properties to the Association for the purposes herein envisioned. Declarant reserves the right to execute any open space declarations applicable to the Common Properties which may be permitted by law in order to reduce property taxes.

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

(a) The right of Declarant or the Association to prescribe reasonable regulations and policies governing, and to charge fees and/or deposits related to, the use, operation and maintenance of the Common Properties;

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

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

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

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

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

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

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

ARTICLE VI

COVENANTS FOR ASSESSMENTS

6.01. Personal Obligation of Assessments. Each Owner of a Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed, as a part of the purchase money consideration for such deed and conveyance, to covenant and agree to pay to the Association (or to an independent entity or agency which may be designated by the Association to receive such monies):

(a) Regular assessments or charges for maintenance, taxes and insurance on portions of the Properties and the Common Properties (including, without limitation, those matters described within Section 4.01 hereof);

(b) Special group assessments for capital improvements or unusual or emergency matters, such assessments to be fixed, established and collected from time to time as hereinafter provided:

(c) Special individual assessments levied against individual Owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner and not caused by ordinary wear and tear; and

(d) Individual assessments and fines levied against individual Owners for violations of rules and regulations pertaining to the Association and/or the Common Properties;

such assessments to be fixed, established and collected from time to time as hereinafter provided. The regular, special group, and special individual assessments, together with such late charges, interest and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made and shall also be the continuing personal obligation of the then-existing owner of such Lot at the time which the assessment fell due.

6.02. Creation of Lien. Declarant hereby reserves a vendor's lien against each Lot to secure the payment of any assessment which may be levied pursuant to the terms and provisions of Sections 6.05, 6.06, 9.11 and/or 12.06 hereof, and the expenses incurred in connection with the enforcement thereof, including, without limitation, interest at the maximum rate permitted by law, costs and reasonable attorney's fees. Such lien may be enforced by appropriate judicial proceedings, and the amounts secured thereby shall be the obligation of and chargeable to Owner. Such lien shall be and is subordinate and inferior only to the following: (i) assessments, liens and charges in favor of the State of Texas and any political subdivision thereof for taxes past due and unpaid on the Lot; and (ii) amounts due under any first lien deed of trust duly recorded prior to the recordation of any lien assessment as provided in Section 6.03 of this Article VI.

6.03. Assessment Lien. (a) All sums assessed and unpaid, including interest thereon at the maximum rate permitted by law from the date of such assessments are due until said assessments are paid (subject to the provisions hereof limiting the interest contracted for, charged or received to the maximum permitted by applicable law,) shall constitute a lien on the Lot superior to all other liens and encumbrances, except as provided in Section 6.02 of this Article VI. Declarant, or the Board or its duly appointed agent, may (but shall not be required to) prepare a written notice setting forth the amount of such unpaid indebtedness, the name of Owner and a description of the Lot. Such notice shall be signed by Declarant or the Board or its duly appointed agent and may be recorded in the office of the County Clerk of Ellis County, Texas. Such lien may be enforced by the foreclosure of it upon the Lot by the Declarant or the Board or its duly appointed agent. In any such proceeding, the Owner shall be required to pay the costs, expenses and attorney's fees incurred in connection with filing the lien, and in the event of any foreclosure proceeding, all additional costs, expenses and attorney's fees incurred in connection with any such foreclosure proceeding. Declarant or the Board or its duly appointed agent shall have the power to bid on the Lot at foreclosure or other legal sale and to acquire and hold, lease, mortgage, convey or otherwise deal with the same. Any mortgagee holding a lien on the Lot may pay, but shall not be required to pay, any unpaid assessments owing with respect to the Lot, but such payment shall not be deemed a waiver of Owner's default by either Declarant, the Board or such mortgagee.

(b) The amount of the assessments assessed against the Lot shall also be a personal obligation or indebtedness of the Owner thereof at the time the assessment is made. Suit to recover a money judgment for unpaid assessments shall be maintained without foreclosing or waiving the lien securing same.

(c) Owner, by acceptance of the deed to the Property, hereby expressly vests in Declarant, the Board or its agents the right and power to bring all actions against Owner personally for the collection of such charges as a debt, and to enforce the aforesaid liens by all methods available for the enforcement of such liens. No Owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Common Properties or by abandonment of his Lot.

(d) If any assessment remains unpaid at the expiration of fifteen (15) calendar days from and after the due date established by the Board, a late charge shall be assessed against the non-paying Owner for each month that any portion of an assessment remains unpaid. The late charge shall be in the amount of Twenty-Five and No/100 Dollars (\$25.00) for all Class A Member and Twelve and 50/100 Dollars (\$12.50) for all Class B Members. A reasonable service charge in an amount established by the Board shall be charged for each check that is returned because of insufficient funds. The amounts of late charges and service charges may be adjusted from time to time, by the Board consistent with any charges in the amounts of regular or special assessments; provided, however, that the amount of any late charge assessed against Class B Members shall be fifty percent (50%) of the amount of the late charge assessed against Class A Members.

6.04. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purposes of: (i) promoting the health, recreation, safety and welfare of the residents of the Property; (ii) improving and maintaining the entryway, sprinklers, playground equipment, and open spaces, or other properties, services and facilities directly related to the use and enjoyment of the Common Properties; (iii) the payment of taxes on the Common Properties and insurance (if any) in connection with the Common Properties and the repair, replacement and additions thereto; (iv) the payment for electricity for street lights and exterior lights and the repair, replacement and additions of various items with the Common Properties; (v) paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and the management and supervision of, the Common Properties; (vi) carrying out the duties of the Board as set forth in Article IV hereof; (viii) carrying out the various matters set forth or envisioned herein or in any amendment or supplement hereto; and (ix) for any matter or thing designated by the City of Midlothian in connection with any zoning, subdivision, platting, building or development requirements.

6.05. Basis and Amount of Regular Maintenance Assessments.

(a) Until and unless otherwise determined by the Board, the maximum regular assessment shall be Ten and No/100 Dollars (\$10.00) per Lot per month.

(b) The Board may establish the maximum monthly assessment for each Lot, provided that, the maximum monthly assessment may not be increased more than thirty percent (30%) above the maximum monthly assessment for the previous twelve (12) months unless otherwise approved by the Members of the Association as provided in Section 3.03 of Article III.

(c) After consideration of current maintenance costs and the future needs of the Association, the Board may fix the actual monthly assessments at an amount equal to or less than the then-existing maximum monthly assessment.

(d) The Board may establish a time-price differential schedule for the payment of the regular assessment in which the lowest amount is the actual regular base assessment.

6.06. Special Assessments for Capital Improvement. In addition to the regular assessments authorized by Section 6.03 hereof, the Association may levy in any fiscal year a special assessment, applicable to that year only, for the purpose of defraying in whole or in part, the cost of any construction of reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including any necessary fixtures and personal property related thereto; provided that any such assessment shall have the affirmative approval of the Members of the Association as provided in Section 3.03, Article III.

6.07. Uniform Rate of Annual and Special Assessments. Both regular and special capital assessments must be fixed at a uniform rate for all Lots owned by Class A Members. Each Lot owned by a Class Member A shall be charged with one hundred percent (100%) of the established per Lot assessment, while each Lot owned by a Class B Member shall be charged with fifty percent (50%) of the established per Lot assessment. Lots owned by Declarant shall not be charged with any portion of any assessment.

6.08. Date of Commencement of Assessments; Due Dates. The Board may prescribe from time to time that the regular base assessments are to be collected on an annual, semi-annual, quarterly or monthly basis, and accordingly, the Board shall prescribe the appropriate due dates and, if applicable, the time-price differential rates and due dates. All regular base assessments shall be collected in advance. The due date or dates (if it is to be paid in installments) of any other assessments or special assessment under Section 6.05 and 6.06 hereof, shall be fixed in the respective resolution authorizing such assessment.

6.09. Duties of the Board with Respect to Assessments.

(a) In the event of a revision to the amount or rate of the regular base assessment, or establishment of a special group or special individual assessment, the Board shall fix the amount of the base assessment against each Lot, and the applicable due dates for each assessment, at least sixty (60) days in advance of such date or period, and the Board shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association.

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

(c) The Board shall upon demand at any time furnish to any Owner liable for 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. A reasonable charge may be made by the Board for the issuance of such certificate.

6.10. Rights of City of Midlothian. Unless otherwise approved by sixty-five percent (65%) of the outstanding votes within each voting class, the Association shall not by act or omission seek or abandon its obligation as established by this Declaration. However, in the event that:

(a) The Association dissolves and the Common Properties shall not be either (i) dedicated to and accepted by an appropriate municipal corporation, public agency, authority or utility to be devoted to purposes as nearly as practicable the same as those to which such Common Properties were required to be devoted by the Association, or (ii) conveyed to another organization or entity which assumes all obligations imposed hereunder upon the Association to maintain said Common Properties; or

(b) The Association, its successors or assigns, shall fail or refuse to adequately maintain the appearance and condition of the Common Properties which it is obligated to maintain hereunder.

Then, in either such event, the City of Midlothian, Texas, shall have the right, but not the obligation, to assume the duty of performing all such maintenance obligations of the Association at any time after such dissolution, upon giving written notice to the Owners, or at any time after the expiration of twenty-one (21) days after receipt by the Association, its successors or assigns, of written notice specifying in detail the nature and extent of the failure to maintain without such failure being remedied. Upon assuming such maintenance obligations, the City of Midlothian may collect, when the same become due, all assessments, annual or special, levied by the Association pursuant to the provisions hereof for the purposes of repairing, replacing, maintaining or caring for the Common Properties; and, if necessary, enforce the payment of delinquent assessments in the manner set forth herein. In the alternative, upon assuming such maintenance obligations, the City of Midlothian may levy an assessment upon each Lot on a pro-rata basis for the cost of such maintenance, notwithstanding other provisions contained in the Declaration, which, assessment is made. During any period that the City of Midlothian assumes the obligation to maintain and care for the Common Properties, the Association shall have no obligation or authority with respect to such maintenance. The right and authority of the City of Midlothian to maintain the Common Properties shall cease and terminate when the Association, its successors or assigns, shall present to the City of Midlothian reasonable evidence of its willingness and ability to resume maintenance of the Common Properties. In the event the City of Midlothian assumes the duty of performing the maintenance obligations of the Association as provided herein, then the City of Midlothian, its agents, representatives and employees, shall have right of access, ingress and egress to and over the Common Properties for the purposes of maintaining, improving and preserving the same, and in no event, and under no circumstances, shall the City of Midlothian be liable to the Association or any Owner or their respective heirs, devisees, personal representatives, successors and assigns for negligent acts or construction (excluding, however, malfeasance and gross negligence) relating in any manner to maintaining, improving and preserving the Common Properties.

6.11. Exempt Property. The following property otherwise subject to this Declaration shall be exempted from the assessments, charges and liens created herein.

- (a) All properties dedicated and accepted by the local public authority and devoted to public use;
- (b) All Common Properties as defined in Article I hereof; and
- (c) Any and all areas which may be reserved by, the Declarant on the recorded plat(s) of the Property.

ARTICLE VII

INSURANCE; REPAIR AND RESTORATION

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

- (a) Insurance against loss or damage by fire and hazards covered by a standard extended coverage endorsement in an amount which shall be equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the insurance carrier;
- (b) Public liability and property damage insurance on a broad form basis; and
- (c) Officers and directors liability insurance.

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

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

ARTICLE VIII

USE OF COMMON PROPERTIES

The common Properties may be used and enjoyed as follows:

8.01. Restrictive Actions by Members. No Member shall permit anything to be done on or in the Common Properties which would violate any applicable public law or zoning ordinance or which will result in the cancellation or increase of any insurance carried by the Association, or which would be in violation of any law or any rule or regulation promulgated by the Board.

8.02. Damage to the Common Property. Each Member shall be liable to the Association for any damage to any portion of the Common Properties caused by the negligence or willful misconduct of the Member or his family and guests.

8.03. Rules of the Board. All Members shall abide by any rules and regulations adopted by the Board. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and a Member determined to have violated said rules and regulations shall be liable to the Association for all damages and costs, including reasonable attorney's fees.

8.04. Use of Common Properties. Use of the Common Properties shall be limited to Members, their families and guests. With the exception of the regular business activities of Class B Members or the Association, no person or entity shall use any portion of the Common Properties to:

(a) Solicit, promote or conduct business, religious, political or propaganda matters; and/or

(b) Distribute handbills, newsletters, flyers, circulars or other printed materials, without the prior written consent of the Association (which consent may be withheld in its sole and absolute discretion).

ARTICLE IX

CONSTRUCTION OF IMPROVEMENTS AND USE OF LOTS - PROTECTIVE COVENANTS

9.01 Residential Use. All of said property shall be occupied and used for single family residential purposes only.

9.02 Plans and Specifications.

(a) No building shall be erected, placed or altered on any building plot in this subdivision until the building plans, specifications and plot plan have been approved in writing by Declarant or its authorized representatives.

(b) In the event the Declarant or its authorized representatives fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it or, in any event, if no suit to enjoin the erection of such building or making of such alterations has been commenced prior to the completion hereof, such approval will not be required and this covenant will be deemed to have been fully complied with. Neither the Declarant nor its authorized representatives shall be entitled to any compensation for services performed to this covenant. The powers and duties of the Declarant and its authorized representatives shall cease on and after May 1, 2012. Thereafter, the approval described in this covenant shall not be required unless prior to said date and effective thereon, a written instrument shall be executed by the then record owners of majority of the Lots in the Addition and duly recorded, appointing a representative or representatives who shall thereafter exercise the same powers previously exercised by the Declarant.

9.03 Building Size. Each residence on each Lot shall contain not less than seventeen hundred (1700) square feet of fully enclosed floor area devoted to living purposes. Said floor area shall be exclusive of roofed or unroofed porches, terraces, garages, and other outbuildings and shall be computed from faces of exterior walls.

9.04 Building Materials. No dwelling shall be erected on a Lot of material other than brick, stone, brick-veneer, or other masonry material unless the above-named materials constitute at least eighty percent (80%) of the outside wall areas below the first floor plate line, excluding window and door areas, below gables or roof areas.

9.05 Roof. Minimum roof pitch shall be 8/12 on seventy-five percent (75%) of the total roof surface.

9.06 Garages. The garage on each Lot shall be side entry.

9.07 Outbuildings. No trailer, mobile home, modular home, tent, camper vehicle or temporary house shall be placed or erected on any Lot for use as a dwelling. No temporary buildings or structures of any kind may be placed on any Lot, except that the Declarant may grant permission for temporary buildings or structures to be placed on Lots for storage of materials during construction by the persons doing such work and for a temporary sales office for Declarant or any other person engaged in the sale of Lots within the Addition. If permission is granted, the temporary buildings or structures shall be removed within thirty (30) days after written notice from the Declarant to remove the buildings or structures.

9.08 Fences, Boundary Plantings. No fence, wall or hedge shall be placed on any Lot nearer to any front street than is permitted for the house on said Lot and no fence, wall or hedge shall be placed on any portion of the site with a greater height than six feet (6'). Should a hedge, shrub, tree or other planting be placed, or afterwards grown, so as to encroach upon adjoining property, such encroachment shall be removed upon request of the owner of the adjoining property.

9.09 Landscaping, Grounds Maintenance. No Lot shall be used or maintained as a dumping ground for rubbish; trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for storage or disposal of such materials shall be kept in a clean and sanitary condition.

9.10 Animals. No person owning any Lot or Lots shall keep domestic animals of a kind ordinarily used for commercial purposes on his/her property, and no person owning any Lot or Lots shall keep any animals in numbers in excess of that which he/she may use for the purpose of companionship for the private family, it being the purpose and intention hereof to restrict the use of said property so that no persons shall quarter on the premises horses, cows, hogs, sheep, goats, guinea fowls, ducks, chickens, turkeys or any other animals that may interfere with the quietude, health or safety of the community.

9.11 Vehicles. No trailer, camper, boat or inoperable automobile shall be left on the street or within the front yard.

9.12 Antennas/Aerials. No radio, television or other aerial shall appear on the roof of any building and no such aerial shall be maintained on any Lot not containing a dwelling.

9.13 Signs. No sign of any kind shall be displayed to the public view on any Lot except:

(a) One sign of not more than five (5) square feet, advertising the property for sale or rent;

(b) Signs used by a Builder to advertise the property during the construction and sales period;

(c) Signs of such shape, size and location as the Declarant deems necessary for security control and to advertise the project.

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

ARTICLE X

ARCHITECTURAL CONTROL

Architectural control shall be supervised by an Architectural Control Committee, hereinafter called the Committee, consisting of either the Construction Group, as hereinafter described, or the Board, in the following manner:

10.1 Construction Group.

(a) The Construction Group shall consider and may act as the Committee only with respect to requests for approvals or variances made by or on behalf of Class B Members. Any requests for approvals or variances made by or on the behalf of Class A Members must be considered and acted upon only by the Board; under which circumstances, the Board will be acting as the Committee. Provided, however, that for purposes of this Section, a Class B Member shall be treated as a Class A member commencing upon occupancy of the residence constructed on such Member's Lot.

(b) The Construction Group shall be composed of three (3) or more individuals selected and appointed by Declarant. The Construction Group shall use its best efforts to promote and ensure a high level of quality, harmony and conformity throughout the Property.

(c) A majority of the Construction Group's members may act on the behalf of the entire Construction Group. In the event of the death or resignation of any member of the Construction Group, the remaining member shall have full authority to designate and appoint a successor. No member of the Construction Group shall be entitled to any compensation for services performed hereunder and neither the Construction Group nor any of its members shall be liable to any Owner for any claims, causes of action or damages of whatever kind (except where occasioned by gross negligence) arising out of service performed, actions taken, or inaction in connection with any undertaking, responsibility, or activity hereunder or request for same.

(d) The Board shall function as the representative of the Owners of the Lots for the purposes herein set forth, as well as for all other purposes consistent with the creation and preservation of a first-class residential development. The Board shall use its best efforts to promote and ensure a high level of quality, harmony and conformity throughout the Property.

(e) A majority of the members of the Board may act on behalf of the entire Board or the Board may appoint an advisory committee to act on behalf of the Board. No member of the Board or of any advisory committee shall be entitled to any compensation for service performed hereunder and neither the Board, any of its members, nor the members of any advisory committee shall be liable to any Owner, for any claims, causes of action or damages of what ever kind (except where occasioned by gross negligence) arising out of service performed, actions taken or inaction in connection with any undertaking, responsibility, or activity hereunder or request for same.

10.12 Approval of Plans and Specifications.

(a) No building, structure, fence, wall or improvement of any kind or nature shall be erected, placed or altered on any Lot until all plans and specifications and/or plot plan have been submitted to and approved in writing by the Committee as to:

(i) quality of workmanship and materials; adequacy of site dimensions; adequacy of structural design; proper facing of main elevation with respect to nearby streets;

(ii) conformity and harmony of the external design, color, type and appearance of exterior surfaces and landscaping;

(iii) location with respect to topography and finished grade elevation and effect of location and use on neighboring Lots and improvements situated thereon and any drainage arrangement; and

(iv) the other standard set forth within this Declaration (and any amendments hereto) or as may be set forth within bulletins promulgated by the Committee, or matters in which the Committee has been vested with the authority to render a final interpretation and decision.

(b) Final plans and specifications shall be submitted in duplicate to the Committee for approval or disapproval. At such time as the plans and specifications meet the approval of the Committee, one complete set of plans and specifications will be retained by the Committee and the other complete set of plans will be marked "Approved" and returned to the Owner or his designated representative marked "Approved", and accompanied by a statement of complete approval or approval based on certain conditions and specifications. If found not to be in compliance with these Covenants and Restrictions, one set of such plans and specifications shall be returned marked "Disapproved", accompanied by a reasonable statement of items found not to comply with these Covenants and Restrictions. Any modification or change to the approved set of plans and specifications must again be submitted to the Committee for its inspection and approval. The approval or disapproval of the Committee, as required herein, shall be narrative and in writing. If the Committee, or its respective designated representative, fails to approve or disapprove such plans and specifications with thirty (30) days after the date of submission, then approval shall be presumed; provided, however, that no such approval shall be presumed if the request is submitted by or on behalf of a Class B Member to the Board as the Committee or if the request is submitted by or on behalf of a Class A Member to the Construction Group as the Committee. Further provided, however, that nothing in this paragraph shall affect in any way the method for seeking or granting variances, as described in the following paragraph, nor shall any failure of the Committee to act on a variance request within any particular period of time constitute the granting or approval of any such variance request.

(c) Upon submission of a written narrative request for same, the Committee may, from time to time, in its sole discretion, permit Owners to construct, erect, or install improvements which are in variance from the Covenants or Restrictions which are provided in this Declaration or which may be promulgated in the future. In any case, however, such variances shall be in basic conformity with and shall blend effectively with the general architectural style and design of the community. No member of the Committee shall be liable to any Owner or other person claiming by, through, or on behalf of any Owner, for any claims, causes of action, or damages arising out of the granting or denial of, or other action or failure to act upon, any variance request by any Owner or any person acting for or on behalf of any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Committee's right to strictly enforce these Covenants and Restrictions against any other Owner. Each such written request must identify and set forth in narrative detail the specific restriction or standard from which a variance is sought and described in complete detail the exact nature of the variance sought. Any grant of a variance by the Committee must be in writing and must identify in narrative detail both the standard from which a variance is being sought and the specific variance being granted. Any variance granted by the Committee shall be considered a rule made under this Declaration.

10.3 Architectural Standards. The Committee may from time to time publish and promulgate architectural standards bulletins which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of these Covenants and Restrictions; provided, however, that the Construction Group may publish such bulletins only with respect to Class B Members and the Board may do so only with respect to Class A Members. Such bulletins shall supplement these Covenants and Restrictions and are incorporated herein by reference. Although the Committee shall not have unbridled discretion with respect to taste, design and any absolute standards specified herein, the Committee shall be responsive to technological advances or general changes in architectural designs and related conditions in future years and use its best efforts to balance the equities between matters of taste and design (on the one hand) and use of private property (on the other hand).

ARTICLE XI

EASEMENTS

11.01. Utility Easements. Easements for installation, maintenance, repair and removal of utilities and drainage facilities over, under and across the Property are reserved as set forth in Article V above. Full rights of ingress and egress shall be had by Declarant and any bona fide utility company at all times over the easement areas for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installment of such utility.

11.02. Ingress, Egress and Maintenance by the Association. Full rights of ingress and egress shall be had by the Association at all times over and upon the Common Properties for the purpose of maintaining the Common Properties as set forth herein.

11.03. Police Power Easement. With respect to the Common Properties and streets, easements and rights-of-way within the Property, the City of Midlothian and all other governmental agencies and authorities shall leave full rights of ingress, egress, regress and access for personnel and emergency vehicles for maintenance, police and fire protection, drainage and other lawful police powers designed to promote the health safety and general welfare of the residents within the Property.

ARTICLE XII

GENERAL PROVISIONS

12.01. Registration with the Association. Each and every Owner shall have an affirmative duty and obligation to originally provide, and thereafter revise and update, within fifteen (15) days after a material change has occurred, various items of information to the Association such as: (a) the full name and address of the Owner; (b) the full name of each individual family member who resides within the residential dwelling of the Owner; (c) the business address, occupation and telephone number of each Owner; (d) the description and license plate number of each automobile owned or used by Owner and brought within the Property; (e) the name, address and telephone numbers of other local individuals who can be contacted (in the event the Owners cannot be located) in case of an emergency; and (f) such other information as may be reasonably requested from time to time by the Association.

12.02. Power of Attorney. Each and every Owner hereby makes, constitutes and appoints Declarant as his/her true and lawful attorney-in-fact, couples with an interest and irrevocable, for him/her and in his/her name, place and stead and for his/her use and benefit, to do the following:

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

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

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

The rights, powers and authority of said attorney-in-fact to exercise any and all of the rights and powers herein granted shall commence and be in full force upon recordation of this Declaration in the Ellis County Clerk's Office and shall remain in full force and effect thereafter until the fifteenth (15th) anniversary of the recordation of this Declaration.

12.03. Duration. The Covenants and Restrictions of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owners subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term ending January 1, 2050, after which time said covenants, shall be automatically extended for two (2) successive periods of ten (10) years each unless an instrument signed by not less than seventy-five percent (75%) of the then Owners has been recorded, agreeing to abolish the covenants and restrictions in whole or in part; provided, however, that no such agreement to abolish shall be effective unless made and recorded thirty (30) days in advance of the effective date of such change; and unless written notice of the proposed agreement to abolish is sent to every Owner at least ninety (90) days in advance of any action taken.

12.04. Amendments. Except as provided in Section 12.03 of this Article XII, the Covenants and Restrictions of this Declaration may be amended and/or changed in whole or in part, only with the consent of Declarant and seventy-five percent (75%) of the other Owners, evidenced by a document in writing bearing each of their signatures, and duly recorded in the land records of Ellis County, Texas; or by a resolution passed by the majority of the Board evidencing the consent of seventy-five percent (75%) of the Owners and authorizing the President of the Association to execute such document.

12.05. Enforcement. Enforcement of these Covenants and Restrictions shall be by a proceeding initiated by any Owner, any member of the Construction Group or the Board or the Homeowner's Association or by the City of Midlothian, against any person or person violating or attempting to violate any Covenant or Restriction contained herein, either to restrain or enjoin violation or to recover damages for the violation, or both, or to enforce any lien created by this instrument. The Construction Group, and each of its appointed members, shall have an election and right, but not an obligation or duty, to enforce these Covenants and Restrictions by a proceeding or proceedings at law or in equity. Notwithstanding any provision to the contrary in this Declaration, Declarant shall not have any duty, obligation, or responsibility to enforce any of these Covenants and Restrictions. Failure by any party to enforce any Covenant or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. With respect to any litigation hereunder, the prevailing party shall be entitled to recover reasonable attorney's fees from the non-prevailing part.

Further, and with respect to any litigation brought against the Construction Group, the Board or any of their members or representatives arising out of any action, failure to act, or performance or non-performance of duties imposed hereby, by the Construction Group, the Board or their members or representatives, the Construction Group, the Board and/or their members or representatives so sued shall be entitled to recover their reasonable attorney's fees from the person or entity bringing such action against it or them, unless the Construction Group, the Board or their members or representatives shall specifically be adjudicated liable to such claimant.

12.06. Imposition of Violation Fines. In the event that any person fails to complete (or fails to commence and proceed with diligence to completion) the work necessary to cure any violation of the Covenants and Restrictions contained herein within ten (10) days after receipt of written notice from the Board designating the particular violation, the Board shall have the power and authority to impose upon that person a fine for such violation (the "Violation Fine") not to exceed Five Hundred and No/100 Dollars (\$500.00). If, after the imposition of the Violation Fine, the violation has not been cured or the person has still not commenced the work necessary to cure such violation, the Board shall have the power and authority, upon ten (10) days written notice, to impose another Violation Fine which shall also not exceed Five Hundred and No/100 Dollars (\$500.00). There shall be no limit to the number or the aggregate amount of Violation Fines which may be levied against a person for the same violation. The Violation Fines, together with interest at the highest lawful rate per annum and any costs of collection, including attorneys' fees shall be a continuing lien upon the Lot against which such Violation Fine is made.

12.07. Severability. If any one of these Covenants or Restrictions is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining Covenants and Restrictions shall not be affected thereby.

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

12.09. Notices to Owner. Any notice required to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mails, postage prepaid, addressed to the last known address of the person who appears as an Owner on the records of the Association at the time of such mailing.

12.10. Disputes. Matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions excluding Article IX and issues concerning "substantial completion" of this Declaration or the Association Bylaws, shall be determined by the Board. Matters pertaining to Articles IX and issues concerning "Substantial Completion" shall be determined by the Committee. These respective determinations (absent arbitrary and capricious conduct or gross negligence) shall be final and binding upon all Owners.

IN WITNESS WHEREOF, MEADOWS OF LONGBRANCH PARTNERS, being the Declarant herein has caused this instrument to be executed this 31st day of May, 2002.

MEADOWS OF LONGBRANCH PARTNERS,
a Texas general partnership

BY: Michael A. Casey, President
Michael A. Casey, President
Casey Realty Advisors, Inc.
Managing Partner

(ACKNOWLEDGMENT)

STATE OF TEXAS }
COUNTY OF TARRANT }

This instrument was acknowledged before me on the 31st day of May, 2002 by Michael A. Casey, President of Casey Realty Advisors, Inc., a Texas corporation, as Managing Partner of Meadows of Longbranch Partners, a Texas general partnership, on behalf of said general partnership.

Terry Reynolds
Notary Public in and for the State of Texas

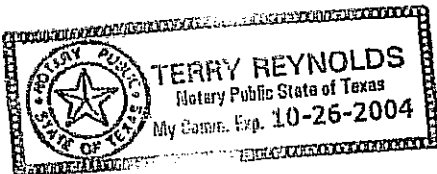


EXHIBIT "A"

MEADOWS AT LONGBRANCH, AN ADDITION TO THE CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS,
ACCORDING TO THE PLAT RECORDED IN CABINET A, SLIDE 5418, PLAT RECORDS, ELLIS COUNTY,
TEXAS.

EXHIBIT "A"

All that certain 92.231 acre lot, tract or parcel of land being situated in the R. M. CRAIG SURVEY, A-252, City of Midlothian, Ellis County, Texas, and being the same parcel as conveyed by Kenneth W. Hayes and wife, Betty Jean Hayes to VINTAGE DEVELOPMENT, INC., a Texas Corporation by deed filed May 23, 2001, under CC# 11555 and recorded in Volume 1781, Page 1293, Official Public Records, Ellis County, Texas.