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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
IRON HORSE VILLAGE COMMERCIAL PROPERTY OWNERS' ASSOCIATION**

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EXHIBITS

Exhibit A – Legal Description of the Initial Property
Exhibit B – Initial Design Guidelines

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR IRON HORSE VILLAGECOMMERCIAL PROPERTY OWNERS' ASSOCIATION**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR IRON HORSE VILLAGECOMMERCIAL PROPERTY OWNERS' ASSOCIATION (this "**Declaration**"), made as of the date hereinafter set forth by MM MESQUITE 50, LLC, a Texas limited liability company (hereinafter referred to as the "**Declarant**").

WITNESSETH

WHEREAS, Declarant is the owner of various tracts of land in the Iron Horse Village Commercial project in Dallas County, Texas; and

WHEREAS, Declarant owns that certain real property known or to be known as the "Iron Horse Village Commercial/Retail District" (or by any other name designated by the Declarant or the City of Mesquite, Texas), which is located in the City of Mesquite, Dallas County, Texas, and more particularly described on **Exhibit A** attached hereto and incorporated herein by reference (the "**Initial Property**"); and

WHEREAS, Declarant intends by this Declaration to impose mutually beneficial restrictions under a general plan of improvements for the benefit of all owners of the property within the Initial Property and such other property as may hereafter be annexed into the jurisdiction of the Association (as hereinafter defined) by Declarant and Declarant desires to provide a flexible and reasonable procedure for the overall development of such property and to establish a method for the administration, maintenance, preservation, use, and enjoyment of such property.

NOW, THEREFORE, the Declarant hereby declares that the Lots (as hereinafter defined) within the Initial Property are hereby subjected to the provisions of this Declaration and the property within the Initial Property and all other property hereafter made subject to this Declaration shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens hereinafter set forth, which are for the purpose of protecting the desirability of, and which shall run with the title to, the real property subject to this Declaration, and shall be binding on all persons having any right, title, or interest in all or any portion of such property, their respective heirs, legal representatives, successors, successors-in-title, and assigns and shall inure to the benefit of each and every owner of all or any portion thereof.

**ARTICLE I
DEFINITIONS**

The following words, when used in this Declaration, shall have the following meanings

Section 1 "**Applicable Zoning**" shall mean Ordinance No. 4595 (File No. Z0518-0036) amending the Mesquite Zoning Ordinance Adopted on September 4, 1973, and Recodified on November 21, 1988, passed and adopted by the City of Mesquite, Texas, on September 4, 2018, as may be modified, amended or supplemented from time to time, together with any other applicable zoning or use restrictions or ordinances promulgated by the City of Mesquite, Texas and applicable to the Properties.

Section 2 **“ARC”** refers to the Architectural Review Committee created by Section 2 of Article VI hereof.

Section 3 **“Area of Common Responsibility”** shall mean the Common Area, together with those areas, if any, which by contract or agreement become the responsibility of the Association, including, without limitation, (i) irrigation systems, raised medians, and other right-of-way landscaping, detention areas, drainage areas, screening walls, parks, trails, laws, and other common improvements or appurtenances required by the City of Mesquite, Texas to be maintained by the Association pursuant to the terms of that certain Development Agreement dated November 19, 2018 by and between Declarant and the City of Mesquite, Texas, and recorded under Document No. 201800326576 of the Official Public Records of Dallas County, Texas (the **“Development Agreement”**), and (ii) any and all masonry walls and/or decorative metal fencing within any wall maintenance easement or Common Area located within the Property, including, without limitation, the eight foot (8’) high masonry fence improvements along the common boundary line between the Property and the adjacent residential subdivision development, as described in the Development Agreement, and depicted on Exhibit K of such Development Agreement. Road rights-of-ways and drainage and detention Improvements within or adjacent to the Properties may be part of the Areas of Common Responsibility.

Section 4 **“Assessment”** shall mean the Regular Assessments, Special Assessments and Specific Assessments levied by the Association pursuant to Article III hereof, the Reserve Fund Payments payable to the Association pursuant to Section 2(d) of Article III hereof, upon the initial sale of each Improvement by an Owner after completion of the initial construction of such Improvement and upon each resale of an Improvement which is not an Exempt Transfer, and any other amounts or sums due by any Owner to the Association pursuant to the provisions of this Declaration or a Supplemental Declaration.

Section 5 **“Association”** shall mean and refer to Iron Horse Village Commercial Property Owners’ Association, Inc., a non-profit, non-stock, membership corporation incorporated under the laws of the State of Texas, its successors and assigns.

Section 6 **“Association Expenses”** shall mean and include the actual and estimated expenses of operating the Association, including any reasonable reserves, all as may be found to be necessary and appropriate by the Board of Directors of the Association pursuant to this Declaration and the Association’s By-Laws and Certificate of Formation.

Section 7 **“Base Assessment”** shall have the meaning ascribed to such term in **ARTICLE III**Section 4 hereof.

Section 8 **“Board of Directors”** or **“Board”** shall mean the governing body of the Association.

Section 9 **“Builder”** shall mean and refer to any Person undertaking the construction of Improvements on a Lot within the Properties. An Owner may also be a Builder hereunder, but not all Owners need be Builders.

Section 10 **“By-Laws”** shall mean the By-Laws of the Association, as amended, modified or supplemented from time to time.

Section 11 **“Certificate of Formation”** means the Certificate of Formation of the Iron Horse Village Commercial Property Owners’ Association, Inc. and any amendments thereto, as filed with the Secretary of State of the State of Texas.

Section 12 **“Common Area”** shall mean and refer to any and all real and personal property and easements and other interests therein, together with the facilities and other Improvements located thereon, including, without limitation, all entryway features, masonry walls, mews fence with brick columns, retaining walls and ornamental metal handrails, perimeter decorative metal fencing, common areas, non-drainage related greenways and decorative water fountains, shade pavilions, park benches, private alleys, and private water wells within the Common Area, now or hereafter owned or maintained by the Association for the common use and enjoyment of the Owners and Occupants.

Section 13 **“Design Guidelines”** shall mean and refer to written guidelines, as amended, modified or supplemented from time to time, for the construction of improvements on the Lots within the jurisdiction of the Association, which are adopted initially by Declarant, and thereafter by the ARC, pursuant to this Declaration. The Design Guidelines may impose different requirements for different portions of the Properties. The initial Design Guidelines adopted by the ARC as of the date hereof are attached hereto as **Exhibit B** and incorporated herein by reference. The development and use of the property, including without limitation, the construction, installation, maintenance repair and replacement of all buildings and all other improvements and facilities of any kind whatsoever on and within the property, shall be in compliance with the applicable city regulations in effect in the Development Agreement with the city and any amendment or supplement thereto. The existence of a Development Agreement may result in stricter design and architectural regulations and Owners are hereby put on notice they are bound by this Declaration and the Declaration of the Iron Horse Village Homeowners Association to abide by all such regulations.

Section 14 **“Declarant”** shall mean and refer to MM Mesquite 50, LLC, a Texas limited liability company, or to such successor Declarant as may hereafter be designated in an instrument placed of record in the real property records of Dallas County, Texas as the Declarant by the Declarant hereunder at such time. Upon such designation of a successor Declarant, all rights of the former Declarant hereunder shall cease. The Declarant is granted the right during the Development Period pursuant to certain provisions of this Declaration, the Certificate of Formation, and the By-Laws to appoint and remove the members of the Board and the right to disapprove any actions, policies and programs of the Board and/or its committees.

Section 15 **“Declaration”** shall mean this Declaration of Covenants, Conditions and Restrictions for Founders Parc Commercial Property Owners’ Association as it may hereafter be amended, modified or supplemented in accordance with the provisions hereof.

Section 16 **“Development Period”** shall mean the period during which Declarant owns any portion of the Properties, and continuing until the earlier of (i) the date the last certificate of occupancy (or equivalent) is issued for initial Improvements constructed within the Properties by Declarant, an Owner or any Builder, or (ii) the date that is fifty (50) years after the date this Declaration is recorded, or (iii) the date on which Declarant records a instrument evidencing its election to terminate the Development Period hereunder in the Land Records. During the Development Period, Declarant is entitled to appoint and remove the members of the Board of Directors and members of the ARC and disapprove any action, policy, or program of the Association, the Board, the ARC, or any committee which, in the sole judgment of the Declarant, would tend to impair rights of the Declarants or Builders or interfere with the development, construction or marketing of any portion of the Properties, or diminish the level of services being provided by the Association.

Section 17 **“Exempt Transfer”** shall mean a transfer of title to a Lot with Improvements thereon:

- (i) by a co-Owner to any Person who was a co-Owner immediately prior to such transfer;
- (ii) to the Owner’s estate, surviving spouse, or child upon the death of the Owner or to an Owner affiliated entity for estate planning purposes;
- (iii) to any entity wholly owned by the Owner grantor; or
- (iv) to a Mortgagee or the designee of a Mortgagee in lieu of foreclosure or upon foreclosure of a Mortgage.

Section 18 **“Governing Documents”** shall mean this Declaration, any Supplemental Declaration, and the Certificate of Formation, Bylaws, rules of the Association, the Design Guidelines or other standards established by the ARC, as any of such may be amended, modified and supplemented.

Section 19 **“Improvement(s)”** shall mean any buildings, facilities or other improvements made to the Properties, including, but not limited to, any and all changes to the Property, from initial construction through subsequent alteration, renovations, re-construction or maintenance thereof, which are intended to be temporary or permanent in nature (whether changes are made during a period of constructions which will be removed when construction is complete) and further including, but not limited to, new buildings and structures, alterations or renovations of building exteriors and roof structures, utility and drainage systems, surface parking areas, structured parking, railroad tracks, access drives, exterior lighting, sculptures, sidewalks, fencing, wall, hardscape, landscaping, poles, antennae, ponds, lakes, fountains, athletic courts, signs, exterior color or shape, exterior windows and glazing and any exterior construction which may not otherwise be included in the foregoing.

Section 20 **“Land Records”** shall mean the land records of Dallas County, the jurisdiction in which the Initial Property is located.

Section 21 **“Landscaping Guidelines”** shall mean and refer to landscape design, installation and maintenance criteria for the Lots which are adopted by the ARC. If no Landscaping Guidelines are adopted by the ARC the Landscaping Guidelines shall be deemed to be the design, installation and maintenance criteria set forth in Applicable Zoning and under the City of Mesquite Commercial Property Landscape Standards then in effect. requirements set forth in The Landscaping Guidelines may be included within and be a part of the Design Guidelines adopted by such committee and different Landscaping Guidelines may be adopted for different portions of the Properties.

Section 22 **“Lot”** shall mean and refer to any single parcel of land within the Properties, whether developed or undeveloped, upon which Improvements have been or are intended by the Declarant or Owner thereof that Improvements be constructed, including (without limitation) lots created by the platting or replatting of any tract(s) of land within the Properties. **“Lots”** shall mean and refer to each Lot and all of them. In the case of a parcel of land planned for commercial development which has not been platted into Lots, the parcel shall be deemed to contain the number of Lots designated by the Declarant or Owner thereof on the development plan for such parcel of land submitted to the ARC and/or the City for approval unless or until a different number of Lots is platted or planned. The Owner of one or more adjacent Lots (or portions thereof) shall have the right to consolidate such Lots or portions of such Lots into one or more building sites for Improvements, with the privilege of placing or constructing improvements on such sites, in which case side setback lines shall be measured from the resulting side property lines of each such

building site rather than from the lot lines shown on the recorded plat. If such building site for Improvements is replatted as a single Lot, it shall be considered as a single Lot for purposes of Assessments levied by the Association pursuant to this Declaration at the time the replat is recorded in the Map Records of Dallas County, Texas. If such building site is not replatted as a single Lot, it shall be considered as a single Lot for purposes of Assessments levied by the Association pursuant to this Declaration at the time the Improvements on such building site are initially occupied. Prior to either of such events, Assessments by the Association shall continue based on the number of Lots shown on the original plat or plan.

Section 23 **“Member”** shall refer to every Person entitled to membership in the Association, as provided herein.

Section 24 **“Managing Agent”** shall mean and refer to a professional property management company doing business in the jurisdiction in which the Properties are located.

Section 25 **“Mortgage”** shall mean and refer to a deed of trust, mortgage or other similar security instrument granting, creating, or conveying a lien or security interest upon a Lot for financing of the acquisition of a Lot and/or for the finance of the acquisition and/or construction of Improvements thereon.

Section 26 **“Mortgagee”** shall mean a beneficiary or holder of a Mortgage.

Section 27 **“Occupant”** shall mean any person occupying all or any portion of an Improvement within the Properties for any period of time, regardless of whether such person is a tenant or the Owner of such property.

Section 28 **“Owner”** shall mean and refer to the record owner, whether one or more Persons of the fee simple title to a Lot within the Properties, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation or those owning an Interest in the mineral estate.

Section 29 **“Percentage Share”** shall mean and refer to the percentage obtained by (i) multiplying 100, by (ii) the quotient obtained by dividing the total number of square feet within a Lot, by the total square feet within all Properties subject to this Declaration.

Section 30 **“Person”** shall mean any natural person, corporation, joint venture, partnership, association, trust or other legal entity.

Section 31 **“Properties”** shall mean and refer to (i) the real property contained within the Initial Property described in the preambles to this Declaration, and (ii) such other real property as may be brought within the jurisdiction of the Association in accordance with the provisions of **Article VIII** of this Declaration, if any. As part of the initial development, the Developer will create a mandatory Property Owners Association (the “POA”) which shall be primarily responsible for the general retail tract which the POA shall be required to collect from Owners annual fees in an amount calculated to maintain open spaces, common areas, rights of way irrigation systems, raised medians and other landscaping, detention areas, drainage areas, screening walls, parks, trails, and other common improvements or appurtenances as may be agreed upon or assigned. The list herein noted in this section is not meant to establish any specific responsibility or liability upon the POA and instead lists certain common areas, amenities, or elements which the POA may have maintenance responsibility. The actual areas for which the POA will be responsible for maintenance shall be set forth in other sections of this Declaration or by written agreement and the responsibility matrix for the POA may be subject to change from time to time, upon approval of the city and/or by written agreement. Maintenance of any public improvements or land owned by the city

within the general retail tract shall be pursuant to a maintenance agreement between the POA and the city (the "POA Maintenance Agreement").

Section 32 **"Public Improvement District" or "PID"** shall mean and refer to the Iron Horse Public Improvement District created or to be created by the City of Mesquite, Texas pursuant to Chapter 372 of the Texas Local Government Code, as amended.

Section 33 **"Regular Assessments"** shall mean assessments levied by the Board of Directors pursuant to **Section 2(a)** of **Article III** hereof.

Section 34 **"Reserve Fund Payment"** shall mean the amount payable to the Association's reserve fund pursuant to **Section 2(d)** of **Article III** hereof upon the initial sale of a Lot by an Owner other than Declarant which is not an Exempt Transfer.

Section 35 **"Street"** shall refer to any publically dedicated street, boulevard, road, alley, lane, avenue, or thoroughfare within or adjacent to the Properties.

Section 36 **"Subassociation"** shall refer to any property owners association, condominium unit owners association or cooperative association subject to this Declaration and governing some but less than all of the Initial Property pursuant to covenants recorded among the Land Records.

Section 37 **"Supplemental Declaration"** shall refer to (i) a separate declaration of covenants, conditions and restrictions which is imposed on property within the jurisdiction of the Association and which may be enforced by the Association, or (ii) an instrument which imposes additional restrictions on a portion of the Properties which may be enforced by the Association.

Section 38 **"TIRZ"** shall mean the Mesquite Rodeo City Reinvestment Zone Number One, City of Mesquite, Texas, applicable to the Property and formed pursuant to Chapter 311, of the Texas Tax Code, as amended.

ARTICLE II

IRON HORSE VILLAGE COMMERCIAL PROPERTY OWNERS' ASSOCIATION, INC.

Section 1 **ORGANIZATION.** The Association has been organized and formed as a non-profit corporation under the laws of the State of Texas. The principal purposes of the Association are the collection, expenditure, and management of the maintenance funds, administration of the business of the Association, and providing for the maintenance and preservation of the Common Area and/or Area of Common Responsibility and the facilities of the Association and architectural control of the Lots. The Association has the powers of a nonprofit corporation and a property owners association under the Texas Business Organizations Code, the Texas Property Code, and the Governing Documents.

Section 2 **MEMBERSHIP.** Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Each Owner, whether one (1) or more Persons, shall have voting rights as a Member of the Association equal to such Owner's Percentage Share. In the event the Owner of a Lot is more than one (1) Person, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership in the Association may be exercised by each Member, subject to the provisions of this Declaration and the By-Laws. The membership rights of a Lot owned by a corporation or partnership shall be exercised by the individual designated from time to time by the Owner in a written

instrument provided to the Secretary of the Board, subject to the provisions of this Declaration and the By-Laws.

Section 3 VOTING.

(a) Each Member shall be entitled to voting rights equal to such Member's Percentage Share.

(b) Notwithstanding the foregoing, during the Development Period, Declarant shall retain control and authority to appoint all Members of the Board of Directors and retain the right to disapprove of any action, policy or program of the Association, the Board, the ARC or any committee which, in the sole judgment of Declarant would tend to impair rights of the Declarants or Builders, or interfere with the development, construction or marketing of any portion of the Properties, or diminish the level of services being provided by the Association.

Section 4 RULE MAKING AUTHORITY. This Declaration establishes, as part of the general plan of development for the Properties, a framework of covenants, easements and restrictions which govern the Properties. Within that framework, the Board must have the ability to respond to unforeseen problems and changes in circumstances, conditions, needs, desires, trends and technology which inevitably will affect the Properties, its Owners and Occupants. This Section establishes procedures for the adoption and modification of rules by the Board.

Subject to the terms hereof and the Board's duty to exercise business judgment and reasonableness on behalf of the Association, the Board may adopt, amend, repeal and enforce rules and regulations ("**Rules**"), fines and levies as may be deemed necessary or desirable with respect to the implementation of this Declaration, the operation of the Association, the use and enjoyment of the Common Area and/or Areas of Common Responsibility, and the use of any other property, facilities or improvements owned or operated by the Association. At least thirty (30) days prior to the effective date of any Rule, the Board shall cause a copy of the new rule or explanation of any changes to a Rule, specifying the effective date, to be posted at a prominent place within the Properties. The Association shall provide, without cost, a copy of the Rules then in effect to any requesting Owner or Mortgagee for such change as may be established from time to time by the Board.

All Owners are given notice that use of their Lots is limited by the use restrictions set forth in this Declaration and the Rules adopted by the Board, as they may be amended, expanded and otherwise modified. Each Owner, by acceptance of a deed, acknowledges and agrees that the use and enjoyment and marketability of their Lot can be affected by this provision and that the initial use restrictions and Rules may change from time to time.

No Rule shall be adopted by the Association in violation of the following provisions.

- (i) Similar Treatment. Similarly situated Owners shall be treated similarly, provided, Rules may differ between and among different portions of the Properties, based on type of development, use, density or physical characteristics of the property;
- (ii) Allocation of Burdens and Benefits. No Rule shall alter the allocation of financial burdens among the various Lots as specified herein or rights to use the Common Area and/or Areas of Common Responsibility. Nothing in this provision shall prevent the Board from changing the Common Area and/or Areas of Common Responsibility available, from adopting generally applicable Rules for use of Common Area and/or Areas of Common Responsibility, or from denying use

privileges to those who abuse the Common Area and/or Areas of Common Responsibility, are delinquent in payment of Assessments or violate the Rules established by the Board for the use thereof. This provision does not affect the Board's right to establish or increase user fees or to increase the amount of Assessments;

- (iii) **Abridging Existing Rights**. No Rule shall require Owners to dispose of personal property which was kept in or on a Lot prior to the adoption of such Rule and which was in compliance with all Rules in force previous to such time, unless otherwise required to be removed by law; provided, the above shall apply to any Owner only for so long as he or she remains the Owner of the affected personal property or Lot. The rights granted under this subsection shall not run with title to any Lot; and/or
- (iv) **Reasonable Basis**. No Rule may prohibit any activity, condition, or conduct unless there exists a reasonable basis for the enactment of such Rule. For purposes of this subsection, reasonable basis may include, but not be limited to, restrictions as to time, place, and manner of activity or conduct, or concerns relating to fair use of Common Area and/or Areas of Common Responsibility, cost, aesthetics, or the goals of the comprehensive plan for the benefit of the Properties.

Section 5 **MANAGING AGENT**. The Association, through its Board of Directors, shall contract with a Managing Agent to administer the duties and obligations of the Association hereunder or under the other Governing Documents. During the Development Period, any contract between the Managing Agent and the Association may not be terminated without the Declarant's prior written consent. The provisions of this Section 5 may not be modified or amended without the written consent of all Owners and, during the Development Period, the Declarant.

ARTICLE III COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1 **PURPOSE OF ASSESSMENT**. The assessments provided for in this Declaration shall be used by the Association for any legal purpose as determined by the Board of Directors and may include, without limitation, the maintenance and repair Common Areas and/or Areas of Common Responsibility and for the general purposes of promoting the common benefit of the Owners and Occupants in the Properties. *The judgment of the Board of Directors as to the expenditure of Assessments shall be final and conclusive so long as its judgment is exercised in good faith. Funds obtained by the Association from Assessments may be used to finance all or any of the following:*

- (i) Operation, mowing, maintenance, repair, and improvement of the Common Area and/or Area of Common Responsibility, including road rights-of-way, drainage and detention areas;
- (ii) Payment of taxes and premiums for insurance coverage in connection with the Common Area and/or Areas of Common Responsibility and for directors and officers liability insurance;
- (iii) Paying the cost of labor, equipment (including expense of leasing any equipment), material, and any associated management or supervisory services and fees;

- (iv) Paying the cost and fees of a manager or firm retained to carry out the duties of the Association or to manage the affairs and property of the Association;
- (v) Maintaining or replacing landscaping in the Areas of Common Responsibility;
- (vi) Designing, purchasing and installing any improvements to the Areas of Common Responsibility;
- (vii) Removing debris from the Areas of Common Responsibility;
- (viii) Payment of legal fees and expenses incurred to collect assessments and enforce this Declaration;
- (ix) Employing security personnel, watchmen and contracting for patrol services;
- (x) Contracting for insect and pest control such as mosquito fogging;
- (xi) Carrying out the duties of the Board of Directors of the Association;
- (xii) Creation and funding of such reserve funds as the Board of Directors of the Association deems necessary; and/or
- (xiii) Carrying out such purposes of the Association as generally benefit the Members of the Association, as determined by the Board of Directors.

Notwithstanding the foregoing, the Association shall maintain the Common Areas and Areas of Common Responsibility in accordance with the standards and requirements established by the City under the Applicable Zoning, the Development Agreement, the Design Guidelines or otherwise. This paragraph may not be modified or amendment without the express written consent of the City.

Section 2 TYPES OF ASSESSMENTS. Each Owner by acceptance of a deed to any Lot in the Properties, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association- (i) Regular Assessments as provided in subsection (a) of this **Section 2**; (ii) Specific Assessments as provided in subsection (c) of this **Section 2**; (iii) Reserve Fund Payments as provided in subsection (d) of this **Section 2**; (iv) Special Assessments to be established and collected as hereinafter provided in **Section 5** of this **Article III**.

(a) **Regular Assessments.** Regular Assessments shall be levied annually to enable the Association to pay Association Expenses which are determined by the Board to benefit all Members. Such expenses benefitting all Members shall be Association Expenses except expenses for which the Board makes a Specific Assessment. Regular Assessments on all Lots shall be in an amount equal to each Owner's Percentage Share of the Association Expenses; provided, however, subject to the provisions of **Section 9** of this Article, Lots owned by a Declarant shall not be assessed. The initial annual Regular Assessment shall commence as to all Lots in the Initial Property on the date that the first Lot in the Initial Property is conveyed by the applicable Declarant or on such later date as the Board determines, and shall be due and payable to the POA. For all attached and detached residences, an annual assessment of **Five Hundred and NO/100 Dollars (\$500.00) payable in Semi-Annual installments on January 1st and July 1st of every calendar year.** Builder's shall be obligated to pay annually on the 1st day of January of each calendar year at the rate of **Five Hundred and NO/100 Dollars (\$500.00).** If such Assessment commences on a date other than January 1, such Assessment shall be adjusted according to the number of months

remaining in the calendar year. **Thereafter, annual Regular Assessments shall be levied for each calendar year in advance based on the budget adopted by the Board for anticipated annual Association Expenses for such calendar year and shall be due and payable Semi-Annually except that Builders shall pay annually on January 1st of each calendar year unless a different due date is specified by the Board.** Notwithstanding anything in this Declaration to the contrary, the Regular Assessments of the Declarant, if applicable, shall be payable in advance for each calendar year and shall be due and payable on January 1 unless a different due date is specified by the Board.

(b) **Specific Assessments.** The Association shall have the power to levy Specific Assessments against a particular Lot as follows:

- (i) to cover the costs, including overhead and administrative costs, of providing services to Lots upon request of an Owner pursuant to any menu of special services which may be offered by the Association. Specific Assessments for special services may be levied in advance of the provision of the requested service; and
- (ii) to cover costs incurred in bringing a Lot into compliance with this Declaration or the Design Guidelines, or costs incurred as a consequence of the conduct of the Owner or Occupants of a Lot, their agents, contractors, employees, licensees, invitees, or guests.

(c) **Working Capital / Reserve Fund Payments.** Upon acquisition of record title to a Lot by any Owner thereof from a Builder or Owner that constructed the Initial Improvements on such Lot, *a payment shall be made by Commercial or Retail Lot purchasers in an amount equal to one-half of the Regular POA Assessment for such Lot or such other amount* (not to exceed 150% of the then annual Regular Assessment applicable to such Lot) as may hereafter be specified by the Board. This amount shall be in addition to, not in lieu of, the Regular Assessments and Assessments paid to any sub-association, and shall not be considered an advance payment of Regular Assessments. This amount shall be paid to the Association at the closing of the purchase of each Lot and shall be deposited by the Association into an account to be maintained by the Association as an Operating or General Reserve Fund for the operating expenses and capital improvements or maintenance/repair thereof. Upon acquisition of record title to a Lot from a Builder to Owner or from Owner to Owner of any *detached or attached residence a payment shall be made by such Owner in an amount equal to one-half of the annual Regular POA Assessment for such Lot* or such other amount (not to exceed 150% of the then annual Regular Assessment applicable to such Lot) as may hereafter be specified by the Board. Revisions to the Working Capital / Reserve Fund Payments may be done by Resolution of the Board and shall not require the consent or joinder of the Members.

Section 3 CREATION OF LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS. All Assessments, together with interest commencing on the due date at the rate of eighteen percent (18%) per annum or such other rate of interest as may be established from time to time by the Board of Directors (but in any event not in excess of the maximum lawful rate), costs incurred by the Association in collecting delinquent Assessments (specifically including, but not limited to, any flat charges or percentage fees charged by any third party collection agencies used by the Association if the Association elects to use a collection agency), and reasonable attorney's fees and court costs actually incurred, shall be a charge on the land and shall be secured by a continuing lien upon the land against which each Assessment

is made. Each such Assessment, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, shall also be the personal obligation of the Person who was the Owner of such land at the time the Assessment fell due. Each such Owner shall be personally liable for his or her portion of each Assessment coming due while he or she is the Owner of the land, and each Assessment thereafter coming due unless and until such Owner notifies the Association of the sale or conveyance of the land against which the Assessment is made as hereinafter provided in this **Section 3**.

In order to extinguish any Person's personal liability with regard to Assessments coming due following the sale or conveyance of the Lot owned by such Person, such Person shall be obligated to notify the Association of such Person's sale or conveyance of the Lot against which Assessments may be levied. In that regard, each Person who at any time owned any Lot in the Properties against which Assessments may be levied shall no longer be liable or responsible for payment of Assessments coming due after the date upon which such Person furnishes to the Association a copy of the executed instrument of conveyance by which fee title to the Lot previously owned by such Person was conveyed or transferred to another Person, and the mailing address of the Person to whom such Lot was conveyed or transferred. Upon receipt of such information, the Association shall cause the name and address of the new Owner to be substituted for that of the prior Owner on the records of the Association, and the prior Owner shall no longer be liable or responsible for Assessments subsequently coming due. Each Person owning a Lot against which Assessments may be made shall have the obligation to notify the Association of any change in its address, and notice of any such change shall become effective five (5) days after written notice thereof has been provided to the Association. With regard to mailing notices of Assessments payable by any Person to the Association, the Association shall be deemed to have satisfied any obligation that it might have to provide written notices or bills if the same are mailed or delivered to the Owner at the address of such Owner as reflected on the records of the Association, and no such Owner or other Person liable for the payment of any Assessment shall escape such liability or be entitled to any deferral or abatement of interest or any late charges or collection costs with regard to delinquent Assessments on the basis of such Person's failure to receive notice thereof if the Association sent such notice by regular U.S. Mail to the most recent address of the Person according to the records of the Association.

Regular Assessments shall be payable on a date specified by the Board of Directors; provided, however, the Board may, at its option, require payment of such Assessments in monthly or quarterly installments. Special Assessments shall be paid in such manner and on such date or dates as may be fixed by the Board.

Section 4 COMPUTATION. It shall be the duty of the Board to adopt a budget covering the estimated costs of operating the Association prior to each calendar year, taking into consideration any subsidy payments to be received from the Declarant and any additional property to be annexed into the jurisdiction of the Association in the forthcoming year. The budget may include one or more-line items for reserve funds (i.e. restricted, non-restricted, money market, or investment accounts), or the Board may establish multiple budgets breaking down the costs and expenses which may be attributed to certain areas within the development such as the Townhomes in an effort to help ensure the amount of assessment being levied is sufficient to maintain the areas for maintenance and repair that has been assigned to the POA. Amounts allocated to reserve funds shall be included in the Association Expenses. In the event that the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been adopted, the budget in effect for the then current year shall continue for the succeeding year. The Association Expenses shall be levied as Regular Assessments against all Lots in the Properties as provided in Section 2(a) of this Article III. **The annual per Lot Regular Assessment by the Association for the Commercial / Retail Owners shall be the greater of (a) Six Thousand and No/100 Dollars (\$6,000.00) per Lot per calendar year, or (b) such amount as shall be determined by multiplying (i) One and One-quarter and No/100 Dollars (\$1.25) (the "Base Assessment"), by (ii) the total number of square feet (or fractional portion thereof) within the applicable Lot acreage owned**

by an Owner. The Base Assessment and minimum annual Lot Regular Assessment in any year thereafter may be increased by the Board of Directors of the Association, at its sole discretion, by an amount as may be required to fund all anticipated Association Expenses reflected on the budget for the Association for such calendar year that has been approved by the Board, or by any amount once in any calendar year to fund unforeseen Association Expenses. The Board shall in good faith attempt to cause notice of the Assessments to be levied against each Owner for each year to be delivered to each Member at least thirty (30) days prior to the due date. All POA Members are required to keep their mailing addresses and contact information updated with the POA at the end of every calendar year and within ten (10) days at any time the mailing address or contact information changes.

Section 6 SPECIAL ASSESSMENTS. In addition to the other Assessments authorized herein, the Board may levy one or more special assessments in any year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, or repair or replacement of a capital improvement located upon the Common Area or within the Areas of Common Responsibility, including fixtures and personal property related thereto or for any unforeseen or unbudgeted expense; provided, however, any such special assessment must have the written consent of the Declarant during the Development Period and a per Lot special assessment in an amount greater than fifty percent (50%) of the Regular Assessment per Lot for such year must be approved by Members holding at least 51% of the voting rights of all Members by written ballot or consent or by vote taken in person or by proxy at a meeting of the Members called for such purposes.

Section 7 LIEN FOR ASSESSMENTS. All sums assessed against any property subject to this Declaration pursuant to this Declaration, together with interest, collection and other costs, and reasonable attorney's fees actually incurred, as provided herein, shall be secured by a lien on the property owned by each Owner in favor of the Association. All Persons acquiring liens or encumbrances on any property subject to this Declaration after this Declaration shall have been recorded in the real property records of Dallas County, Texas shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for Assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

Section 8 SUBORDINATION OF THE LIEN TO FIRST MORTGAGES. The lien securing the Assessments provided for herein shall be subordinate to (i) liens of ad valorem taxes and (ii) statutory liens having priority by operation of law, (iii) the lien of any first Mortgage which has been recorded in the real property records of Dallas County, Texas. Sale or transfer of any Lot subject to this Declaration shall not affect the lien hereby created; however, the sale or transfer of any Lot pursuant to foreclosure of a first Mortgage or any conveyance in lieu thereof, shall extinguish the lien of such Assessments as to payments which become due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

Section 9 EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION. Any Assessments which are not paid in full by the date specified by the Board shall be delinquent. Any delinquent Assessment shall commence to bear interest on the due date at higher of (a) the rate of eighteen percent (18%) per annum (or such other interest rate as the Board may from time to time determine) or (b) the maximum lawful rate of interest. If the Assessment is not paid when due, the lien herein retained and created against the affected Lot shall secure the Assessment due, interest thereon from the date due and payable, all costs of collection, court costs, reasonable attorney's fees actually incurred, and any other amount provided or permitted by law. In the event that the Assessment remains unpaid after ninety (90) days, the Association may, as the Board shall determine, institute suit for collection against the Owner personally obligated to pay the Assessment or foreclose the lien created and reserved hereby against the Lot of such Owner.

The Association's lien is created by recordation of this Declaration, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien shall be or is required. By acquiring a Lot, an Owner grants to the Association a power of sale in connection with the Association's lien. By written resolution, the Board of Directors of the Association may appoint, from time to time, an officer, agent, trustee, or attorney of the Association to exercise the power of sale on behalf of the Association. The Association shall exercise its power of sale pursuant to Section 51.002 of the Texas Property Code, and any applicable revision(s), amendment(s), or recodifications thereof in effect at the time of the exercise of such power of sale. The Association has the right to foreclose its lien judicially or by nonjudicial foreclosure pursuant to the power of sale created hereby. Costs of foreclosure may be added to the amount owed by the Owner to the Association. An Owner may not petition a court to set aside a sale solely because the purchase price at the foreclosure sale was insufficient to fully satisfy the Owner's debt. The Association may bid for and purchase the Lot at the foreclosure sale utilizing funds of the Association. The Association may own, lease, encumber, exchange, sell, or convey a Lot. The purchaser at any such foreclosure sale shall be entitled to sue for recovery of possession of the Lot by an action of forcible detainer without the necessity of giving any notice to the former owner or owners of the Lot sold at foreclosure. Unless otherwise provided by law, the Owner shall have no right of redemption after or resulting from a foreclosure sale of the Association's lien. Nothing herein shall prohibit the Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien. At any time before a nonjudicial foreclosure sale, an Owner of a Lot may avoid foreclosure by paying all amounts due the Association. Foreclosure of a tax lien attaching against a Lot under Chapter 32, Tax Code, shall not discharge the Association's lien under this paragraph for amounts becoming due to the Association after the date of foreclosure of the tax lien.

No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, by non-use of Common Area and/or Areas of Common Responsibility or abandonment of the Lot owned by such Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of Declarant and each other Owner.

All payments shall be applied in the following order: (1) any delinquent assessment; (2) any current assessment; (3) any attorney's fees or third-party collection costs incurred by the Association associated solely with Assessments or any other charge that could provide the basis for foreclosure; (4) any attorney's fees incurred by the Association that are not subject to the preceding clause (3); (5) any fines assessed by the Association; and (6) any other amounts owed to the Association. Notwithstanding the foregoing, if the Owner is in default under a payment plan entered into with the Association, payments shall be applied first in the following order: (1) any attorney's fees or third-party collection costs incurred by the Association associated solely with Assessments or any other charge that could provide the basis for foreclosure; (2) any attorney's fees incurred by the Association that are not subject to the preceding clause (1); (3) any delinquent assessment; (4) any current assessment; (5) any fines assessed by the Association; and (6) any other amounts owed to the Association.

Section 10 **NO ASSESSMENT OBLIGATION OF DECLARANT.** Declarant, on behalf of itself and its successors and assigns to whom its rights as Declarant expressly assigned, are hereby exempt from the obligation to pay Assessments for the Lots that Declarant owns. However, the Declarant may (but is in no way obligated to) annually elect to pay the Association the difference between the amount of Regular Assessments collected on all other Lots subject to assessment and the amount of the actual expenditures incurred to operate the Association during such calendar year (the "subsidy"). The payment

by Declarant of a subsidy in any year shall under no circumstances obligate the Declarant to pay a subsidy in a future year or years. Any subsidy may be paid by the Declarant in increments throughout the year as funds are needed by the Association.

The Declarant may also elect to make loans to the Association. In the event of a loan, the loan and interest thereon at the prime rate of interest announced from time to time by Bank of America, N A. or another bank designated by the Board at the time the loan is made plus 1% per annum, shall be payable by the Association to the Declarant from future annual Assessments collected by the Association. All loans, if any, shall be evidenced by promissory notes executed by the Association.

ARTICLE IV RIGHTS IN THE COMMON AREA AND/OR AREAS OF COMMON RESPONSIBILITY

Section 1 **OWNER'S RIGHTS OF ACCESS AND ENJOYMENT.** Subject to the further provisions of this Section, every Member shall have a right of access to and enjoyment of the Common Area and/or Areas of Common Responsibility and such right shall be appurtenant to and shall pass with the title to the Lot owned by such Member. Such rights shall be subject to the following:

(a) The Association shall have the right to charge reasonable admission and other fees for the use of any facility situated upon the Common Area and/or Areas of Common Responsibility.

(b) The Association shall have the right, without the approval of the Members, to borrow money and to mortgage, pledge, deed in trust, or hypothecate any or all of the Common Area and/or Areas of Common Responsibility as security for money borrowed or debts incurred.

(c) The Association shall have the right to take such steps as are reasonably necessary to protect the Common Area and/or Areas of Common Responsibility against foreclosure of any such mortgage.

(d) The Association shall have the right to suspend the enjoyment rights of any Member for any period during which any assessment or other amount owed by such Member to the Association remains unpaid in excess of thirty (30) days.

(e) The Association shall have the right to establish reasonable Rules and regulations governing the Members' use and enjoyment of the Common Area and/or Areas of Common Responsibility, and to suspend the enjoyment rights of any Member for any period not to exceed sixty (60) days for any infraction of such Rules and regulations.

(f) The Association shall have the right, without the approval by the Members, to sell or convey all or any part of the Common Area and/or Areas of Common Responsibility and the right, to grant or dedicate easements in portions of the Common Area and/or Areas of Common Responsibility to public or private utility companies.

(g) The Association shall have the right to enter into agreements with one or more Persons pursuant to which individuals who are not Members of the Association are granted the right to use the Common Area and/or Areas of Common Responsibility and the facilities located thereupon upon payment of such fees as may be determined by the Board.

Each Owner shall be individually responsible and assume all risk of loss associated with its use of the Common Area and/or Areas of Common Responsibility, and use by such Owner and/or Occupant, and their respective agents, employees, tenants, guests and/or invitees. Neither the Association nor

the Declarant, nor any Managing Agent engaged by the Association or Declarant, shall have any liability to any Owner or Occupant, or any of their respective agents, employees, tenants, guests and/or invitees, or to any other Person, arising out of or in connection with the use, in any manner whatsoever, of the Common Area, Areas of Common Responsibility or any Improvements comprising a part thereof from time to time. Declarant shall have no responsibility for maintenance, repair, replacement, or improvement of the Common Area or any Areas of Common Responsibility, if any, after initial construction.

Section 2 DELEGATION OF USE. Each Member shall have the right to extend his right of enjoyment to the Common Area and/or Areas of Common Responsibility to any Occupant of such Owner's Lot and/or their respective employees, agents, tenants, invitees and/or guests or other persons as may be permitted by the Association. An Owner shall be deemed to have made a delegation of all rights to use the Common Area and/or Areas of Common Responsibility to the Occupants of any leased Improvement, and such Occupant's employees, agents, tenants, invitees and/or guests.

Section 3 EASEMENTS-GENERAL. Easements for the installation and maintenance of utilities are reserved as shown and provided for on the plats or plans of the Properties and/or as dedicated by separate instruments. Neither Declarant nor any utility company or authorized political subdivision using the easements referred to herein shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, shrubbery, trees, flowers, improvements or other property of the Owner situated on the land covered by such easements as a result of construction, maintenance or repair work conducted by such parties or their assigns, agents, employees or servants.

Section 4 EASEMENTS FOR UTILITIES AND PUBLIC SERVICES.

(a) There is hereby granted to the Association, to Dallas County, to the City of Mesquite, and to any other public authority or agency, utility district, or public or private utility company, a perpetual easement upon, over, under, and across (i) the Common Area and/or Areas of Common Responsibility, and (ii) those portions of all Lots as are reasonably necessary, for the purpose of installing, replacing, repairing, maintaining, and using master television antenna and/or cable systems, security and similar systems, and all utilities, including, but not limited to, storm sewers, drainage systems and retention ponds, electrical, gas, telephone, water and sewer lines, street lights, street signs and traffic signs; provided, however, that such easements shall not unreasonably affect the ability to develop, market or the value of any Lot. To the extent possible, utility lines and facilities serving the Properties and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permitted for the providing utility company or other supplier or servicer, with respect to the portions of the Properties encumbered, (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes, or shrubbery, (iii) to excavate or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems.

(b) There is also hereby granted to Dallas County, to the City of Mesquite, and to such other governmental authority or agency as shall from time to time have jurisdiction over the Properties (or any portion thereof) with respect to law enforcement and fire protection, the perpetual, non-exclusive right and easement upon, over and across all of the Properties for purposes of performing such duties and activities related to law enforcement and fire protection in the Properties as shall be required or appropriate from time to time by such governmental authorities under applicable law.

Section 5 **EASEMENTS FOR ASSOCIATION.** There is hereby granted a general right and easement to the Association, its directors, officers, agents, and employees, including, but not limited to, any manager employed by the Association and any employees of such manager, to enter upon any Lot or any portion thereof in the performance of their respective duties or the enforcement of the provisions of this Declaration without liability for trespass. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to the Owner or Occupant of the Improvement directly affected thereby.

Section 6 **SECURITY.** THE ASSOCIATION MAY, BUT SHALL NOT BE OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTIES DESIGNED TO MAKE THE PROPERTIES SAFER THAN THEY OTHERWISE MIGHT BE. NEITHER THE ASSOCIATION, THE DECLARANT, ANY SUCCESSOR DECLARANT, NOR THEIR AGENTS SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTIES, HOWEVER, AND NEITHER THE ASSOCIATION, THE DECLARANT, ANY SUCCESSOR DECLARANT, NOR THEIR AGENTS SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS, DECLARANT, ANY SUCCESSOR DECLARANT, THE ARC AND THEIR AGENTS DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE DECLARANT OR THE ARC MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED EACH OWNER AND OCCUPANT OF ANY LOT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE ARC, THE DECLARANT, ANY SUCCESSOR DECLARANT AND THEIR AGENTS ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS AND TO THE CONTENTS OF LOTS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE ARC, THE DECLARANT, OR ANY SUCCESSOR DECLARANT AND THEIR AGENTS HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTIES.

Section 7 **RIGHTS OF DECLARANTS DURING DEVELOPMENT PERIOD.** Notwithstanding any provisions contained in this Declaration, during the Development Period it shall be expressly permissible for such Declarant and any Owner approved by such Declarant to maintain upon such portion of the Properties as such Declarant may deem necessary, such facilities, and carry on such activities as in the sole opinion of such Declarant may be required, convenient, or incidental to such Declarant's and such Owner's development, construction, and sales activities related to their properties, including, but without limitation, the right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Properties, the right to carry on sales and promotional activities in the Properties; the right to

place signs in the Common Area and/or Areas of Common Responsibility and in road rights-of-way within the Properties, and the right to construct and operate business offices, construction trailers, information, leasing and/or sales offices. The Declarants and any such Owner may use Improvements as sales or leasing offices and construction offices.

ARTICLE V INSURANCE

Section 1 **INSURANCE.** The Association's Board of Directors, or its duly authorized agent, shall obtain blanket all-risk casualty insurance for all insurable Improvements on the Common Area and/or Areas of Common Responsibility, or if blanket all-risk coverage is not reasonably available, an insurance policy providing fire and extended coverage. Such insurance policies shall be in such amount or amounts as the Board of Directors deems appropriate.

The Board may also obtain a public liability policy covering the Common Area and/or Areas of Common Responsibility, insuring the Association and its Members for all damages or injury caused by the negligence of the Association, its agents, the Members or Occupants, in such amount as the Board deems appropriate. Any Managing Agent of the Association shall be named as additional insured on such liability policy obtained by the Association

Premiums for all insurance on the Common Area and/or Areas of Common Responsibility shall be Association Expenses and shall be included in the Regular Assessments. In addition to the other insurance discussed in this Section, the Board may also obtain, as an Association Expense payable from Regular Assessments, (i) worker's compensation insurance, and the Board shall obtain such insurance if and to the extent required by law, (ii) directors' and officers' liability coverage, and (iii) a fidelity bond or fidelity insurance on directors, officers, employees, and other Persons handling or responsible for the Association's funds, including, without limit the Managing Agent (if any).

Section 2 **DAMAGE AND DESTRUCTION.** Immediately after damage or destruction by fire or other casualty of all or any part of the property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and the repair or reconstruction of the damaged or destroyed property, to the extent insurance proceeds are available for such purpose. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition which existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. In the event that insurance proceeds are unavailable to repair or reconstruct the Common Area and/or Areas of Common Responsibility, the damaged or destroyed property shall be restored to its natural state. If insurance proceeds are insufficient to cover a repair or reconstruction, the Board may levy a Special Assessment to cover the shortfall, subject to the requirements of Section 5 of Article III above.

ARTICLE VI ARCHITECTURAL STANDARDS AND RESTRICTIONS

Section 1 **PURPOSE.** In order to preserve the natural setting and beauty of the Properties, to establish and preserve a harmonious and aesthetically pleasing design for the Iron Horse Village Commercial project and to protect and promote the value of the Properties, the Lots shall be subject to the restrictions set forth in this Article VI, the Design Guidelines (which may include Landscaping Guidelines). Every grantee of any interest in a Lot by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article.

Section 2 **ARCHITECTURAL REVIEW COMMITTEE.** There is hereby established the Architectural Review Committee (sometimes hereinafter called the "**ARC**"), which shall have exclusive jurisdiction over all original construction on the Lots and over modifications, additions, or alterations made on or to the Improvements on the Lots. The ARC shall (i) adopt the Design Guidelines (which may include Landscaping Guidelines) and (ii) establish application and review procedures for plans and specifications. The ARC shall make the Design Guidelines available to Owners and/or Builders who seek to engage in development of or construction upon a Lot and who shall conduct their operations strictly in accordance therewith. Review Committee is entitled to charge fees for the review of an application and the processing thereof.

The ARC shall consist of a minimum of three (3) and a maximum of five (5) members. Until the expiration of the Development Period, the Declarant shall have the right to appoint all members of the ARC as well as the right to remove any member(s) from or add any member(s) to the Board. There shall be no surrender of this right prior to that time, except by a written instrument executed by Declarant and recorded in the real property records of Dallas County, Texas. Following the expiration of such right, the Board of Directors shall appoint the members of the ARC. The ARC is authorized, but not obligated, to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the ARC in performing its functions set forth herein.

After the Development and/or Declarant Control Period The Board of Directors shall have the right, but not the obligation, at any time to create a separate committee known as the "**Modifications Committee**" to perform the obligations of the ARC hereinafter specified with respect to the review of plans for the alteration or modification of the improvements on a Lot after construction of the initial improvements. Any such committee, if established, should consist of at least one member from the commercial / retail Lots as well as one member from the residential Lots. Should there not be an Owner from the commercial / retail or the residential Lots that desires to serve, the Board is under no obligation and may appoint any member of their choosing. The Board shall also have the right to abolish such committee at any time. In the event such committee is created it shall consist of three (3) members appointed by the Board and the Board shall have the power to remove a member at any time. In the event a Modifications Committee is created, such committee shall have all of the duties and powers granted to the ARC in this Declaration with respect to the alteration or modification of improvements on a Lot in the Properties unless or until the Board determines there should no longer be two (2) separate committees and abolishes the Modifications Committee, in which event all such duties and powers shall thereafter be restored to the ARC.

Section 3 **ARCHITECTURAL APPROVAL.** To preserve the architectural and aesthetic appearance of the Iron Horse Village Commercial project, no construction of improvements, on any commercial, retail, or residential Lot, including landscaping, or modifications, additions, or alterations to existing improvements, shall be commenced or maintained by any Owner with respect to any Lot in the Properties, including, without limitation, the construction or installation of sidewalks, driveways, parking areas, signage, landscaping, awnings, walls, fences, exterior lights, or accessory buildings, nor shall any exterior addition to or change or alteration be made to any improvements (including, without limitation, painting or staining of any exterior surface, including fences), until two (2) copies of the plans and specifications and related data (including, if required by the ARC, a survey showing the location of trees of three (3) inches or more in diameter at a height of twelve (12) inches above the ground and other significant vegetation on such Lot) showing the nature, color, type, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the ARC including, without limitation, approval as to the compliance of such plans and specifications with this Declaration and the Design Guidelines, and the harmony of external design, location, and appearance in relation to surrounding structures and topography. One copy of such plans, specifications, and related data so submitted shall be retained in the records of the ARC, and the other copy shall be returned to the Owner marked "approved," "approved with conditions as noted," or "disapproved." The ARC may, at its sole discretion, allow plans to be submitted

via e-mail or an online submission program. The ARC may establish a reasonable fee sufficient to cover the expense of hosting an online submission program as well as reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his improvements, or to paint the interior of the improvements on his property any color desired. The ARC shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association and shall use reasonable efforts to give its approval or disapproval of plans and specifications within **thirty (30) days** after submission of all items required. The failure of such committee to respond within such period shall be **deemed to be disapproved** unless written approval is thereafter given.

NO VERBAL APPROVALS AND NO ASSUMED APPROVAL SHALL EVER BE ALLOWED OR CONSIDERED VALID. IF YOU DON'T RECEIVE A WRITTEN APPROVAL FROM THE ARC- IT IS NOT APPROVED.

Upon approval of plans and specifications, no further approval under this **Article VI** shall be required with respect thereto, unless construction has not substantially commenced within one (1) year of the approval of such plans and specifications (e.g. clearing and grading, pouring of footings, etc.) or unless such plans and specifications are materially altered or changed. The ARC may disapprove plans and specifications for any reason which is consistent with the objects and purposes of this Declaration as determined by the ARC from time to time, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious.

Section 5 **LANDSCAPING APPROVAL.** To preserve the aesthetic appearance of the Iron Horse Village Commercial project, no landscaping, grading or excavation shall be implemented and installed on a Lot in the Properties unless and until the plans therefor have been submitted to and approved in writing by the ARC. In the installation of landscaping and maintenance of his Lot, each Owner shall comply with the Landscaping Guidelines and/or Applicable Zoning, and the Commercial Property Landscape Standards adopted by the City of Mesquite Texas.

Section 6 **APPROVAL NOT A GUARANTEE OR VARIANCE.** The review and approval of plans pursuant to this Article is made on the basis of aesthetic considerations only and no approval of plans and specifications and no publication of the Design Guidelines shall be construed as representing or implying that such plans, specifications, or guidelines will, if followed, result in properly designed improvements. Such approvals and Design Guidelines shall in no event be construed as representing or guaranteeing that any improvements built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, the Declarants, the Association, the ARC, nor any of their respective officers, partners, directors or members, shall be responsible or liable in damages or otherwise to any Person who submits plans for approval by reason of mistake of judgment, negligence or nonfeasance arising out of the approval or disapproval of any plans or specifications, any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances and regulations, nor any defects in construction undertaken pursuant to such plans and specifications. The purpose of such reviews primarily seeks to conform the aesthetic appearances of development within the Properties. In addition, the approval of plans pursuant to this Article shall not be deemed to be a variance from the specific restrictions of this Declaration or the Design Guidelines. All variances must be issued in accordance with the provisions of **Section 8** of this Article.

Section 7 **RIGHT TO INSPECT.** Any member of the Board of Directors or the ARC and their representatives shall have the right, but not the obligation during reasonable hours to enter upon and inspect any Lot with respect to which construction is underway to determine whether or not the plans and specifications therefor have been approved and are being complied with. Such Person or Persons shall not

be deemed guilty of trespass by reason of such entry. In the event the ARC shall determine that such plans and specifications have not been approved or are not being complied with, the ARC shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications. In addition to any other remedies available to the Association, the Board may record in the appropriate land records a notice of violation naming the violating Owner.

Section 8 NO WAIVER OF FUTURE APPROVALS. The approval by the ARC of any plans and specifications for any work done or proposed, or in connection with any other matter requiring the approval and consent of such committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

Section 9 VARIANCES. The ARC may grant variances from compliance with the restrictions of this Declaration and from any of the Design Guidelines when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted Rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, or (b) estop the ARC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing, shall not be considered a hardship warranting a variance. Variances for residential Lots shall require the approval of the POA and the HOA to be valid.

ARTICLE VII SPECIFIC USE RESTRICTIONS

Section 1 PERMITTED USE. Each and every Lot in the Properties is hereby restricted to one (1) primary commercial or retail structure and approved outbuildings and improvements, and for uses permitted under the Applicable Zoning. No Owner shall be permitted to modify, amend or otherwise alter the Applicable Zoning for the Properties without the prior written consent of each Owner, and during the Development Period, the prior written consent of Declarant. Each Owner, Occupant or other user of any portion of the Property at all times shall comply in every respect with this Declaration and with any and all laws, ordinances, policies, rules, regulations and orders of all federal, state, county and municipal governments or their agencies having jurisdictional control over the Property, specifically including, but not limited to, the Applicable Zoning. **IN SOME INSTANCES, GOVERNMENTAL REQUIREMENTS MAY BE MORE OR LESS RESTRICTIVE THAN THE PROVISIONS OF THIS DECLARATION. IN THE EVENT A CONFLICT EXISTS BETWEEN ANY SUCH PUBLIC REQUIREMENT AND ANY REQUIREMENT OF THIS DECLARATION, THE MOST RESTRICTIVE REQUIREMENT SHALL PREVAIL. WHERE A GOVERNMENTAL REQUIREMENT DOES NOT CLEARLY CONFLICT WITH THE PROVISIONS OF THIS DECLARATION BUT PERMITS ACTION THAT IS DIFFERENT FROM THAT REQUIRED BY THIS DECLARATION, THE PROVISIONS OF THIS DECLARATION SHALL PREVAIL.** All portions of the Properties shall be developed in accordance with this Declaration as such may be amended as herein provided. The provisions of this Article VII set forth certain requirements which in addition to the other provisions of this Declaration, shall apply with respect to the development and use of the Properties.

Section 2 PARKING SPACES, ACCESS DRIVES AND SIDEWALKS. Each Lot must include the minimum number of parking spaces required under Applicable Zoning or other applicable governmental rules, regulations and ordinances for the intended use of the Improvements within such Owner's Lot, or the Owner of such Lot may enter into easement or similar agreements for the use of parking

spaces within adjacent land, to the extent permitted under Applicable Zoning or otherwise by the City, to meet the minimum parking space requirement for such Owner's Improvements on it Lot. Each Owner shall construct and maintain at its sole cost and expense surface parking and access drives within such Owner's Lot, and the Owner shall repair at its sole cost and expense any damage to the Street or Street curb occasioned by connecting the access drives within its Lot thereto. Each Owner shall also construct and maintain at its sole cost and expense a sidewalk along the perimeter of its Lot as may be required under Applicable Zoning or otherwise in accordance with the Design Guidelines.

Section 3 **ANTENNAE AND TOWERS.** Towers, tower antennae and satellite receiving and transmitting equipment shall be permitted on a Lot only with advance written approval of Declarant during the Development Period, and thereafter by the Board of Directors.

Section 4 **RENTING OR LEASING.** Improvements may be rented or leased only by written leases and subject to the restriction that all tenants shall be subject to the terms and conditions of this Declaration and the Declaration of the sub-association and the Rules and regulations promulgated by the Association as though such tenant were an Owner. Each Owner of an Improvement agrees to cause his tenants to comply with this Declaration and the Rules and regulations promulgated pursuant hereto, and is responsible and liable for all violations and losses caused by such tenants, notwithstanding the fact that such tenants are fully liable for any such violation. All provisions of this Declaration and of any Rules and regulations promulgated pursuant hereto which govern the conduct of Owners of Improvements and which provide for sanctions against Owners shall also apply to all Occupants of any Improvement even though such Occupants are not specifically mentioned. Each Owner who leases its Improvements shall provide the Association with the name of his tenant and a mailing address where such Owner can be contacted at all times. No rule or regulation may prohibit the Declarant or a Builder from marketing homes for sale to investors for the purpose of renting or leasing. *During the Declarant Control and/or Development Period, No rule or regulation in regard to renting or leasing shall be adopted without the Declarant's written consent and shall not be enforceable against the Declarant or any Builder. If Declarant or a Builder sells a Lot to an investor that Investor (the "initial purchaser") shall be excluded from any enforcement rules with regard renting or leasing. The residential sub-association shall have no enforcement power over Declarant, a Builder, or an Investor who is the initial purchaser of a Lot.* However, if the Investor sells the Lot, the exclusion protection afforded the investor becomes void upon sale or transfer of the Lot and the new Owner shall be subject to all rules and regulations for renting or leasing of homes which may be in effect or which may thereafter, be adopted by the Board of the POA or the sub-association.

DISPOSAL OF TRASH. No trash, rubbish, garbage, manure, debris, or offensive material of any kind shall be kept or allowed to remain on any Lot, nor shall any Lot be used or maintained as a dumping ground for such materials. All such matter shall be placed in sanitary refuse containers constructed of metal, plastic or masonry materials with tight fitting sanitary covers or lids and placed in an area adequately screened from public view by planting or fencing. All rubbish, trash, and garbage shall be regularly removed and not allowed to accumulate. Equipment used for the temporary storage and/or disposal of such material prior to removal shall be kept in a clean and sanitary condition and shall comply with all current laws and regulations and those which may be promulgated in the future by any federal, state, county, municipal or other governmental body with regard to environmental quality and waste disposal. In a manner consistent with good housekeeping, the Owner of each Lot shall remove such prohibited matter from his Lot at regular intervals at his expense.

Section 6 **DRAINAGE.** Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or Occupant of a Lot may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers or storm drains.

Section 7 **TEMPORARY BUILDINGS.** Temporary buildings or structures shall not be permitted on any Lot; provided, however, Declarant may permit temporary toilet facilities, sales, leasing and construction offices and storage buildings to be used by Builders in connection with the construction and sale of Improvements and by contractors performing land development activities within the Properties for Declarant.

Section 8 **GRASS AND SHRUBBERY; WALLS AND FENCING.** (a) The Owner of each Lot shall landscape the areas of his Lot in accordance with the Landscaping Guidelines. Grass and weeds shall be kept mowed to prevent unsightly appearance, and all curbs, roadways, drives, and walkways shall be kept edged. Dead or damaged trees and shrubbery shall be promptly removed or replaced, and if not removed by the Owner upon request, then the Association may remove or cause to be removed such trees or shrubbery at the Owner's expense and shall not be liable for damage caused by such removal. The Association may, at its option, plant and install shrubbery and other screening devices around boxes, transformers and other aboveground utility equipment located on the Lots, and mow and maintain the grass, shrubbery or other screening devices around such utility equipment. The Association shall have the right to enter upon the Lots for such purposes.

(b) The masonry walls and decorative fencing that are included in the Common Areas and/or Area of Common Responsibility to be maintained by the Association shall be located within two and one-half foot (2.5') of the common boundary line between the Property and the adjacent residential subdivision project, and Declarant hereby dedicates and reserves for the benefit of the Association a masonry wall easement over such area as part of the Common Area for maintenance accessibility.

Section 9 **TRAFFIC SIGHT AREAS.** All Lots located at Street intersections shall be landscaped so as to permit safe sight across the Street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where this would create a traffic or sight problem.

Section 10 **PRIVATE UTILITY LINES.** All electrical, telephone, and other utility lines and facilities which are located on a Lot and are not owned by a governmental entity or a public utility company shall be installed underground unless otherwise approved in writing by the ARC.

Section 11 **ROOFTOP ELEMENTS.** All equipment mounted on the roof of any Improvements that are located on any Lot shall be completely screened on all sides with materials compatible with the exterior surface of said Improvements.

Section 12 **SIGNAGE.** All signage, including temporary signage and monument signage, shall conform to the signage reflected on plans submitted to and approved by the ARC pursuant to **ARTICLE VI** above or shall otherwise be approved by the ARC, such approval regarding signage not to be unreasonably withheld or delayed. Unless otherwise approved by the ARC, no sign of a flashing or moving character shall be permitted and no sign shall be painted on the wall(s) of any Improvements.

In addition to any other remedies provided for herein, the Board of Directors or its duly authorized agent shall have the power to enter upon a Lot to remove any sign which violates this Section provided the violating Owner has been given forty-eight (48) hours written notice by the Board of Directors of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments.

Section 13 **PROHIBITED ACTIVITIES.** No unreasonably dangerous, noxious, offensive or nuisance activities, as reasonably determined by the Declarant, or any activities which violate any applicable laws shall be conducted or permitted to occur by any Owner or its agents, employees, contractors,

occupants or invitees on any portion of the Property. No operation or use of any portion of the Property shall be permitted or maintained by any Owner or its agents, employees, contractors, occupants or invitees that causes or produces noise or sound that is unreasonable because of its volume, duration, frequency or shrillness, smoke, noxious, toxic or corrosive fumes or gases, obnoxious odors, dust or dirt or unusual fire or explosion hazards. The above prohibitions are in addition to those set forth in **ARTICLE VII Section 1** above and **ARTICLE VII Section 14** below.

Section 13.1 SOUND TRANSMISSION DISCLAIMER. Each Owner, by acceptance of a deed or other conveyance of their Unit or residential Lot, hereby acknowledges and agrees that sound and impact noise transmission in structures such as, but not limited to, buildings, townhome or condominium buildings, as well as homes built in close quarters to one another is very difficult to control, and that noises from adjoining or nearby units or residential Lots and the surrounding development and/or mechanical equipment can and will be heard in units or in residential Lots. Declarant, the Association, the Board of Directors, as well as any Agent, Successor or Assign does not make any representation or warranty as to the level of sound or impact noise transmission between and among units or residential Lots or any other portion of the property, and each Owner hereby waives and expressly releases, to the extent not prohibited by applicable law as of the date of the Declaration, any such warranty and claim for loss or damages resulting from sound or impact noise transmission. This would include, but is in no way limited to, normal sounds expected to be heard in a residential community such as car horns, vehicle engines, construction and/or landscape work, community or private functions, as well as animals such as barking, howling, screeching or other sounds normally heard from dogs or cats. Owners in townhomes or condominiums may expect to hear the use of normal household appliances or equipment and each Owner, regardless of unit or Lot type, by acceptance of a deed or other conveyance of their unit or residential Lot does hereby acknowledge and agrees that complaints of this nature shall be deemed a neighbor to neighbor issue and Owners will be encouraged to resolve such issues among themselves. The Board of Directors shall decide if any complaint warrants further investigation and enforcement notwithstanding, under the provisions of this disclaimer, any participation of the Board or a Managing Agent in such matters shall be to take the position of mediator in an effort to help Owners resolve such issues as promptly as possible.

Section 14 PROHIBITED USES. Without limiting the generality of **Section 13** above, the following uses are prohibited on the Property:

- (a) Any uses prohibited under Applicable Zoning;
- (b) a junk yard, salvage yard or abandoned vehicle operation;
- (c) dumping, disposal, incineration or reduction of garbage or refuse of any nature, other than garbage or refuse produced on a Lot;
- (d) smelting of iron, tin, zinc or other ore;
- (e) landfill;
- (f) pawn shop;
- (g) used automobile dealership;
- (h) massage parlor;

(i) sexually oriented business such as, but not limited to, x-rated movie or video sales, theater or rental facility, nude modeling studio, lounge or club featuring nude or semi-nude entertainers or escort service;

(j) slaughterhouse or plant for the rendering of animal substances;

(k) overnight parking or storage of campers, mobile homes, boats or motor homes except in covered or enclosed areas, other than when such parking or storage is an integral part of the regular business conducted at a Lot;

(l) dance hall;

(m) bar, tavern, nightclub or cocktail lounge, except a bar or cocktail lounge shall be permitted in a restaurant which provides seating for substantially all of its customers and the gross revenues from the sale of alcoholic beverages from any such restaurant do not exceed thirty percent (30%) of the gross revenue from all sources of such restaurant. The occupant of such restaurant shall provide Declarant within thirty (30) days after the written request of Declarant an annual written statement of gross revenues with the annual revenues attributable to the sale of alcoholic beverages segregated;

(n) tattoo parlor;

(o) dry-cleaning establishment with on-site processing except if the on-site processing uses methods and chemicals approved by the Environmental Protection Agency;

(p) pool or billiard parlor;

(q) crematorium;

(r) cemetery;

(s) arcade or game room (provided, however, a restaurant or other facility not prohibited hereunder which contains no more than four (4) electronic games shall not be deemed to violate this prohibition). Furthermore, a pizza parlor or like establishment which is comparable to a "Peter Piper Pizza" establishment or a "Chuckie Cheese Pizza" establishment in which electronic games are incidental to the providing of food service shall not be deemed to violate this prohibition;

(t) warehouse or storage facility except as approved in writing by Declarant;

(u) refining or storage of petroleum or of its products; drilling for and/or removal of oil, gas or other hydrocarbon substances (Declarant hereby agreeing and stipulating that a retail gasoline station or retail automotive service and oil change facility shall not be deemed a prohibited use under this item (t));

(v) any trailer court, mobile home park, lot for sale of new or used motor vehicles, labor camp, stock yard or animal raising (other than pet shops and veterinarian clinics or veterinarian hospitals, provided such facilities have no provision for keeping animals overnight and otherwise comply with the provisions hereof);

(w) industrial use; the treatment of raw products in factories; the processing and converting of raw, unfinished or finished materials or products, or any of these into an article or substance of different character, or for use for a different character; or for use for a different purpose; industries furnishing labor in the case of manufacturing or the refinishing of manufactured articles; any use for which a trucking operation (requiring or resulting in the parking or maintenance of trucks is conducted);

(x) manufacturing use; use of the Property as the site of a building or group of buildings designed and/or operated for the primary purpose of manufacturing;

(y) any carnival or other form of outdoor sports, outdoor recreation, or outdoor entertainment use (provided, however, in no event shall this prohibition extend to an indoor sports indoor recreation or indoor entertainment use in permanently constructed buildings on the Property);

(z) any use which involves any unusual firing, explosives, or other dangerous or damaging hazards (including the storage, display, or sale of explosives or fireworks);

(aa) any fire sale, bankruptcy sale (unless pursuant to a court order), or auction house operation;

(bb) any type of "flea market" or "tent" sale; and

(cc) any "second hand" store or Army, Navy, or governmental type "surplus store", except resale shops which merchandise and sell used products in a first-class fashion; provided, however, that no goods or products may be sold or store outside the Building;

(dd) any lumber yard or building supply business utilizing outside storage unless all sales are retain and all equipment and materials are covered by a roof and enclosed on at least one (1) side; provided this subparagraph (cc) shall not be applied to Home Depot, Lowe's, Southerlands or other type of business approved by Declarant.

Written approval by Declarant of a particular use shall be conclusive evidence of compliance with this Declaration to the extent that such use is not a violation of any applicable federal, state and local laws, statutes, ordinances, rules and regulations, and by granting any such approval Declarant shall not be construed as making any representation, warranty or statement regarding whether such use complies or would comply in any respect with applicable Legal Requirements.

Section 15 **OWNER'S MAINTENANCE.** Each Owner and Occupant of a Lot shall at all times be obligated to maintain his property and all Improvements thereupon as well as the area between the boundary lines of his Lot and the curb or edge of the pavement of the adjacent Streets, so as to keep same in a clean, sightly and safe condition and to conform with the requirements under Applicable Zoning, Landscaping Guidelines and any specific standards which the Board of Directors may adopt by resolution for the Properties. Unless expressly assumed by the Association, an Owner's maintenance obligation shall include, but not be limited to, the maintenance of all visible exterior surfaces of all buildings and other improvements, including fences; the prompt removal of all paper, debris, and refuse, the removal and replacement of dead and diseased trees and plantings; the repair, replacement, cleaning and re-lamping of all signs and lighting fixtures, the mowing, watering, fertilizing, weeding, replanting and replacing of all approved landscaping; and, during construction, the cleaning of dirt, construction debris and other construction-related refuse from Streets and storm drains and inlets. *The responsibilities of the Owner of each Lot hereunder shall also include the obligation to maintain, repair and replace when necessary any*

public sidewalk along the front of the Lot and along the side on corner Lots, which is constructed either within the right-of-way of the adjacent Street or within an easement across the Lot, and the Street curb. In the event an Owner fails to maintain his Lot and such adjacent property as specified above, the Association shall have the right, but not the obligation, to enter upon the applicable Lot to perform the necessary work as more specifically set forth in **Section 8 of Article X** hereof.

Section 16 DAMAGE AND DESTRUCTION OF IMPROVEMENTS. Each Owner shall maintain, at their expense, casualty insurance on their Improvement in an amount not less than the replacement cost. In the event an Improvement shall be partially or entirely destroyed by fire or other casualty, such Improvement shall either be repaired and restored within a reasonable period of time or demolished and the Lot landscaped so that no damaged portion of the former structure remains visible. Subject only to the rights of the holder of a first Mortgage lien on a damaged or destroyed Improvements, the insurance proceeds from any insurance policy covering a damaged or destroyed Improvement shall be first applied to such repair, restoration or replacement of such Improvements, or to the demolition of such Improvements (including, without limitation, landscaping) of such Lot. Each Owner shall be responsible for the repair, restoration, replacement or demolition of the Improvement owned by such Owner pursuant to the terms of this Declaration. Any such repair, restoration or replacement shall (subject to advances and changes in construction techniques and materials generally used in such construction and then current generally accepted design criteria) be in accordance with the plans and specifications for the original construction of the Improvement unless otherwise approved by the ARC. If the proceeds of the insurance available to the Owner of a damaged Improvement are insufficient to pay for the cost of repair, restoration or replacement following a casualty (or demolition and landscaping if the Improvements are to be demolished), the Owner of such Improvement shall be responsible for the payment of any such deficiency necessary to complete the repair, restoration, replacement or demolition.

Section 17 NO MINERAL OPERATIONS. No derrick or other structures designed for the use in boring for oil or natural gas or other minerals shall be erected, maintained, or permitted upon any Lot, nor shall any tanks be permitted upon any Lot. No portion of any Lot shall be used for the purpose of blasting, mining, quarrying, drilling, boring or exploring for or removing water, oil, gas or other hydrocarbons, minerals, rocks, stones, sand, gravel or earth.

Section 18 OUTSIDE STORAGE BUILDINGS. Temporary structures may be used as building offices and other related purposes by Declarant or a Builder. The ARC shall be entitled to review and approve or disapprove, without limitation, all outbuildings and storage structures located within a Lot. Any such outbuilding will be required to be constructed with material and design that is determined by the ARC to be architecturally and aesthetically compatible with the design of the Improvements located on the applicable Lot and other structures within nearby property.

ARTICLE VIII ANNEXATION OF ADDITIONAL PROPERTY AND DEANNEXATION

Section 1 UNILATERAL ANNEXATION BY DECLARANT. Declarant, as the owner thereof or, if not the owner, with the consent of the owner thereof, shall have the unilateral right, privilege, and option, but not the obligation, at any time and from time to time to annex additional real property within the Iron Horse Village Commercial project or in the vicinity of such project to the jurisdiction of the Association by filing for record a declaration of annexation instrument or Supplemental Declaration in respect to the property being annexed which subjects the Lots within the annexed property to assessment by the Association on a uniform basis with all other Lots within the Association's jurisdiction. Any such

annexation shall be effective as to the property described therein upon the filing for record of such declaration of annexation or Supplemental Declaration unless otherwise provided therein.

The right reserved by the Declarants to annex additional land shall not be implied or construed so as to impose an obligation upon any Declarant to subject any property it now owns or may own in the future to this Declaration or to the jurisdiction of the Association. If additional land is not annexed, the Declarants have no obligation to impose any covenants and restrictions similar to those contained herein upon such land nor shall anything contained herein be construed to limit or restrict the use to which such land may be put by the Declarants or by any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

Section 2 OTHER ANNEXATIONS. With the consent of the Owner thereof, the Association may annex other real property to the jurisdiction of the Association. Such annexation shall require the affirmative vote of Members holding a majority of the voting rights taken by written consent or ballot, or by vote at a meeting in person or by proxy called for such purpose, and of the Declarant during the Development Period. Annexation shall be accomplished by filing of record in the real property records of Dallas County, Texas, an annexation agreement describing the property being annexed. Such annexation agreement shall be signed by the President and the Secretary of the Association, and by the owner of the property being annexed, and any such annexation shall be effective upon filing unless otherwise provided therein.

Section 3 RIGHTS OF OWNERS OF ANNEXED AREA. The Owners of land in annexed property shall be entitled to use the Common Area and/or Areas of Common Responsibility in the same manner and to the same extent of the Owners of all other property subject to the jurisdiction of the Association. Annexed property shall be impressed with and subject to Assessments imposed hereby on a uniform basis, consistent with provisions of this Declaration.

Section 4 DEANNEXATIONS. Without the approval of any other Owners or Members, each of the Declarants shall have the right to de-annex and remove any portion of the Properties which is not yet developed with building improvements at the time of de-annexation from the provisions of this Declaration and the jurisdiction of the Association. Such de-annexation shall be accomplished by the execution and filing for record an instrument setting forth the land being de-annexed.

ARTICLE IX MORTGAGEE PROVISIONS

The following provisions are for the benefit of the holders of Mortgages. To the extent applicable, necessary or proper, the provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained herein or therein.

Section 1 NOTICES OF ACTION. A Mortgagee who provides written request to the Association (such request to state the name and address of such holder, insurer or guarantor and the description of the affected property), will be entitled to timely written notice of:

- (a) any proposed termination of the Association;
- (b) any condemnation loss or any casualty loss which affects the property on which there is a mortgage or deed of trust held, insured, or guaranteed by such Mortgagee; or

(c) any delinquency in the payment of Assessments or charges owed by an Owner of the property subject to the Mortgage of such Mortgagee, where such delinquency has continued for a period of sixty (60) days.

Section 2 **NO PRIORITY.** No provision of this Declaration gives or shall be construed as giving any Owner or other party priority over any rights of the Mortgagees in the case of distribution of insurance proceeds or condemnation awards for losses to or a taking of the Common Area and/or Areas of Common Responsibility.

Section 3 **NOTICE TO ASSOCIATION.** Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's property.

ARTICLE X GENERAL PROVISIONS

Section 1 **TERM.** Unless sooner terminated or amended in accordance with the further provisions hereof, the provisions of this Declaration shall run with and bind the land and shall be and remain in effect for a period of forty (40) years after the date that this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by the Owners holding not less than ninety percent (90%) of the voting rights of Members of the Association (and Declarant during the Development Period) subject to the provisions hereof agreeing to terminate this Declaration has been recorded within the year immediately preceding the beginning of a ten (10) year renewal period, in which case this Declaration shall terminate at the end of its original term or the applicable extension period. Every purchaser or grantee of any interest in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that the provisions of this Declaration may be extended and renewed as provided in this Section.

Section 2 **SEVERABILITY.** Invalidation of any one of these covenants by judgment or other court order shall in no wise affect any other provisions, which shall remain in full force and effect except as to any terms and provisions which are invalidated.

Section 3 **GENDER AND GRAMMAR.** The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations (or other entities) or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

Section 4 **TITLES.** The titles of this Declaration of Articles and Sections contained herein are included for convenience only and shall not be used to construe, interpret, or limit the meaning of any term or provision contained in this Declaration.

Section 5 **AMENDMENT.** This Declaration may be amended unilaterally at any time and from time to time by Declarant during the Development Period for any reason including, without limitation, (a) to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) to enable any governmental agency or reputable private insurance company to insure mortgage loans on the property subject to this Declaration; or (c) to correct any errors or omissions hereto.

In addition to the amendments described above, this Declaration may be amended at any time by an instrument signed by Members holding sixty-seven percent (67%) of voting rights and, until the termination of the Development Period, the Declarant; provided, however, no amendment may remove,

revoke, or modify any right or privilege of Declarant without the written consent of Declarant. Any amendment to this Declaration must be recorded in the real property records of Dallas County, Texas.

Section 6 SUBASSOCIATION. Declarant reserves the right to record one or more Supplemental Declarations with respect to the Initial Property which may provide for the establishment of one or more Sub-association(s) to be comprised of Owners within the area subject to such Supplemental Declaration. Any Supplemental Declaration may provide its own procedure for the regulation of the Sub-association area and amendment, modification or supplementation of any provision thereof. All land, Lots, improvements and uses in each area so developed shall be subject to both this Declaration and the Supplemental Declaration for that area.

Section 7 MERGER AND CONSOLIDATION. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same or similar purposes, the Association's properties, rights, and obligations may be transferred to the surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions established by this Declaration, together with the covenants, conditions and restrictions applicable to the properties of the other association as one scheme. No merger or consolidation shall be permitted except with the approval of Members holding one hundred percent (100%) of voting rights by written ballot or consent, or by vote taken in person or by proxy at a meeting called for such purpose and, until the termination of the Development Period, the Declarant.

Section 8 DISSOLUTION. The Association may be dissolved with the approval of Members holding one hundred percent (100%) of voting rights by written ballot or consent, or by vote taken in person or by proxy at a meeting called for such purpose and, until the termination of the Development Period, the Declarant. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

Section 9 ENFORCEMENT. Each Owner and Occupant shall comply strictly with the covenants, conditions, and restrictions set forth in this Declaration, as may be amended from time to time, and with the Rules and regulations adopted by the Board. The Board may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration or the Rules and regulations shall be grounds for an action to recover sums due for damages, injunctive relief, or any other remedy available at law or in equity, maintainable by the Board, on behalf of the Association, or by any Owner of a portion of the Properties. Failure of the Board or any other Person to enforce any of the provisions herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall also have the right to enforce, by any proceeding at law or in equity, any other restrictions, conditions, covenants and liens imposed upon any portion of the Properties which by the terms of the instrument creating same grant the Association the power to enforce same, and failure of the Association to enforce such provisions shall in no event be deemed a waiver of the right to do so thereafter. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Lot to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates this Declaration or the Design Guidelines. Except in the case of emergency situations, and as otherwise specified herein, the Association shall give the violating Owner one (1) notice of not less than five (5) days of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments.

Section 11 **RIGHT OF ENTRY.** The Association shall have the right, but not the obligation, to enter into any Lot for emergency, security, and safety reasons, and to inspect for the purpose of ensuring compliance with this Declaration, the By-Laws, and the Association's Rules, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after request by the Board.

Section 12 **NOTICE OF SALE OR TRANSFER OF TITLE. Resales are required.** In the event that an Owner sells or otherwise transfers title to his or her Lot, as specified in **Section 3 of Article III** such Owner shall provide the Association with a copy of the executed instrument of conveyance and give the Association written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Association, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of Assessments, notwithstanding the transfer of title to the Lot. The Board may require payment of a transfer fee to the Association to defray the costs incurred in changing its records to reflect the new Owner of a Lot. Additionally, the Managing Agent may, and probably will, have fees, which will be charged to an Owner for the transfer of a significant estate or fee simple title to a Lot and the issuance of a resale certificate, which fees shall not exceed \$750.00 in the aggregate per Lot per transfer. The Association or its Managing Agent shall not be required to issue a resale certificate until payment for the cost thereof has been received by the Association or its Managing Agent. Transfer fees and fees for the issuance of a resale certificate are not refundable and may not be regarded as a prepayment of or credit against Assessments levied hereunder, and are in addition to any contributions to reserve fund(s) hereunder.

Section 13 **ESTOPPEL CERTIFICATES.** The Association or its Managing Agent shall, upon not less than ten (10) days prior request by any Owner or any Mortgagee of an Owner, execute, acknowledge and deliver to the requesting Owner or such Mortgagee, as the case may be, a statement in writing certifying that this Declaration is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); that the requesting Owner and its Lot are not in default hereunder; all Assessments applicable to such requesting Owner's Lot have been paid in full; and such other matters as the requesting Owner or its Mortgagee may reasonably request.

Section 14 **CUMULATIVE EFFECT: CONFLICT.** The covenants, restrictions and provisions of this Declaration shall be cumulative with all Supplemental Declarations, provided, however, in the event of conflict between the provisions of this Declaration and a Supplemental Declaration, this Declaration shall prevail, it being intended that all Supplemental Declarations be subject and subordinate to this Declaration.

**ARTICLE XI
PID AND TIRZ NOTICES**

Section 1 NOTICE OF INCLUSION IN PID, AND NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENTS DISTRICT ASSESSMENT. THE PROPERTY IS LOCATED IN A PUBLIC IMPROVEMENT DISTRICT CREATED BY THE CITY OF MESQUITE, TEXAS, KNOWN AS THE "IRON HORSE PUBLIC IMPROVEMENT DISTRICT". THE PURPOSE OF THE PUBLIC IMPROVEMENT DISTRICT IS TO MAKE AVAILABLE VARIOUS UTILITIES, STORM WATER FACILITIES, PARK, CERTAIN PAVING ITEMS, AND ENGINEERING, LEGAL, AND ADMINISTRATIVE SERVICES TO PROPERTY OWNERS WITHIN THE PUBLIC IMPROVEMENT DISTRICT. THE COST OF THESE PID FACILITIES WAS NOT INCLUDED IN THE PURCHASE PRICE OF YOUR PROPERTY, AND THESE PID FACILITIES ARE OWNED OR WILL BE OWNED BY THE CITY OF MESQUITE, TEXAS. THE CITY OF MESQUITE, TEXAS, THROUGH THE PUBLIC IMPROVEMENT DISTRICT, HAS LEVIED OR WILL LEVY AN ASSESSMENT ("PID ASSESSMENT") FOR THE PURPOSE OF PROVIDING THESE PID IMPROVEMENTS TO BENEFIT PROPERTY IN THE PUBLIC IMPROVEMENT DISTRICT. ANY OWNER OF A LOT OR OTHER PORTION OF THE PROPERTY IS OBLIGATED TO PAY THE PID ASSESSMENT TO A THE CITY OF MESQUITE, TEXAS FOR AN IMPROVEMENT PROJECT UNDERTAKEN BY PUBLIC IMPROVEMENT DISTRICT. THE PID ASSESSMENT MAY BE DUE ANNUALLY OR IN PERIODIC INSTALLMENTS. MORE INFORMATION CONCERNING THE AMOUNT OF THE PID ASSESSMENT AND THE DUE DATES OF THAT PID ASSESSMENT MAY BE OBTAINED FROM THE CITY OF MESQUITE, TEXAS LEVYING THE ASSESSMENT. THE AMOUNT OF THE PID ASSESSMENTS IS SUBJECT TO CHANGE. AN OWNER'S TO PAY THE PID ASSESSMENTS COULD RESULT IN A LIEN ON AND THE FORECLOSURE OF AN OWNER'S LOT OR PORTION OF THE PROEPRTY.

Section 2 NOTICE OF INCLUSION IN TIRZ. THE PROPERTY IS LOCATED WITHIN THE MESQUITE RODEO CITY REINVESTMENT ZONE NUMBER ONE, CITY OF MESQUITE, TEXAS, FORMED PURSUANT TO AND GOVERNED BY CHAPTER 311, OF THE TEXAS TAX CODE, AS AMENDED. IN THIS REGARD, A PORTION OF THE REVENUES COLLECTED BY THE CITY OF MESQUITE, TEXAS, MAY BE USED TO FINANCE THE CONSTRUCTION, INSTALLATION, MAINTENANCE, REPAIR AND/OR REPLACEMENT OF CERTAIN QUALIFIED IMPROVEMENTS WITHIN THE TIRZ. MORE INFORMATION REGARDING THE TIRZ MAY BE OBTAINED FROM THE CITY OF MESQUITE, TEXAS.

[SIGNATURE PAGE FOLLOWS THIS PAGE]

IN WITNESS WHEREOF, this Declaration of Covenants, Conditions and Restrictions is executed as of the 27th day of August 2019.

DECLARANT:

MM MESQUITE 50, LLC,
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
its Manager

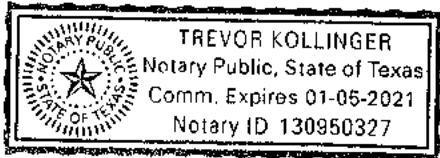
By: 2M Ventures, LLC,
a Delaware limited liability company
its Manager

By: [Signature]
Mehrdad Moayedí, Manager

STATE OF TEXAS §
 §
COUNTY OF Dallas §

BEFORE ME, the undersigned authority, on this day personally appeared Mehrdad Moayedí, the Manager of the 2M Ventures, LLC, a Delaware limited liability company, the Manager of MMM Ventures, LLC, a Texas limited liability company, the Manager of MM MESQUITE 50, LLC, a Texas limited liability company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of said limited liability company, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this 27 day of August, 2019.



[Signature]
Notary Public, State of Texas

EXHIBIT A

Legal Description of the Initial Properties subject to this Declaration

Legal Descriptions:

**Tract 1A
Tract 1D
Tract 1C which includes Tract 1B-2
Tract 2A
Tract 3
-and-
Save and Except Tract 2B Commercial Land**

LEGAL DESCRIPTION

TRACT 1A – 14.7657 ACRES

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1462, and the Job Badgley Survey, Abstract No. 74, City of Mesquite, Dallas County, Texas and being part of a called 18.3003 acre tract of land described as Tract 2, and being part of a called 2.821 acre tract of land described as Tract 3, and being part of a called 1.9483 acre tract of land described as Tract 5 in General Warranty Deed to Scyene Rodeo, LTD., recorded in Volume 2000064, Page 2651 and Volume 2000064, Page 2662, of the Deed Records, Dallas County, Texas, and being part of a called 5.309 acre tract of land described in Special Warranty Deed to Scyene Rodeo, LTD., recorded in Instrument No. 200600158939, Official Public Records, Dallas County, Texas, and being part of a called 2.897 acre tract of land described as Tract 1 and part of a called 0.766 acre tract of land described as Tract II in Special Warranty Deed to Scyene Rodeo, LTD., recorded in Instrument No. 20070091617, Official Public Records, Dallas County, Texas, and being part of Lot 1 and all of Lot 4, Block A of Rodeo Center Addition, according to the Final Plat thereof recorded in Volume 85101, Page 2067 of the Deed Records, Dallas County, Texas, and being part of a called 5.315 acre tract of land described in Special Warranty Deed to City of Mesquite, as recorded in Instrument No. 200600163878 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at an "X" cut in concrete set in the southeast right-of-way line of Scyene Road (a variable width right-of-way), for the northeast corner of Lot 3C of Lots 2A, 2B, 3A, 3B & 3C of the Rodeo Centre Addition, according to the Replat thereof recorded in Volume 85186, Page 2020 of the Deed Records, Dallas County, Texas, common to the northerly northeast corner of said Lot 4;

THENCE along said southeast right-of-way line of Scyene Road, South 87°55'35" East, a distance of 30.00 feet to an "X" cut in concrete set for the northwest corner of Lot 2A of said Rodeo Centre Addition, common to the northerly northeast corner of said Lot 4;

THENCE departing said southeast right-of-way line of Scyene Road, and along the west line of said Lot 2A, South 2°04'25" West, a distance of 230.00 feet an "X" cut in concrete found for southwest corner of said Lot 2A, and being an inner ell corner of said Lot 4;

THENCE along the north line of said Lot 4, South 87°55'35" East, a distance of 303.96 feet to a point in the west right-of-way line of Interstate Highway 635 (a variable width right-of-way), from which, a 1/2-inch iron rod with plastic cap stamped "HALFF ASSOC. INC." found bears South 40°35'09" East, a distance of 0.30 feet;

THENCE along said west right-of-way line of Interstate Highway 635, South 18°53'25" East, a distance of 344.96 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the intersection of said west right-of-way line of Interstate Highway 635 and the west right-of-way line of Hickory Tree Road (a variable width right-of-way);

THENCE departing said west right-of-way line of Interstate Highway 635, along the west right-of-way line of said Hickory Tree Road, the following courses and distances:

South 0°56'31" East, a distance of 118.85 feet to an "X" cut in concrete set for corner, from which a "X" cut in concrete found bears South 00°56'31" East, a distance of 2.44 feet;
North 89°09'07" East, a distance of 9.67 feet to an "X" cut in concrete set for corner;

South 0°56'31" East, a distance of 423.28 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set;
South 10°39'35" West, a distance of 49.78 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set;
South 0°43'50" East, a distance of 503.01 feet to crow's foot cut in concrete found for the southeast corner of said 2.821 acre tract, common to the intersection of the west right-of-way line of said Hickory Tree Road with the north right-of-way line of aforesaid Rodeo Drive (a 60 foot wide right-of-way);

THENCE departing said west right-of-way line of Hickory Tree Road, along the north right-of-way line of said Rodeo Drive, South 89°06'14" West, a distance of 921.03 feet to a 1/2-inch iron rod found for the southerly southwest corner of said 1.9483 acre tract, common to the southeast corner of a right-of-way corner clip for said east right-of-way line of Rodeo Drive;

THENCE along said corner clip, North 45°53'46" West, a distance of 14.14 feet to a 1/2-inch iron rod found for the northerly southwest corner of said 1.9483 acre tract, common to the northwest corner of said right-of-way corner clip;

THENCE continuing along the east right-of-way line of said Rodeo Drive, North 0°53'46" West, a distance of 243.98 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner;

THENCE departing said east right-of-way line of Rodeo Drive, crossing said 1.9483 acre tract, said 5.315 acre tract, said 2.821 acre tract, said 18.3003 acre tract, and aforesaid Lots 1 and 4, the following courses and distances:

North 44°04'51" East, a distance of 21.22 feet to a point for corner;
North 89°03'29" East, a distance of 339.17 feet to a point at the beginning of a tangent curve to the left having a central angle of 73°51'34", a radius of 60.50 feet, a chord bearing and distance of North 52°07'42" East, 72.70 feet;

In a northeasterly direction, with said curve to the left, an arc distance of 77.99 feet to a point for corner;

North 89°03'29" East, a distance of 220.38 feet to a point for corner;

North 0°56'31" West, a distance of 401.06 feet to a point for corner;

South 89°03'29" West, a distance of 55.00 feet to a point for corner;

North 0°56'31" West, a distance of 239.60 feet to a point for corner;

North 89°03'29" East, a distance of 157.00 feet to a point for corner;

North 0°56'31" West, a distance of 154.54 feet to a point for corner;

South 89°03'29" West, a distance of 235.00 feet to a point for corner;

North 0°56'31" West, a distance of 240.00 feet to a point at the beginning of a tangent curve to the left having a central angle of 33°24'47", a radius of 58.00 feet, a chord bearing and distance of North 17°38'55" West, 33.35 feet;

In a northwesterly direction, with said curve to the left, an arc distance of 33.82 feet to a point for corner on the west line of aforesaid 0.766 acre tract;

THENCE North 2°04'25" East, along the west line of said 0.766 acre tract, passing en route an "X" cut in concrete found for the southwest corner of aforesaid Lot 3C, common to an ell corner of said Lot 4, and continuing along the same course and along the east line of said Lot 3C and the west line of said Lot 4, for a total distance of 289.19 feet to the **POINT OF BEGINNING** and containing 14.766 acres (643,192 square feet) of land, more or less.

End of Tract 1A Legal Description

LEGAL DESCRIPTION

TRACT 1D – 1.8762 ACRES

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1462, City of Mesquite, Dallas County, Texas and being part of a called 18.3003 acre tract of land described as Tract 2 in General Warranty Deed to Scyene Rodeo, LTD., recorded in Volume 2000064, Page 2651 and Volume 2000064, Page 2662, of the Deed Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with plastic cap stamped "NDM" found at the south end of a right-of-way corner clip at the intersection of southeast right-of-way line of Scyene Road (a variable width right-of-way) and the east right-of-way of Rodeo Drive (a 60-foot wide right-of-way);

THENCE along said right-of-way corner clip, North 30°05'32" East, a distance of 25.18 feet to the south north end of said right-of-way corner clip, from which a 1/2-inch iron rod with plastic cap stamped "NDM" found for witness bears North 70°51'36" East, a distance of 0.66 feet;

THENCE along said southeast right-of-way line of Scyene Road, the following courses and distances:

North 80°29'37" East, a distance of 182.12 feet to a 1/2-inch iron rod with plastic cap stamped "W.A.I." found for corner;

North 76°53'31" East, a distance of 310.18 feet to a 1/2-inch iron rod with plastic cap stamped "W.A.I." found for corner;

THENCE departing said southeast right-of-way line of Scyene Road, and crossing said 18.3003 acre tract, the following courses and distances:

South 10°22'45" East, a distance of 43.85 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 34°43'29", a radius of 58.00 feet, a chord bearing and distance of South 62°15'30" West, 34.62 feet;

In a southwesterly direction, with said curve to the left, an arc distance of 35.15 feet to a point for corner;

South 44°53'45" West, a distance of 422.67 feet to a point for corner in said east right-of-way line of Rodeo Drive, and at the beginning of a non-tangent curve to the right having a central angle of 29°48'05", a radius of 570.00 feet, a chord bearing and distance of North 36°14'01" West, 293.14 feet;

THENCE along said east right-of-way line of Rodeo Drive, in a northwesterly direction with said curve to the right, an arc distance of 296.48 feet to the **POINT OF BEGINNING** and containing 1.876 acres (81,725 square feet) of land, more or less.

End of Tract 1D Legal Description

LEGAL DESCRIPTION

TRACT 1C (INCLUDES 1B-2)

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1462 and the Job Badgley Survey, Abstract No. 74, City of Mesquite, Dallas County, Texas and being a portion of a called 31.941 acre tract of land described as Tract 1, conveyed to MM MESQUITE, LLC, as evidenced in a Warranty Deed recorded in Instrument No. 201800192841 of the Official Public Records of Dallas County, Texas, and being a portion of a called 5.315 acre tract of land, conveyed to the City of Mesquite, as evidenced in a Special Warranty Deed recorded in Instrument No. 200600163878, of the Official Public Records of Dallas County, Texas, same also being portions of Lots 1 and 4, Block A of Rodeo Center Addition, according to the Final Plat thereof recorded in Volume 85101, Page 2067 of the Deed Records, Dallas County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at an "X" cut in concrete found for the southeast corner of Lot 3C of Lots 2A, 2B, 3A, 3B & 3C of the Rodeo Centre Addition, according to the Replat thereof recorded in Volume 85186, Page 2020 of the Deed Records, Dallas County, Texas, common to an ell corner of said Lot 4;

THENCE crossing said Tract 1, said Lot 1, said Lot 4 and said 5.3315 acre tract, the following courses:

South 02°04'25" West, distance of 59.19 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set at the beginning of a non-tangent curve to the right having a central angle of 33°24'47", a radius of 58.00 feet, a chord bearing and distance of South 17°38'55" East, 33.35 feet;

In a southeasterly direction, with said curve to the right, an arc distance of 33.82 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

South 00°56'31" East, a distance of 240.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

North 89°03'29" East, a distance of 235.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

South 00°56'31" East, a distance of 154.54 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

South 89°03'29" West, a distance of 157.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

South 00°56'31" East, a distance of 239.60 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

North 89°03'29" East, a distance of 55.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

South 00°56'31" East, a distance of 401.06 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

South 89°03'29" West, a distance of 220.38 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set at the beginning of a non-tangent curve to the right having a central angle of 73°51'34", a radius of 60.50 feet, a chord bearing and distance of South 52°07'42" West, 72.70 feet;

In a southwesterly direction, with said curve to the right, an arc distance of 77.99 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

South 89°03'29" West, a distance of 339.17 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

South 44°04'51" West, a distance of 21.22 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner, same being on the westerly line of said Tract 1 and the easterly line of Rodeo Drive, a 60 foot right of way, as recorded in Volume 93128, Page 717, of the Deed Records of Dallas County, Texas;

THENCE along the easterly right of way line of said Rodeo Drive and the westerly line of said Tract 1, the following courses:

North 0°53'46" West, a distance of 25.15 feet to a 1/2 inch iron rod with plastic cap stamped "NDM found at the beginning of a non-tangent curve to the right having a central angle of 05°15'38", a radius of 570.00 feet, a chord bearing and distance of North 01°58'23" East, 52.32 feet;

In a northeasterly direction, with said curve to the right, an arc distance of 52.33 feet to a 1/2 inch iron rod with plastic cap stamped "NDM found for corner;

North 04°23'31" East, a distance of 153.53 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set at the beginning of a tangent curve to the left having a central angle of 69°52'23", a radius of 630.00 feet, a chord bearing and distance of North 30°32'41" West, 721.56 feet, from which, a 1/2 inch iron rod found for witness bears North 03°49' East, a distance of 12.30 feet;

In a northwesterly direction, with said curve to the left, an arc distance of 768.30 feet to a point at the beginning of a reverse curve to the right having a central angle of 14°20'49", a radius of 570.00 feet, a chord bearing and distance of North 58°18'28" West, 142.36 feet, from which, a 1/2 inch iron rod with plastic cap stamped "NDM found for witness bears South 19°47' West, a distance of 0.3 feet;

In a northwesterly direction, with said curve to the right, an arc distance of 142.73 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

THENCE departing the easterly right of way line of said Rodeo Drive and the westerly line of said Tract 1, and crossing said Tract 1, the following courses:

North 44°53'45" East, a distance of 422.67 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set at the beginning of a tangent curve to the right having a central angle of 34°43'29", a radius of 58.00 feet, a chord bearing and distance of North 62°15'30" East, 34.62 feet;

In a northeasterly direction, with said curve to the right, an arc distance of 35.15 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner;

North 10°22'45" West, a distance of 43.85 feet to a 5/8 inch iron rod with plastic cap stamped "KHA set for corner on the northerly line of said Tract 1 and the southerly line of Scyene Road, a variable width right of way;

THENCE North 62°46'41" East, along the northerly line of said Tract 1 and the southerly right of way line of said Scyene Road, a distance of 160.34 feet to 1/2 inch iron rod with plastic cap stamped "W.A.I" found at the beginning of a non-tangent curve to the right having a central angle of 6°29'02", a radius of 1591.54 feet, a chord bearing and distance of North 84°04'48" East, 180.01 feet;

THENCE continuing along the northerly line of said Tract 1 and the southerly right of way line of said Scyene Road, in a northeasterly direction with said curve to the right, an arc distance of 180.11 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for corner on the west line of Lot 3A of aforesaid Lots 2A, 2B, 3A, 3B & 3C of the Rodeo Centre Addition;

THENCE departing the southerly right of way line of Scyene Road and along the west line of said Lot 3A, the following courses:

South 00°51'41" East, a distance of 141.60 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner;

South 44°53'45" West, a distance of 43.40 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for the southwest corner of Lot 3A of aforesaid Rodeo Centre Addition, common to the southerly northwest corner of aforesaid Lot 4;

THENCE South 87°55'35" East, along the southerly lines of said Lot 3A, Lot 3B of said Lots 2A, 2B, 3A, 3B & 3C of the Rodeo Centre Addition, and aforesaid Lot 3C, a distance of 334.36 feet to the **POINT OF BEGINNING** and containing 20.719 acres (902,523 square feet) of land, more or less.

End of Tract 1C (Includes 1B2)

LEGAL DESCRIPTION

TRACT 2A

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1462, City of Mesquite, Dallas County, Texas and being a portion of a called 10.535 acre tract of land described as Tract 2 in in Warranty Deed with Vendor's Lien to MM MESQUITE 50, LLC, recorded in Instrument No. 201800192841, of the Official Public Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at the southerly northwest corner of said 10.535 acre tract, common to the southwest corner of Lot 1, Block A, of The Landmark Addition, an addition to the City of Mesquite, Texas, according to the plat thereof recorded in Volume 85135, Page 3484, Deed Records, Dallas County, Texas, being on the east right-of-way line of Peachtree Road (a 50-foot right-of-way), from which a 1/2-inch iron rod found bears North 61°07' West, a distance of 0.3 feet;

THENCE departing said east right-of-way line of Peachtree Road and along the north line of said 10.535 acre tract and the south line of said Lot 1, Block A, North 69°07'29" East, a distance of 223.14 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said Lot 1, Block A, common to an ell corner of said 10.535 acre tract, and at the beginning of a tangent curve to the right to the right having a central angle of 14°28'02", a radius of 221.00 feet, a chord bearing and distance of North 76°21'30" East, 55.65 feet;

THENCE crossing said 10.535 acre tract, the following courses and distances:

In a northeasterly direction, with said curve to the right, an arc distance of 55.80 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the beginning of a reverse curve to the left having a central angle of 14°28'02", a radius of 179.00 feet, a chord bearing and distance of North 76°21'30" East, 45.08 feet;

In a northeasterly direction, with said curve to the left, an arc distance of 45.20 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner;

North 69°07'29" East, a distance of 182.85 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the beginning of a tangent curve to the left having a central angle of 7°02'03", a radius of 129.00 feet, a chord bearing and distance of North 65°36'27" East, 15.83 feet;

In a northeasterly direction, with said curve to the left, an arc distance of 15.84 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner;

North 13°29'08" East, a distance of 21.11 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set on the west right-of-way line of Rodeo Drive a (a 60-foot right-of-way) and the east line of said 10.535 acre tract, and at the beginning of a non-tangent curve to the left having a central angle of 34°24'15", a radius of 630.00 feet, a chord bearing and distance of South 48°16'45" East, 372.63 feet;

THENCE along the west right-of-way line of said Rodeo Drive and the east line of said 10.535 acre tract, the following courses and distances:

In a southeasterly direction, with said curve to the left, an arc distance of 378.29 feet to a point for corner, from which a 1/2-inch iron rod with plastic cap stamped "NDM 2609." found bears North

38°10' East, a distance of 0.2 feet and being at the beginning of a reverse curve to the right having a central angle of 69°52'53", a radius of 570.00 feet, a chord bearing and distance of South 30°32'41" East, 652.91 feet;

In a southeasterly direction, with said curve to the right, an arc distance of 695.21 feet to a 1/2-inch iron rod with illegible plastic cap found for corner;

South 4°23'31" West, a distance of 26.99 feet to a 1/2-inch iron rod found for the southeast corner of said 10.535 acre tract, common to the northeast corner of a called 2.404 acre tract of land described in deed to Camelot Sports & Entertainment, L.L.C., recorded in instrument No. 200900125900, Official Public Records, Dallas County, Texas;

THENCE departing said west right-of-way line of Rodeo Drive and along the south line of said 10.535 acre tract and the north line of said 2.404 acre tract, South 89°07'54" West, a distance of 428.68 feet to the south southwest corner of said 10.535 acre tract, common to the northwest corner of said 2.404 acre tract, in the east right-of-way line of an 18-foot alley shown on the plat of Town Ridge Addition, First Increment, an addition to the City of Mesquite, Texas, according to the plat thereof recorded in Volume 84217, Page 3610, Deed Records, Dallas County, Texas, from which a 1/2-inch iron rod with plastic cap stamped "NDM 2609" bears North 88°25' East, a distance of 0.7 feet;

THENCE along said east right-of-way line of the 18-foot alley and the west line of said 10.535 acre tract, North 4°19'17" East, a distance of 434.33 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for the northeast corner of said Town Ridge Addition, common to an ell corner of said Town Ridge Addition;

THENCE along the north right-of-way line of said 18-foot alley and the south line of said 10.535 acre tract, South 89°21'21" West, a distance of 676.12 feet to an "X" cut in concrete set for the northerly southwest corner of said 10.535 acre tract in the east right-of-way line of Peachtree Road (a 50-foot right-of-way) and at the beginning of a non-tangent curve to the left having a central angle of 15°10'31", a radius of 852.28 feet, a chord bearing and distance of North 8°17'29" West, 225.07 feet;

THENCE along said east right-of-way line of Peachtree Road and the west line of said 10.535 acre tract and in a northwesterly direction with said curve to the left, an arc distance of 225.73 feet to the **POINT OF BEGINNING** and containing 9.314 acres (405,712 square feet) of land, more or less.

End of Tract 2A Legal Description

LEGAL DESCRIPTION

TRACT 3

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1462, City of Mesquite, Dallas County, Texas and being all of a called 8.318 acre tract of land described as Tract 3 in Warranty Deed with Vendor's Lien to MM MESQUITE 50, LLC, recorded in Instrument No. 201800192841, of the Official Public Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at an "X" cut in concrete found at the intersection of the southeast right-of-way line of Scyene Road (a variable width right-of-way) with the west right-of-way line of Peachtree Road, (a 50-foot right-of-way) and being the northeast corner of said 8.318 acre tract;

THENCE departing said southeast right-of-way line of Scyene Road and along said west right-of-way line of Peachtree Road and the east line of said 8.318 acre tract, the following courses and distances:

South 20°53'09" East, a distance of 101.78 feet to a point for corner, from which an "X" cut in concrete found for witness bears South 54°09' West, a distance of 0.9' and at the beginning of a non-tangent curve to the right having a central angle of 52°57'11", a radius of 802.28 feet, a chord bearing and distance of South 5°49'42" West, 715.36 feet;

In a southwesterly direction, with said curve to the right, an arc distance of 741.47 feet to a 1/2-inch iron rod with plastic cap stamped "JDM" found for corner;

South 32°21'32" West, a distance of 156.02 feet to a 1/2-inch iron rod with plastic cap stamped "NDM 2609" found for the southeast corner of said 8.318 acre tract, common to the northeast corner of a called 1.9020 acre tract of land described in a deed to City of Mesquite, as recorded in Volume 86214, Page 5994 of the Deed records, Dallas County, Texas;

THENCE departing said west right-of-way line of Peachtree Road and along the southwest line of said 8.318 acre tract, the northeast line of said 1.9020 acre tract and the northeast line of a called 1.506 acre tract of land described in a deed to Mesquite Independent School District, as recorded in Instrument No. 201700091343 of the Official Public Records, Dallas County, Texas, North 57°38'21" West, a distance of 345.91 feet to a 1/2-inch iron rod found for the southwest corner of said 8.318 acre tract, common to the northwest corner of said 1.506 acre tract, being on the east right-of-way line of Stadium Drive (a 60-foot wide right-of-way);

THENCE along said east right-of-way line of Stadium Drive and the west line of said 8.318 acre tract, North 1°21'53" West, a distance of 591.06 feet to a 3/8-inch iron rod found for the intersection of said east right-of-way line of Stadium Drive with said southeast right-of-way line of Scyene Road and being the northwest corner of said 8.318 acre tract, from which a 1/2-inch iron rod found for witness bears North 70°05' East, a distance of 1.0 feet;

THENCE with said southeast right-of-way line of Scyene Road and the northwest line of said 8.318 acre tract, North 69°07'29" East, a distance of 456.07 feet to the **POINT OF BEGINNING** and containing 8.344 acres (363,481 square feet) of land, more or less.

End of Tract 3 Legal Description

SAVE AND EXCEPT

TRACT 2B COMMERCIAL LAND

Exempt from this Declaration but, subject to a maintenance agreement by and between Iron Horse Village Commercial Property Owners' Association and/or Iron Horse Village Residential Homeowners Association, Inc. and the Tract 2B Land Owner

BEING a tract of land situated in the City of Mesquite, Dallas County, Texas, part of the Daniel Tanner Survey, Abstract No. 1462, being part of that called 10.535 acre tract of land (called "Tract 2") as described in deed to MM Mesquite 50, LLC, recorded as Instrument No. 201800192841, Official Public Records, Dallas County, said 10.535 acre tract being the remainder of that called 12.9421 acre tract (called "Tract 1") as described by that certain General Warranty Deed to Scyene Rodeo, Ltd., as recorded in Volume 2000064, Page 2651, Deed Records, Dallas County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 3/8 inch iron rod found in the south right-of-way line of West Scyene Road (a 125 feet wide public right-of-way), same being the northeast corner of The Landmark Addition, an addition to the City of Mesquite, Dallas County, Texas, according to the plat thereof recorded in Volume 85131, Page 3484, Deed Records, Dallas County, Texas, from which a 1/2 inch iron rod found bears South 69 degrees 18 minutes 47 seconds West, a distance of 180.58 feet;

THENCE along said south right-of-way line as follows:

North 69 degrees 36 minutes 45 seconds East, a distance of 119.16 feet to a 5/8 inch iron rod found;

North 76 degrees 40 minutes 15 seconds East, a distance of 100.35 feet to a 5/8 inch iron rod found;

North 80 degrees 30 minutes 16 seconds East, a distance of 51.25 feet to a 5/8 inch iron rod with plastic cap stamped "SCI" set;

North 80 degrees 25 minutes 21 seconds East, a distance of 12.95 feet to a 5/8 inch iron rod with plastic cap stamped "WAI" found for the intersection of said south right-of-way line and the west right-of-way line of Rodeo Drive (a variable width public right-of-way);

THENCE along said west right-of-way line as follows:

South 58 degrees 49 minutes 10 seconds East, a distance of 30.72 feet to a 1/2 inch iron rod with plastic cap stamped "NDM" found for the beginning of a curve to the left;

Along said curve to the left, through a central angle of 10 degrees 50 minutes 14 seconds, a radius of 630.00 feet, an arc distance of 119.16 feet, having a chord bearing of South 25 degrees 17 minutes 15 seconds East, and a chord distance of 118.98 feet to a 5/8 inch iron rod with plastic cap stamped "SCI" set;

THENCE, departing said west right-of-way line and across said 12.9421 acre tract as follows:

South 13 degrees 52 minutes 49 seconds West, a distance of 21.63 feet to a 5/8 inch iron rod with plastic cap stamped "SCI" set for the beginning of a non-tangent curve to the right;

Along said curve to the right through a central angle of 07 degrees 02 minutes 02 seconds, a radius of

129.00 feet, an arc length of 15.84 feet, a chord bearing of South 66 degrees 00 minutes 09 seconds West and a chord distance of 15.83 feet;

South 69 degrees 31 minutes 10 seconds West, a distance of 182.85 feet to a 5/8 inch iron rod with plastic cap stamped "SCI" set for the beginning of a curve to the right;

Along said curve to the right through a central angle of 14 degrees 28 minutes 02 seconds, a radius of 179.00 feet, an arc length of 45.20 feet, a chord bearing of South 76 degrees 45 minutes 11 seconds West and a chord distance of 45.08 feet to a 5/8 inch iron rod with plastic cap stamped "SCI" set for the beginning of a reverse curve to the left;

Along said curve to the left through a central angle of 14 degrees 28 minutes 02 seconds, a radius of 221.00 feet, an arc length of 55.80 feet, a chord bearing of South 76 degrees 45 minutes 11 seconds West and a chord distance of 55.65 feet to a 5/8 inch iron rod with plastic cap stamped "SCI" set, same being the southeast corner of said Landmark Addition;

THENCE, along the east line of said Landmark Addition, North 20 degrees 28 minutes 50 seconds West, a distance of 173.70 feet to the POINT OF BEGINNING, containing 53,299 square feet or 1.2236 acres of land, more or less.

End of Tract 2B
Save and Except Commercial Land

EXHIBIT B

Initial Design Guidelines

NONRESIDENTIAL ARCHITECTURAL STANDARDS:

All light commercial development within the Property shall resemble the architectural standards set forth under Applicable Zoning and by the homeowner's association for the Iron Horse Village residential development adjacent to the Property. Architectural Standards shall meet or exceed the City of Mesquite's Community Appearance Manual or other standard adopted and/or approved for Improvements constructed within the Property from time to time. Nonresidential Tracts 1A and 1D are subject to City of Mesquite Commercial Property Landscape Standards in addition to any construction and design standards set forth in this Declaration.

RESIDENTIAL STANDARDS:

Primary Building Façade Materials for front, side and rear elevations shall each be ninety percent (90%) brick or stone masonry excluding doors, windows, garage doors, and dormers; other façade materials may be Hardie board/plank or equivalent. See Design Guidelines and standards for the Iron Horse Village Homeowners Association for more construction and design details.

All residential units, detached or attached, shall provide two (2) garage spaces per unit. Front entry residential shall provide two (2) off-street parking spaced through use of a minimum eighteen foot (18') wide driveway and parallel or head in parking. Rear entry residential units attached or detached, shall provide one and one-half (1-1/2) parking spaces for every two (2) units. Parking shall be either designated parallel, head in, or driveway space.

RESIDENTIAL LOT STANDARDS TABLE

Lot Type	Tracts per Concept Plan	Min. Lot Size	Min. Lot Width*	Min. Lot Depth	Min. Front Yard Setback	Min. Rear Yard Setback	Min. Side Yard Setback (Interior Lot)	Min. Side Yard Setback (Corner Lot)	Max. Height	Max. Lot Coverage	Min. Dwelling Size	Min. Separation between Buildings	Max. Number of Units per Building
SF Bungalows	Tract 1C, 2A	1,600 S.F.	40'	65'	8' (main structure) 20' (garage)	2'	25'	10'	35'	No Max.	1 story - 1,250 S.F. 2 Story - 1,600 S.F.	5'	N/A
SF Villas	Tract 1C	4,000 S.F.	40'	100'	20'	10'	5'	10'	35'	No Max.	1,800 Sq. ft.	10'	N/A
Zero lot Line - 2-504	Tract 2A	1,298 S.F.	24'	55'	6'	4'	0' side setback on one side, 3' side setback on the other side	10'	65'	No Max.	1,200 S.F.	N/A	N/A
Townhouse - Rear Entry - 2-502	Tracts 1C, 2A, 3	1,400 S.F.	22'	65'	6'	4'	per Fire Code	10'	35'	No Max.	1,200 S.F.	10'	8

THE CONSTRUCTION AND DESIGN CRITERIA SET FORTH ABOVE OR IN THIS DECLARATION IS NOT INCLUSIVE OF ALL THE STANDARDS OR REQUIREMENTS OF THE IRON HORSE VILLAGE PROPERTY OWNERS' ASSOCIATION OR THE CITY OF MESQUITE. OWNERS AND BUILDERS SHOULD FAMILIARIZE THEMSELVES WITH EVERY ORDINANCE AND/OR DEVELOPMENT AGREEMENT TO ENSURE COMPLIANCE WITH ALL ASPECTS OF CONSTRUCTION AND DESIGN ARE ADHERED TO. FINES OR RETENTION OF CONSTRUCTION DEPOSITS, IF APPLICABLE, SHALL BE IMPOSED ON ANY OWNER VIOLATING CONSTRUCTION OR DESIGN RULES AND REGULATIONS.

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**Filed and Recorded
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
08/30/2019 04:00:20 PM
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