

ARTICLES OF INCORPORATION

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In the Office of the
Secretary of State of Texas
JAN 19 1983
Clerk F
Corporations Section

ARTICLES OF INCORPORATION
OF
CREEKBEND HOMEOWNER'S ASSOCIATION, INC.
(A Texas Non-Profit Corporation)

We, the undersigned natural persons of the age of eighteen years or more, at least two (2) of whom are citizens of the State of Texas, acting as incorporators of a corporation (hereinafter called the "Corporation") under the Texas Non-Profit Corporation Act (hereinafter called the "Act") do hereby adopt the following Articles of Incorporation for such Corporation.

ARTICLE I

NAME

The name of the Corporation is CREEKBEND HOMEOWNER'S ASSOCIATION, INC.

ARTICLE II

NON-PROFIT CORPORATION

The Corporation is a non-profit corporation.

ARTICLE III

DURATION

The period of the duration of the Corporation is perpetual.

ARTICLE IV

PURPOSES AND POWERS

1. The Corporation does not contemplate pecuniary gain or profit to the Members thereof, and its specific and primary purpose is to provide for the preservation and maintenance of a Townhome Project, as provided in the Declaration of COVENANTS, CONDITIONS AND RESTRICTIONS OF CREEKBEND TOWNHOMES (hereinafter referred to as the "Declaration"), located in Dallas County, Texas.

2. The general purposes and powers are:

a. To promote the common good, health safety and general welfare of the residents within the Property;

b. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation arising from the Declaration applicable to the Property, as amended from time to time, and recorded or to be recorded in the Office of Public Records of Real Property in the Office of the County Clerk of Dallas County, Texas, the Declaration being incorporated herein by reference for all purposes;

c. To enforce applicable provisions of the Declaration, By-Laws, any rules and regulations of the Corporation and any other instrument for the management and control of the Property;

d. To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to contract for and pay all expenses in connection with the maintenance, gardening, utilities, materials, supplies and services in relation to the Common Elements (as defined in the Declaration) and facilities; to employ personnel reasonably necessary for administration and control of the Common Areas, including lawyers and accountants where appropriate; and to pay all office and other expenses incident to the conduct of the business for the Corporation, including all licenses, taxes and special assessments which are or would become a lien on any portion of the Property;

e. To have and to exercise any and all powers, rights and privileges, including delegation of powers as permitted by law, which the Corporation under the Act may now or hereafter have or exercise;

f. To acquire (by purchase, grant or otherwise), annex and merge, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

g. To borrow money, mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred in accordance with the Declaration limitations; and

h. To act in the capacity of principal, agent, joint venturer, partner or otherwise.

The foregoing statement of purposes shall be construed as a statement both of purposes and of powers, and the purposes and powers in each clause shall not be limited or restricted by reference to or interference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Corporation.

ARTICLE V

REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Corporation is 9500 Forest Lane, Suite 435, Dallas, Texas, 75243, and the name of its initial registered agent at such address is Ronald D. Law.

ARTICLE VI

INITIAL BOARD OF DIRECTORS

The number of Directors constituting the initial Board of Directors of the Corporation is three (3), and the names and addresses of the persons are:

1. CHARLES W. GREENER 9500 Forest Lane,
Suite 500
Dallas, Texas 75243
2. JOYCE McREYNOLDS 9500 Forest Lane
Suite 500
Dallas, Texas 75243
3. BILL HUDNALL 9500 Forest Lane
Suite 500
Dallas, Texas 75243

ARTICLE VII

INCORPORATORS

The name and street address of the Incorporator is:

1. CHARLES W. GREENER 9500 Forest Lane,
Suite 500
Dallas, Texas 75243
2. JOYCE McREYNOLDS 9500 Forest Lane
Suite 500
Dallas, Texas 75243
3. BILL HUDNALL 9500 Forest Lane
Suite 500
Dallas, Texas 75243

ARTICLE VIII

MEMBERSHIP

The authorized number of qualifications for membership in the Corporation along with the appurtenant voting rights and other privileges due Unit Owners in the Project shall be as set out in the Declaration. Every person or entity who is a Record owner of a fee or undivided fee interest in any Unit which is subject to the Declaration, including contract sellers, shall be a Member of the Corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Corporation.

ARTICLE IX


DISSOLUTION


The Corporation may be dissolved in accordance with the limitations set out in the Declaration. The Corporation is one

which does not contemplate pecuniary gain or profit to the Members thereof, and it is organized solely for non-profit purposes. In the event of liquidation, dissolution or winding up of the Corporation, whether voluntarily or involuntarily, the Directors shall dispose of the Property and assets of the Corporation in such manner as they, in the exercise of their discretion (as set out in the Declaration), deem appropriate; provided, however, that such purposes for which the Corporation is formed, and shall not accrue to the benefit of any Director of the Corporation or any individual having a personal or private interest in the affairs of the Corporation or any organization which engages in any activity in which the Corporation is precluded from engaging.

IN WITNESS WHEREOF, we have hereunto set out hands this 14th day of January, 1983, A.D.


CHARLES W. GREENER


JOYCE McREYNOLDS


BILL HUDNALL

STATE OF TEXAS §

COUNTY OF DALLAS §

I, the undersigned authority, a Notary Public in and for said County and State, do hereby certify that on this 14th day of January, 1983, personally appeared before me CHARLES W. GREENER, JOYCE McREYNOLDS and BILL HUDNALL, who being by me first duly sworn, declared that they are the persons who signed the foregoing document as Incorporators, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the date and year above written.



Becky Andrepont
Notary Public in and for
State of Texas

BECKY ANDREPONT, Notary Public
in and for the State of Texas
My Commission Expires:

December 20, 1984

January 5, 1983

CREEKBEND HOMEOWNER'S ASSOCIATION, INC.
9500 Forest Lane
Suite 500
Dallas, Texas 75243

Re: Consent to Use of Name

Gentlemen:

The undersigned have no objection to your use of the name
of CREEKBEND HOMEOWNER'S ASSOCIATION, INC.

Very truly yours,

CREEKBEND CONDOMINIUM
HOMEOWNER'S ASSOCIATION, INC.

By: 
Bill Hudnall, Director

BYLAWS

NOTICE - THIS INSTRUMENT IS SUBJECT TO ARBITRATION UNDER THE
TEXAS GENERAL ARBITRATION ACT, ARTICLES 224 THROUGH 238-6,
INCLUSIVE, REVISED CIVIL STATUTES OF TEXAS, 1925, AS AMENDED.

"Any provision herein which restricts the
sale, rental, or use of the described real
property because of familial status is in-
valid and unenforceable under federal law."

FIRST AMENDED AND RESTATED

BY-LAWS

OF

CREEKBEND HOMEOWNERS ASSOCIATION, INC.

(A Texas Non-Profit Corporation)

Dallas County, Texas

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(A Texas Non-Profit Corporation)

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FIRST AMENDED AND RESTATED
BY-LAWS
OF
CREEKBEND HOMEOWNER'S ASSOCIATION, INC.
(A Texas Non-Profit Corporation)

ARTICLE I

NAME

1.1 NAME. The name of the organization shall be CREEKBEND HOMEOWNERS ASSOCIATION, INC., hereinafter called "Association".

ARTICLE II

PURPOSE AND OWNER OBLIGATION

2.1 PURPOSE. The purpose for which this non-profit Association is formed is to govern the Townhome Property situated in the County of Dallas, State of Texas, which Property is described on the attached Exhibit "A", which by this reference is made a part hereof.

2.2 OWNER OBLIGATION. All present or future owners, tenants, future tenants or any other person who might use the facilities of the Project in any manner, are subject to the regulations set forth in the By-Laws. The mere acquisition or rental of any of the Townhome Units (hereinafter referred to as "Units") of the Project or the mere act of occupancy of any of said Units will signify that these By-Laws are accepted, ratified and will be strictly followed.

ARTICLE III

DEFINITION AND TERMS

3.1 MEMBERSHIP. Any person on becoming an Owner of a Townhome Unit shall automatically become a Member of this Association and be subject to these By-Laws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Townhome Unit. Such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with Creekbend Townhomes during the period of such ownership and membership in this Association, or impair any rights or remedies which the Board of Directors of the Association or others may have against such former Owner and Member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association.

3.2 VOTING.

A. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to covenants of record, to assessment by the Association, including contract sellers, shall be

members. Provided, however, entities who hold an interest merely as security for the performance of an obligation shall not be members. No Owner shall have more than one (1) Membership. Membership shall be appurtenant to and may not be separated from any ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for Membership. Any mortgagee or lienholder who acquires title to any Lot which is a part of the Property, through judicial or non-judicial foreclosures, shall be a member of the Association.

E. Classes of Members. The Association shall have two (2) classes of voting memberships, as follows:

(a) Class A. Class A Members shall be all Owners other than the following: (i) Epic, (ii) any Subject Buyer, as defined in the First Amended and Restated Declaration of Covenants, Conditions and Restrictions of Creekbend Townhomes (the "Declaration"), or (iii) any buyer at any foreclosure sale or by deed in lieu of foreclosure.

(b) Class B. Class B Member shall be Epic any Subject Buyer, or any buyer at any foreclosure sale or by deed in lieu of foreclosure.

C. Voting Rights Prior to Conversion Date. Prior to the Conversion Date, as defined in the Declaration, unit ownership shall entitle the Owner(s) to cast one (1) vote per unit for the Class in which such Owner is a Member. Notwithstanding the foregoing, and for the benefit and protection of the unit owners and any first mortgagees of record and for the sole purpose of insuring a complete and orderly buildout as well as a timely sellout of the project, the Declarant will retain control of and over the Association until the earlier to occur of (i) 120 days after the sale of seventy-five percent (75%) of the units, including any annexations; or (ii) five (5) years following the conveyance of the first unit.

D. Voting Rights From and After Conversion Date. From and after the Conversion Date, but prior to such time as the aggregate number of Lots owned by Class A Members equals 75, whenever Members are required to vote hereunder, the Members of Class A shall be entitled to vote on any issue or matter as a class. In this event, the Members of Class A shall first vote among themselves (with each Class A Member entitled to one vote per unit owned by such Class Member), and, after such vote by Class A Members, Class A shall be deemed to have voted 57 votes in accordance with the majority vote in such preliminary voting and no votes against such majority vote. Each Class B Member shall be entitled to a number of votes equal to a fraction, the numerator of which shall be equal to the lesser of 55 or the number of Lots owned by all Class B Members and the denominator of which shall be equal to the number of Lots owned by all Class B Members, multiplied by the number of units owned by the Class B Member. From and after the Conversion Date, but after such time as the aggregate number of Lots owned by Class A Members is 75 or greater, each Class A Member and each Class B Member shall be entitled to cast one (1) vote for each Lot owned by such Member.

3.3 MAJORITY OF UNIT OWNERS. As used in these By-Laws the term "majority of Unit Owners" shall mean those Owners with fifty-one percent (51%) of the votes entitled to be cast.

3.4 QUORUM. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of Unit Owners in each class shall constitute a quorum prior to the Conversion Date, and the presence in person or by proxy of a majority of Unit Owners shall constitute a quorum from and after the Conversion Date.

3.5 PROXIES. Votes may be cast in person or by Proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE IV

ADMINISTRATION

4.1 DECLARANT CONTROL. The Declarant, Sumner & Greener, a Texas General Partnership, shall retain control over management of the affairs of the Association as set forth in Paragraph 3.3 of the Declaration and Paragraph 3.2 hereof. This retention of control shall be for the benefit of the Unit Owners and any First Mortgagee of Record and for the purpose of insuring both a complete and orderly buildout and a timely sellout of the Project Units.

4.2 ASSOCIATION RESPONSIBILITIES. The Owners of the Units will constitute the Association of Unit Owners, hereinafter referred to as "Association", who will have the responsibility of administering the Project through a Board of Directors.

4.3 PLACE OF MEETINGS. All annual and special meetings of the Association shall be held at the principal office of the Association or at such other suitable and convenient place as may be permitted by law and from time to time fixed by the Directors and designated in the notices of such meetings.

4.4 ANNUAL MEETINGS. Annual meetings shall be held the fourth (4th) Tuesday of January of each year.

4.5 SPECIAL MEETINGS. It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Board of Directors or upon a petition signed by at least one-tenth (1/10) of the Owners in each class prior to the Conversion Date and one-tenth (1/10) of the Owners from and after the Conversion Date, and presented to the Secretary. The notices of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the Owners present in each class prior to the Conversion Date, and four-fifths (4/5) of the Owners from and after the Conversion Date, either in person or by proxy.

4.6 NOTICE OF MEETINGS. The Secretary shall mail notices of annual and special meetings to each Member of the Association, directed to his last known post office address, as shown on the records of the Association, by uncertified mail, postage prepaid. Such notice shall be mailed not less than ten (10) days nor more than twenty (20) days before the date of such meeting and shall state the date, time and place of the

meeting and the purpose or purposes thereof. In lieu of mailing notice as herein provided, such notice may be delivered by hand or left at his residence in his absence. If requested, any Mortgagee of Record or its designee may be entitled to receive similar notice.

4.7 ADJOURNED MEETING. If any meeting of Owners cannot be organized because a quorum has not attended, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is attained.

4.8 ORDER OF BUSINESS. The order of business at all meetings of the Owners of Units shall be as follows:

- a. Roll call.
- b. Proof of Notice of meeting or waiver of notice.
- c. Reading of minutes of preceding meeting.
- d. Reports of officers.
- e. Reports of committees.
- f. Election of Directors.
- g. Unfinished business.
- h. New business.

ARTICLE V

BOARD OF DIRECTORS

5.1 NUMBER AND QUALIFICATION. The affairs of this Association shall be governed by a Board of Directors composed of six (6) persons. Prior to the Conversion Date, three (3) members of the Board of Directors shall be elected by Class A Members and three (3) members of the Board of Directors shall be elected by Class B Members. From and after the Conversion Date, four (4) members of the Board of Directors shall be elected by Class A Members and two (2) members of the Board of Directors shall be elected by Class B Members. The following persons shall act in such capacity and shall manage the affairs of the Association until their successors are elected, to-wit:

- (1) Bill Hudnall
- (2) Charles W. Greener
- (3) Joyce McReynolds

5.2 POWERS AND DUTIES. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a residential Townhome Project. The Board of Directors may do all such acts and things that are not by these By-Laws or by the Declaration for Creekbend Townhomes directed to be exercised and done by the Owners.

5.3 OTHER POWERS AND DUTIES. The Board of Directors shall have the following duties:

a. To administer and enforce the covenants, conditions, restrictions, uses, limitations, obligations and all other provisions set forth in the Declaration.

b. To establish, make and enforce compliance with rules necessary for the orderly operation, use and occupancy of this Project.

c. To keep in good order, condition and repair all of the Common Areas and all items of personal property used in the enjoyment of the entire Premises.

d. To insure and keep insured all of the insurable Common Areas of the Property in an amount equal to their maximum replacement value, as provided in the Declaration. Further, to obtain and maintain comprehensive liability insurance covering the entire Premises in amounts not less than One Million Dollars (\$1,000,000.00) covering all claims for personal injury and/or property damage arising out of a single occurrence. To insure and keep all the fixtures, equipment and personal property acquired by the Association for the benefit of the Association, the Owners of the Units and their First Mortgagees.

e. To fix, determine, levy and collect the monthly assessments to be paid by each of the Owners; and by majority vote of the Board to adjust, decrease or increase the amount of the monthly assessments subject to provisions of the Declaration; to levy and collect special assessments in order to meet increased operating or maintenance expenses or costs, and additional capital expense. All monthly or other assessments will be in itemized statement forms and shall set forth in detail the various expenses for which the assessments are being made.

f. To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an Owner, as provided in the Declaration and these By-Laws.

g. To protect and defend the entire Premises from loss and damage by suit or otherwise.

h. To borrow funds in order to pay for any required expenditure or outlay; to execute all such instruments evidencing such indebtedness which shall be the several obligations of all of the Owners in the same proportion as their interest in the Common Areas.

i. To enter into contracts within the scope of their duties and power.

j. To establish a bank account for the common treasury of all separate funds which are required or may be deemed advisable by the Board of Directors.

k. To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the Owners and any First Mortgagee of a Unit, the Veterans Administration or Federal Housing Administration, and to cause a complete audit of the books and accounts by a competent accountant, once each year. The Association shall cause to be prepared and delivered annually to each Owner an audited statement showing all receipts, expenses or disbursements since the last such statement. Such audited financial statements

shall be available to any First Mortgagee of a Unit, on request, within thirty (30) days following the fiscal year end of the Project.

1. To meet at least once each quarter.

m. To designate the personnel necessary for the maintenance and operation of the Common Areas.

n. In general, to carry on the administration of this Association and to do all of those things, necessary and reasonable, in order to carry out the purpose of the Association.

5.4 ELECTION AND TERM OF OFFICE. At the first annual meeting of the Association the term of office of the Directors shall be fixed for one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of one (1) year. The persons acting as Directors shall hold office until their successors have been elected and hold their first meeting.

5.5 VACANCIES. Prior to the Conversion Date, vacancies on the Board of Directors caused by any reason other than the removal of a Director shall be filled by vote of the majority of the remaining Directors elected by the class which elected the Director whose position is vacated, and, from and after the Conversion Date, such vacancies shall be filled by a vote of the majority of the remaining Directors. (even though, in both instances, they may constitute less than a quorum) Each Director so elected shall serve out the remaining term of his predecessor.

5.6 REMOVAL OF DIRECTORS. At any regular or special meeting duly called and held prior to the Conversion Date, any one (1) or more of the Directors may be removed with or without cause by a majority of the Owners in the class which elected such Director or Directors, and a successor may then and there be elected by such class to fill the vacancy thus created, and at any such meeting duly called and held from and after the Conversion Date, such removal and election may be made by a majority of the Owners.

5.7 ORGANIZATION MEETING. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

5.8 REGULAR MEETINGS. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

5.9 SPECIAL MEETINGS. Special Meetings of the Board of Directors may be called by the President or Secretary, or upon the written request of at least two (2) Directors elected by each class of Owners prior to the Conversion Date, and of at least four (4) Directors from and after the Conversion Date. The President or Secretary will give three (3) days' personal

notice to each Director by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting.

5.10 WAIVER OF NOTICE. Before or at any meeting of the Board of Directors, any Director may in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place hereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

5.11 BOARD OF DIRECTOR'S QUORUM. At all meetings of the Board of Directors from and after the Conversion Date, a majority of Directors shall constitute a quorum for the transaction of business, and at any such meeting prior to the Conversion Date, a majority of Directors elected by each class of Owners shall constitute such a quorum. The acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors; provided, however, if no majority is obtained, the dispute may be submitted to arbitration, in accordance with Article XVIII hereof. If at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting, as originally called, may be transacted without additional notice. Votes at any meeting of the Board of Directors, and attendance at such meeting, may be accomplished in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

5.12 FIDELITY BONDS. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

ARTICLE VI

OFFICERS

6.1 DESIGNATION. The officers of the Association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors.

6.2 ELECTION OF OFFICERS. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

6.3 REMOVAL OF OFFICERS. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, with or without cause, and his successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board called for such purpose.

6.4 PRESIDENT. The President shall be the chief executive officer of the Association. He shall preside at all meetings of both the Association and the Board of Directors. He shall have all the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to

appoint committees from among the Owners to assist in the administration of the affairs of the Association. The President, or his designated alternative, shall represent the Association at all meetings of the Creekbend Homeowners Association, Inc.

6.5 VICE PRESIDENT. The Vice President shall perform all of the duties of the President in his absence and such other duties as may be required of him from time to time by the Board of Directors.

6.6 SECRETARY.

a. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association. He shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of the Secretary.

b. The Secretary shall compile and keep up to date at the principal office of the Association a complete list of Members and their last known addresses as shown on the records of the Association. Such list shall show opposite each Member's name, the number of Members living in the Unit and the parking spaces assigned for use in connection with such Unit. Such list shall be open to inspection by Members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

6.7 TREASURER. The Treasurer shall receive and deposit in appropriate bank accounts all money of the Association and shall disburse such as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Directors, including authority to: sign all checks and promissory notes of the Association; keep proper books of account; cause an annual statement of the Association's books to be made at the completion of each fiscal year; prepare an annual budget and a statement of income expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members; and perform all other duties assigned to him by the Board of Directors.

ARTICLE VII

MANAGEMENT CONTRACT

7.1 MANAGEMENT COMPANY. The Board of Directors shall enter into a management agreement with a management company at a rate of compensation agreed upon by the Board of Directors. In accordance with the Declaration and these By-Laws, the management company shall have, but shall not be limited to, the following functions, duties and responsibilities:

a. Fiscal Management.

(1) Prepare an annual operating budget detailed to reflect expected operation for each month. This budget is established to show expected recurring receipts and operating disbursements. It is further used for comparison with actual monthly income and expenditures.

(2) Prepare five (5) year reserve budget projection for capital expenditures on items reoccurring only periodically, i.e., painting, etc. for Common Areas.

(3) Prepare monthly operating and cash position statements and statements concerning sinking fund reserve accounts.

(49) Analyze and compare operating receipts and disbursements against the Board-approved budget. Where a significant variation is shown (10% above or below the budgeted amount), prepare explanations of variations from budgeted figures.

(5) Collect maintenance fees and special assessments; deposit them in checking, savings or other income producing accounts on behalf of the Board and maintain comprehensive records thereof. Establish individual checking and reserve accounts, as directed by the Board.

(6) Mail notices of delinquency to any Owner in arrears, and exert reasonable effort to collect delinquent accounts.

(7) Examine all expense invoices for accuracy and pay all bills in accordance with the terms of the property management agreement.

(8) Prepare year-end statement of operations for Owners.

b. Physical Management.

(1) Assume full responsibility for maintenance and control of Common Area improvements and equipment. Maintain the Property in constant repair to reflect Owner pride and to insure high property values in accordance with the provisions of the operating budget, as approved by the Board of Directors.

(2) Enter into contracts and supervise services for lawn care, refuse hauling, pump maintenance, etc., as approved operating budgets.

(3) Select, train and supervise competent personnel, as directed by the Board.

(4) Compile, assemble and analyze data; and prepare specifications and call for bids for major improvement projects. Analyze and compare bids, issue contracts and coordinate the work; maintain close and constant inspection to insure that work is performed according to specifications.

(5) Perform any other projects with diligence and economy in the Board's best interests.

c. Administrative Management.

(1) Inspect contractual services for satisfactory performance. Prepare any necessary compliance letters to Vendors.

(2) Obtain and analyze bids for insurance coverage specified in By-Laws, recommend modifications or additional coverages. Prepare claims when required and follow up on payment; act as Boards' representative in negotiation settlement.

(3) Exercise close liaison and supervision over all personnel to insure proper operational maintenance and to promote good Management-Resident-Owner relationships.

(4) Act as liaison for the Association in any negotiations or disputes with local, federal or state taxing agencies or regulatory bodies.

(5) Exercise close supervision over hours and working conditions of employed personnel to insure compliance with Wage and Hour Workman's Compensation Laws.

(6) Assist in resolving individual Owner's problems as they pertain to the Association, Common Areas and governing rules and regulations.

(7) Represent an absentee Owner when requested.

(8) Administer the Project in such a way as to promote a pleasant and harmonious relationship.

ARTICLE VIII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

8.1 INDEMNIFICATION. The Association shall indemnify every Director or officer, his heirs, executors and administrators, against all loss, cost and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except in matters of gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters in which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association in connection with the foregoing indemnification provision shall be treated and handled by the Association as Common Expenses; provided, however, nothing contained in this Article VIII shall be deemed to obligate the Association to indemnify any Member or Owner of a Unit, who is or has been a Director or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration for Walden Pond Condominiums as a Member or Owner of a Unit covered thereby.

ARTICLE IX

OBLIGATIONS OF THE OWNERS

9.1 ASSESSMENTS. All Owners shall be obligated to pay the monthly assessments imposed by the Association as defined in the Declaration. A Member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of Members, within the meaning of these By-Laws, only if he is current in the assessments made or levied against him.

9.2 GENERAL.

(a) Each Owner shall comply strictly with the provisions of the Declaration for Creekbend Townhomes.

(b) Each Owner shall always endeavor to observe and promote the cooperative purposes for which the Project was built.

9.3 USE OF COMMON AREAS. Each Owner may use the Common Areas in accordance with the purposes for which they were intended.

ARTICLE X

AMENDMENTS TO PLAN OF OWNERSHIP

10.1 BY-LAWS.

a. After relinquishment of Declarant control of the Association, these By-Laws may be amended by the Association at a duly constituted meeting for such purpose, and in accordance with the provisions of Paragraph 10.3 of the Declaration. In the event of a conflict between the two (2) documents, the Declaration shall control.

b. Until relinquishment of Declarant control of the Association, these By-Laws may be unilaterally amended by the Declarant to correct any clerical or typographical error or omission, or to change any provision to meet the requirements of the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration or Federal Housing Administration.

ARTICLE XI

MORTGAGES

11.1 NOTICE TO ASSOCIATION. An Owner who mortgages his Unit shall notify the Association through the President of the Association giving the name and address of his Mortgagee.

11.2 NOTICE OF UNPAID ASSESSMENTS. The Association shall, at the request of a Mortgagee of a Unit, report any unpaid assessments due from the Owner of such Unit.

ARTICLE XII

COMPLIANCE

12.1 LEGAL REQUIREMENTS. These By-Laws are set forth to comply with the requirements of the laws of the State of Texas. If any of these By-Laws conflict with the provisions of

such statutes, it is hereby agreed and accepted that the provisions of such statutes will apply.

ARTICLE XIII

NON-PROFIT ASSOCIATION

13.1 NON-PROFIT PURPOSES. This Association is not organized for profit. No Unit Owner, Member of the Board of Directors or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the association be paid as a salary or as compensation to, or distributed to or inure to the benefit of any Member of the Board of Directors; provided, however, always (1) that reasonable compensation may be paid to any Member while acting as an agent or employee of the Association and (2) that any Member of the Board of Directors may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XIV

PRINCIPAL OFFICE

14.1 ADDRESS. The principal office of the Association shall be located at 13224 Woodbend Lane, Dallas, Texas 75243, but may be located at such other suitable and convenient place as shall be permitted by law and designated by the Directors.

ARTICLE XV

EXECUTION OF INSTRUMENTS

15.1 AUTHORIZED AGENTS. The person who shall be authorized to execute any and all instruments of conveyance or encumbrances, including promissory notes, shall be the President and Secretary of the Association.

ARTICLE XVI

CORPORATE SEAL

16.1 CORPORATE SEAL. The Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association.

ARTICLE XVII

DEFINITIONS OF TERMS

17.1 DEFINITIONS OF TERMS. The terms used in these By-Laws, to the extent they are defined in said Declaration, shall have the same definition as set forth in the Declaration for Creekbend Townhomes, as the same may be amended from time to time, recorded in the office of the County Clerk of Dallas County, Texas.

ARTICLE XVIII

ARBITRATION

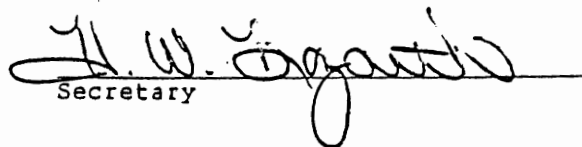
Whenever a dispute is required or permitted to be resolved by arbitration pursuant to the terms hereof, any group of Directors voting in the same manner may institute arbitration proceedings by giving written notice thereof to the other directors, which notice shall specify the nature of such dispute and the person chosen to serve as an arbitrator by the group giving such notice. The other group shall, within fifteen (15) days of receipt of such instituting group's prior written notice, designate another arbitrator by written notice to such instituting group. If the group to whom such instituting group has delivered notice shall refuse or fail to appoint an arbitrator within such fifteen (15) day period, then the arbitrator appointed by the instituting group shall have the power to proceed to arbitrate a resolution of the dispute, and such single arbitrator's determination in writing shall be final and binding upon each of the directors. If both groups hereto choose an arbitrator pursuant to the foregoing, the two arbitrators shall together select a third arbitrator within thirty (30) days of the date notice is given of the appointment of the second arbitrator. All arbitrators appointed pursuant hereto shall be neutral and disinterested members of the American Arbitration Association or any successor organization thereto.

The written decision of the arbitrators shall be final as to the resolution of the particular dispute, and such written decision shall be binding on the directors. Any arbitration proceeding pursuant hereto shall be in accordance with the arbitration rules promulgated by the American Arbitration Association or any successor organization; provided, however, that in the event of any conflict between such rules and this Article XVIII, the provisions of this Article XVIII shall govern. Each of the directors shall take all actions necessary to complete the arbitration procedure with due diligence and in as short a time as possible under all of the existing circumstances.

CERTIFICATE

I HEREBY CERTIFY that the foregoing is a true, complete and correct copy of the Amended and Restated By-Laws of Creekbend Homeowners Association, Inc., a Texas non-profit corporation, as approved by vote of not less than ninety percent (90%) of the Owners, and as adopted by the Board of Directors, effective as of the 31st day of July, 19885.

IN WITNESS WHEREOF, I hereunto set my hand and affix the Seal of the Corporation, this the 10 day of January, A.D., 1986.


Secretary

COVENANTS, CONDITIONS & RESTRICTIONS

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FIRST AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
CREEKBEND TOWNHOMES

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FIRST AMENDED AND RESTATED
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FIRST AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CREEKBEND TOWNHOMES

THE STATE OF TEXAS
COUNTY OF DALLAS

§
§
§

THIS DECLARATION, made on the date hereinafter set forth by the undersigned,

W I T N E S S E T H:

WHEREAS, Sumner & Greener, a Texas General Partnership, hereinafter referred to as "Declarant," was heretofore the owner of all of that certain property in the County of Dallas, State of Texas, known as CREEKBEND TOWNHOMES and which is more particularly described on the attached Exhibit "A".

WHEREAS, Declarant, while the Owner of the aforesaid Property, executed and recorded that certain Declaration of Covenants, Conditions and Restrictions for Creekbend Townhomes dated November 16, 1982, and recorded among the Deed Records of Dallas County, Texas in Volume 82227, Page 0652, pertaining to the aforesaid Property.

WHEREAS, by those two certain Supplemental Declarations of Annexation and Merger for Creekbend Townhomes, one of which dated January 18, 1983 and recorded among the Deed Records of Dallas County, Texas in Volume 83016, Page 2292, and the other dated August 26, 1983, and recorded among the Deed Records of Dallas County, Texas in Volume 83170, Page 0478, Declarant added certain Property described on Exhibits "B" and "C" hereto, respectively, to the Creekbend Townhome Project, and made such Property subject to the aforesaid Declaration of Covenants, Conditions and Restrictions for Creekbend Townhomes.

WHEREAS, the undersigned, being, in the aggregate, the Owners of not less than ninety percent (90%) of the Lots, as defined herein, desire to amend the aforesaid Declaration of Covenants, Conditions and Restrictions of Creekbend Townhomes in certain respects.

NOW, THEREFORE, the undersigned hereby declare that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the real property. These easements, covenants, restrictions and conditions shall run with the real property and be binding on all parties having or acquiring any right, title or interest in the above described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. This First Amended and Restated Declaration of Covenants, Conditions and Restrictions shall supercede and control the aforesaid Declaration dated November 16, 1982.

ARTICLE I

DEFINITIONS

1.1 ASSOCIATION. "Association" shall mean and refer to CREEKBEND HOMEOWNER'S ASSOCIATION, INC., its successors and assigns.

1.2 COMMON AREA. "Common Area" shall mean that portion of the property owned by the Association for the common use and enjoyment of the Members of the Association including, but not limited to, all recreational facilities, community facilities, swimming pools, storage facilities, tennis courts, clubhouse, pumps, trees, landscaping, sprinkler systems, pavements, streets, pipes, wires, conduits and other public utility lines situated thereon. The Common Area is more particularly described as follows: The Common Area shall mean and refer to all of the Property save and except the thirty-two (32) numbered Lots or Plots shown on the recorded subdivision Maps or Plats of the Property hereinbefore described on which there is, or will be, constructed a single-family townhouse.

1.2.1 LIMITED COMMON AREAS. Portions of the common areas are set aside and reserved for the exclusive use of the individual owners, such areas being limited common areas. The limited common areas reserved for the exclusive use of the individual townhome owners are the automobile parking spaces. Such spaces and structures are allocated and assigned by the Declarant to the respective units, as indicated on the plat. Such limited common areas shall be used in connection with the particular unit, to the exclusion of the use thereof by the other townhome owners, except by invitation.

1.3 CONSTRUCTION AND SALE PERIOD. "Construction and Sale Period" shall mean that period of time during which Declarant is developing the Premises and selling the Townhouse Units, which time period shall extend from the date hereof until such time as the Declarant transfers title to all of the Lots.

1.4 CONVERSION DATE. "Conversion Date" shall mean the earlier to occur of the following dates: (i) the date on which the aggregate number of Lots, the title to which is held by Permitted Individuals (as hereinafter defined) is equal to fifty-seven (57), or (ii) the first date on which a Transfer (as hereinafter defined) occurs. For purposes hereof, "Permitted Individuals" shall mean any of the following: (i) an individual who does not own any other Lot or who owns other Lots but which Lots are occupied by a child, grandchild or sibling of such individual; and (ii) any two (2) individuals who are spouses of each other and either do not own, collectively or individually, any other Lot, or own, collectively or individually, other Lots but which Lots are occupied by a child, grandchild or sibling of such spouse. For purposes hereof, "Transfer" shall mean any of the following: (A) any sale, transfer, assignment, or other conveyance of any kind whatsoever from Epic of all or any part of any Lot, or any interest therein, to any partnership, joint venture, corporation or other entity, to any person or persons other than Permitted Individuals, or to any trustee for the benefit of any of such entities or groups ("Subject Buyers"); (B) the execution of an installment contract or other contract for deed whereby, upon the payment of a specified sum of money, a deed, assignment, transfer or other conveyance of a Lot, any part thereof, or any interest therein shall be delivered from Epic to any Subject Buyer or person or entity on behalf of any Subject Buyer; (C) any transfer of any interest in Epic by any persons or entities which are General Partners of Epic on the

date hereof; (D) the date of filing with the Securities and Exchange Commission of any documents evidencing a resyndication of partnership interests in Epic; (E) the filing by Epic of a petition under any chapter of the Federal Bankruptcy Code or any similar law, state or federal, whether now or hereafter existing; or, in any involuntary proceeding under said Bankruptcy Code or similar law commenced against Epic, the filing by Epic of an answer admitting that it is generally not paying its debts as such debts become due; the failure of Epic to obtain a dismissal of such case within sixty (60) days of its commencement; the conversion of the case from one chapter of said Bankruptcy Code or law to another chapter thereof; the making of Epic as the subject of an order for relief in such case; the appointment of a custodian, as defined in the Federal Bankruptcy Code, for, or the taking of possession by a custodian of, the Lots owned by Epic or substantially all of Epic's property, or the taking by a court of jurisdiction of substantially all of said property; or the failure to have discharged within a period of ten (10) days any attachment, sequestration, or similar writ levied upon the property of Epic; and (F) the day immediately preceding the date on which a foreclosure sale of all or any portion of the Lots owned by Epic is conducted, or the date on which a deed in lieu of such foreclosure is delivered.

1.5 EPIC. "Epic" shall mean Epic Associates 85-21, a Virginia limited partnership.

1.6 LIENHOLDER OF FIRST MORTGAGEE. "Lienholder" or "First Mortgagee" shall mean the holder of a first mortgage lien on any Townhouse in the development.

1.7 LOT. "Lot" shall mean and refer to those one hundred twelve (112) individual tracts or parcels of land within the existing Property, as shown in the aforesaid Declaration dated November 16, 1982, Supplemental Declaration dated January 18, 1983 and Supplemental Declaration dated August 26, 1983.

1.8 MEMBER. "Member" shall mean and refer to every person or entity who holds membership in the Association.

1.9 OWNER. "Owner" shall mean and refer to the Record Owner, whether one (1) or more persons or entities, of a fee simple title to any Lot which is part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. However, the term "Owner" shall include any Mortgagee or Lienholder who acquires fee simple title to any Lot which is part of the Property, through a deed in lieu of foreclosure or through judicial or non-judicial foreclosure.

1.10 PROPERTY, PREMISES, OR DEVELOPMENT. "Property" shall mean and refer to that certain real property hereinabove described.

1.11 TOWNHOUSE OR TOWNHOME. "Townhouse" or "Townhome" shall mean a single-family residential unit constructed on a Lot.

ARTICLE II

PROPERTY RIGHTS

2.1 OWNER'S EASEMENTS OF ENJOYMENT. Every Owner shall have a right and easement of enjoyment in and to the Common

Area and such easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational or storage facility upon the Common Area;

(b) The right of the Association to suspend a Member's voting rights and right to the use of recreational or other facilities owned or operated by the Association for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless:

(i) an instrument of agreement to such dedication or transfer, signed by two-thirds (2/3) of each class of Members entitled to vote is properly recorded, in the Deed Records of Dallas County, Texas, and;

(ii) written notice of proposed action under this provision is sent to every Owner and Lienholder not less than thirty (30) days, nor more than sixty (60) days in advance of any said action.

(d) The right of the Association to limit the number of guests of Members;

(e) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities and, subject to the consent of all Lienholders, to mortgage said property; however, the rights under such improvement mortgage shall be subordinate and inferior to the rights of the Owners hereunder;

(f) The right of the Association to designate excess parking as "guest" parking for the exclusive use of bona fide guests of Owners;

(g) The right of the Association to make rules and regulations relating to traffic flow on street parking and other uses of the streets and drives on the Property.

(h) The right of each owner to the exclusive use of two (2) covered parking spaces as herein provided.

2.2 DELEGATION OF USE. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the property. The Owners hereby covenant that any lease executed on a Lot shall be in writing and contain provisions binding any lessee thereunder to the terms of the restrictions, rules and regulations applicable to the property, and further providing that non-compliance with the terms of the lease shall be a default thereunder.

2.3 TITLE TO THE COMMON AREA. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens. The Common Area shall remain undivided and shall at all times be owned by the Association or its successors, it being agreed that this restriction is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Common Area.

2.4 PARKING RIGHTS. Ownership of each Lot shall include ownership of a carport covering two (2) automobile parking spaces, together with the right of ingress and egress in and upon said parking areas, subject only to any rules and regulations of the Association and the restrictions herein set forth regarding the storage of boats, trailers, campers and unused or inoperable automobiles or other items which the Association may deem unsightly or inappropriate.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

3.1 MEMBERSHIP. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject, by covenants of record, to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one (1) membership. Membership shall be appurtenant to and may not be separated from any ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership. Any mortgagee or lienholder who acquires title to any Lot which is a part of the Property, through judicial or non-judicial foreclosures, shall be a member of the Association.

3.2 CLASSES OF MEMBERS. The Association shall have two (2) classes of voting memberships, as follows:

(a) Class A. Class A Members shall be all Owners other than the following: (i) Epic, (ii) any Subject Buyer (as hereinafter defined), or (iii) any buyer at any foreclosure sale or by deed in lieu of foreclosure.

(b) Class B. Class B Member shall be Epic, any Subject Buyer, or any buyer at any foreclosure sale or by deed in lieu of foreclosure.

3.3 VOTING RIGHTS PRIOR TO CONVERSION DATE. Prior to the Conversion Date, unit ownership shall entitle the Owner(s) to cast one (1) vote per unit for the Class in which such Owner is a Member. Notwithstanding the foregoing, and for the benefit and protection of the unit owners and any first mortgagees of record and for the sole purpose of insuring a complete and orderly buildout as well as a timely sellout of the project, the Declarant will retain control of and over the Association until the earlier to occur of (i) 120 days after the sale of seventy-five percent (75%) of the units, including any annexations; or (ii) five (5) years following the conveyance of the first unit.

3.4 VOTING RIGHTS FROM AND AFTER CONVERSION DATE.

From and after the Conversion Date, but prior to such time as the aggregate number of Lots owned by Class A Members equals 75, whenever Members are required to vote hereunder, the Members of Class A shall be entitled to vote on any issue or matter as a class. In this event, the Members of Class A shall first vote among themselves (with each Class A Member entitled to one vote per unit owned by such Class Member), and, after such vote by Class A Members, Class A shall be deemed to have voted 57 votes in accordance with the majority vote in such preliminary voting and no votes against such majority vote. Each Class B Member shall be entitled to a number of votes equal to a fraction, the numerator of which shall be equal to the lesser of 55 or the number of Lots owned by all Class B Members and the denominator of which shall be equal to the number of Lots owned by all Class B Members, multiplied by the number of units owned by the Class B Member. From and after the Conversion Date, but after such time as the aggregate number of Lots owned by Class A Members is 75 or greater, each Class A Member and each Class B Member shall be entitled to cast one (1) vote for each Lot owned by such Member.

3.5 NO CUMULATIVE VOTING. At all meetings of the Owners Association there shall be no cumulative voting.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be expressed in any such deed or other conveyances, is deemed to covenant and agree to pay to the Association: (1) annual assessments of charges, and (2) special assessments for capital improvements, such assessment to be fixed, established and collected as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be secured by a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

4.2 PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Property and in particular for the improvement and maintenance of the Property, the Common Area and services and facilities relating to the use and enjoyment thereof and of the Townhouses situated thereon. Assessments shall include, but are not limited to, funds to cover actual Association costs for all taxes, insurance, repair, replacement and maintenance of the Common Area and exterior maintenance of the Lots or Townhouses as herein authorized or as may from time to time be authorized by the Board of Directors; legal and accounting fees, costs incurred in any condemnation hearing as provided in Paragraph 11.8; any fees for management services; and the cost of other facilities and service activities including, but not limited to, mowing grass, grounds care, sprinkler system, landscaping, swimming pool, recreational building and equipment, roofs and exterior walls and fences of the

Townhouses, and storage facilities, including roofs, garbage pickup areas, water and sewage service furnished to Townhouses by the Association, street maintenance, and other charges required by this First Amended and Restated Declaration of Covenants, Conditions and Restrictions or that the Board of Directors of the Association shall determine to be necessary to meet the primary purpose of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes and other charges as specified herein.

4.3 BASIS AND MAXIMUM OF ANNUAL ASSESSMENTS.

(a) Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Maximum Annual Assessment shall be \$1,800.00 per Lot.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Maximum Annual Assessment may be set effective January 1 of each year without a vote of the membership by an amount not to exceed one hundred and ten percent (110%) of the budget of the preceding year.

(c) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner and prior to the Conversion Date, the Maximum Annual Assessment may be set above one hundred and ten percent (110%) only by the written approval of the Owners entitled to cast two-thirds (2/3) of the votes of the members of each class, and, from and after the Conversion Date, only by written approval of the Owners entitled to cast two-thirds (2/3) of the votes.

(d) After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the Annual Assessment at an amount not in excess of the maximum.

4.4 SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENT. In addition to the Annual Assessment authorized above, the Association may levy, in any assessment year, a Special Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction or unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have, prior to the Conversion Date, the written approval of the Owners in each class entitled to cast two-thirds (2/3) of the votes of such class and, from and after the Conversion Date, the written approval of the Owners entitled to cast two-thirds (2/3) of the votes.

4.5 NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER PARAGRAPHS 4.3 AND 4.4. Written notice of any meeting called for the purpose of taking any action authorized under Paragraphs 4.3 or 4.4 shall be sent to all members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of members in each class or of proxies of members in each class entitled to cast sixty percent (60%) of all the votes entitled to be cast by the Members of the Association in such class shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice and quorum requirements. In lieu of a meeting, a door to door canvass may be used to get the written consent of Owners as set forth in Paragraph 4.3 and 4.4.

4.6 UNIFORM RATE OF ASSESSMENT. Both Annual and Special Assessments shall be fixed at a uniform rate for all Lots regardless of location, and shall commence and be due in accordance with the provisions of Paragraph 4.7 hereof.

4.7 DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATES:

(a) As to each Lot owned by an Owner, other than the Declarant, the Annual Assessment shall commence on the date that such Lot is conveyed by Declarant to Owner.

(b) As long as Declarant maintains control of the Association pursuant to Article III, Paragraph 3.3 herein, Declarant shall not be liable for Annual Assessments as set out in Paragraph 4.7a of this Article IV. However, Declarant shall be responsible for the difference in the cost of maintenance borne by the Association and the Assessments received from the Unit owners other than Declarant.

(c) The Annual Assessment shall be due and payable in advance by each Owner to the Association in monthly installments.

(d) The Annual Assessment for the first assessment year shall be fixed by the Association prior to the sale of the first Lot to an Owner. Except for the first assessment year, the Association shall fix the amount of the Annual Assessment at least thirty (30) days in advance of each assessment year, which shall be the calendar year; provided, however, that the Association shall have the right to adjust the Annual Assessment upon thirty (30) days' written notice given to each Owner, as long as any such adjustment does not exceed the maximum permitted hereunder. Written notice of the Annual Assessment shall be sent as soon as is practicable to every Owner subject thereto. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the Annual and Special Assessments on a specified Lot have been paid and the amount of any delinquency. A reasonable charge may be made by the Association for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

4.8 EFFECT OF NON PAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION.

(a) Affirmative and Independent Obligation to Pay Assessments. All payments of the Assessments shall be made to the Association at its principal place of business in Dallas County, Texas, or to Centre Property Management, the managing entity for the project. Payment shall be made in full regardless of whether any Owner has any dispute with the Declarant, the Association, any other Owner or any other person or entity regarding any matter to which this Declaration relates or pertains.

(b) Delinquency. Any Assessment provided for in this Declaration which is not paid when due shall be delinquent. If any such Assessment is not paid within thirty (30) days after the date of delinquency, the Assessment shall bear interest from the date of delinquency, until paid, at the rate of six percent (6%)

per annum. The Association may, at its option, bring an action at law against the Owner personally obligated to pay the same, or, upon compliance with the notice provisions set forth in Subparagraph "c" of this Paragraph 4.8, foreclose the lien against the Lot, as provided in Subparagraph "d" of this Paragraph 4.8. There shall be added to the amount of such Assessment the late charge, the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include said interest and a reasonable attorney's fee, together with costs of action. Each Owner vests in the Association or its assigns, the right and power to bring all actions at law or lien foreclosures against such Owner for the collection of such delinquent Assessments. Under no circumstances, however, shall the Declarant or the Association be liable to any Owner or to any other person or entity for failure or inability to enforce or attempt to enforce any Assessments. In addition, to the extent permitted by law, Declarant reserves and assigns to the Association, without recourse, a Vendor's Lien against each Lot to secure payment of a common Assessment and Special Assessment which is levied pursuant to the terms hereof. Such liens may be enforced by appropriate judicial action and the expenses incurred in connection therewith, including interest, costs and reasonable attorneys' fees shall be chargeable to the Owner in default.

(c) Notice of Lien. No action shall be brought to foreclose said Assessment lien or to proceed under the power of sale herein provided less than thirty (30) days after the date a notice of claim of lien is deposited with the postal authority, certified or registered, postage prepaid, to the Owner of said Lot, and a copy thereof is recorded by the Association in the Office of the County Clerk of Dallas County; said notice of claim must cite a good and sufficient legal description of any such Lot, the Record Owner or reputed Owner thereof, the amount claimed (which may, at the Association's option, include interest on the unpaid Assessment at the legal rate, plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant.

(d) Foreclosure Sale. Any such sale provided for above is to be conducted in accordance with the provisions applicable to the exercise of powers of sale in mortgages and deeds of trust, as set forth in Article 3810 of the Revised Civil Statutes of the State of Texas, or in any other manner permitted by law. Each Owner, by accepting a deed to his Lot, expressly grants to the Association a power of sale, as set forth in said Article 3810, in connection with the Assessment lien. The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

(e) Curing of Default. Upon the timely curing of any default for which a notice of claim of lien was filed by the Association, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Association but not to exceed Fifteen Dollars (\$15.00), to cover the costs of preparing and filing or recording such release.

(f) Notice to Mortgagee. Upon written request by a First Mortgagee, the Association shall provide the Mortgagee with written notice of any default by the Owner-Mortgagor in the performance of such Owner's obligations hereunder, including payment of Assessments, which is not cured within thirty (30) days after default; provided that any such requirement of notice shall not impair or affect any rights or remedies of the Association, including exercise of the same, provided for in this Declaration.

(g) Cumulative Remedies. The Assessment lien and the right to foreclosure sale hereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its successors or assigns may have hereunder and by law, including, a suit to recover a money judgment for unpaid Assessments, as above provided.

4.9 SUBORDINATION OF THE LIEN TO MORTGAGEE. The lien securing the Assessments provided for herein shall be subordinate to the lien of any prior recorded first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such Assessments as to payments thereof which become due prior to such sale or transfer, except for its pro-rata share resulting from a reallocation among all Lot Owners. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due, according to the terms herein provided.

4.10 EXEMPT PROPERTY. All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the Laws of the State of Texas shall be exempt from the Assessments created herein, except no land or improvements devoted to dwelling use shall be exempt from said Assessments.

4.11 MANAGEMENT AGREEMENTS. Each Owner of a Lot hereby agrees to be bound by the terms and conditions of all management agreements entered into by the Association. All such agreements entered into by the Association shall provide that said management agreement may be canceled with or without cause and without penalty by either party with thirty (30) days' written notice. Such termination will be authorized by majority vote of Members of the Association in each class prior to the Conversion Date, and a two-thirds (2/3) vote of the Members of the Association from and after the Conversion Date. In no event shall such management agreement be canceled prior to execution by the Association or its Board of Directors of a new management agreement unless the new management agreement will become operative immediately upon the cancellation of the preceding management agreement. It shall be the duty of the Association or its Board of Directors to effect a new management agreement prior to the expiration of any prior management contract. Any and all management agreements shall be for a term not to exceed one (1) year and shall be made with a professional and responsible party or parties with proven management skills and experience managing a project of this type. The Members of the Association may terminate the professional management of the Property and assume self-management by the Association upon written agreement executed by Members in each class entitled to cast a majority of the votes of such class prior to the Conversion Date, and as per written agreement executed by Members in the Association entitled to cast two-thirds (2/3) of the vote from and after

the Conversion Date. In such event, notice of such action shall be given all lienholders prior to the effective date of termination.

4.12 INSURANCE REQUIREMENTS.

(a) The Association shall obtain and maintain at all times insurance of the type and kind provided hereinafter, including such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to Townhome Units, Common Areas, fixtures, equipment and personal property, similar in construction, design and use, issued by responsible insurance companies authorized to do business in the State of Texas. The insurance shall be carried in blanket policy form naming the Association as the insured. In addition, each policy or policies shall identify the interest of each Owner and shall provide for a standard, noncontributory mortgage clause in favor of each First Mortgagee. Further, the policy shall insure against loss or damage by fire, vandalism, malicious mischief, or such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the Townhome Areas and the Common Areas, and against such other hazards and for such amounts as the Board may deem advisable. Each Owner irrevocably designates the Owners Association, as Attorney-in-Fact, to administer and distribute such proceeds as is elsewhere provided in this Declaration. Such insurance policy shall also provide that it cannot be cancelled by either the insured or the insurance company until after thirty (30) days prior written notice to each First Mortgagee. The Board of Directors shall, upon request to each First Mortgagee, furnish a certified copy of each blanket policy and a separate certificate identifying the interest of the Mortgagee.

The Association shall in no manner commingle or otherwise mix the insurance required to be maintained hereunder with any insurance purchased by an Owner(s) of a Townhome covered hereby or a Mortgagee of such Townhome. Additionally, all policies obtained by the Association shall provide that coverage shall not be prejudiced by (i) any act or neglect of the Owners when such act of neglect is not within the control of the Association or (ii) failure of the Association to comply with any warranty or condition with regard to any portion of the Project over which the Association has no control.

(b) The Association shall keep a comprehensive policy or policies of public liability insurance covering the Common Areas of the Project and such policy or policies shall include a "Severability of Interest Endorsement" or equivalent coverage which will preclude the insurer from denying the claim of an Owner because of negligent acts by the Association, its Board of Directors or an Owner. Such policy or policies shall be in amounts of not less than One Hundred Thousand Dollars (\$100,000.00) per person, Three Hundred Thousand Dollars (\$300,000.00) per resident and Fifty Thousand Dollars (\$50,000.00) property damage, plus an umbrella policy for not less than One Million Dollars (\$1,000,000.00) for all claims for personal injury, including death, and/or property damage arising out of a single occurrence; and the policy shall include water damage liability, liability for non-owned and hired automobiles, liability for property of others and such other coverage as is customarily deemed necessary with respect to projects similar in nature.

(c) The Association shall keep a policy or policies of (i) liability insurance insuring the Board of Directors, Officers and employees of the Association against any claims, losses, liabilities, damages or causes of action arising out of, or in connection with, or resulting from any act done or omission to act by any such person or entities, (ii) workmen's compensation as required under the laws of the State of Texas, and (iii) such other insurance as deemed reasonable and necessary in order to protect the Project, the Owners and the Association.

(d) The Association shall be responsible for obtaining insurance as herein recited. Each Owner may obtain additional insurance at his own expense for his own benefit. Insurance coverage on the furnishings and other items of personal property belonging to an Owner and casualty and public liability insurance coverage within each Townhome are specifically made the responsibility of each Owner, and each Owner must furnish a copy of his insurance policy to the Association.

(e) The Association shall be responsible for obtaining a policy of fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of the Association and all others who handle or who are responsible for handling funds of the Association. Such fidelity bonds shall be of a kind and in an amount the Association deems necessary for the protection of the Owners.

(f) Any insurance obtained by the Association or an Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against the Owners, Association or their respective servants, agents or guests and any defenses based on coinsurance or any pro rata reduction of liability.

(g) Premiums for all such insurance authorized by this Paragraph 4.12 shall be a common expense payable from property Assessments. Liability and personal property insurance for the contents of Townhouses shall be the responsibility of and at the expense of each individual Owner. In the event of damage or destruction by fire or other casualty to any Townhome or property in the Common Area covered by insurance written in the name of the Association, the Board of Directors shall, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the property to their former condition. All such insurance proceeds shall be deposited in a bank or other financial institution in which the accounts are insured by a Federal governmental agency, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature of at least two-third (2/3) of the members of the Board of Directors. The Board of Directors shall advertise for sealed bids with any licensed contractors, and then may negotiate with any contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed Townhome, Townhomes, building or buildings. In the event the insurance proceeds are insufficient to pay all costs of repairing and/or rebuilding to the condition formerly existing, the Board of Directors shall levy as Special Assessment against all Owners, as herein provided, to make up any deficiency.

(h) Unless at least two-thirds (2/3) of the First Mortgagees (based upon one (1) vote for each First Mortgage owned) or Owners of two-thirds (2/3) of the votes in each class (other than the sponsor, Developer or builder) prior to the Conversion Date, and such Owners of two-thirds (2/3) of the votes from and after the Conversion Date, have given their prior written approval, the Association shall not be entitled to:

(1) fail to maintain fire and extended coverage on insurable Townhomes and Common Areas on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost);

(2) use hazard insurance proceeds for losses to any Townhome or Common Area for other than the repair, replacement or reconstruction of such Townhome and Common Area.

ARTICLE V

ARCHITECTURAL CONTROL

5.1 PHYSICAL RESTRICTIONS. No building, fence, wall or other structure shall be commenced, erected or maintained upon any Lot, or the patio or carport used in connection with any Lot after the purchase of any Lot from Declarant, its successors or assigns, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same are submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an Architectural Committee composed of three (3) or more representatives appointed by the Board. In the event said Board or its designated committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully satisfied. Approval, once given, shall be irrevocable.

Unless at least two-thirds (2/3) of the First Mortgagees (based upon one (1) vote for each First Mortgage owned) or Owners of two-thirds (2/3) of the votes in each class (other than the sponsor, developer or builder) prior to the Conversion Date, and such Owners of two-thirds (2/3) of the votes from and after the Conversion Date, have given their prior written approval, the PUD Homeowners Association, corporation or trust shall not be entitled to, by act or omission, change, waive or abandon any scheme of regulations or enforcement thereof, pertaining to the architectural design or the exterior appearance of units, the exterior maintenance of units, the maintenance of the Common Property party walks or common fences and driveways, or the upkeep of lawns and plantings on the premises.

ARTICLE VI

MAINTENANCE

6.1 ASSOCIATION RESPONSIBILITIES. In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to

assessment hereunder, as follows: paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements. Such exterior maintenance shall not include glass surfaces, enclosed patio areas, window and door fixtures and hardware, air conditioning equipment and owners landscaping.

6.2 OWNER RESPONSIBILITY. All fixtures and equipment installed within a Townhouse, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the exterior walls of a Townhouse, shall be maintained and kept in repair by the Owner thereof. In addition, all exterior as well as interior air-conditioning systems will be maintained and kept by the Owner thereof. In the event the need for maintenance or repair of a Lot or the improvements thereon is caused through the willful or negligent acts of the family, guests or invitees of the Owner, the cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

6.3 AUTHORITY OF ASSOCIATION. In the event an Owner is responsible for certain exterior maintenance, as set forth in Paragraph 6.2, and such Owner shall fail to maintain the premises and improvements in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain and restore said Lot and improvements. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

ARTICLE VII

PARTY WALLS

7.1 GENERAL RULES OF LAW TO APPLY. Each wall which is built as a part of the original construction of the townhouse upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. If the party wall is on one Lot or another due to an error in construction, such wall shall nevertheless be deemed to be on the dividing line and constitute a party wall for purposes of this Article. Reciprocal easements shall exist upon and in favor of the adjoining townhouse Lots for the maintenance, repair and reconstruction of party walls.

7.2 SHARING OF REPAIR AND MAINTENANCE. The cost of reasonable repair and maintenance of a party wall shall be shared in equal proportions by the Owners who make use of it. If other Owners thereafter make use of the wall, they shall contribute to the cost of any restoration necessary in proportion to such use. This provision is not intended to prejudice the right of any Owner to call for a large contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

7.3 WEATHERPROOFING. Notwithstanding any other provision of this Article, an Owner, who by his negligent or willful act causes the party wall to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements.

7.4 RIGHT TO CONTRIBUTION RUNS WITH LAND. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

7.5 ARBITRATION. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one (1) arbitrator. Those arbitrators shall in turn choose one (1) additional arbitrator, and the decision shall be by a majority of all of the arbitrators. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor, the Board of Directors of the Association shall select an arbitrator for the refusing party.

ARTICLE VIII

USE RESTRICTIONS

8.1 RESIDENTIAL USES AND LIMITATIONS. Except for Common Area facilities and as hereinafter set forth, the Property is hereby restricted to residential dwellings for residential use only. The Common Area shall not be used for any commercial purposes; however, this provision shall not preclude the Association from charging reasonable fees for the use of the recreational or storage facilities which are a part of the Common Area. All buildings or structures erected upon said Property, except for the Common Areas, shall be of new construction. No buildings or structures shall be moved from other locations onto said Property and no subsequent buildings or structures other than townhouses shall be constructed. No structure of a temporary character, including trailers, motor vehicles, tents, shacks, garages, barns or other outbuildings, shall be used on any portion of said Property at any time as a residence either temporarily or permanently.

Notwithstanding the foregoing, Epic shall have the right to use the approximately 12 foot x 12 foot space presently located in the northeast corner of the clubhouse indicated on Exhibit "D" attached hereto and hereby incorporated herein and made a part hereof for all purposes, as a general business office for purposes of leasing, selling and managing the Lots and Townhomes owned by Epic; provided, however: (i) Epic shall construct, in accordance with plans and specifications approved by the Board of Directors of the Association prior to commencement of such construction, an entrance and means of ingress and egress to and from such office from the north exterior wall of such office; (ii) the use by Epic of such office shall be done in a manner so as to avoid any and all unreasonable interference with the use and enjoyment of the clubhouse by Class A Members, including, without limitation, not allowing the use of the refrigerator in the clubhouse for storage of food and beverage by Epic's employees.

8.2 FREEHOLD ESTATE. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions and provisions hereof.

8.3 DECLARANT EXEMPTION. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or Builder of said Townhouses to maintain, during the Construction and Sale period, upon such portion of the premises as Declarant deems necessary, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental

to the construction and sale of said Townhouses. This shall include, but shall not be limited to, a business office, storage area, construction yards, model units, sales office, and the placement of any signs deemed necessary for the display of townhome sales.

8.4 DOMESTIC ANIMALS. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of said Lots, except that a reasonable number, consistent with a residence, of dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose.

8.5 SIGNS. No advertising signs, billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on said Property, nor shall said Property be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Townhouse or any resident thereof; provided, however, notwithstanding the foregoing, Epic shall be entitled to erect one (1) sign on or near the exterior of the office described in Section 8.1 above, upon which shall be placed the phrase "Information Office", and two (2) additional directional signs at locations approved by the Board of Directors. Declarant, however, shall have the sole right to erect identifying signs of any size at each entrance to the Subdivision. The Board of Directors reserves the right to approve the design, location and wording of all signs (including, without limitation, the above-described signs which Epic is entitled to erect), and reserves the right to enter in and upon any Lot for the purpose of removing any sign being maintained thereon which has not been approved. No business activities of any kind whatever shall be conducted in any building or in any portion of said Property. Provided, however, that the foregoing covenants shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings, if any, of Declarant, its agents and assigns during the Construction and Sale period, or of the Association as incorporated or to be incorporated under the laws of the State of Texas, its successors and assigns, in furtherance of its powers and purposes as herein set forth.

8.6 VISUAL CONTROLS. All clotheslines, equipment, service yards or storage piles shall be kept within the patio areas or other screened areas so as to conceal them from view of neighboring Townhouses and streets. All rubbish, trash and garbage shall be kept in containers within the areas provided with each Townhouse and designated by the Association for collection purposes.

8.7 SPECIFIC USE. Except in the individual patio areas appurtenant to a Townhouse, no planting or gardening shall be done; and no fences, hedges or walls shall be erected or maintained upon said Property except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Association's Board of Directors or their designated representative. Except for the right of ingress and egress, the Owners of the Lots are hereby prohibited and restricted from using any of said Property outside the exterior building lines, patio and carport areas, except as herein provided or as may be allowed by the Association's Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners of Lots in the Creekbend Townhomes, and is necessary for the protection of said Owners.

8.8 UNIT FIXTURES AND EQUIPMENT. An Owner shall do no act nor any work that will impair the structural soundness or integrity of another Townhouse or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other Townhouses or their Owners.

8.9 ANTENNAS. Without prior written approval of the Board of Directors, no exterior television or radio antennas of any sort shall be placed, allowed or maintained upon any portion of the improvements upon the Property, nor upon any structure situated upon the Property other than an aerial from a master antenna system.

8.10 PARKING AND STORAGE AREA RESTRICTIONS. No parking space on the Property shall, without express permission of the Association, be used for storage of boats, trailers, campers, unused or inoperable automobiles or any other items which the Association deems unsightly or inappropriate. Space for storage of large items of personal property will be provided by the Association as part of the Common Area facilities and will be available at moderate cost. If such space is not available, the Association shall make such rules and regulations for storage of these items as it deems necessary and in the best interest of all Owners.

8.11 ANNOYANCE. No activity shall be carried on upon any Lot or Common Area which might reasonably be considered as giving annoyance to neighbors of ordinary sensibilities and which might be calculated to reduce the desirability of the Property as a residential neighborhood, even though such activity is in the nature of a hobby and not carried on for profit. The Board of Directors of the Association shall have the sole and exclusive discretion to determine what constitutes an annoyance.

8.12 NO DISCRIMINATION. No action shall at any time be taken by the Association or its Board of Directors which in any manner would discriminate against any Owner or Owners in favor of the other Owners.

ARTICLE IX

EASEMENTS

9.1 ENCROACHMENTS. Each Townhouse and the Property included in the Common Area shall be subject to an easement for minor (one (1) foot or less) encroachments created by construction, settling, overhangs, brick ledges, balconies, fences or other protrusions designed or constructed by Declarant and for the maintenance (if any) of same, so long as it exists. In the event of multi-family structure containing two (2) or more Townhouse Units is partially or totally destroyed and then rebuilt, the Owners of the Townhouses so affected agree that minor encroachments (one (1) foot or less) onto part of the adjacent Townhouse units or Common Areas due to construction or repair shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

9.2 RESERVATION OF VARIANCE. In the original construction of Townhomes upon the Property, Declarant expressly reserves the right, in order to facilitate construction and to avoid monotony of design, to extend front or back walls of homes into adjoining common areas and create a

valid permanent easement for the maintenance of same, and for the repair or rebuilding of such encroaching wall in the event of partial or total damage or destruction thereof. Conveyance of the lot, plot or tract upon which any such Townhome is erected shall, without specific mention thereof, serve as a conveyance of the easement for such encroachment and the maintenance thereof shall exist.

9.3 ADDITIONAL EASEMENTS. There is hereby created a blanket easement upon, across, over and under said Property for ingress, egress, installation, replacing, repairing and maintaining all utilities, including, but not limited to, water, sewers, gas, telephones, electricity and a master television antenna system. By virtue of this easement, it shall be expressly permissible for the electric and/or telephone company to erect and maintain the necessary poles and other necessary equipment on said property and to affix and maintain electric and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of said Townhouses. An easement is, in addition, specifically granted to the United States Post Office, its agents and employees to enter upon the streets, Common Areas and Lots in the performance of mail delivery or any other United States Post Office services. An easement is further granted to all police, fire protection, ambulance and all similar persons to enter upon the streets and Common Area in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees or any management company duly selected by the Association, to enter in or to cross over the Common Area and/or any Townhouse to perform the duties of maintenance and repair provided for herein. Notwithstanding anything to the contrary contained in this Paragraph, no sewers, electrical lines, water lines or other utilities may be installed or relocated on said Property, except as initially programmed and approved by the Declarant or thereafter approved by Declarant or the Association's Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, Declarant shall have the right during the Construction and Sale period to grant such easement on said Property without conflicting with the terms hereof. The easements provided for in this Article IX shall in no way affect any other recorded easement on said premises.

9.4 UNDERGROUND ELECTRIC SERVICE. Underground single phase electric service may be available to all residential Townhouses on the aforesaid Lots and to the facilities to be constructed on the Common Areas, and the metering equipment shall be located on the exterior surfaces of walls at points to be designated by the utility company. For so long as such underground service is maintained, the electric service to each Townhouse and the Common Area facility shall be uniform and exclusively of the type known as single phase, 120/240 volt, 3 wire, alternating current. Easements for the underground service may be crossed by driveways, walkways and patio areas, provided the Declarant or Builder makes prior arrangements with the utility company furnishing such service. Such easements for the underground service shall be kept clear of all buildings and neither the Declarant nor the utility company using the easement shall be liable for any damage done by either of them or their assigns, their agents or employees to shrubbery, trees, flowers or other improvements of the Owner located on the land covered by said easements.

ARTICLE X

GENERAL PROVISIONS

10.1 ENFORCEMENT. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, the By-Laws and Articles of Incorporation. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

10.2 SEVERABILITY. Invalidation of any one (1) of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

10.3 AMENDMENT. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first thirty (30) year period by an instrument signed by the Owners (regardless of class) of not less than ninety percent (90%) of the Lots now in the development and thereafter by an instrument signed by Owners (regardless of class) of not less than seventy-five percent (75%) of the Lots now in the development. Any amendment must be properly recorded in the Deed Records of Dallas County, Texas. However, notwithstanding the above, any amendment hereto or to the By-Laws or to the Articles of Incorporation hereof (i) to allow the Members to alienate the Common Area, or (ii) to change the ratio of Assessments against Owners as herein provided, or (iii) to abandon or terminate the PUD status must have the approval of all lienholders and all lienholders shall be given notice of any material amendment. The Declarant reserves the right during the Sales and Construction period, without joinder or consent of any Owner or Mortgagee, to amend this Declaration or the By-Laws by an instrument in writing duly signed, acknowledged and filed for record, for the purpose of resolving or clarifying any ambiguities or conflicts herein, or correcting any inadvertent misstatements, errors or omissions herein, or to comply with the requirements of Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veteran's Administration or Federal Housing Administration, provided that no such amendment shall change the vested property rights of any Townhome Owner.

10.4 COMMON AREA ALIENATION. Except as to the Owners Association's right to grant easements for utilities and similar or related purposes, the Common Area and facilities may not be alienated, released, transferred or otherwise encumbered without the approval of all holders of first mortgage liens on each Townhouse.

10.5 MORTGAGEE RIGHTS.

a. Upon written request to the Owners Association any holder of a first mortgage lien will be entitled to: (i) inspect the books and

records of the Association during normal business hours; (ii) receive annual financial statements, audited and otherwise, within ninety (90) days following the end of the Association's fiscal year and (iii) receive notice of the Association's meetings and designate a representative to attend such meetings.

b. The Association shall immediately reimburse First Mortgagees who may, jointly or singly pay taxes or other charges which are in default and which may or have become a charge against the Common Area; or who may pay overdue premiums or hazard insurance coverage on the lapse of a policy on the Common Area.

c. A First Mortgagee, upon written request, shall be entitled to written notification from the Association of any default in the performance by the individual Owner-Mortgagor of any obligation under this Declaration, By-Laws, or rules and regulations promulgated by the Board which is not cured within sixty (60) days.

10.6 LEASES. Any lease agreement between an Owner and a Lessee shall be in writing and provide that the terms of the lease are subject to the provisions of this Declaration, By-Laws and Articles of Incorporation, and any violation of any provision of said documents will be a default under the terms of the lease.

10.7 SUBSTANTIAL TAKING OR DESTRUCTION. Any holder of a First Mortgage Lien will be entitled to timely written notice of substantial damage to or destruction of any Unit or any part of the Common Area.

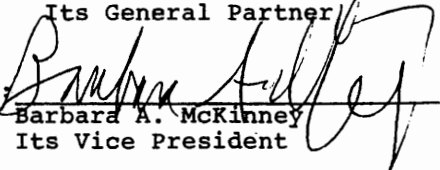
10.8 CONDEMNATION. If all or any part of the Property is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association and each Owner shall be entitled to participate in proceedings incident thereto at their respective expense. The Association shall give timely written notice of the existence of such proceedings to all Owners and to all First Mortgagees known to the Association to have an interest in any Unit. The expense of participation in such proceedings by the Association will be borne by the Common Fund. The Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for such taking shall be deposited with the Association, and such damages or awards shall be applied as provided herein. In the event that an action in eminent domain is brought to condemn a portion of the Common Area, the Association, in addition to the general powers set out herein, shall have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such Property to the condemning authority in lieu of such condemnation proceeding. With respect to any such taking, all damages and awards shall be determined for such taking as a whole and not for each Owner's interest therein. After the damages or awards for such taking are determined, such damages or awards shall be paid to the account of each Owner and First Mortgagee, if any, as their interests

may appear. The Association, if it deems advisable, may call a meeting of the Owners, at which meeting the Owners, by a majority vote of each class, shall decide whether to replace or restore as far as possible the Common Area so taken or damaged. In the event it is determined that such Common Area should be replaced or restored by obtaining other land or building additional structures, this Declaration and the Map attached hereto shall be duly amended by instrument executed by the Association on behalf of the Owners.

10.9 GENDER AND GRAMMAR. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, in all cases shall be assumed as though fully expressed in each case.

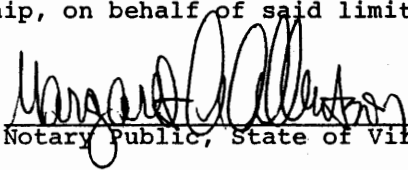
IN WITNESS WHEREOF, the undersigned have hereto set their respective hands, effective this ____ day of _____, 1985.

EPIC ASSOCIATES 85-21
a Virginia limited Partnership
BY: EQUITY ASSOCIATE INVESTOR, LTD.
Its General Partner

BY: 
Barbara A. McKinney
Its Vice President

STATE OF VIRGINIA)
COUNTY OF FAIRFAX)

This instrument was acknowledged before me on the 24th day of July 1985, by Barbara A. McKinney, Vice President of EQUITY ASSOCIATE INVESTOR, LTD., the General Partner of Epic Associates 85-21, a Virginia limited partnership, on behalf of said limited partnership.


Notary Public, State of Virginia

Margaret A. Albertson
Notary Public Name (print)

Notary's Commission Expires:

9/9/88

12815 Burningslog Lane Patricia S. Stewart
(Townhome Street Address) (Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 18th
day of July, 1985, by Patricia Stewart.



Cynthia A. Tolles
Notary Public, State of Texas

CYNTHIA A. TOLLES
Notary Public Name (print)

Notary's Commission Expires:

3-12-88

12827 Burdington Lane Eva N. Peter
(Townhome Street Address) (Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 15th
day of July, 1985, by Eva Peters.

Cynthia A. Tolles
Notary Public, State of Texas

CYNTHIA A. TOLLES
Notary Public Name (print)

Notary's Commission Expires:

3-12-88



1907W

12828 Woodbend Ct.

(Townhome Street Address)

Dennis Simonetta

(Signature)

Sharon Simonetta

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 14th
day of July, 1985, by Dennis Simonetta and Sharon Simonetta.



David B. Dietz
Notary Public, State of Texas

David B. Dietz
Notary Public Name (print)

Notary's Commission Expires:

7-21-87

1907W

12831 Burnington Lane McAllen McKinney
(Townhome Street Address) (Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 30th
day of July, 1985, by Colleen McKinney.



Cynthia A. Tolles
Notary Public, State of Texas

CYNTHIA A. Tolles
Notary Public Name (print)

Notary's Commission Expires:

3-12-88

12831 Burning Log Lane
(Townhome Street Address)

James R McKinney
(Signature)

Alma E McKinney
(Signature)

Colleen McKinney
(Signature)

STATE OF TEXAS)
COUNTY OF Wichita)

This instrument was acknowledged before me on the 8th
day of July, 1985, by the above.



Margaret R. Williams
Notary Public, State of Texas

MARGARET R. Williams
Notary Public Name (print)

Notary's Commission Expires:

12-12-85

12832 WOODBEND CT.

(Townhome Street Address)

Betty J. Barnett
(Signature)

(Signature)

(Signature)



STATE OF Texas)
COUNTY OF Harris)

This instrument was acknowledged before me on the 2nd
day of July, 1985, by Patricia P. Ottervik.
Betty J. Barnett

Patricia P. Ottervik
Notary Public, State of Texas

PATRICIA P. OTTERVIK
Notary Public Name (print)

Notary's Commission Expires:

12/21/86

12836 woodband Court

(Townhome Street Address)

Robert M. Goodside

(Signature) Robert M. Goodside

Peter S. Graf

(Signature) Peter S. Graf

(Signature)

STATE OF TEXAS)

COUNTY OF DALLAS)

This instrument was acknowledged before me on the 15
day of July, 1985, by Robert M. Goodside and
Peter S. Graf

Delta Welden

Notary Public, State of Texas

Delta Welden

Notary Public Name (print)

Notary's Commission Expires:

4-23-88

12847 Burninglog Lane

(Townhome Street Address)

Timothy D. Blakeley
(Signature) Timothy D. Blakeley

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 9th
day of July, 1985, by Timothy D. Blakeley.

Mary Levant
Notary Public, State of Texas



MARY LEVANT, Notary Public

In and for the State of Texas

My commission expires 4/4/89

Notary Public Name (print)

Notary's Commission Expires:

12851 Burning Log Lane

(Townhome Street Address)

Carol A. Stamer

(Signature)

(Signature)

(Signature)

STATE OF TEXAS)

COUNTY OF DALLAS)

This instrument was acknowledged before me on the 13th
day of July, 1985, by Carol Stamer.



David B. Dietz
Notary Public, State of Texas

David B. Dietz
Notary Public Name (print)

Notary's Commission Expires:

7-21-87

1907W

12903 BURNINGLOE LANE

(Townhome Street Address)


(Signature)

M Salinas
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 1st
day of July, 1985, by ~~Cynthia A. Tolles~~
Luis & Maureen Salinas



Cynthia A. Tolles
Notary Public, State of Texas

CYNTHIA A. Tolles
Notary Public Name (print)

Notary's Commission Expires:

3-12-88

12915 Woodbend Lane

(Townhome Street Address)

Dennis Simonetta

(Signature)

Sharon Simonetta

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 14th
day of July, 1985, by Dennis Simonetta and Sharon Simonetta.



David B. Dietz
Notary Public, State of Texas

David B. Dietz
Notary Public Name (print)

Notary's Commission Expires:

7-21-87

1907W

17919 WOODBEND LANE

(Townhome Street Address)

Arthur P. Quinn

(Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the _____
day of July, 1988, by _____

Glenda Tidwell
Notary Public, State of Texas

Glenda Tidwell
Notary Public Name (print)

Notary's Commission Expires:

4/23/88

12923 WOODBURN BLVD

(Townhome Street Address)

(Signature)

(Signature)

(Signature)

STATE OF TEXAS)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 17
day of July, 1988, by Katie Ritchey.

Katie Ritchey
Notary Public, State of Texas

KATIE RITCHEY
Notary Public Name (print)

Notary's Commission Expires:

6-7-1988

12923 BURNINGLOG

(Townhome Street Address)

Greg Geisler
(Signature)

Cay Carlisle Geisler
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 28th
day of July, 1995, by Greg Geisler + Cay Geisler.



David B. Dietz
Notary Public, State of Texas

David B. Dietz
Notary Public Name (print)

Notary's Commission Expires:

7-21-87

12927 Woodbend Lane
(Townhome Street Address)

Wade A. Norton
(Signature)

Richard D. Norton
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 8th
day of July, 1985, by Vickie Herrington.



Vickie Herrington
Notary Public, State of Texas

Vickie Herrington
Notary Public Name (print)

Notary's Commission Expires:

12/14/88

13003 Burning Log Lane
(Townhome Street Address)

Marilyn H. Hite
(Signature)

George C. Hite
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me, on the 28th
day of July, 1985, by George + Marilyn Hite.

David B. Dietz
Notary Public, State of Texas

David B. Dietz
Notary Public Name (print)

Notary's Commission Expires:

7-21-87



1907W

13005 Woodbend Lane
(Townhome Street Address)

Helen Bzarth
(Signature)

Zelda B. Harris
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 9th
day of July, 1985, by Helen Bzarth and Zelda Harris



Juan M. Mendoza
Notary Public, State of Texas

JOAN M. MENDOZA
Notary Public Name (print)

Notary's Commission Expires:

8/22/88

13007 Burnington Lane Billy J. Davis
(Townhome Street Address) (Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 11th
day of July, 19 85 by Billy Davis.

Cynthia A. Tolles
Notary Public, State of Texas

Cynthia A. Tolles
Notary Public Name (print)

Notary's Commission Expires:

3-12-88



1907W

13008 Woodbend Lane

(Townhome Street Address)

J. Richard Sanders
(Signature)

(Signature)

(Signature)

STATE OF TEXAS)

COUNTY OF DALLAS)

This instrument was acknowledged before me on the 13th
day of July, 1985, by J. Richard Sanders.



David B. Dietz
Notary Public, State of Texas

David B. Dietz
Notary Public Name (print)

Notary's Commission Expires:

7-21-87

1907W

13015 Burnbrae Lane

(Townhome Street Address)

[Signature]

(Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 11th
day of July, 1985, by [Signature].

[Signature]
Notary Public, State of Texas

Cynthia A. Tolles
Notary Public Name (print)

Notary's Commission Expires:

3-12-88



13020 WOODBEND LANE

(Townhome Street Address)

Ronald D. Peck

(Signature)

[Signature]

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 10th
day of July, 1985, by Ronald & Jacky Peck.

Cynthia A. Tolles
Notary Public, State of Texas

Cynthia A. Tolles
Notary Public Name (print)

Notary's Commission Expires:

3-12-88



13023 Wood BEND
(Townhome Street Address)

Terrell H. Tate, Jr.
(Signature)

Paula W. Tate
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 9th
day of JULY, 1985, by Terrell Tate and Paula Tate.

James Larch
Notary Public, State of Texas

James Larch
Notary Public Name (print)

Notary's Commission Expires:

10-6-85

13024 Woodland Lane

(Townhome Street Address)

Victoria Lored

(Signature)

(Signature)

(Signature)

STATE OF TEXAS)
 TRAVIS)
COUNTY OF ~~DALLAS~~)

This instrument was acknowledged before me on the 10th
day of July, 1985, by Victoria Lored

Lawana McDaniel
Notary Public, State of Texas

Lawana McDaniel

Notary Public Name (print)

Notary's Commission Expires: January 13, 198

13027 Woodbend Lane

(Townhome Street Address)

Alfred H. Escobedo

(Signature)

Armando H. Escobedo

(Signature)

(Signature)

STATE OF TEXAS)

COUNTY OF DALLAS)

This instrument was acknowledged before me on the 14th
day of July, 1985, by Alfred H. Escobedo and Armando Escobedo.



David B. Dietz

Notary Public, State of Texas

David B. Dietz

Notary Public Name (print)

Notary's Commission Expires:

7-21-87

1907W

13044 Woodbend Lane
Dallas, TX 75243

(Townhome Street Address)

Gary A. Cockerill

(Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 5th
day of July, 19 85, by Gary A. Cockerill.



Sandra G. Parlin
Notary Public, State of Texas

SANDRA G. PARLIN
Notary Public Name (print)

Notary's Commission Expires:

3-23-87

13048 Woodbend Lane
(Townhome Street Address)

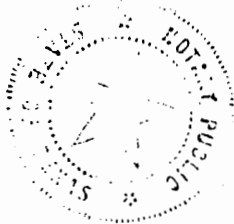
[Signature]
(Signature)

[Signature]
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 10th
day of July, 19 85, by Larin Fabre and Robert Cropper



Cynthia Tolles
Notary Public, State of Texas

Cynthia Tolles
Notary Public Name (print)

Notary's Commission Expires:

3-12-88

13112 Woodland Lane

(Townhome Street Address)

Lynn A. Bellamy
(Signature)

Mitzi J. Colbert
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 7th
day of July, 1985, by Lynn Bellamy; Mitzi Colbert



Mary Osman
Notary Public, State of Texas

Mary Osman

Notary Public Name (print)

Notary's Commission Expires:

2/1/86

13115 Burning Log Lane
(Townhome Street Address)

Randy S Moore
(Signature)
Lugh Clinton
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 28th
day of July, 1985, by Randy Moore and Lugh Clinton.



David B. Dietz
Notary Public, State of Texas

David B. Dietz
Notary Public Name (print)

Notary's Commission Expires:

7-21-87

13127 BURNINGLOG LN.

(Townhome Street Address)

John S. Williams
(Signature)

Anita S. Williams
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 5th
day of JULY, 1985, by John Williams and Anita Williams

Marie Ellis
Notary Public, State of Texas

Marie Ellis
Notary Public Name (print)

Notary's Commission Expires:

4-16-86

13148 Burning Log Lane
(Townhome Street Address)

Rita Jane Lump
(Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 17th
day of July, 1985, by _____.



David B. Dietz
Notary Public, State of Texas

David B. Dietz
Notary Public Name (print)

Notary's Commission Expires:

7-21-87

13152 Burninglog Ln.
(Townhome Street Address)

Victor Cohen
(Signature)

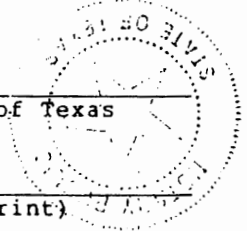
(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 8
day of July, 1985, by VICTOR COHEN.

Vanessa Bates
Notary Public, State of Texas
VANESSA BATES
Comm. Exp: 2-11-87
Notary Public Name (print)



Notary's Commission Expires:

VANESSA BATES
Comm. Exp: 2-11-87

13156 Burning Log Lane
(Townhome Street Address)

David Carmel
(Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 13th
day of July, 1985, by David Carmel.



David B. Dietz
Notary Public, State of Texas

David B. Dietz
Notary Public Name (print)

Notary's Commission Expires:

7-21-87

13207 Woodbend Lane

(Townhome Street Address)

Benny Watkins

(Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 12th
day of July, 1985, by Benny Watkins.



Cynthia A. Talles
Notary Public, State of Texas

CYNTHIA A. Talles
Notary Public Name (print)

Notary's Commission Expires:

3-12-88

13224 Woodband Lane

(Townhome Street Address)

David B. Dietz

(Signature)

(Signature)

(Signature)

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on the 27th
day of June, 1985, by DAVID B. DIETZ.



Jean S. Bryant
Notary Public, State of Texas

JEAN S. BRYANT
Notary Public Name (print)

Notary's Commission Expires:

November 15, 1989

1907W

EXHIBIT "A"

WHEREAS, SUMNER & GREENER, a Texas General Partnership, is the owner of a tract of land situated in the James F. Jackson Survey, Abstract No. 700, and being part of the B. F. Hall Survey, Abstract No. 660 in Block No. 8422 an addition to the City of Dallas, Dallas County, Texas, and being part of the property conveyed to Ollie Lucile Chick and to Charles Roy Chick by deed recorded in Volume 754, Page 279, and Volume 1305, Page 596, of the Deed Records of Dallas County, Texas, and being described more particularly as follows:

BEGINNING at a steel nail on the East line of Abrams Road, 25.0 feet East of its centerline on the most Northerly line of said Chick property, and at the Southwest corner of Richland Junior College an addition to the City of Dallas, Dallas County, Texas, according to the plat thereof recorded in Volume 70073, Page 1600, of said Deed Records;

THENCE N89°56'00"E, along the dividing line between said Chick North line and South line of said Richland Junior College addition a distance of 440.07 feet to a point for corner;

THENCE S17°35'48"E, a distance of 137.24 feet to a point for corner;

THENCE S44°04'03"W, a distance of 69.05 feet to a point for corner;

THENCE S00°05'00"E, a distance of 182.99 feet to a point for corner;

THENCE S89°55'00"W, a distance of 350.0 feet to a point for corner;

THENCE N00°18'30"W, a distance of 408.0 feet to the PLACE OF BEGINNING and containing 4.09 acres of land.

CREEKBEND CLUBHOUSE PHASE I

BEING a tract or parcel of land situated in the James F. Jackson Survey, Abstract No. 700, and lying in the City Block No. 8422, City of Dallas, Dallas County, Texas, and being part of the property conveyed to Ollie Lucile Chick and Charles Roy Chick by Deed recorded in Volume 754, Page 279, and Volume 1305, Page 596, of the Deed Records of Dallas County, Texas, and being part of Lot 1, Block F/8422 of Creekbend Apartments an addition to the City of Dallas, recorded in Volume 81127, Page 1432, of the Plat Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point of the Northeast corner of the herein above mentioned Lot 1, Block F/8422; THENCE S89°55'00"W, 643.26 feet to the POINT OF BEGINNING;

THENCE S89°55'00"W, a distance of 3.92 feet to a point for corner;

THENCE S00°17'00"E, a distance of 47.87 feet to a point for corner;

THENCE S60°33'40"W, a distance of 100.99 feet to a point for corner;

THENCE N30°02'47"W, a distance of 157.07 feet to a point for a corner on the center of Burninglog Lane;

THENCE N59°55'00"E, along the center of Burninglog Lane a distance of 122.59 feet to a point for corner;

THENCE N89°55'00"E, a distance of 64.06 feet to a point for corner;

THENCE S00°05'00"E, a distance of 100.0 feet to the POINT OF BEGINNING and containing 22,458.859 square feet of 0.515 acres of land.

CREEKBEND TOWNHOMES - PHASE II

LEGAL DESCRIPTION

EXHIBIT "B".

BEING a tract or parcel of land situated in the City of Dallas, Dallas County, Texas; and being part of the James F. Jackson Survey, Abstract 700; and being part of Block 8422 of Creekbend Townhomes, an Addition to the City of Dallas as recorded in Volume 81127, Page 1441, of the Deed Records of Dallas County, Texas; and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod for corner in the North line of said Addition and said Block, said point being North 89 degrees 56 minutes 00 seconds East a distance of 415.07 feet from the East line of Abrams Road (100 feet wide) and the Northwest corner of said Block;

THENCE North 89 degrees 56 minutes 00 seconds East, along the North line of said Addition and said Block, a distance of 320.95 feet to a 1/2 inch iron rod for corner;

THENCE South 30 degrees 05 minutes 00 seconds East a distance of 178.03 feet to a chisel mark for corner;

THENCE North 74 degrees 55 minutes 00 seconds East a distance of 51.76 feet to a chisel mark for corner;

THENCE North 89 degrees 55 minutes 00 seconds East a distance of 29.42 feet to a chisel mark for corner;

THENCE South 00 degrees 05 minutes 00 seconds East a distance of 113.67 feet to a chisel mark for corner;

THENCE North 86 degrees 02 minutes 53 seconds East a distance of 8.31 feet to a chisel mark for corner;

THENCE South 00 degrees 05 minutes 00 seconds East a distance of 122.88 feet to a 1/2 inch iron rod for corner in the South line of said Addition;

THENCE South 89 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 10.00 feet to a 1/2 inch iron rod for corner;

THENCE North 00 degrees 05 minutes 00 seconds West, along the South line of said Addition, a distance of 100.00 feet to a 1/2 inch iron rod for corner;

THENCE South 89 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 64.06 feet to a chisel mark for corner;

THENCE South 59 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 137.81 feet to a chisel mark for corner and the beginning of a curve to the right;

THENCE along a curve to the right, along the South line of said Addition, having a radius of 150.00 feet, a central angle of 030 degrees 00 minutes 00 seconds, an arc length of 78.54 feet, and a chord which bears South 74 degrees 55 minutes 00 seconds West to a chisel mark for corner and the end of said curve to the right;

THENCE South 89 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 233.41 feet to a chisel mark for corner;

THENCE North 00 degrees 05 minutes 00 seconds West a distance of 182.99 feet to a chisel mark for corner;

THENCE North 41 degrees 04 minutes 03 seconds East a distance of 69.05 feet to a chisel mark for corner;

THENCE North 17 degrees 35 minutes 48 seconds West a distance of 137.24 feet to the POINT OF BEGINNING, and containing 146,068 square feet or 3.3533 acres of land, more or less.

LEGAL DESCRIPTION

CREEKBEND TOWNHOMES

PHASE III

EXHIBIT "C"

STATE OF TEXAS §

COUNTY OF DALLAS §

BEING a tract of land situated in the City of Dallas, Dallas County, Texas, and being part of the James F. Jackson Survey, Abstract No. 700, and being part of Block 8422, of CREEKBEND TOWNHOMES, an Addition to the City of Dallas, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point being the Northeast Corner of Lot 1, Block F/8422, of CREEKBEND APARTMENTS, an Addition to the City of Dallas, recorded in Volume 81127, Page 1432, of the Plat Records of Dallas County, Texas, and being the Southeast corner of CREEKBEND TOWNHOMES;

THENCE S89°55'00"W a distance of 633.26 feet to a point for corner;

THENCE N00°05'00"W a distance of 122.88 feet to a point that intersects a curve to the left having a chord bearing of S86°02'46"W and a chord distance of 8.30 feet;

THENCE along said curve to the left having a radius of 150.0 feet and a central angle of 3°10'27" an arc distance of 8.31 feet to a point for corner;

THENCE N00°05'00"W a distance of 113.69 feet to a point;

THENCE S89°55'00"W a distance of 3.0 feet to a point;

THENCE N00°05'00"W a distance of 140.71 feet to a point;

THENCE N89°56'00"E a distance of 240.04 feet to a point;

THENCE N89°52'25"E a distance of 280.29 feet to a point;

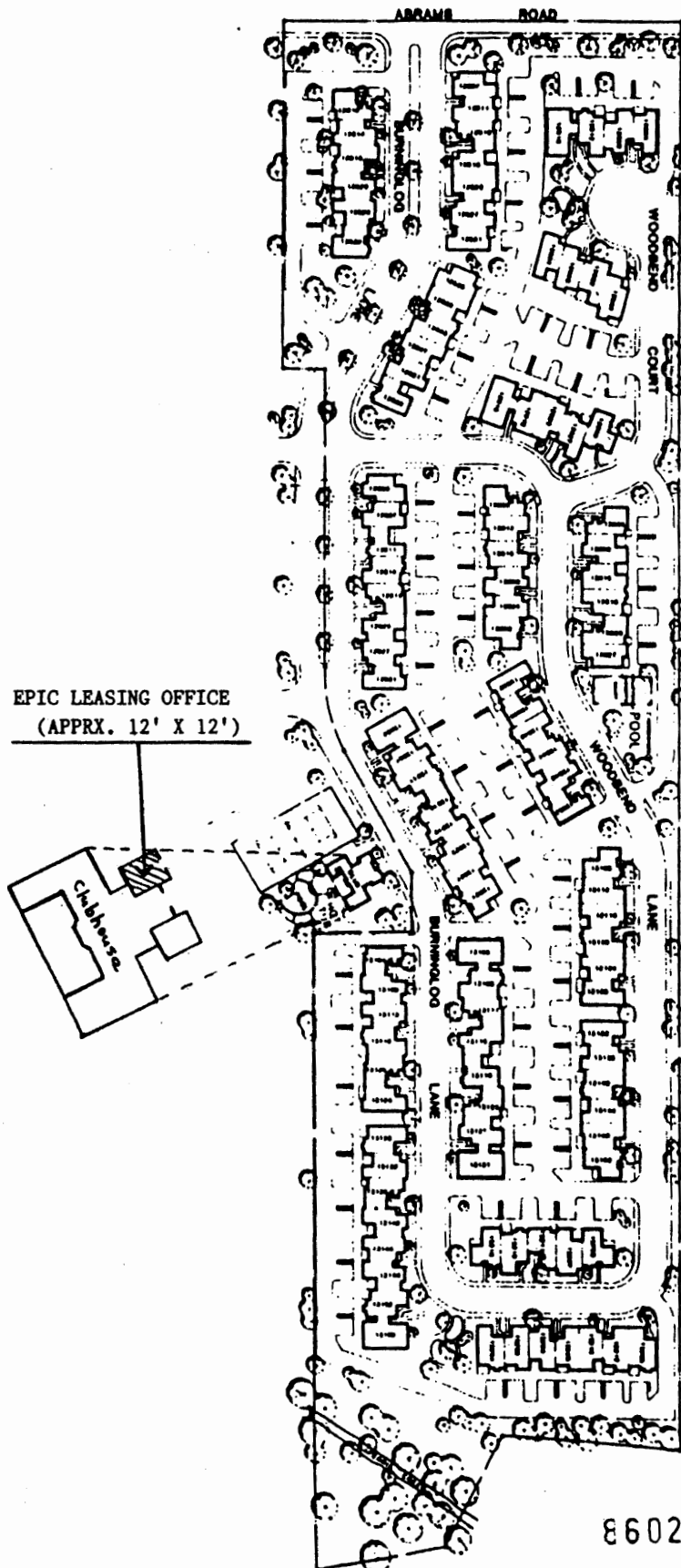
THENCE S02°57'48"W a distance of 186.63 feet to a point;

THENCE S63°46'47"E a distance of 124.70 feet to a point;

THENCE S09°28'11"E a distance of 137.08 feet to the POINT OF BEGINNING and containing 211,214.01 square feet or 4.848 acres of land.

EXHIBIT " D "

LOCATION OF EPIC LEASING OFFICE



LEGAL DESCRIPTION

EXHIBIT "A"

BEING a tract or parcel of land situated in the City of Dallas, Dallas County, Texas; and being part of the James F. Jackson Survey, Abstract 700; and being part of Block 8422 of Creakbend Townhomes, an Addition to the City of Dallas as recorded in Volume 81127, Page 1441, of the Deed Records of Dallas County, Texas; and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod for corner in the North line of said Addition and said Block, said point being North 89 degrees 56 minutes 00 seconds East a distance of 415.07 feet from the East line of Abrams Road (100 feet wide) and the Northwest corner of said Block;

THENCE North 89 degrees 56 minutes 00 seconds East, along the North line of said Addition and said Block, a distance of 320.95 feet to a 1/2 inch iron rod for corner;

THENCE South 30 degrees 05 minutes 00 seconds East a distance of 178.03 feet to a chisel mark for corner;

THENCE North 74 degrees 55 minutes 00 seconds East a distance of 51.76 feet to a chisel mark for corner;

THENCE North 89 degrees 55 minutes 00 seconds East a distance of 29.42 feet to a chisel mark for corner;

THENCE South 00 degrees 05 minutes 00 seconds East a distance of 113.67 feet to a chisel mark for corner;

THENCE North 86 degrees 02 minutes 53 seconds East a distance of 8.31 feet to a chisel mark for corner;

THENCE South 00 degrees 05 minutes 00 seconds East a distance of 122.88 feet to a 1/2 inch iron rod for corner in the South line of said Addition;

THENCE South 89 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 10.00 feet to a 1/2 inch iron rod for corner;

THENCE North 00 degrees 05 minutes 00 seconds West, along the South line of said Addition, a distance of 100.00 feet to a 1/2 inch iron rod for corner;

THENCE South 89 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 64.06 feet to chisel mark for corner;

THENCE South 59 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 137.61 feet to chisel mark for corner and the beginning of a curve to the right;

THENCE along a curve to the right, along the South line of said Addition, having a radius of 150.00 feet, a central angle of 030 degrees 00 minutes 00 seconds, an arc length of 78.54 feet and a chord which bears South 74 degrees 55 minutes 00 seconds West to a chisel mark for corner and the end of said curve to the right;

THENCE South 89 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 233.41 feet to chisel mark for corner;

THENCE North 00 degrees 05 minutes 00 seconds West a distance of 182.99 feet to a chisel mark for corner.

THENCE North 41 degrees 04 minutes 03 seconds East a distance of 69.05 feet to a chisel mark for corner;

THENCE North 17 degrees 35 minutes 48 seconds West a distance of 137.24 feet to the POINT OF BEGINNING, and containing 146,068 square feet or 3.3533 acres of land, more or less.

CREEXBEND TOWNHOMES

PHASE III

EXHIBIT "A"

STATE OF TEXAS 5

COUNTY OF DALLAS 5

BEING a tract of land situated in the City of Dallas, Dallas County, Texas, and being part of the James F. Jackson Survey, Abstract No. 700, and being part of Block 8422, of CREEXBEND TOWNHOMES, an Addition to the City of Dallas, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point being the Northeast Corner of Lot 1, Block F/8422, of CREEXBEND APARTMENTS, an Addition to the City of Dallas, recorded in Volume 81127, Page 1432, of the Plat Records of Dallas County, Texas, and being the Southeast corner of CREEXBEND TOWNHOMES;

THENCE S89°55'00"W a distance of 633.25 feet to a point for corner;

THENCE N00°05'00"W a distance of 122.88 feet to a point that intersects a curve to the left having a chord bearing of S86°02'46"W and a chord distance of 8.30 feet;

THENCE along said curve to the left having a radius of 150.0 feet and a central angle of 3°10'27" an arc distance of 8.31 feet to a point for corner;

THENCE N00°05'00"W a distance of 113.69 feet to a point;

THENCE S89°55'00"W a distance of 3.0 feet to a point;

THENCE N00°05'00"W a distance of 140.71 feet to a point;

THENCE N89°56'00"E a distance of 240.04 feet to a point;

THENCE N89°52'25"E a distance of 280.29 feet to a point;

THENCE S02°57'48"W a distance of 186.63 feet to a point;

THENCE S63°46'47"E a distance of 120.70 feet to a point;

THENCE S09°28'11"E a distance of 137.08 feet to the POINT OF BEGINNING and containing 211,214.01 square feet or 4.848 acres of land.

EXHIBIT "A"

WHEREAS, SUMNER & GREENER, a Texas General Partnership, is owner of a tract of land situated in the James F. Jackson Survey, Abstract No. 700, and being part of the B. F. Hall Survey, Abstract No. 660 in Block No. 8422 an addition to the City of Dallas, Dallas County, Texas, and being part of the property conveyed to Ollie Lucile Chick and to Charles Roy Chick by deed recorded in Volume 754, Page 279, and Volume 1305, Page 596, of the Deed Records Dallas County, Texas, and being described more particularly follows:

BEGINNING at a steel nail on the East line of Abrams Road, 25 feet East of its centerline on the most Northerly line of said Chick property, and at the Southwest corner of Richland Junior College an addition to the City of Dallas, Dallas County, Texas according to the plat thereof recorded in Volume 70073, Page 160 of said Deed Records;

THENCE N89°56'00"E, along the dividing line between said Chick North line and South line of said Richland Junior College addition a distance of 440.07 feet to a point for corner;

THENCE S17°35'48"E, a distance of 137.24 feet to a point for corner;

THENCE S44°04'03"W, a distance of 69.05 feet to a point for corner;

THENCE S00°05'00"E, a distance of 182.99 feet to a point for corner;

THENCE S89°55'00"W, a distance of 350.0 feet to a point for corner;

THENCE N00°18'30"W, a distance of 408.0 feet to the PLAT BEGINNING and containing 4.05 acres of land.

CREEKBEND CLUBHOUSE PHASE I

BEING a tract or parcel of land situated in the James F. Jackson Survey, Abstract No. 700, and lying in the City Block No. 8422 City of Dallas, Dallas County, Texas, and being part of the property conveyed to Ollie Lucile Chick and Charles Roy Chick by deed recorded in Volume 754, Page 279, and Volume 1305, Page 596 of the Deed Records of Dallas County, Texas, and being part of Lot 1, Block F/8422 of Creekbend Apartments an addition to the City of Dallas, recorded in Volume 81127, Page 1432, of the Plat Records Dallas County, Texas, and being more particularly described follows:

BEGINNING at a point of the Northeast corner of the herein above mentioned Lot 1, Block F/8422; THENCE S89°55'00"W, 643.26 feet to the POINT OF BEGINNING;

THENCE S89°55'00"W, a distance of 3.92 feet to a point for corner;

THENCE S00°17'00"E, a distance of 47.87 feet to a point for corner;

THENCE S60°33'40"W, a distance of 100.99 feet to a point for corner;

THENCE N30°02'47"W, a distance of 157.07 feet to a point for corner on the center of Burninglog Lane;

THENCE N59°55'00"E, along the center of Burninglog Lane a distance of 122.59 feet to a point for corner;

THENCE N89°55'00"E, a distance of 64.06 feet to a point for corner;

THENCE S00°05'00"E, a distance of 100.0 feet to the POINT BEGINNING and containing 22,458.859 square feet of 0.515 acres of land.

NOTICES OF FILING “DEDICATORY INSTRUMENTS”

FIRST SUPPLEMENT TO
NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
CREEKBEND TOWNHOMES

3024681

4791067
08/19/04

\$26.00 Deed

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

KNOW ALL MEN BY THESE PRESENTS:

THIS FIRST SUPPLEMENT TO NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR CREEKBEND TOWNHOMES (this "Notice") is made this 14 day of August, 2004, by the Creekbend Homeowners Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, Sumner & Greener, a Texas General Partnership ("Declarant"), prepared and recorded an instrument entitled "First Amended and Restated Declaration of Covenants, Conditions and Restrictions for Creekbend Townhomes" filed of record at Volume 86025, Page 1633 *et seq.* of the Deed Records of Dallas County, Texas (the "Declaration"); and

WHEREAS, on December 4, 2003, the Association recorded a Notice of Filing of Dedicatory Instruments for Creekbend Townhomes at Volume 2003238, Page 09434 *et seq.* of the Deed Records of Dallas County, Texas (the "Notice"); and

WHEREAS, the Association desires to supplement the Notice to include the dedicatory instrument attached hereto as Exhibit "A" and incorporated herein for all purposes, pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the dedicatory instrument attached hereto as Exhibit "A" is a true and correct copy of the original and is hereby filed of record in the real property records of Dallas County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

CREEKBEND HOMEOWNERS ASSOCIATION, INC.,
a Texas non-profit corporation

By: Rena B. Stoner
Its: President

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By: <u>Backer</u>	Date: <u>09/02/04</u>
File Name: <u>120 First Supp to Notice</u>	
Doc Enforce 3 Filing Fee Rec 08/19/2004	

ACKNOWLEDGMENT

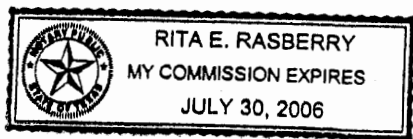
STATE OF TEXAS §

§

COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared V. Miller, Sec.
Rena Stoner, President of Creekbend Homeowners Association, Inc., known
to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to
me that (s)he executed the same for the purposes and consideration therein expressed on behalf of
said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this 13th day of August, 2004.



Rita E. Rasberry
Notary Public, State of Texas

7-30-2006
My Commission Expires

AFTER RECORDING, RETURN TO:
Riddle & Williams, P.C.
3811 Turtle Creek Blvd, Suite 1050
Dallas, Texas 75219

NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
CREEKBEND TOWNHOMES

2664052

4316146
12/04/03

\$58.00 Deed

STATE OF TEXAS §
§
COUNTY OF DALLAS §

KNOW ALL MEN BY THESE PRESENTS:

THIS NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR CREEKBEND TOWNHOMES (this "Notice") is made this 27 day of October, 2003, by the Creekbend Homeowners Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, Sumner & Greener, a Texas General Partnership ("Declarant"), prepared and recorded an instrument entitled "First Amended and Restated Declaration of Covenants, Conditions and Restrictions for Creekbend Townhomes" filed of record at Volume 86025, Page 1633 *et seq.* of the Deed Records of Dallas County, Texas (the "Declaration"); and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the townhome development covered by the Declaration, which development is more particularly described on Exhibit "A" attached hereto and incorporated herein by reference; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the association that has not been previously recorded in the real property records of the county in which the townhome development is located; and

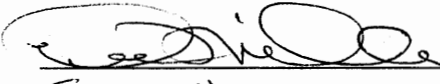
WHEREAS, the Association desires to record the dedicatory instruments attached hereto in the real property records of Dallas County, Texas, pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the dedicatory instruments attached hereto as Exhibit "B" are true and correct copies of the originals and are hereby filed of record in the real property records of Dallas County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

IN WITNESS WHEREOF, the Association has caused this Notice to be executed by its duly authorized agent as of the date first above written.

CREEKBEND HOMEOWNERS ASSOCIATION, INC.,
a Texas non-profit corporation

By:
Its:


Secretary

20238 09434

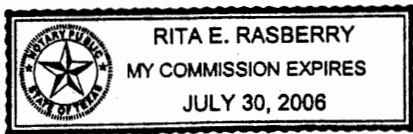
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By: <u>ppacker</u>	Date: <u>1/30/04</u>
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Rec: <u>200323809434-09435.pdf</u>	

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Vee Miller, Secretary of Creekbend Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed on behalf of said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this 27th day of October, 2003.



Rita E. Rasberry
Notary Public, State of Texas
7-30-2006
My Commission Expires

AFTER RECORDING, RETURN TO:
Riddle & Williams, P.C.
3811 Turtle Creek Blvd, Suite 1050
Dallas, Texas 75219

EXHIBIT "A"

PROPERTY DESCRIPTION

7m238 09436

Document Scanned	
By: <u>ppacker</u>	Date: <u>1/30/04</u>
File Name: <u>120-Property Description</u>	
Rec <u>2003238 09436-09440.pdf</u>	

EXHIBIT "A"

WHEREAS, SUMNER & GREENER, a Texas General Partnership, is the owner of a tract of land situated in the James F. Jackson Survey, Abstract No. 700, and being part of the B. F. Hall Survey, Abstract No. 660 in Block No. 8422 an addition to the City of Dallas, Dallas County, Texas, and being part of the property conveyed to Ollie Lucile Chick and to Charles Roy Chick by deed recorded in Volume 754, Page 279, and Volume 1305, Page 596, of the Deed Records of Dallas County, Texas, and being described more particularly as follows:

BEGINNING at a steel nail on the East line of Abrams Road, 25.0 feet East of its centerline on the most Northerly line of said Chick property, and at the Southwest corner of Richland Junior College an addition to the City of Dallas, Dallas County, Texas, according to the plat thereof recorded in Volume 70073, Page 1600, of said Deed Records;

THENCE N89°56'00"E, along the dividing line between said Chick North line and South line of said Richland Junior College addition a distance of 440.07 feet to a point for corner;

THENCE S17°35'48"E, a distance of 137.24 feet to a point for corner;

THENCE S44°04'03"W, a distance of 69.05 feet to a point for corner;

THENCE S00°05'00"E, a distance of 182.99 feet to a point for corner;

THENCE S89°55'00"W, a distance of 350.0 feet to a point for corner;

THENCE N00°18'30"W, a distance of 408.0 feet to the PLACE OF BEGINNING and containing 4.09 acres of land.

CREEKBEND CLUBHOUSE PHASE I

BEING a tract or parcel of land situated in the James F. Jackson Survey, Abstract No. 700, and lying in the City Block No. 8422, City of Dallas, Dallas County, Texas, and being part of the property conveyed to Ollie Lucile Chick and Charles Roy Chick by Deed recorded in Volume 754, Page 279, and Volume 1305, Page 596, of the Deed Records of Dallas County, Texas, and being part of Lot 1, Block F/8422 of Creekbend Apartments an addition to the City of Dallas, recorded in Volume 81127, Page 1432, of the Plat Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point of the Northeast corner of the herein above mentioned Lot 1, Block F/8422; THENCE S89°55'00"W, 643.26 feet to the POINT OF BEGINNING;

THENCE S89°55'00"W, a distance of 3.92 feet to a point for corner;

THENCE S00°17'00"E, a distance of 47.87 feet to a point for corner;

THENCE S60°33'40"W, a distance of 100.99 feet to a point for corner;

THENCE N30°02'47"W, a distance of 157.07 feet to a point for a corner on the center of Burninglog Lane;

THENCE N59°55'00"E, along the center of Burninglog Lane a distance of 122.59 feet to a point for corner;

THENCE N89°55'00"E, a distance of 64.06 feet to a point for corner;

THENCE S00°05'00"E, a distance of 100.0 feet to the POINT OF BEGINNING and containing 22,458.859 square feet of 0.515 acres of land.

CREEKBEND TOWNHOMES - PHASE II

LEGAL DESCRIPTION

EXHIBIT "B"

BEING a tract or parcel of land situated in the City of Dallas, Dallas County, Texas; and being part of the James F. Jackson Survey, Abstract 700; and being part of Block 8422 of Creek Bend Townhomes, an Addition to the City of Dallas as recorded in Volume 81127, Page 1441, of the Deed Records of Dallas County, Texas; and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod for corner in the North line of said Addition and said Block, said point being North 89 degrees 56 minutes 00 seconds East a distance of 415.07 feet from the East line of Abrams Road (100 feet wide) and the Northwest corner of said Block;

THENCE North 89 degrees 56 minutes 00 seconds East, along the North line of said Addition and said Block, a distance of 320.95 feet to a 1/2 inch iron rod for corner;

THENCE South 30 degrees 05 minutes 00 seconds East a distance of 178.03 feet to a chisel mark for corner;

THENCE North 74 degrees 55 minutes 00 seconds East a distance of 51.76 feet to a chisel mark for corner;

THENCE North 89 degrees 55 minutes 00 seconds East a distance of 29.42 feet to a chisel mark for corner;

THENCE South 00 degrees 05 minutes 00 seconds East a distance of 113.67 feet to a chisel mark for corner;

THENCE North 86 degrees 02 minutes 53 seconds East a distance of 8.31 feet to a chisel mark for corner;

THENCE South 00 degrees 05 minutes 00 seconds East a distance of 122.88 feet to a 1/2 inch iron rod for corner in the South line of said Addition;

THENCE South 89 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 10.00 feet to a 1/2 inch iron rod for corner;

THENCE North 00 degrees 05 minutes 00 seconds West, along the South line of said Addition, a distance of 100.00 feet to a 1/2 inch iron rod for corner;

THENCE South 89 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 64.06 feet to a chisel mark for corner;

THENCE South 59 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 137.81 feet to a chisel mark for corner and the beginning of a curve to the right;

THENCE along a curve to the right, along the South line of said Addition, having a radius of 150.00 feet, a central angle of 030 degrees 00 minutes 00 seconds, an arc length of 78.54 feet, and a chord which bears South 74 degrees 55 minutes 00 seconds West to a chisel mark for corner and the end of said curve to the right;

THENCE South 89 degrees 55 minutes 00 seconds West, along the South line of said Addition, a distance of 233.41 feet to a chisel mark for corner;

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THENCE North 00 degrees 05 minutes 00 seconds West a distance of 182.99 feet to a chisel mark for corner;

THENCE North 41 degrees 04 minutes 03 seconds East a distance of 69.05 feet to a chisel mark for corner;

THENCE North 17 degrees 35 minutes 48 seconds West a distance of 137.24 feet to the POINT OF BEGINNING, and containing 146,068 square feet or 3.3533 acres of land, more or less.

LEGAL DESCRIPTION
CREEKBEND TOWNHOMES

PHASE III

EXHIBIT "C"

STATE OF TEXAS §

COUNTY OF DALLAS §

BEING a tract of land situated in the City of Dallas, Dallas County, Texas, and being part of the James F. Jackson Survey, Abstract No. 700, and being part of Block 8422, of CREEKBEND TOWNHOMES, an Addition to the City of Dallas, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point being the Northeast Corner of Lot 1, Block F/8422, of CREEKBEND APARTMENTS, an Addition to the City of Dallas, recorded in Volume 81127, Page 1432, of the Plat Records of Dallas County, Texas, and being the Southeast corner of CREEKBEND TOWNHOMES;

THENCE S89°55'00"W a distance of 633.26 feet to a point for corner;

THENCE N00°05'00"W a distance of 122.88 feet to a point that intersects a curve to the left having a chord bearing of S86°02'46"W and a chord distance of 8.30 feet;

THENCE along said curve to the left having a radius of 150.0 feet and a central angle of 3°10'27" an arc distance of 8.31 feet to a point for corner;

THENCE N00°05'00"W a distance of 113.69 feet to a point;

THENCE S89°55'00"W a distance of 3.0 feet to a point;

THENCE N00°05'00"W a distance of 140.71 feet to a point;

THENCE N89°56'00"E a distance of 240.04 feet to a point;

THENCE N89°52'25"E a distance of 280.29 feet to a point;

THENCE S02°57'48"W a distance of 186.63 feet to a point;

THENCE S63°46'47"E a distance of 124.70 feet to a point;

THENCE S09°28'11"E a distance of 137.08 feet to the POINT OF BEGINNING and containing 211,214.01 square feet or 4.848 acres of land.

VOLUME PAGE

86025 1697

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EXHIBIT "B"

DEDICATORY INSTRUMENTS

1. Articles of Incorporation for Creekbend Homeowners Association, Inc.
2. Assessment Collection Policy



The State of Texas

SECRETARY OF STATE

The undersigned, as Secretary of State of the State of Texas, HEREBY CERTIFIES that the attached is a true and correct copy of the following described instruments on file in this Office:

CREEKBEND HOMEOWNER'S ASSOCIATION, INC.

Articles of Incorporation

January 19, 1983

Statement of Change of Registered Agent/office

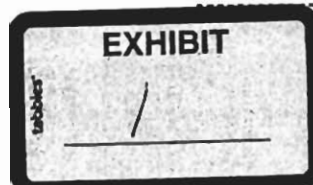
March 5, 1986

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, this

...14th day of January... A. D. 19 87...



2003238 09442



[Signature]

Secretary of State

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STATEMENT OF CHANGE OF REGISTERED
OFFICE OR REGISTERED AGENT OR BOTH
BY A TEXAS DOMESTIC CORPORATION

FILED
In the Office of the
Secretary of State of Texas
MAR 05 1986

Clerk II-G
Corporations Section

1. The name of the corporation CREEKBEND HOMEOWNERS ASSOCIATION, INC.
2. The address, including street and number, of its present registered office as shown in the records of the Secretary of State of the State of Texas prior to filing this statement is 9500 FOREST LANE, #435, DALLAS, TEXAS 75245
3. The address, including street and number, to which its registered office is to be changed is 7557 RAMBLER ROAD, SUITE 400, DALLAS, TEXAS 75231
(Give new address or state "no change")
4. The name of its present registered agent, as shown in the records of the Secretary of State of the State of Texas, prior to filing this statement is RONALD D. LAW
5. The name of its new registered agent is DAVID W. GIBBONS
(Give new name or state "no change")
6. The address of its registered office and the address of the business office of its registered agent, as changed, will be identical.
7. Such change was authorized by its board of directors.

Billy J. Davis
President or Vice President

Sworn to February 24, 1986
(date)

David W. Gibbons
Notary Public
Dallas County, Texas

**COVENANT ENFORCEMENT
AND / OR
FINING POLICY**

CREEKBEND HOMEOWNERS ASSOCIATION, INC.

COVENANT ENFORCEMENT AND FINING POLICY

WHEREAS, the Board of Directors (the "Board") of Creekbend Homeowners Association, Inc. (the "Association") finds there is a need to establish orderly procedures for the enforcement of the restrictive covenants set forth in the First Amended and Restated Declaration of Covenants, Conditions and Restrictions of Creekbend Townhomes", as amended from time to time (the "Declaration"), as well as the First Amended and Restated By-Laws of Creekbend Homeowners Association, Inc. (the "By-Laws"), for enforcement of any rules and regulations (the "rules and regulations") and for the levying of fines against owners violating the Declaration, By-Laws and the rules and regulations.

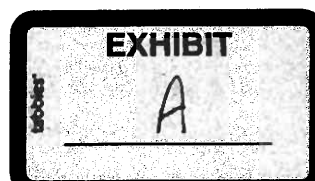
NOW, THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the enforcement of the restrictive covenants of the Declaration, By-Laws and the rules and regulations and for the elimination of violations of such provisions found to exist in, on and about the Lots within Creekbend Townhomes and the same are to be known as the "Covenant Enforcement and Fining Policy" (to be referred to herein as the "Enforcement Policy").

1. Establishment of Violation. Any condition, use, activity or improvement which does not comply with the provisions of the Declaration, By-Laws or the rules and regulations of the Association, shall constitute a "Violation" under this Policy for all purposes.

2. Report of Violation. The existence of a Violation will be verified by a field observation conducted by the Board or its delegate. For the purpose of this Enforcement Policy, the delegate of the Board may include Management, an officer or member of the Board, or a member of any committee established by the Board for this purpose. A timely written report shall be prepared by the field observer for each Violation which will include the following information:

- a. Identification of the nature and description of the Violation(s).
- b. Identification by street address and legal description, if available, of the Lot on which the Violation exists.
- c. Date of the verification observation and name of the person making such observation.

At the same time that the field observation report is prepared, the Board or its delegate may forward to the Owner of the Lot in question written notice via regular first-class mail or via postcard of the discovery of a Violation(s) (the "Courtesy Notice"). The Owner will have at least fourteen (14) days from the date of the Courtesy Notice to correct or eliminate the Violation(s). Depending upon the nature of the Violation, the Board or its delegate may, in lieu of this Courtesy Notice, proceed immediately to the notice set forth in Paragraph 3 below.



3. Notice of Violation. If the Violation is not corrected or eliminated within the time period specified in the Courtesy Notice, or if the Board or its delegate deem it appropriate to proceed without the Courtesy Notice, the Association will forward to the Owner of the Lot in question written notice of the Violation(s) by regular first-class mail or personal delivery **and** by certified mail, return receipt requested (the "Notice of Violation"). A Notice of Violation is not required if the alleged violator received a Notice of Violation relating to a similar Violation within six (6) months of the current Violation and was given a reasonable opportunity to cure the prior Violation. In such event, the Board may impose sanctions as authorized by the Declaration and/or this Enforcement Policy without notice to the Owner other than the Final Notice of Violation described in Paragraph 4 below. The Notice of Violation, if required, will state the following:

a. The nature, description and location of the Violation, including any property damage caused by the Owner.

b. The authority for establishing the Violation, including the authority for recovering property damages caused by the Owner.

c. The proposed sanction to be imposed, including the amount of any fine or the amount claimed to be due from the owner for property damage.

d. If the Violation is corrected or eliminated within a reasonable time after the Owner's receipt of the Notice of Violation that a fine will not be assessed, common area privileges will not be suspended and that no further action will be taken.

e. The recipient may, on or before thirty (30) days from the receipt of the Notice of Violation, deliver to the Association a written request for a hearing.

f. If the Violation is not corrected or eliminated within the time period specified in the Notice of Violation, or if a written request for a hearing is not made on or before thirty (30) days from the receipt of the Notice of Violation, that the sanctions delineated in the Notice of Violation may be imposed and that any attorney's fees and costs will be charged to the Owner.

g. If a hearing is timely requested and is held before a delegate of the Board, that the Owner may appeal the decision of the delegate to the Board.

4. Final Notice of Violation. A formal notice of the Violation and the sanction to be imposed, including the amount of any fine or the amount of any property damage (the "Final Notice of Violation") will be sent by the Association to the Owner by regular first-class mail **and** by certified mail, return receipt requested, where, within the time period specified in the Notice of Violation, the Violation has not been corrected or eliminated or the Association has not timely received a written request for a hearing.

5. Request for a Hearing. If the Owner challenges the proposed action by timely requesting a hearing, the hearing shall be held in executive session of the Board or its delegate

affording the alleged violator a reasonable opportunity to be heard. Such hearing shall be held no later than the 30th day after the date the Board receives the Owner's request for a hearing. Prior to the effectiveness of any sanction hereunder, proof of proper notice of the hearing shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, agent or delegate who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The notice of the hearing shall be sent no later than the 10th day before the date of the hearing. The Association or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than ten (10) days. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed by the Board or its delegate. The Association shall notify the Owner in writing of its action within ten (10) days after the hearing. The Board may, but shall not be obligated to, suspend any proposed sanction if the Violation is cured within the ten-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Owner.

6. Appeal. Following a hearing before a delegate of the Board, the Owner shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the manager, president or secretary of the Association within ten (10) days after the date of the Association's written notice to the Owner of the results of the hearing. Any hearing before the Board shall be held in the same manner as provided in Paragraph 5 for hearings before a delegate of the Board.

7. Correction of Violation. Where the Owner corrects or eliminates the Violation(s) prior to the imposition of any sanction, no further action will be taken (except for collection of any monies for which the Lot Owner may become liable under this Enforcement Policy and/or the Declaration). Written notice of correction or elimination of the Violation may be obtained from the Board upon request for such notice by the Owner and upon payment of a fee for same, the amount of which is set by the Board.

8. Referral to Legal Counsel. Where a Violation is determined or deemed determined to exist and where the Board deems it to be in the best interests of the Association to refer the Violation to legal counsel for appropriate action, the Board may do so at any time. Such legal action may include, without limitation, sending demand letters to the violating Owner and/or seeking injunctive relief against the Owner to correct or otherwise abate the Violation. Attorney's fees and all costs incurred by the Association in enforcing the Declaration and administering this Enforcement Policy shall become the personal obligation of the Owner.

9. Fines. Subject to the provisions of this Enforcement Policy and/or the Declaration, the imposition of fines will be on the following basis:

a. Fines will be based on an amount that is reasonably related to the nature of the Violation. The Board shall have final discretion in determining the appropriate fine for the Violation in question. The Board may adopt and amend, from time to time, a schedule of fines applicable to Violations within Creekbend Townhomes which may include a progression of fines

for repeat offenders. Generally, fines shall start at \$150.00 and will be levied for each 10-day period the Violation continues to exist.

b. Imposition of fines will be in addition to and not exclusive of any other rights, remedies and recoveries of the Association as created by state law, the Declaration, the By-Laws or this Enforcement Policy.

c. Fines are imposed against Lots and become the personal obligation of the Owners of such Lots and shall constitute a lien upon the Owner of the Lot related to or connected with the Violation.

10. Notices. Unless otherwise provided in the Enforcement Policy, all notices required by this Enforcement Policy shall be in writing and shall be deemed to have been duly given if delivered personally and/or if sent by United States Mail, first-class postage prepaid, to the Owner at the address which the Owner has designated in writing and filed with the Secretary of the Association or, if no such address has been designated, to the address of the Lot of the Owner.

a. Where the notice is directed by personal delivery, notice shall be deemed to have been given, sent, delivered or received upon actual receipt by any person accepting delivery thereof at the address of the recipient as set forth in such notice or if no person is there, by leaving the notice taped to the front door of the residence.

b. Where the notice is placed into the care and custody of the United States Postal Service, notice shall be presumed to have been given, sent, delivered or received, as of the third (3rd) calendar day following the date of postmark of such notice bearing postage prepaid and the appropriate name and address as required herein unless otherwise shown by the recipient to have been received at a later date.

c. Where a day required for an action to be taken or a notice to be given, sent, delivered or received, as the case may be, falls on a Saturday, Sunday or United States Postal Service holiday, the required date for the action or notice will be extended to the first day following which is neither a Saturday, Sunday or United States Postal Service holiday.

d. Where the Board has actual knowledge that an enforcement action would directly affect a third party (e.g. a tenant or a neighbor) or involves a Violation by a party other than the Owner, notices required under this Enforcement Policy may be given, if possible, to such third party in addition to the Owner. Notwithstanding any notice sent to a third party, the Owner remains the party responsible for compliance with the requirements of the Declaration. The Board shall accept a response from any such third party only upon the written direction of the Owner of the Lot upon which the Violation exists.

e. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interest in a Lot has been and are being handled by a representative

or agent, any notice or communication from the Association pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such representative or agent.

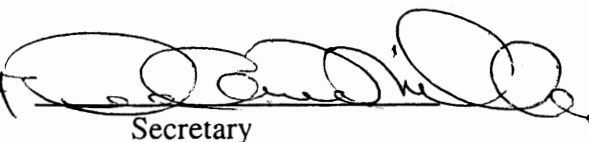
f. Where an Owner transfers record title to a Lot at any time during the pendency of any procedure prescribed by this Enforcement Policy, such Owner shall remain personally liable for all costs and fines under this Enforcement Policy. As soon as practical after receipt by the Association of a notice of a change in the record title to a Lot which is the subject of enforcement proceedings under this Enforcement Policy, the Board may begin enforcement proceedings against the new Owner in accordance with this Enforcement Policy. The new Owner shall be personally liable for all costs and fines under this Enforcement Policy which are the result of the new Owner's failure and/or refusal to correct or eliminate the Violation in the time and manner specified under this Enforcement Policy.

11. Cure of Violation During Enforcement. An Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. Upon verification by written report to the Board and sent, where appropriate, to the Board that the Violation has been corrected or eliminated, the Violation will be deemed no longer to exist. The Owner will remain liable for all costs and fines under this Enforcement Policy, which costs and fines, if not paid upon demand therefor by Management, will be referred to the Board of Directors of the Association for collection.

12. Definitions. The definitions contained in the Declaration and By-Laws are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Covenant Enforcement and Fining Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by a majority of the entire Board of Directors at a meeting of same on July 22, 2004, and has not been modified, rescinded or revoked.

DATE: Aug 10, 2004 
Secretary

F/FINE/FINING.CREEKBENDTOWNHOMES

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COLLECTION POLICY

CREEKBEND HOMEOWNERS ASSOCIATION, INC.
Assessment Collection Policy

WHEREAS, Creekbend Homeowners Association, Inc. (the "Association") has authority pursuant to Article IV of the First Amended and Restated Declaration of Covenants, Conditions and Restrictions of Creekbend Townhomes (the "Declaration") to levy maintenance assessments against Owners of Lots located within Creekbend Townhomes (the "Development"); and

WHEREAS, the Association has authority pursuant to Article V, Sections 5.3.b and f of the First Amended and Restated By-Laws of Creekbend Homeowners Association, Inc. (the "By-Laws") to establish rules for the operation, use and occupancy of the Association; and

WHEREAS, the Board of Directors (the "Board") finds there is a need to establish rules and orderly procedures for the collection of assessments that remain unpaid beyond the prescribed due dates and processing the application of the payments made by Owners in order to encourage Owners to promptly pay their assessments.

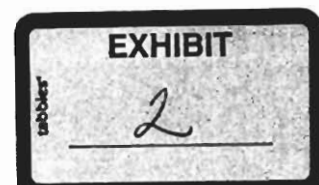
NOW, THEREFORE, IT IS RESOLVED that the following rules, procedures and practices are established for the collection of assessments owing and to become owing by Owners in the Development and for the application of payments made by Owners and the same are to be known as the "Assessment Collection Policy" for the Association:

1. Policy Objectives. The collection of assessments owed by owners and the application of their payments pursuant to the Declaration and this Assessment Collection Policy will be governed by the following objectives:

a. The Association will pursue collection of all maintenance assessments, including Annual Assessments and Special Assessments (hereinafter the two types of Assessments are sometimes referred to as "assessments") for a given fiscal year such that should the recovery of amounts owing by a particular Owner require commencement of legal proceedings, those proceedings will be initiated prior to the end of the fiscal year for which the unpaid amounts are due.

b. At each step within the collection process, the Board will analyze the facts and circumstances then known concerning a given delinquency to direct collection efforts toward the most expedient course of action.

2. Ownership Interests. Pursuant to Article IV of the Declaration, the person who is the Owner of a Lot as of the date an assessment becomes due is personally liable for the payment of that assessment. Further, the personal liability for unpaid assessments passes to the successors in title to a Lot if expressly assumed by them. As used herein, the term "Delinquent Owner" refers to that person who held title to a Lot on the date an assessment became due. As used herein, the term "Current Owner" refers to that person who then holds title to a Lot. Unless expressly denoted otherwise, the "Owner" of a Lot refers to the Delinquent Owner or the Current Owner or both, as may be appropriate under the circumstances in question.



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3. Due Dates. Pursuant to Article IV, Section 4.7(c) of the Declaration, the Annual Assessment is payable in monthly installments. The due date for each monthly installment of the Annual Assessment is the first day of the month. The due date for a Special Assessment shall be set by the Board in the notice of assessment to the Owners, or if no date is given in the notice, then the due date shall be ten (10) days after the date the notice of the assessment is given to the Owner. The due date for any assessments shall be collectively referred to in this Assessment Collection Policy as the "Due Date". Any assessment or installment thereof which is not received by the Association on or before ten (10) days after the Due Date is delinquent (the "Delinquency Date").

4. Delinquency Notice. If an assessment has not been paid by the Delinquency Date, the Association will send a delinquency notice to the Owner (referred to as the "Delinquency Notice") which will include the unpaid assessments, collection fees and late fees claimed to be owing. The Delinquency Notice will be sent via first-class United States mail.

5. Default Letter. If an assessment or installment thereof has not been paid within thirty (30) days following the Delinquency Date, the Association will send a default notice (referred to as the "Default Letter") to the Owner which notifies the Owner of all outstanding amounts. The Default Letter will be sent via certified mail, return receipt requested, and via first-class United States mail and will, at a minimum, include the following information:

a. The unpaid assessments, interest, late charges, collection costs and the handling charges claimed to be owing.

b. A statement that:

Unless the Owner notifies the Association within thirty (30) days after receipt of the Default Letter that the Owner disputes the validity of this debt, or any portion thereof, the Association will assume that this debt is valid. Upon the Owner's written request within the thirty (30) day period, the Association will also provide the Owner with the name and address of the original creditor, if different from the current creditor. If the Owner notifies the Association in writing within the thirty (30) day period that the debt, or any portion thereof, is disputed or if the Owner requests the name and address of the original creditor within the thirty (30) day period, the Association will (i) obtain verification of the debt or a copy of the judgment against the Owner, or the name and address of the original creditor, and mail a copy of the verification or judgment, or the name and address of the original creditor, to the Owner, and (ii) suspend further collection action of any disputed portion of the debt until the dispute is resolved or until the Association mails the Owner the verification of the debt or a copy of the judgment or the name and address of the original creditor.

c. A statement that if the delinquency is not cured within thirty (30) days from receipt of the Default Letter, the Association may refer the matter to legal counsel for the Association and that

once such referral has occurred, the Association will then seek reimbursement for all attorney's fees and related costs incurred.

d. A statement that the Association may or will suspend the Owners' and residents' rights to use the common areas and services and may suspend the Owners' right to vote upon expiration of thirty (30) days from the date the Owner receives the Default Letter unless the delinquency is cured or otherwise resolved.

e. Such other information as may be required by the debt collection statutes to the extent that any such statutes apply.

6. Interest and Late Fees. In the event any assessment, or any portion thereof, is not paid in full and received by the Association within thirty (30) days after the Due Date, interest on the principal amount due shall be assessed against the Owner, the rate of said interest to be six percent (6%) per annum and such interest shall accrue from the Delinquency Date until paid. In the event any assessment, or portion thereof, is not paid in full and received by the Association by the Delinquency Date, the Association may charge the Owner a late fee of \$20.00. Such interest and late fees, as and when accrued hereunder, will become part of the assessment upon which it has accrued and, as such, will be subject to recovery in the manner provided herein and in the Declaration for assessments.

7. Handling Charges and Return Check Fees. In order to recoup for the Association the costs incurred because of the additional administrative expenses associated with collecting delinquent assessments, collection of the following fees and charges are part of the Assessment Collection Policy:

a. Any handling charges, administrative fees, postage or other expenses incurred by the Association in connection with the collection of any assessment or related amount owing beyond the Delinquency Date for such assessment will become due and owing by the Delinquent Owner.

b. A charge of \$25.00 per item will become due and payable for any check tendered to the Association which is dishonored by the drawee of such check, the charge being in addition to any other fee or charge which the Association is entitled to recover from an Owner in connection with collection of assessments owing with respect to such Owner's Lot.

c. Any fee or charge becoming due and payable pursuant to this Paragraph 6 will be added to the amount then outstanding and is collectible to the same extent and in the same manner as the assessment, the delinquency of which gave rise to the incurrence of such charge, fee or expense.

8. Application of Funds Received. All monies received by the Association will be applied to amounts outstanding to the extent of and in the following order unless an Owner has placed a restrictive notation on the check or other form of payment or in correspondence accompanying the payment that a payment is to be applied in another specified manner:

- a. First, to interest;
- b. Second, to late fees;
- c. Next, to handling charges, returned check fees and collection costs incurred by the Association;
- d. Next, to attorney's fees and related costs advanced by the attorney for and on behalf of the Association;
- e. Next, to delinquent Special Assessments;
- f. Last, to outstanding Annual Assessments, though same may not then be delinquent.

9. Ownership Records. All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of a Lot (as defined by Section 1.9 of the Declaration) for which assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Assessment Collection Policy until such time as there is actual receipt by the Association of written notification from the Owner of any change in the identity or status of such Owner or its address or both.

10. Notification of Owner's Representative. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interests in a Lot have been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Assessment Collection Policy will be deemed full and effective for all purposes if given to such representative or agent.

11. Referral to Legal Counsel. If an Owner remains delinquent in the payment of assessments and related costs for more than thirty (30) days after the sending of the Default Letter (as provided for above), Management, on behalf of the Board, or the Board may, as soon as possible thereafter, refer the delinquency to the legal counsel for the Association for the legal action as required by this Assessment Collection Policy. Any attorney's fees and related charges incurred by virtue of legal action taken will become part of the assessment obligation and may be collected as such as provided herein and in the Declaration.

12. Legal Action. Legal counsel for the Association will take the following actions with regard to delinquencies referred to it upon legal counsel's receipt of a written request by Management and/or the Board to take a specific collection action:

a. Notice Letter. As the initial correspondence to a Delinquent Owner, counsel will send a notice letter (the "Notice Letter") to the Owner providing notice of all outstanding assessments and related charges, including the charges for the attorney's fees and costs incurred for counsel's services. If the amounts owing are disputed by the Owner within thirty (30) days of Owner's receipt of the Notice Letter, Management and/or Legal Counsel will provide verification of the amounts claimed to be owing in accordance with Paragraph 12 of this Policy.

b. Title Search. If a Delinquent Owner fails to pay the amounts demanded in the initial Notice Letter sent by counsel, counsel will, upon direction from the Board and/or Management, order a search of the land records to verify current ownership of the Lot on which the delinquency exists. If the title report indicates that the Current Owner is other than the Delinquent Owner, counsel will communicate that fact to the Association. A determination will then be made by the Board whether to pursue collection of the unpaid assessments from the Delinquent Owner or the Current Owner or both. Based on that determination, the Board and/or Management will direct counsel to proceed according to this Assessment Collection Policy. Where the title report confirms that the Current Owner is the Delinquent Owner, the Association, Management and counsel will likewise proceed according to this Assessment Collection Policy.

c. Notice of Lien. Where the Board has determined that foreclosure of the Association's assessment lien is to be pursued, if an Owner fails to pay in full all amounts indicated by the Notice Letter by the date specified, counsel, upon being requested to do so by the Board and/or Management, will cause to be prepared, executed by a duly authorized agent of the Association, and recorded in the Real Property Records of Dallas County, a written notice of lien (referred to as the "Notice of Lien") setting forth therein the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot covered by the lien. A copy of the Notice of Lien will be sent to the Owner contemporaneously with the filing of same with the County Clerk's office, together with a demand for payment in full of all amounts then outstanding within thirty (30) days of the date of the transmittal to the Owner of the Notice of Lien.

d. Non-judicial foreclosure. When the Board has directed that the collection action to be taken is non-judicial foreclosure of the assessment lien, upon the expiration of the time period given in the demand letter accompanying the Notice of Lien, the continued delinquency of unpaid assessments owing will be reported to the Board by Management, together with all pertinent facts concerning the delinquency and the ramifications of the proposed foreclosure of the Lot. As soon as practical thereafter, the Board and/or Management will direct counsel to initiate non-judicial foreclosure of the Unit, pursuant to Section 51.002 of the Texas Property Code, as such statute may be amended or superseded from time to time. In any foreclosure proceedings, the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees. The Association shall have the power to bid on the Owner's Lot and improvements at foreclosure and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. The Association may institute a personal judgment suit against the former Owner for any deficiency resulting from the Association's foreclosure of its assessment lien.

e. Judicial Foreclosure/Personal Judgment. When the Board has directed that the collection action to be taken is a suit for personal judgment against the Owner and/or for foreclosure of the assessment lien, upon the expiration of the time period given in the demand letter accompanying the Notice of Lien, the continued delinquency of unpaid assessments owing will be reported to the Board by Management. As soon as practical thereafter, the Board and/or Management will direct counsel to initiate legal proceedings in a court of competent jurisdiction seeking foreclosure of the assessment lien and/or recovery of a personal judgment against the Current Owner and, where different, the Delinquent Owner, or from the Current Owner only, for all amounts owing arising from the unpaid assessments and the collection thereof, including all attorney's fees and costs.

13. Verification of Indebtedness. For so long as the collection of assessments may be subject to the requirements of the Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.) (the "FDCPA"), all communications from Management and legal counsel will include such required notices as are prescribed by the FDCPA. Furthermore, where an Owner timely requests verification of the indebtedness, Management will, upon notification of the Owner's request, supply such verification before any further collection action is taken with respect to such Owner.

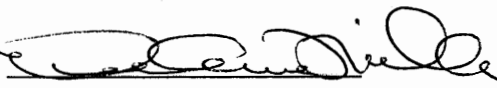
14. Compromise of Assessment Obligations. In order to expedite the handling of collection of delinquent assessments owed to the Association, the Board may, at any time, compromise or waive the payment of any assessment, interest, late fee, handling charge, collection cost, legal fee or any other applicable charge. The Association may, at its option, notify the Internal Revenue Service of the waiver or forgiveness of any assessment obligation.

15. Credit Bureaus. The Association may also notify any credit bureau of an Owner's delinquency. The Association will notify the Owner that it has filed such a report and will comply with any local, state, or federal laws in connection with the filing of such report.

IT IS FURTHER RESOLVED that this Assessment Collection Policy replaces and supersedes in all respects all prior rules, policies and resolutions with respect to the collection of assessments by the Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing rules, policy and/or resolution was adopted by the Board of Directors at a meeting of same on Oct 23, 2003, and has not been modified, rescinded or revoked.

DATE: Oct 26, 2003


Secretary

FRESOLACCOLLECT.CREEKBENDTOWNHOMES

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Clifford S. Galt
COUNTY CLERK
DALLAS CO., TEXAS

