

**DECLARATION
OF
FANNIN FARMS WEST ADDITION
TARRANT COUNTY, TEXAS**

This declaration made this 16th day of January, 2001 by DalMac-Shelton Fannin Farms West, Ltd. hereinafter called Declarant.

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Article I, Section 2 of this Declaration; and

WHEREAS, Declarant desires to subject the real property described in Article I, Section 2 hereof to the covenants, restrictions, charges and liens hereinafter set forth; and

WHEREAS, the Fannin Farms West Homeowners Association, Inc. has been incorporated under the Laws of the State of Texas as a nonprofit corporation, and has been granted the powers of administering and enforcing the said covenants, restrictions, charges and liens collecting and disbursing the assessments and charges hereinafter created;

NOW, Therefore DalMac-Shelton Fannin Farms West, Ltd., Declarant, declares that the real property described in Article 1, Section 2, and such additions thereto as may hereafter be made pursuant to Article 1, Section 3, hereof, is and shall be held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions, charges and liens hereinafter set forth.

**ARTICLE I
GENERAL**

Section 1. Definition. The following words, when used in this Declaration, unless the context shall prohibit, shall have the following meanings:

- a. "Association" shall mean and refer to the Fannin Farms West Home Owners Association, Inc. its successors and assigns.
- b. "The Properties" shall mean and refer to the real property (including improvements) described in Section 2 hereof, and additions thereto, as are subject to this declaration or any Supplemental Declaration under the provisions of Section 3 hereof.
- c. "Common Properties" shall mean and refer to all real property (including the improvements thereto) owned by the Association or dedicated to the Association either by separate instrument or as shown on any recorded plat or its equivalent of The Properties or any portion thereof filed or approved by Declarant.
- d. "Declarant" shall mean and refer to DalMac-Shelton Fannin Farms West, Ltd. and its successors and assigns and shall include any person or entity to which Declarant may assign its rights and privileges, duties, and obligations under, which are and shall be assignable.

- e. "Area", when followed by a roman numeral, shall mean and refer to a specific portion of The Properties, the exact geographic location of which shall have been described and defined either in Exhibit "A" referred to in Section 2 of this Article I or in one of the Supplementary Declarations provided for in Section 3 of this Article I.
- f. "Lot" shall mean and refer to any plot of land shown on any recorded plat or its equivalent of The Properties thereof filed or approved by Declarant.
- g. "Single Family Residence" shall mean and refer to any permanent, detached structure or building used primarily as a residence, including the Lot on which said structure or building is situated, now existing or to be constructed.
- h. "Municipality" shall mean and refer to the City of Arlington, Texas.

Section 2. Property Subject to Declaration. The real property covered by this Declaration is described in Exhibit "A" attached hereto and incorporated herein by reference. For purposes of this Declaration such real property is designated as Area I. All of The Properties and any right, title or interest therein shall be owned, held, leased, sold and/or conveyed by Declarant, and any subsequent owner of all or any part thereof, subject to this Declaration and the covenants, restrictions, charges and liens set forth herein.

Section 3. Additions to Property Subject to Declaration. Additional property may become subject to this Declaration in the following manner:

- a. If Declarant or any other person, firm or corporation is the owner of any property which it desires to add to the scheme of this Declaration, it may do so by filing of record a Supplementary Declaration, which shall extend the scheme of the covenants and of this Declaration to such property, PROVIDED HOWEVER, that such covenants and restrictions as applied to the property which is so added may be altered or modified by said Supplementary Declaration, and PROVIDED FURTHER, if property is added to the scheme of this Declaration by any person, firm, or corporation other than Declarant, the Association, acting through its Board of Directors, must give written consent thereto. Properties may be added to the scheme of this Declaration if such properties are within the boundaries set out in Exhibit "B" attached hereto and incorporated herein by reference, whether or not such properties are contiguous to the properties covered by this Declaration. Each Supplementary Declaration shall include a description of the property added and shall designate said area with the term "Area" followed by a roman numeral so as to differentiate each respective area from other areas within The Properties.
- b. Such Supplementary Declaration shall contain covenants and restrictions to which the added properties shall be subject. Such covenants and restrictions may contain additions, deletions, and modifications from those contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within any "area", nor revoke, modify, or add to the covenants established by previously filed Supplementary Declarations within previously designated "areas", nor shall

such Supplementary Declaration in any way change the provisions of Articles I, II, III, IV, VI, VII, VIII and IX.

- c. Upon a merger or consolidation of the Association with another association, 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, by 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 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 pertaining to The Properties except as hereinafter provided.

ARTICLE II MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Each and every person, persons or legal entity who shall own any lot, tract, or parcel of land in The Properties, shall automatically be a member of the Association, PROVIDED that any person or entity who holds such an interest merely as security for the performance of any obligation shall not be a member.

Section 2. Classes of Voting Members. The Association shall have two classes of voting membership:

Class A. Class A members shall be all those members described in Section 1 hereof with the exception of DalMac-Shelton Fannin Farms West, Ltd. Class A members shall be entitled to one vote for each Lot owned. When two or more persons or entities hold undivided interests in a Lot, all such persons or entities shall be Class A 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 each Lot in which such members own undivided interests.

Class B. Class B member shall be DalMac-Shelton Fannin Farms West, Ltd. The Class B member shall be entitled to one hundred (100) votes for each lot owned by it. PROVIDED HOWEVER, that from end after December 31, 2008, notwithstanding any other provision of this Article, the Class B member shall be entitled to only one vote for each lot.

ARTICLE III ASSESSMENTS

Section 1. Covenants for Assessments. The Declarant, for each Lot owned by it within The Properties, hereby covenants, and each purchaser of any Lot, by acceptance of a deed

therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant to pay to the Association: (1) annual assessments or charges (as specified in Section 3 hereof); (2) special assessments for capital improvements (as specified in Section 4 hereof), all of such assessments to be fixed, established, and collected from time to time as hereinafter provided.

Section 2. Purpose of Assessments. The assessments levied by the Associations shall be used exclusively for the purpose of promoting the comfort, health, safety, and welfare of the owners of The Properties, or any part thereof, for the improvement and maintenance of the Common Properties and for carrying out the purposes of the Association as stated in its Articles of Incorporation.

Section 3. Annual Assessment. Each owner of a Lot shall pay to the Association an annual assessment of One Hundred Dollars (\$100.00). The rate of annual assessment may be increased by vote of the membership of the Association, as provided in Section 5 hereof. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at a lesser amount. The Association may not accumulate a surplus at the end of any year that is more than two times the maximum permissible annual assessment for that year. The Board of Directors shall, should excess surplus (as above defined) exist at the end of any year, reduce the next total annual assessment by an amount at least equal to said excess surplus.

Section 4. Special Assessments. In addition to the annual assessments authorized by Section 3 hereof, the Association may, by vote of its members as set out in Section 6 hereof, levy in any assessment year or years a special assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described improvement including the necessary fixtures and personal property related thereto, or for carrying out other purposes of the Association as stated in its Articles of Incorporation.

Section 5. Vote Required for Increase in Rate of Annual Assessment. The increase in the rate of the annual assessment as authorized by Section 3 hereof must be approved by a majority of the total eligible votes of the membership of the Association as defined in Article II hereof, voting in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 6. Vote Required for Special Assessment. The Special Assessment authorized by Section 4 hereof must be approved by a majority of the total eligible votes of the membership of the Association as defined in Article II hereof, voting in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 7. Commencement Date of Annual Assessment. The first annual assessment provided for herein shall commence with the year 2003 and continue thereafter from year to year.

Section 8. Due Date of Assessments. The first annual assessment shall become due and payable on January 1, 2003 and shall be considered delinquent if not paid by January 31, 2003. The assessments for any year after 2003 shall become due and payable on January 1 of such year and delinquent if not paid by January 31 of such year. The due date and delinquent date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 9. Owner's Personal Obligation for Payment of Assessments. The annual and special assessments provided for herein shall be the personal and individual debt of the owner of the property covered by such assessments. No owner may exempt himself from liability for such assessments. In the event of default in the payment of any such assessment, the owner of the property shall be obligated to pay interest at the rate of ten percent (10%) per annum on the amount of the assessment from the due date thereof, together with all costs and expenses, including attorney's fees.

Section 10. Assessment Lien and Foreclosure. All sums assessed in the manner provided in this Article but unpaid, shall, together with interest as provided in Section 9 hereof and the cost of collection, including attorney's fees as hereinafter provided, thereupon become a continuing lien and charge on the property covered by such assessment, which shall bind such property in the hands of the owner, and his heirs, devisees, personal representatives, and assigns. The aforesaid lien shall be superior to all other liens and charges against the said property, except only for tax liens and all sums unpaid on a first mortgage lien or first deed of trust lien of record, securing in either instance sums borrowed for the improvement of the property in question. The Association shall have the power to subordinate the aforesaid assessment lien to any other lien. Such power shall be entirely discretionary with the Association. To evidence the aforesaid assessment lien, the Association shall prepare a written notice of assessment lien setting forth the amount of the unpaid indebtedness, the name of the owner of the property covered by such lien and a description of the property. Such notice shall be signed by one of the officers of the Association and shall be recorded in the office of the County Clerk of Tarrant County, Texas. Such lien for payment of assessments shall attach with the priority above set forth from the date that such payment becomes delinquent as set forth in Section 8 above and may be enforced by the foreclosure of the defaulting owner's property by the Association in like manner as a mortgage on real property subsequent to the recording of a notice of assessment lien as provided above, or the Association may institute suit against the owner personally obligated to pay the assessment and/or for foreclosure of the aforesaid lien judicially. In any foreclosure proceeding, whether judicial or not judicial, the owner shall be required to pay the costs, expenses, and reasonable attorney's fees incurred. The Association shall have the power to bid on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any mortgagee holding a prior lien on any part of The Properties, the Association shall report

to said mortgagee any unpaid assessments remaining unpaid longer than thirty (30) days after the same are due.

Section 11. Common Properties Exempt. All Common Properties as defined in Article 1, Section 1c hereof, and any common properties of any other association designated on any recorded plat filed by Declarant, and all portions of The Properties owned by or otherwise dedicated to any political subdivision, shall be exempted from the assessments and lien created herein.

ARTICLE IV ARCHITECTURAL CONTROL COMMITTEE

Section 1. Designation of Committee. The Association shall have an Architectural Control Committee, which shall consist of three (3) members who shall be natural persons, and who shall be appointed by the Board of Directors of the Association. Until December 31, 2008, the appointment of the members of the Architectural Control Committee must be approved by Declarant, and any and all members of such committee may be removed by (the Board of Directors and/or) the Declarant without cause. After such date, the Board of Directors shall have the exclusive right and power at any time and from time to time create and fill vacancies on the Architectural Control Committee.

Section 2. Function of Architectural Control Committee. No improvement, as that term is hereinafter defined, shall be erected, constructed, place, altered (by addition or deletion), maintained, or permitted to remain on any portion of The Properties until plans and specifications, in such form and detail as the Architectural Control Committee may deem necessary, shall have been submitted to and approved in writing by such committee. The Architectural Control Committee shall have the power to employ professional consultants to assist it in discharging its duties. The decision of the Architectural Control Committee shall be final, conclusive, and binding upon the applicant.

Section 3. Content of Plans and Specifications. The plans and specifications to be so submitted and approved shall include a plot plan showing the location of all improvements, structures including the plan number or plan name, walks, patios, driveways, fences and walls. Lot drainage provisions shall be indicated as well as cut and fill details if any appreciable change in the lot grading is contemplated. A single set of plans for each house design to be marketed in The Property shall be submitted to the committee for approval. These plans shall consist of the floorplan and all exterior elevations. Once a particular house design has been approved by the committee in writing any duplication of that design will not require additional plan approval, however, a plot plan must be provided for each Lot.

Section 4. Definition of "Improvement". Improvement shall mean and include all buildings, and roofed structures, parking areas, fences, walls, hedges, mass plantings, driveways, swimming pools, changes in any exterior color or shape, and any new exterior

construction or exterior improvement exceeding \$2000.00 in cost which may not be included in any of the foregoing. It does not include garden shrub or tree replacements or any other replacement or repair of any magnitude which does not change exterior appearances. It does include both original improvements and all later changes and improvements.

Section 5. Basis of Approval. Approval of plans and specifications shall be based among other things, on adequacy of site dimensions, architectural design, conformity and harmony of external design and of location with neighboring structures and sites, relation of finished grades and elevations to neighboring sites and conformity to both the specific and general intent of the protective covenants.

Section 6. Failure of the Committee to Act. If the Architectural Control Committee fails to approve or to disapprove such plans and specifications or to reject them as being inadequate within fifteen (15) days after submittal thereof, it shall be conclusively presumed that such committee has approved such plans and specifications, EXCEPT that the Architectural Control Committee has no right or power, either by action or failure to act, to waive or grant any variances specifically reserved to Declarant in Article V hereof. If plans and specifications are not sufficiently complete or are otherwise inadequate, the Architectural Control Committee may reject them as being inadequate or may approve or disapprove part, conditionally or unconditionally, and reject the balance.

Section 7. Limitation of Liability. Neither the Declarant, the Association, the Architectural Control Committee nor any of the members of such committee shall be liable in damages or otherwise to anyone submitting plans and specifications for approval or to any owner of land affected by this Declaration by reason of mistake of judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or to disapprove any plans and specifications.

ARTICLE V PROTECTIVE COVENANTS

Section 1. The Properties and each Lot situated therein shall be constructed, developed, occupied and used as follows:

Section 2. No Lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any Lot other than one detached single family dwelling not to exceed two (2) stories or thirty-five (35) feet in height and a private garage for not more than three cars.

Section 3. Each dwelling constructed on any Lot shall contain a minimum required floor area, as verified by the Architectural Control Committee, of no less than eighteen hundred (1500) square feet of floor area. For purposes of this section, minimum required floor area shall be computed exclusive of breezeways, garages, open porches, carports,

accessory buildings or accessory space and designed and used directly and specifically for dwelling purposes.

Section 4. The location of each building on a Lot and the determination of front, rear, and side set back lines shall be in compliance with the minimum standards set by the Municipality or other applicable governing authority. The front setback line shall be twenty (20) feet.

Section 5. No temporary structure of any kind shall be erected or placed upon any Lot except as provided in Section 6 below. Any truck, bus, boat, boat trailer, camp-mobile, camper or any vehicle other than a conventional automobile shall, if brought within The Properties, be stored, placed or parked within the garage or backyard area of the appropriate Lot. No trailer, mobile home, tent, camper vehicle, or temporary house shall be placed or erected on any lot for use as a dwelling. No bus or mobile home may be parked, placed or stored on any lot, except that Recreational Vehicles may be stored on the rear one-third of the lot.

Section 6. Development reserves the exclusive right to erect, place and maintain such facilities in or upon any portion of The Properties as it, in its sole discretion, determines to be necessary or convenient while selling Lots, selling or constructing residences and constructing other improvements in The Properties. Such facilities may include, but are not limited to, sales and construction offices, storage areas, model units, signs and portable toilet facilities.

Section 7. No sign or signs shall be displayed to the public view on any Lot except that:

- a. Declarant may erect and maintain a sign or signs deemed by it to be reasonable and necessary for the construction, development, operation, promotion and sale of the Lots.
- b. Any builder, during the construction and sale of a dwelling may utilize professional signs (of not more than twelve (12) square feet in size) on each Lot which it owns for advertising and sales promotion.
- c. Thereafter, a dignified "for sale" sign (of not more than six (6) square feet in size) may be utilized on a Lot by the homeowner of that Lot for the sale of that Lot and its improvements.
- d. Declarant or its agents shall have the right to remove any sign, billboard, or other advertising structure that does not comply with the above, and in so doing shall not be subject to any liability for trespass or any other liability in connection with such removal.
- e. All signs are to be in compliance with the sign ordinance of the Municipality.

Section 8. No fence, wall or hedge shall be erected, placed or altered on any Lot nearer to the front or side property lines than specified in the set back requirements as determined in accordance with Section 4 above or in accordance with the requirements of the Municipality. No fence, wall or hedge shall exceed six (6) feet in height unless otherwise specifically required by the Municipality or approved by the Architectural

Control Committee. No fence, wall or hedge shall be erected, placed or altered on any Lot without the approval of the Architectural Control Committee. All landscape plantings within the ten (10) foot wide landscape and fence easement must be approved by the Architectural Control Committee. All wood piles, tool sheds or service facilities must be behind fences, walls or landscaping so as not to be visible from the street. All materials used to build fences shall be subject to approval of the Architectural Control Committee. Any fence constructed on or adjacent to an easement rather than a property line must contain a gate sufficient in size to allow access to the area between the fence and the property line for mowing and maintenance purposes.

Section 9. Exterior wall construction below the first floor ceiling plate line shall consist of not less than 80% masonry or cementacious construction with no single wall face of any residence containing less than 50% of its exposed surface of masonry or cementacious construction. Installation of all types of exterior items and surfaces such as lights, mail chutes, towers and antennas shall be subject to the prior approval of the Architectural Control Committee.

Section 10. No window or wall-type air conditioner shall be permitted to be used, erected, placed or maintained on or in any residential dwelling on the front street or side of such residence.

Section 11. The color of any building constructed on a Lot shall be substantially the same as the color of any prior building constructed on the Lot with which the building is being replaced. The paint on all buildings shall be maintained so as to present a well painted appearance and chipped, peeling or badly faded paint shall be replaced or reapplied.

Section 12. No radio, stereo, broadcast or loudspeaker units and no amplifiers of any kind shall be placed upon or outside, or be directed to the outside of any building without prior written approval and authorization of the Architectural Control Committee.

Section 13. The owner of each Lot shall at all times keeps all weeds and grass thereon cut in a sanitary, healthful and attractive manner. In no event shall an owner use any Lot for storage of materials and equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted or permit the accumulation of garbage, trash, or rubbish of any kind thereon. If at any time an owner of any Lot shall fail to control weeds, grass and/or other unsightly growth, or permit accumulation of garbage, trash or rubbish, the Declarant or Architectural Control Committee shall have the authority and right to go onto said Lot for the purpose of mowing or cleaning said Lot on each respective occasion of such mowing or cleaning. Any such assessment, together with interest thereon at the highest lawful rate and costs of collection thereof, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made. Each such assessment, together with the interest thereon and cost of collection thereof, shall also be the continuing personal obligation of the person who was the owner of such Lot at the time when the assessment occurred. Each and every owner of any Lot, by the acceptance of a deed or other

conveyance of such Lot, shall thereby covenant and agree to pay such assessments. The lien securing any such assessment shall be subordinate and inferior to the lien of any mortgage and any renewals or extensions thereof existing prior to the assessment date.

Section 14. In the event that any building constructed on a Lot has burned and is thereafter abandoned for at least thirty (30) days, the owner of the Lot shall cause the burned building to be removed and the Lot cleared, the expense of such removal and clearing to be paid by the owner. In the event the owner does not comply with this provision, then Declarant or Architectural Control Committee may, after ten (10) days written notice to the owner, cause such burned building to be removed and the Lot cleared and charge the cost thereof to the owner. In such event neither Declarant nor the Architectural Control Committee nor any member thereof shall be liable in trespass or for damages, expenses, costs or otherwise to the owner for such removal and clearing. The Architectural Control Committee shall have no obligation to procure insurance to protect against fire or other casualty to any of the single family residences and each single family residence owner is encouraged to procure and maintain such insurance coverage as is deemed prudent or desirable by such owner.

Section 15. No person shall incinerate or otherwise burn any material on any Lot outside of the residence thereon except for charcoal fires used solely for cooking purposes. Leaves, trash and other refuse may not be burned in any fireplaces located in a residence.

Section 16. No owner shall permit any thing or condition to exist upon a Lot that shall induce, breed, or harbor plant diseases or noxious insects.

Section 17. No tree, shrub, or plant of any kind on any Lot shall be allowed to overhang or otherwise encroach upon any street, sidewalk or any other pedestrian way from ground level to a height of seven (7) feet without the prior written approval and authorization of the Architectural Control Committee or in accordance with any ordinance of the Municipality prohibiting obstructions within its required visibility triangles.

Section 18. No gas, electric, power, telephone, water, sewer, cable television, or other utility or service lines of any nature or kind shall be placed, allowed, or maintained upon or above the ground, except to the extent, if any, underground placement thereof may be prohibited by law or would prevent the subject line from being functional. The foregoing shall not prohibit services pedestals and above ground switch cabinets and transformers where required.

Section 19. No repairs of any detached machinery, equipment, or fixtures, including without limitation, motor vehicles, shall be made upon any portion of any Lot within view of neighboring property, dwelling units, pathways, and streets without prior written approval and authorization of the Architectural Control Committee.

Section 20. Satellite dishes may be installed in the back of the residential dwelling only if the backyard is enclosed by a six foot (6') approved fence. The dish must not exceed ten feet (10') in diameter and shall not extend more than three feet (3') above the fence

line. Installation shall be subject to the prior approval of the Architectural Control Committee.

Section 21. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become annoyance or nuisance to the neighborhood.

Section 22. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats, or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purposes.

Section 23. No clothesline shall be maintained on any Lot unless it is hidden from view by a hedge or other protective enclosure, in a manner approved by the Architectural Control Committee.

Section 24. No manufacturing, trade, business, commerce, industry, profession, or other occupation whatsoever will be conducted or carried on upon any Lot or any part thereof, or in any building or other structure erected thereon.

Section 25. The use of any carport, driveway or parking areas that may be in front of adjacent to, or part of any Lot as a habitual parking place for commercial vehicles is prohibited. The term "Commercial Vehicles" shall include all automobiles, trucks and vehicular equipment, as well as station wagons, which shall bear signs or shall have printed on the sides of same reference to any commercial undertaking or enterprise.

Section 26. The owners of the Lots shall be responsible for the maintenance of parkways located between their lot lines and the streets on which said Lots face. The owners thereof shall likewise maintain the exterior of all structures on their Lot and their yards, hedges, plants and shrubs in a neat and trim condition at all times.

Section 27. Nothing shall be done on any Lot that may be or become an annoyance or nuisance to the neighborhood.

Section 28. No exterior light shall be installed or maintained on any Lot which light is found to be objectionable by the Association. Upon being given notice by the Association that any exterior light is objectionable, the owner of the Lot on which same is located will immediately remove said light or have it shielded in such a way that it is no longer objectionable.

Section 29. No oil drilling, water drilling, or development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, water wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil, natural gas or water shall be erected, maintained, or permitted upon any lot.

Section 30. In the event of a violation or breach of any of these restrictions by any person or concern, Declarant and/or the Association, through their duly designated representatives, and the owners of the Lots, or any of them, jointly or severally, shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent the violation or breach of any of them. In addition to the foregoing right, Declarant, and/or the Association, through their duly designated representatives, shall have the right, whenever there shall have been built on any Lot any structure which is in violation of these restrictions, to enter upon the property where such violation exists and summarily abate or remove the same at the expense of the owner, and such entry and abatement shall not be considered a trespass.

ARTICLE VI INSURANCE

Section 1. The Association shall keep all insurable improvements and fixtures of the Common Properties insured against loss or damage by fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Properties shall be written in the name of, and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the assessments make by the Association.

Section 2. In the event of damage or destruction of any part of the improvements to the Common Properties, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a special assessment against all Lot owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other assessments made against such Lot owner.

Section 3. All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of the property which may have been damaged or destroyed. The Association may acquire liability insurance if deemed desirable by the Association. The Association shall be the insured party under the policy.

ARTICLE VII COMMON PROPERTIES

Section 1. Easements of Enjoyment. Subject to the provisions of Section 3 hereof, every member of the Association shall have a right and easement of enjoyment in and to the Common Properties.

Section 2. Title to Common Properties. Declarant shall convey ownership of the Common Properties to the Association which shall be responsible for their operation and maintenance, after their designation as such in accordance with Article 1, Section 1c above.

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

- a. The right of the Association to prescribe rules and regulations for the use, enjoyment, and maintenance of the Common Properties.
- b. The right of the Association to sell and convey the Common Properties, or any part thereof, provided such sale or conveyance is approved by a majority of the total eligible votes of the membership of the Association as defined in Article II hereof, voting in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.
- c. The right of the Association to borrow money for the purpose of improving the Common Properties, or any part thereof, and to mortgage the Common Properties, or any part thereof.
- d. The right of the Association to take such steps as are reasonably necessary to protect the Common Properties, or any part thereof, against foreclosure.
- e. The right of the Association to suspend the easements of enjoyment of any member of the Association during which time any assessment levied under Article III hereof remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations.

ARTICLE VIII UTILITY EASEMENTS

Section 1. The easements shown on the plat for The Properties are reserved for the mutual use and accommodation of all public utilities desiring to use same. Any public utility shall have the right to remove and keep off all or part of any buildings, fences, trees, shrubs, or other improvements or growths which in any way endanger or interfere with the construction, maintenance, or efficiency of its respective system on any of the easement strips, and any public utility shall, at all times, have the right of egress and ingress to and from and upon said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining, and adding to or removing all or any part of its respective system without the necessity at any time of procuring the permission of anyone.

ARTICLE IX MISCELLANEOUS PROVISIONS

Section 1. Duration. This Declaration and the covenants, restrictions, charges and liens set out herein shall run with and bind the land, and shall insure to the benefit of and be enforceable by the Association, and every owner of any part of The Properties, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Declaration is recorded, and continuing through and including December 31, 2033, after which time said covenants shall be automatically extended for successive periods of five (5) years unless a change (the word "change" including additions, deletions, or modifications thereto, in whole or in part) is approved by a majority of the total eligible votes of the membership of the Association as defined in Article II hereof, voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of such meeting; PROVIDED HOWEVER that no such change shall be effective until one (1) year following the vote referred to above; nor shall any such change be effective prior to the recording of a certified copy of such resolution in the Deed Records of Tarrant County, Texas.

Section 2. Amendment. Article V of this Declaration may be amended or terminated at any time by sixty percent (60%) of the total eligible votes of the membership of the Association as defined in Article II hereof, with both classes of the membership voting together. All other Articles may be amended or terminated prior to January 1, 2008, by sixty percent (60%) of the total eligible votes of each class of voting members voting separately. Thereafter, all Articles may be amended or terminated at any time by sixty percent (60%) of the total eligible voters of the membership voting together. Members may vote in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days in advance and shall set forth the purpose of such meeting, provided that Declarant must consent thereto if such amendment or termination is to be effective prior to December 31, 2008. Any such amendment or termination shall become effective when an instrument is filed for record in the Deed Records of Tarrant County, Texas with the signatures of the requisite number of the owners of The Properties (and the signature of Declarant if prior to December 31, 2007).

Section 3. Enforcement. The Association shall have the right (but not the duty) to enforce any of the covenants and restrictions set out in any Declaration hereafter filed by Declarant or any subsequent owner. Enforcement of the covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land, to enforce any lien created by these covenants; and failure by the Association or any owner to enforce any such covenant or restriction shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability of Provisions. If any paragraph, section, sentence, clause, or phrase of this Declaration shall be or become illegal, null or void for any reason or shall

be held by any court of competent jurisdiction to be illegal, null or void, the remaining paragraphs, sections, sentences, clauses or phrases of this Declaration shall continue in full force and effect and shall not be affected thereby. It is hereby declared that said remaining paragraphs, sections, sentences, clauses, and phrases would have been and are imposed irrespective of the fact that any one or more other paragraphs, sections, sentences, clauses, or phrases shall become or be illegal, null or void.

Section 5. Notice. Wherever written notice to a member (or members) is permitted or required hereunder, such shall be given by the mailing of such to the member at the address of such member appearing on the records of the Association, unless such member has given written notice to the Association of a different address, in which event such notice shall be sent to the member at the address so designated. In such event, such notice shall conclusively be deemed to have been given by the Association by placing same in the United States mail, properly addressed, whether received by the addressee or not.

Section 6. Titles. The titles, headings and captions used throughout this Declaration are for convenience only and are not to be used in construing this Declaration or any part thereof.

EXECUTED as of the day and year first written above.

DalMac-Shelton Fannin Farms West, Ltd.
a Texas limited partnership
By: DalMac-Shelton Investments, Inc.
Its: President

By: _____
Ralph B. Shelton
President

STATE OF TEXAS
COUNTY OF TARRANT

This instrument was acknowledged by _____ before me on
the _____ day of _____, _____

Notary Public, State of Texas

Notary's Name (printed)

My commission expires: _____

After recording, return to:

DalMac-Shelton Investments Inc.
1600 E. Lamar Blvd. Suite 430
Arlington, Texas 76011