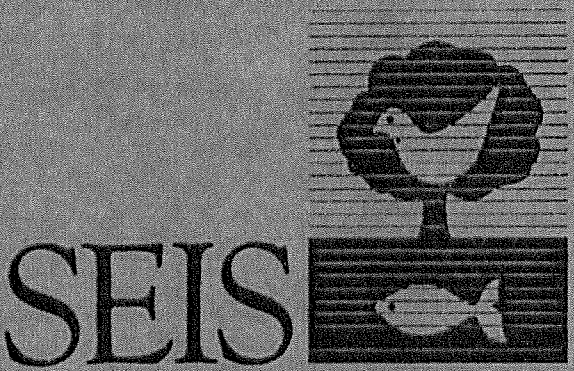
The Covenants

of



SEIS LAGOS

Introduction To The Covenants of Seis Lagos

The copy of the Covenants that you are reading is an electronic reproduction of the original document. The original document was scanned into a computer so that we could have an "on-line" version for quick reference and so that we could have an 8.5" x 11" version verses the original "legal" size document.

Every attempt has been made to make this document exactly the same as the original. All information is the same on a page by page basis. So, if someone references page 31 in the original document - your page 31 contains the same information.

There are two items that have not been included; the legal description of the properties (printed twice in the original), and a map of Seis Lagos showing Phase I layout with minimum square footage requirements per lot. The legal description describes the point by point definition of the location of Seis Lagos Phase I, II, and III. If you ever want to see this you can stop by the SLCSA office.

There are two added benefits of this version. One is the comprehensive index at the back of the document. This was made possible by the fact we can work with the original using word processing software. The second benefit is the fact that the pages can be scanned like a book - rather than like a legal document. Overall we feel that this is a good evolution of the document.

While every attempt has been made to insure that this document is exactly the same as the original - it is possible that some minor errors may exist. If there are any discrepancies the original document rules.

The SLCSA Board of Directors

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* Restated 1978

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‡ As amended June 13, 1989

The State of Texas

SECRETARY OF STATE

IT IS HEREBY CERTIFIED, that
Articles of Incorporation
of
SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.
CHARTER #00353027-01

were filed in this office and a certificate of incorporation was issued on

DECEMBER 9, 1974;

IT IS FURTHER CERTIFIED, that no certificate of dissolution has been issued, and that the corporation is still in existence.

THE STATE OF TEXAS

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

12th *day of* MAY, *A.D. 19*93

ph

John Hannah Jr

Secretary of State

ARTICLES OF INCORPORATION
OF
SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC. DECEMBER 9, 1974

We, the undersigned natural persons of the age of twenty-one (21) years or more, at least two of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

The name of the corporation is Seis Lagos Community Services Association, Inc. ("Association" or "Corporation" herein).

ARTICLE TWO

The corporation is a non-profit corporation. The value of the goods, chattels, lands, rights and credits owned by the corporation is none. The corporation is and is to continue to be without capital stock and has no intention of having capital stock, and shall be non-profit sharing, and no part of the income or property of the corporation shall inure, directly or indirectly, to the benefit of any incorporator, member or director, or to any person participating in the corporate enterprise.

ARTICLE THREE

The period of its duration is perpetual.

ARTICLE FOUR

The purpose or purposes for which the corporation is organized are:

(a) To promote the health, safety and welfare of its Members within Seis Lagos, a subdivision of Collin County, Texas.

NOTICE OF CONFIDENTIALITY RIGHTS. IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HUNT §

THAT THE UNDERSIGNED, **Bozeman-Spencer Development Company Inc.**, hereinafter referred to as "Grantor," whether one or more, for and in consideration of the sum of TEN DOLLARS ($10.00) cash, and other good and valuable consideration in hand paid by the Grantee, herein named, the receipt and sufficiency of which is hereby fully acknowledged and confessed, has GRANTED, SOLD and CONVEYED, and by these presents does hereby GRANT, SELL and CONVEY unto **Seis Lagos Utility District**. herein referred to as "Grantee," whether one or more, the real property described as follows:

BEING Lot 1RA in Block 0 of Replat of Seis Lagos Phase Three Addition, an Addition to Collin County, Texas, according to the Map thereof recorded in Volume Q, Page 529 of the Map Records of Collin County, Texas

This conveyance, however, is made and accepted subject to any and all validly existing encumbrances, conditions and restrictions, relating to the hereinabove described property as now reflected by the records of the County Clerk of HUNT County, Texas.

TO HAVE AND TO HOLD the above described premises, together with all the rights and appurtenances lawfully accompanying it, by the Grantee, Grantee's heirs, executors, administrators, successors and/or assigns forever; and Grantor does hereby bind Grantor, Grantor's heirs, executors, administrators, successors and/or assigns to WARRANT AND FOREVER DEFEND all the said premises unto the said Grantee, Grantee's heirs, executors, administrators, successors and/or assigns, against every person whomsoever claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise.

Current ad valorem taxes on said property having been prorated, the payment thereof is assumed by Grantee.

EXECUTED this date:

Brad Bozeman Vice President

Grantee's Address:

224 Seis Lagos Trail
Wylie, TX 75098

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me on July 20, 2005 by Brad Bozeman, as Vice President of on behalf of said Corporation.

Notary Name:
State of:
County of:
Expires:

MARTIN A. RIPOLL
Notary Public
STATE OF TEXAS
Commission Expires 06/08/08

UNANIMOUS CONSENT OF DIRECTORS
BOZEMAN-SPENCER DEVELOPMENT COMPANY, INC.

The undersigned, being all the directors of Bozeman-Spencer Development Company, Inc. (the "Corporation"), in lieu of conduction a special meeting, do hereby adopt the following resolution by unanimous consent, with the same force and effect as if such resolution had been duly proposed, seconded, and unanimously adopted at a meeting of the board of Directors on this date:

WHEREAS, the Corporation owns property known as Seis Lagos Phase III, an addition to the County of Collin, State of Texas, more particularly described in ~~Volume~~ _____, ~~Page~~ _____ of the Collin County Map and Plat Records (The "Property"); DRAWER M, PAGES 403,404

WHEREAS, the Directors have determined that the orderly development of the Property would be best promoted by adopting and imposing upon the property covenants and restrictions on use, including those that currently affect Seis Lagos Phase One, the adjoining development; and

WHEREAS, the Directors have determined that the orderly development of the Property would best be served by including the Property in the Seis Lagos Community Services Association, Inc. (the "Association") and subjecting the Property to ongoing management by the Association;

IT IS THEREFORE,

RESOLVED, that either Lyndon Bozeman, as President of the Corporation, or John Spencer, as Vice President of the Corporation, is hereby authorized to enter into agreements and execute documents as it may be necessary or incidental to adoption of restrictions and covenants upon the Property and the inclusion of the Property within the Association.

Witness our hands on November 30, 2000

DIRECTORS:

Lyndon Bozeman

John Spencer

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW
(THE STATE OF TEXAS) (COUNTY OF COLLIN)
I hereby certify that this instrument was FILED in the File Number Sequence on the date and the time stamped hereon by me; and was duly RECORDED, in the Official Public Records of Real Property of Collin County, Texas on

DEC 21 2000

Helen Starnes

COUNTY COURT OF COLLIN COUNTY, TEXAS

Filed for Record in:
Collin County, McKinney TX
Honorable Helen Starnes
Collin County Clerk

On Dec 21 2000
At 9:21am

Doc/Num : 2000- 0137977

Recording/Type:RS 17.00
Receipt #: 314677

DATED November 30, 2000

Bozeman-Spencer Development Company, Inc.

By: _____

Name: John D. Spencer , V.P

ACCEPTED:

Seis Lagos Community Services Association, Inc.

By: _____

Name: David Bulleit , President

STATE OF TEXAS
COUNTY OF COLLIN

Subscribed to and acknowledged before me on November 30, 2000 by John D Spencer , V.P. of **Bozeman Spencer Development, Inc.** and by David Bulleit, President of the **Seis Lagos Community Services Association, Inc.**

_____
Notary Public in and for the State of Texas

SEAL:

ROSEMARIE SWYKERT
Notary Public, State of Texas
My Commission Expires 12-01-04

R. t to:

Bozeman Spencer Dev.
P.O. Box 861051
Plano Tx 75086

Attn: John Spencer

SEIS LAGOS – PHASE III
DECLARATION OF RESERVATIONS, RESTRICTIONS, COVENANTS, CONDITIONS, EASEMENTS AND LIENS FOR SEIS LAGOS COMMUNITY SERVICES ASSOCIATION INC.

This Declaration is made this date by Bozeman-Spencer Development Company Inc. (Developer) a Texas corporation, also referred to herein as "Declarant," as the owner of a certain parcel of land situated in Seis Lagos – Phase III, and Addition to Collin County, Texas, commonly known as Seis Lagos Phase III, being the same parcel platted into lots by a Final Plat recorded in ~~Volume~~ __, ~~Pages~~ _____ of the Collin County Map and Plat Records, Collin County, Texas (the "Property"). DRAWER M; PAGES 403,404

1. Seis Lagos Phase One is a subdivision described in a Final Plat recorded in Volume 9, Pages 24-26 of the Deed Records of Collin County, Texas, and corrected by a Certificate of Correction recorded in Volume 877, Page 576 of the Deed Records of Collin County Texas ("Seis Lagos Phase One"). Seis Lagos Phase One is subject to certain reservations, restrictions, covenants, easements and liens set forth in the instruments filed in: Volume 934, Page 153; Volume 1115, Page 190; Volume 1121, Page 560; Volume 1132, Page 203; and Volume 3093' Page 877, Land Records of Collin County, Texas, all of which are incorporated herein by this reference (the "Prior Covenants").

2. The Property was originally subject to the Prior Covenants by virtue of being a part of the Expansion Properties referred in the Covenants.

3. The Declarant hereby adopts the Prior Covenants, to the extent that the Prior Covenants currently apply to Seis Lagos Phase One, as the restrictions, covenants, easements and liens of and applying to Seis Lagos Phase III, together with the terms of this Declaration (all collectively the "Covenants").

4. Declarant hereby subjects the Property to the Covenants and thereby causes the Property to be included as a part of and subject to management by the Seis Lagos Community Services Association, Inc. (the "Association"), subject to acceptance of Seis Lagos Phase III by the Association and subject to the condition that Association Dues on any lot within the Property shall begin to accrue the month next following the expiration of twelve months from the date that such lot within Seis Lagos Phase III is sold by the Developer to any third party, rather than the six-month deferral provided generally in the Prior Covenants.

5. The Covenants, as applied to Seis Lagos Phase III, include the following additional reservations or restrictions on use:

a. Improvements to be constructed upon the lots within Seis Lagos Phase III shall be subject to minimum square footage requirements as set forth on Exhibit "A" hereto, which requirement is more stringent than the requirement set forth in the prior covenants.

6. The Covenants shall be construed reasonably in being applied to Seis Lagos Phase III sa as to reflect the following rules of construction, in the priority here indicated:

a. First, to the extent possible, Seis Lagos Phase III lots, Seis Lagos Phase II lots and Seis Lagos Phase One lots shall be treated in the same manner and subject to the same restrictions, covenants, easements and liens. Any portion of the Covenants no longer applicable to Seis Lagos Phase II or Seis Lagos Phase One shall not be applicable to Seis Lagos Phase III.

b. Second, if necessary to reasonably construe any part of the Covenants, the fact that Seis Lagos Phase III was brought under the Covenants at a later date may be considered.

7. By indicating acceptance hereon, the Association accepts the Property constituting Seis Lagos Phase III as a part of the Association and agrees to the beginning date for dues on individual lots as set forth above. The undersigned officer of the Association certifies that the Board of Directors of the Association has taken all action necessary to approve this action.

Exhibit "A"

Minimum Square Footage requirements of Seis Lagos Phase III Lots.

Lots	Min Footage
Block N	
1 thru 13	2800
14 thru 21	3000
Block O	
1 thru 4	2800
5 thru 12	3000
13 thru 15	2800
16 thru 22	2600
23 thru 28	2800
Block P	
1 thru 13	2800
Block Q	
1 thru 12	2800

UNANIMOUS CONSENT OF DIRECTORS
BOZEMAN-SPENCER DEVELOPMENT COMPANY, INC.

The undersigned, being all the directors of Bozeman-Spencer Development Company, Inc. (the "Corporation"), in lieu of conducting a special meeting, do hereby adopt the following resolution by unanimous consent, with the same force and effect as if such resolution had been duly proposed, seconded, and unanimously adopted at a meeting of the Board of Directors on this date:

WHEREAS, the Corporation owns property known as Seis Lagos - Phase II, an Addition to the County of Collin, State of Texas, more particularly described in Volume J, Pages 26-27 of the Collin County Map and Plat Records (the "Property");

WHEREAS, the directors have determined that the orderly development of the Property would be best promoted by adopting and imposing upon the Property covenants and restrictions on use, including those that currently affect Seis Lagos Phase One, the adjoining development; and

WHEREAS, the directors have determined that the orderly development of the Property would best be served by including the Property in the Seis Lagos Community Services Association, Inc. (the "Association") and subjecting the Property to ongoing management by the Association;

IT IS THEREFORE,

RESOLVED, that either Lyndon Bozeman, as President of the Corporation, or John Spencer, as Vice President of the Corporation, is hereby authorized to enter into agreements and execute documents as may be necessary or incidental to the adoption of restrictions and covenants upon the Property and the inclusion of the Property within the Association.

Witness our hands on June 26, 1996.

DIRECTORS:

Lyndon Bozeman

John Spencer

SEIS LAGOS II

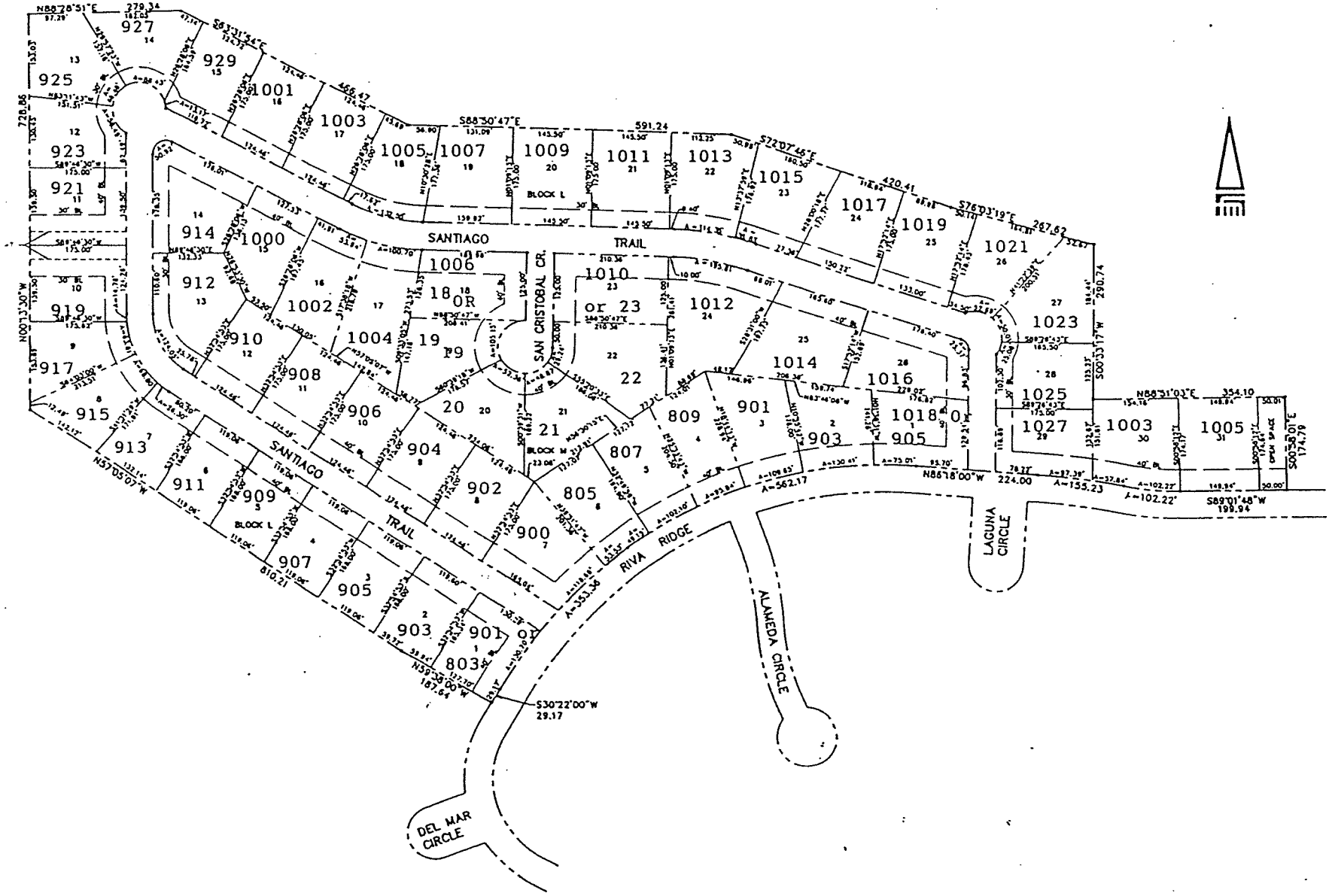


EXHIBIT A

COUNTY CLERK'S MEMO
PORTIONS OF THIS
DOCUMENT NOT
REPRODUCIBLE
WHEN RECORDED

Minimum Square Footage for Lots Phase II

Block L

Lot	
1	2600
2	2600
3	2600
4	2600
5	2600
6	2600
7	2600
8	2600
9	2600
10	2600
11	2600
12	2600
13	2600
14	2600
15	2600
16	2800
17	2800
18	2800
19	2800
20	2800
21	2800
22	2800
23	2800
24	2800
25	2800
26	2800
27	2600
28	2600
29	2600
30	2600
31	2600

Block M

Lot	
1	2600
2	2600
3	2800
4	2800
5	2800
6	2800
7	2800
8	2600
9	2600
10	2600
11	2600
12	2800
13	2600
14	2600
15	2800
16	2800
17	2800
18	2800
19	2800
20	2800
21	2800
22	2800
23	2800
24	2800
25	2800
26	2600

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW

(THE STATE OF TEXAS) (COUNTY OF COLLIN)
I hereby certify that this instrument was FILED in the File Number Sequence on the date and the time stamped hereon by me; and was duly RECORDED, on the Official Public Records of Real Property of Collin County, Texas on

JUN 27 1996

Helen Starnes

COUNTY CLERK, COLLIN COUNTY, TEXAS

Filed for Record in:
COLLIN COUNTY, TX
HONORABLE HELEN STARNES

On 1996/06/27

At 9:33A

Number: 96- 0053600
Type : RS 17.00

DATED June 26, 1996

Bozeman-Spencer Development Company, Inc.

By: _____

Name: JOHN D. SPENCER
(Typed or Printed)

Title: V.P.

ACCEPTED:

Seis Lagos Community Services Association, Inc.

By: Martha A. Moody, President

Name: MARTHA A. MOODY
(Typed or Printed)

STATE OF TEXAS §
COUNTY OF COLLIN §

Subscribed to and acknowledged before me on June 26, 1996 by JOHN D. Spencer, V.P of BOZEMAN-SPENCER DEVELOPMENT COMPANY, INC., and by Martha A. Moody, as President of the SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.

SEAL:

Rosemarie Swykert
Notary Public in and for the
State of Texas

ROSEMARIE SWYKERT
MY COMMISSION EXPIRES
December 1, 1998

96-0053600

SEIS LAGOS - PHASE II
DECLARATION OF RESERVATIONS, RESTRICTIONS, COVENANTS, CONDITIONS, EASEMENTS AND LIENS FOR SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.

This Declaration is made this date by **Bozeman-Spencer Development Company, Inc.,** ("Developer) a Texas corporation, also referred to herein as "Declarant," as the owner of a certain parcel of land situated in **Seis Lagos - Phase II**, an Addition to Collin County, Texas, commonly known as Seis Lagos Phase II, being the same parcel platted into lots by a Final Plat recorded in Volume J, Pages 26-27 of the Collin County Map and Plat Records, Collin County, Texas (the "Property").

1. Seis Lagos Phase One is a subdivision described in a Final Plat recorded in Volume 9, Pages 24-26 of the Deed Records of Collin County, Texas, and corrected by a Certificate of Correction recorded in Volume 877, Page 576 of the Deed Records of Collin County Texas ("Seis Lagos Phase One"). Seis Lagos Phase One is subject to certain reservations, restrictions, covenants, easements and liens set forth in the instruments filed in: Volume 934, Page 153; Volume 1115, Page 190; Volume 1121, Page 560; Volume 1132, Page 203; and Volume 1177, Page 281, Deed Records of Collin County, Texas; and in Volume 1253, Page 484; and Volume 3093, Page 877, Land Records of Collin County, Texas, all of which are incorporated herein by this reference (the "Prior Covenants").

2. The Property was originally subject to the Prior Covenants by virtue of being a part of the Expansion Properties referred in the Covenants. The Prior Covenants were subordinate to the interest of a prior lienholder of the Property, whose subsequent foreclosure extinguished the Prior Covenants from the Property.

3. Declarant hereby adopts the Prior Covenants, to the extent that the Prior Covenants currently apply to Seis Lagos Phase One, as the restrictions, covenants, easements and liens of and applying to Seis Lagos Phase II, together with the terms of this Declaration (all collectively the "Covenants").

4. Declarant hereby subjects the Property to the Covenants and thereby causes the Property to be included as a part of and subject to management by the Seis Lagos Community Services Association, Inc. (the "Association"), subject to acceptance of Seis Lagos Phase II by the Association and subject to the condition that Association dues on any lot within the Property shall begin to accrue the month next following the expiration of twelve months from the date that such lot within Seis Lagos Phase II is sold by the Developer to any third party, rather than the six-month deferral provided generally in the Prior Covenants.

5. The Covenants, as applied to Seis Lagos Phase II, include the following additional reservations and restrictions on use:

a. Declarant, as Developer, reserves the right to impose Developer's Guidelines related to the original construction of a residential dwelling on a lot within Seis Lagos Phase II, which may be in addition to or more restrictive, but shall not be less restrictive, than the requirements imposed by the Covenants and Architectural Control Committee of the Association. Developer's Guidelines may include requirements related to landscaping, such as the requirement that mature trees (at least ten inches in diameter) be included in the front yard. Developer's Guidelines may include requirements related to uniformity of exterior structures, such as mailboxes.

b. Improvements to be constructed upon the lots within Seis Lagos Phase II shall be subject to minimum square footage requirements as set forth on Exhibit "A" hereto, which requirement is more stringent than the requirement set forth in the prior covenants.

c. All new construction shall include a driveway sleeve that satisfies TU Electric specifications. Typically this requirement will be satisfied by a 4-inch PVC conduit installed beneath the driveway at a depth not less than 36 inches. The conduit shall be Schedule 40 PVC Electrical Grade (gray). A 1/8 inch nylon pulling cord shall be left in the conduit. The conduit shall be plugged at both ends, and the ends must extend at least 4 inches beyond each side of the driveway. The conduit shall be placed at least 5 feet inward from the property line, which would also be 30 feet inward from the center line of the road.

6. The Covenants shall be construed reasonably in being applied to Seis Lagos Phase II so as to reflect the following rules of construction, in the priority here indicated:

a. First, to the extent possible, Seis Lagos Phase II lots and Seis Lagos Phase One lots shall be treated in the same manner and subject to the same restrictions, covenants, easements and liens. Any portion of the Covenants no longer applicable to Seis Lagos Phase One shall not be applicable to Seis Lagos Phase II.

b. Second, if necessary to reasonably construe any part of the Covenants, the fact that Seis Lagos Phase II was brought under the Covenants at a later date may be considered.

7. By indicating acceptance hereon, the Association accepts the Property constituting Seis Lagos Phase II as a part of the Association and agrees to the beginning date for dues on individual lots as set forth above. The undersigned officer of the Association certifies that the Board of Directors of the Association has taken all action necessary to approve this action.

AMENDMENT AND COMPLETE RESTATE OF DECLARATION OF RESERVATIONS, RESTRICTIONS, COVENANTS, CONDITIONS, EASEMENTS AND LIENS FOR SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.

THIS AMENDMENT AND COMPLETE RESTATEMENT OF DECLARATION, made as of the date hereinafter set forth by REALTY GROWTH INVESTORS ("RGI"), a real estate investment trust organized under the laws of Maryland, hereinafter referred to as "Declarant" and consented to by the other undersigned parties executing this instrument;

W I T N E S S E T H:

WHERE-AS, on October 24, 1974, a declaration, reservations, restrictions, covenants, conditions, easements and liens (the "Original Declaration") were filed and recorded in Volume 934, Pages 153 through 176 of the Deed Records of Dallas County, Texas with respect to certain real property known as Seis Lagos Subdivision, containing 509.54 acres, more or less, and being more particularly described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Properties"); and

WHEREAS, at the time of filing of the original Declaration, the Properties were encumbered by the liens of Deeds of Trust from Lincoln Mortgage Company to Donald Pavony, Trustee, securing certain indebtedness to RGI, which liens were superior to the Original Declaration; and

WHEREAS, on December 7, 1976, the liens of said Deeds of Trust were foreclosed by Donald Pavony, Trustee, and the Properties (save and except those portions previously released by RGI from the liens of said Deed of Trust) were conveyed by Donald Pavony, Trustee to RGI free of the Original Declaration; and

WHEREAS, RGI is willing to subject those portions of the Properties owned by it (being all of the Properties except those portions described on Exhibit "B" attached hereto) to the reservations, restrictions, covenants, conditions, easements and liens of the Original Declaration only if the Original Declaration is completely amended and restated as herein provided and replaced by this instrument; and

WHEREAS, the Original Declaration provided that it could be amended by instrument executed by not less than seventy-five percent (75%) of each class of members of Seis Lagos Community Services Association, Inc. who are also owners of fee simple title to any plot of land designated by lot and block number on a plat of any of the Properties;

WHEREAS, the only plat designating any portion of the Properties by lot and block number is that certain Final Plat for Seis Lagos Phase One recorded in Volume 9, Pages 24, 25 & 26 of the Deed Records of Collin County, Texas, as corrected by Certificate of Correction recorded in Volume 877, Page 576 of the Deed Records of Collin County, Texas (hereinafter referred to as the "Phase One Plat"); and

WHEREAS, RGI is the owner of fee simple title to all plots of land designated by lot and block number on the Phase One Plat (the "Phase One Lots") except those Phase One Lots described in Exhibit "B" hereto, and therefore RGI owns more than 75% of the Phase One Lots; and

WHEREAS, the undersigned parties executing this instrument in addition to RGI constitute at least 75% of the members of Seis Lagos Community Services Association, Inc. other than RGI who are owners of fee simple title to Phase One Lots, and are the owners of at least 75% of the Phase One Lots which are owned by owners other than RGI;

NOW, THEREFORE, Declarant and the undersigned owners of fee simple title to portions of the Properties hereby

completely amend and restate the Original Declaration, declare that said Original Declaration shall be replaced by this instrument, and declare that all of the Properties shall be held, sold and conveyed subject to the following easements, restrictions, covenants, conditions, reservations and liens, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described Properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC., a Texas non-profit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in Exhibit A hereto. The Properties include those certain tracts of land platted into lots by Final Plat for Seis Lagos Phase One recorded in Volume 9, Pages 24, 25 & 26 of the Deed Records of Collin County, Texas, as corrected by Certificate of correction recorded in Volume 877, Page 576 of the Deed Records of Collin County, Texas (the "Phase One Properties") and the certain unplatted tracts of land owned by Declarant and described on Exhibit C hereto (the "Expansion Properties").

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Properties, including contract sellers but excluding those having such interest merely as security for the performance of an obligation, provided that the purchaser at a foreclosure sale or trustee's sale shall be deemed an Owner.

Section 4. "Common Area" shall mean and refer to the areas indicated as common areas on the Phase One Plat of a

portion of the Properties recorded in the Deed Records of Collin County, Texas, and such areas similarly indicated on any amended or future Plat of the Properties or portion thereof recorded in the Deed Records of Collin County, Texas together with any facilities and improvements thereon, which have been or are hereafter to be conveyed to the Association by Declarant, for the common use of Members, and shall specifically include all private streets as hereinafter defined. Although not shown on the Phase One Plat, the existing clubhouse, swimming pools, cabanas tennis courts, and related parking areas adjacent to the Phase One Properties and owned by Declarant (the "Country Club") are included in the Common Area.

Section 5. "Lot" shall mean and refer to the Lots indicated on the Phase One Plat recorded in the Deed Records of Collin County, Texas, and any Lots similarly indicated on any amended or future Plat of the Properties or portion thereof and which term shall include all Lots platted by Declarant on any portion of the Expansion Properties, and shall include all improvements and additions placed thereon. As used herein, the term "Lot" shall not include any part of the Common Area.

Section 6. "Declarant" shall mean and refer to RGI, its successors and assigns. Declarant may assign its rights and obligations hereunder with respect to portions of the Properties without assigning such rights and obligations with respect to other portions of the Properties. upon the assumption of the obligations herein contained (or any part thereof) by any assignee as evidenced by a written document to be recorded in the Deed Records of Collin County, Texas, the obligations of RGI hereunder so assigned shall cease and terminate.

Section 7. "Private Street" shall mean any street, lane, drive, boulevard, or cul-de-sac, which is shown on the Phase One Plat recorded in the Deed Records of Collin County, Texas, or which is shown on any amended or future Plat of the Properties or portion thereof.

Section 8. "Member" shall mean any person and/or entity who owns a fee interest in a Lot, located or to be located on any part of the Properties.

Section 9. "Membership" is defined in Article IV.

Section 10. "Person" shall mean an individual, corporation, partnership, association, trust or other legal entity or any combination thereof.

Section 11. "Approval" or "Consent" shall mean securing the prior written approval or consent as required herein before doing, making or suffering that for which such approval or consent is required.

Section 12. "Articles of Incorporation" shall mean the Articles of Incorporation of the Association, as the same may from time to time be amended, with the original Restated articles of Incorporation of the Association being attached hereto as Exhibit "D" and by this reference made a part hereof.

Section 13. "Assessment" shall mean and refer to an assessment levied, charged or assessed against an owner and/or his Lot in accordance with the provisions of this Declaration.

Section 14. "Board" shall mean and refer to the Board of Directors of the Association as the same may from time to time be constituted.

Section 15. "Building" shall mean and refer to any building or structure which is part of the Improvements on the Properties.

Section 16. "By-Laws" shall mean and refer to the duly adopted By-Laws of the Association, as the same may from time to time be amended, with the original Restated By-Laws of the Association being attached hereto as Exhibit "E" and by this reference made a part hereof.

Section 17. "Common Funds" shall mean and refer to all funds collected or received by the Association, including, but not limited to, the proceeds from insurance carried or obtained by the Association which are payable to or received by the Association as trustee for the benefit of the Owners or otherwise.

Section 18. "Declaration" shall mean and refer to this Declaration as the same may be amended, changed or modified from time to time.

Section 19. "Improvements" shall mean and refer to all improvements now or hereafter constructed on the Properties.

Section 20. "Manager" shall mean and refer to any Person appointed or employed by the Association or its Board of Directors to operate, maintain and manage the Project. "Professional Management" shall mean and refer to a Manager in the business of and experienced in the management of real property.

Section 21. "Mortgage" shall mean and refer to any security device (including a Deed of Trust) encumbering all or any portion of the Lots in the Project which secures a loan made by an entity regularly engaged in the business of making loans.

Section 22. "Mortgagee" shall mean and refer to the record owner of a beneficial interest under a Mortgage.

Section 23. "Project" shall mean and refer to the Properties and all Improvements together with all of the appurtenances and facilities thereof.

Section 24. "Expansion Properties" shall mean and refer to those unplatted tracts of land owned by Declarant and described on Exhibit C hereto. The Expansion Properties shall be a part of and subject to this Declaration, except that they shall not be subject to the restrictions of Article VII, Section 24 hereof, or to any provision applicable to platted Lots. Declarant shall have the right and power, without the joinder or consent of any Owner or Mortgagee, to file from time to time in the Deed Records of Collin County, Texas, a plat or plats of portions of the Expansion Properties, dividing the part of the Expansion Properties so platted into Lots and designating any common Areas thereon. When Declarant so plats a portion of the Expansion Properties into Lots, Declarant shall file a supplement to this Declaration with respect to such platted portion, subjecting such platted portion to such provisions, reservations, restrictions, covenants, conditions and easements in addition to those contained herein as Declarant, in its sole discretion, deems appropriate for such platted portion. Anything in this Declaration to the contrary notwithstanding, no such supplement to this Declaration need be joined in or approved by any owner or Mortgagee. Upon filing of such supplement, the portion of the Expansion Properties covered by the supplement shall be subject to the provisions contained in the supplement and to the provisions of this Declaration applicable to platted Lots (other than Article VII, Section 24). Declarant shall be entitled to three Class B Membership votes for each Lot in the Expansion Properties platted by Declarant prior to the time that Class B Membership ceases and is converted into Class A Memberships in accordance with Article IV, Section 2 hereof. Declarant shall be entitled to one Class A Membership vote for each Lot in the Expansion Properties platted by Declarant after

the time that the Class B Membership ceases and is converted into Class A Membership in accordance with Article IV, Section 2 hereof. Declarant may, in its sole discretion, at any time and from time to time, withdraw all or any portion(s) of the Expansion Properties from this Declaration by filing a statement of withdrawal as to such portion(s) in the Deed Records of Collin County, Texas. Such statement of withdrawal need not be joined in or approved by any Owner or Mortgagee. Upon the filing of such statement, the portion(s) of the Expansion Properties so withdrawn shall no longer be subject to the provisions of this Declaration; provided, however, that Declarant shall not withdraw any portion of the Expansion Properties which has been platted into Lots as herein provided after the first Lot in such platted portion has been sold to the Owner thereof, unless all owners in such platted portion of the Expansion Properties consent to the withdrawal.

ARTICLE II

USE RESTRICTIONS

Section 1. Use by Declarant and Association. Notwithstanding anything contained herein, the Declarant, its agents, and employees, expressly reserves unto itself the right to make such temporary use of the Properties and the Common area, including, without limitation, the Private Streets, as is reasonably necessary to facilitate and complete (i) the improvement and sale of the Project, (ii) the construction, excavation, grading and/or completion of any facilities, surface parking facilities, storage facilities and/or recreational facilities for the Project together with alterations and interior decoration in and to unsold or model units, (iii) the maintenance and operation for sales purposes of at least one (1) model unit, (lv) the showing of

the Project and any Improvements therein, (v) the reasonable use of the Common Area in connection with any sales program,, (vi) the reasonable display of signs in aid of the sale of an unsold Lot, (vii) the maintenance and operation of a fully staffed sales office complex in the Project. In addition, the Association, its Board, officers, Manager and his staff, shall have the right to make permanent use of all areas and space, including parking areas, storage areas and office areas and space reasonably necessary for use in connection with the operation and maintenance of the Project as well as other portions of the Common Area.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a non-exclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following rights:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreation facility situated upon the Common Area; provided, however, that so long as the Common Area has not been conveyed to the Association by Declarant as herein provided, owners of Phase One Lots shall not be charged admission or other fees for the ordinary use of the Country Club.

(b) the right of the Association to suspend the right to use of the recreational facilities by an Owner (or his family or guests) for any period during which any assessment against his Lot remains unpaid, and for a period Not to exceed sixty (60) days for an infraction of its published rules and regulations by an Owner or his family or guests.

(c) the right of the Board of Directors of the Association to dedicate an easement on all or any part of the Common Area to any public agency, authority, or utility.

(d) the right of the Association to lease a portion of the Common Areas to the Declarant for use by Declarant as a sales office. It is understood that Declarant may also construct model improvements on unsold Lots and use such Models for sales purposes;

(e) the right of the Association to make such reasonable rules and regulations regarding the use of the Common Area and facilities located thereon by the Members and other persons entitled to such use, including but not limited to restrictions of the number of guests who may use the Common Areas and the parts of the Common Area such guests may use;

(f) the right of the Association to borrow money for the purpose of improving the Common Area and facilities, constructing new facilities thereon or performing the maintenance obligations and providing the services set forth in Article VI hereof, and in connection therewith to mortgage the Common Area or portions thereof, provided, however, that after the Common Area has been conveyed to the Association by Declarant, prior to placing any mortgage on the Common Area or portions thereof, the Association shall first obtain the consent of all Mortgagees; and

(g) the right of Declarant or the Association to restrict use of particular Common Areas (other than the Country Club) located on portions of the Expansion Properties to certain Owners, provided that in such event the cost of maintaining such limited use Common Areas shall be added to and become a part of the Annual Assessments of the Owners entitled to use such limited use Common Areas (and to the extent of the amount so included shall not be included in

calculating whether their Annual Assessment is in excess of the Maximum Permitted Annual Assessment), or shall be paid by fees charged such Owners for the use of such limited use Common Areas.

Section 2. Delegation of Use. In accordance with such reasonable rules and regulations as the Association may promulgate from time to time, any Owner may permit the members of his immediate family (that is, spouse, children, grandchildren and parents), and the number of guests permitted by such rules to use the Common Area, and may delegate in accordance with such rules and regulations his right to use the Common Area to his tenants or contract purchasers who reside on his Lot. Following any such delegation to tenants or contract purchasers residing on his Lot, the owner shall no longer be entitled to the use of the Common Area, and only those people residing on his Lot shall be entitled to the use of the Common Area.

Section 3. Development and Conveyance of Common Area. The initial recreational and other facilities to be erected on the Common Area have been constructed. However, Declarant shall have the right, at its expense, to construct additional Improvements on the Common Area at any time. The Declarant may convey all or part of the Common Area, together with any Improvements thereon, to the Association at any time; provided, however, that if Declarant conveys any part of the Common Area to the Association before the earlier to occur of (a) June 1, 1995, or (b) the conveyance of seventy percent (70%) of the Lots shown on the Phase One Plat (the "Phase One Lots") to Owners other than Declarant, any Phase One Lots owned by Declarant shall be subject to the payment of Assessments on the same basis as other Phase One Lots. Any untransferred portion of the Common Area shall be conveyed at such

time as the Class B Membership in the Association ceases pursuant to the provisions of section 2 of Article IV hereof. Until the Common Area is conveyed to the Association, the Declarant shall have the exclusive use and control thereof, except that the owners shall have the reasonable right of access over and along the portions of the Common Area serving as streets, driveways, sidewalks or parking areas, and shall further have the right to use all completed facilities on the Common Area subject to such reasonable rules, regulations and fees as may be established therefore by the Declarant and also subject to Subparagraph (g) of Section 1 as to facilities in the Expansion Properties. During the period of time prior to the conveyance of the Common Area and any Improvements thereon to the Association, Declarant shall, at its expense, maintain the Common Area and any improvements thereon in good condition and repair, and all Annual Assessments collected by the Association shall be paid to Declarant as reimbursement for its cost of maintaining the Common Area and any Improvements thereon. At the time of conveyance of the Common Area to the Association, the Common Area shall be in good condition and repair, and free of any outstanding mortgages, deeds of trust or security agreements, and Declarant shall render a complete and accurate accounting of its handling of Assessments prior to such conveyance, and shall deliver all books of account and written documents with respect to the operation of the Common Area prior to its conveyance by Declarant. The conveyance of the Common Area to the Association by Declarant shall be by Special Warranty Deed and shall be subject to all matters of record.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Each person (including the Declarant who is record owner of any lot shall have one

"Membership" in the Association for each Lot he owns, regardless of the number of persons who hold an interest in said Lot (in other words, if two or more persons are the record owners of one Lot, then such persons shall in any case own only one Membership in the Association). Each Owner shall provide the Secretary of the Association the name of such Owner, his address and telephone number. The foregoing is not intended to include persons who hold a vendor's lien, deed of trust lien or other security interest in a Lot, until such persons become the record Owner of such Lot. The Membership shall be appurtenant to and may not be separated from record ownership of any Lot, and the transfer of any Membership not made as part of a sale of a Lot shall be null and void. ownership of a Lot shall be the sole qualification for being a Member of the Association.

Section 2. Two Classes of Membership. The Association shall have two (2) classes of Membership:

Class A: Class A Member(s) shall be all Owners (with the exception of the Declarant until conversion of the Class B Membership into Class A Membership as hereafter provided), and shall be entitled to one vote for each Lot owned.

Class B: The Class B Member(s) shall be the Declarant and shall be entitled to three votes for each Lot.

The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

(i) when the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership, or

(ii) on June 1, 1995.

Section 3. Owner's Right to Vote. Each owner shall have the right to vote, in person or by proxy, his Memberships in the Association. When more than one Person owns an interest in any Lot, all such Persons shall be Members, but only one Membership shall be voted for each Lot. The method of voting a Membership owned by more than one Person shall be as such Persons shall decide among themselves.

Section 4. Additional Remedies. In addition to the remedies provided in Article V, Section 7, the Board of Directors may suspend the voting rights of any Member for any period during which any assessment against his Lot remains unpaid.

ARTICLE V

COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligations of Assessments. Each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(1) "Annual Assessments" described in Article V, Section 2, and

(2) "Special Assessments" described in Article V, Section 4, such assessments to be established and collected as hereinafter provided.

Past due Annual Assessments and Special Assessments shall bear interest from the date they are due at the highest legal rate which may be charged the Owner under applicable law. The Annual Assessments and Special Assessments, together with interest, costs and reasonable attorney's fees incurred in collecting any such assessment shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. The obligation to pay such assessments being part of the purchase price of each

Lot, such lien shall be superior and paramount to any homestead or other exemption provided by law, and each Owner hereby specifically waives his homestead exemption, but only with respect to such lien. Each such assessment, together with interest, costs and reasonable attorney's fees incurred in collecting any such assessment shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due, and no transfer of the property by such owner shall relieve such owner of said personal obligation. The personal obligation for delinquent assessments shall not pass to any Owner's successor in title unless expressly assumed by him, but, nevertheless the lien as to such assessments shall continue to be a lien upon the Lot as above provided. Each Owner agrees upon request of the Association to execute and deliver to the Association in recordable form, a deed of trust covering the Lot owned by him to secure such assessment lien, subject only to a prior recorded, valid first-lien deed of trust and/or vendor's lien. In the event of nonpayment of any such assessment, such lien for nonpayment of assessments, together with interest, costs and reasonable attorney's fees incurred in collecting any such assessment may be enforced by the Association, such foreclosure sale to be conducted in accordance with the provisions of law applicable to the exercising of powers of sale or foreclosure in deeds of trust or in any manner permitted by law. In any such foreclosure or sale, the Owner shall be required to pay the costs and expenses of such sale and other proceedings, including reasonable attorney's fees.

Section 2. Purpose of Assessments. Annual Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Properties and for the improvement and

maintenance of the Common Area, and, to the extent herein specified, the homes situated upon the Lots, including without limitation the following:

(a) effecting repairs, replacements and additions to the Common Area and facilities thereon and performing all maintenance duties and providing all services specified in Article VI of this Declaration;

(b) paying ad valorem and other property taxes and assessments levied on the Common Area;

(c) contracting for such employees and independent management necessary or appropriate to the operation and maintenance of the Common Area and supervision thereof and the performance of all duties and the providing of all services specified in Article VI of this Declaration; specifically, the Association may contract with any person or entity, including Declarant for the performance of all or any portion of the duties of the Association provided herein;

(d) obtaining utility services for the Common Area; and

(e) obtaining general public liability insurance, property damage insurance, fire and extended coverage insurance and fidelity bonds in accordance with Article IX of this Declaration.

Section 3. Maximum Annual Assessment. The Maximum Permitted Annual Assessment for the year commencing January 1, 1978, shall be Three Hundred Fifty-one and 60/100 Dollars ($351.60) per Lot, being Twenty-nine and 30/100 ($29.30) Dollars per month per Lot.

(a) The Maximum Permitted Annual Assessment (but not necessarily the actual Annual Assessment) shall be increased each calendar year, effective January 1 of such year commencing January 1, 1979, by an amount equal to ten percent (10%) of the previous year's Maximum Permitted Annual Assessment.

(b) Within fifteen (15) days prior to the beginning of each calendar year and after consideration of current maintenance and replacement costs and a reasonable reserve for contingencies of the Association, the Board of Directors shall estimate and fix the actual Annual Assessment at an amount not in excess of the Maximum Permitted Annual Assessment as determined hereinabove. The Association shall then notify each Owner of the amount of the actual Annual Assessment which shall be due and payable in equal monthly installments on or before the first day of each calendar month beginning January 1 of such calendar year. In the event the amount of the actual Annual Assessment proves to be inadequate at any time during the course of a calendar year, the Board of Directors of the Association may increase the amount of the actual Annual Assessment up to the Maximum Permitted Annual Assessment for such year. Correspondingly, if the amount of the actual Annual Assessment is creating a surplus in excess of that necessary as a reserve for contingencies, the Board of Directors of the Association may decrease the actual Annual Assessment. In either such event, the Association shall notify each Owner of the amount of the new actual Annual Assessment and each Owner shall be obligated to pay monthly installments for the remainder of the calendar year in which such increase or decrease in the actual Annual Assessment was made, in an amount adjusted to reflect the new rate of the actual Annual Assessment so established by the Board of Directors.

(c) If at any time the Board of Directors of the Association feels that the Maximum Permitted Annual Assessment is inadequate to fulfill the functions of the Association, it shall duly call a meeting of the Association for the purpose of increasing the Maximum Permitted Annual Assessment. At such meeting, the Maximum Permitted Annual

Assessment may be increased by vote of a majority of the Memberships of each Class in attendance. Such increase shall continue until a majority of the Memberships of each Class at a meeting duly called for that purpose, shall decide otherwise, or until the Maximum Permitted Annual Assessment figure set by the computation described above shall be higher, in which case the latter shall be the Maximum Permitted Annual Assessment figure.

(d) The failure of the Association to fix the actual Annual Assessments as provided herein for any year shall not be deemed a waiver or a release of any owner from the obligation to pay the actual Annual Assessment. The actual Annual Assessment fixed for the preceding calendar year shall continue until a new actual Annual Assessment is fixed, and when a new Actual Annual Assessment is fixed, each owner shall be obligated to pay monthly installments for the remainder of the calendar year for which the new actual Annual Assessment was fixed in an amount adjusted to reflect the rate of the new Actual Annual Assessment so established by the Association.

Section 4. Special Assessments. In addition to the Annual Assessments, the Association may levy in any year Special Assessments for the following purposes:

(a) Defraying the amount of any deficit created by an excess of expenditures of the Association over receipts for the previous year; provided the maximum amount of any Special Assessment for this purpose may not exceed twenty-five percent (25%) of the Annual Assessment for the current year, and provided further that any such assessment shall require the consent of at least a majority of the memberships of Class A and Class B pursuant to votes cast at a meeting, duly called for this purpose.

(b) Paying for repairs and restoration and replacement and remedying violations pursuant to Section 4 of Article VI, Section 4 of Article VIII, and Section 4 of Article IX.

(c) Defraying, in whole or part, the cost of any construction or reconstruction or unexpected repair or replacement of a Capital Improvement upon the Common Area; provided that any such assessment shall require the consent of at least a majority of the memberships of Class A and Class B pursuant to votes cast at a meeting, duly called for this purpose.
Special Assessments shall be due and payable as determined by the Association.

Section 5. Notice and Quorum for Certain Actions Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Subsection (c) of Section 3 above or under Subsections (a) or (c) of Section 4 above shall be sent to all Members not less than ten (10) days nor more than fifty (50) days in advance of the meeting. Such notice shall set forth the purpose of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast a majority of all the votes of each Class of Membership entitled to vote shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The Annual Assessments provided for herein shall commence as to each Lot on the first day of the sixth

month following sale of the Lot to the Owner thereof. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. The Association shall upon request of an Owner at any time furnish a certificate in writing signed by an officer of the Association setting forth whether or not the assessment on the Lot owned by such Owner has been paid. A reasonable charge may be made by the Association for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Enforcement of Lien. The amount of any delinquent Assessment, together with any interest and costs (including attorney's fees) attributable thereto or incurred in the collection thereof, shall be and the same is hereby declared and agreed to be a lien only upon the Lot of the Owner so assessed when the Association causes to be recorded in the Office of the County Clerk of Collin County, State of Texas, a notice of Assessment executed by an authorized representative of the Association, setting forth the amount of the past due assessment and a legally sufficient description of the Lot against which the lien is to be imposed, provided that no such Notice of Assessment shall be so recorded until the Association or a person designated by the Association shall have first (i) mailed to the owner and the Mortgagee of the Lot against which such Assessment was assessed at their last known addresses as reflected in the records of the Association, a Notice of Default, together with demand upon such Owner to pay any such delinquent Assessment and any interest charges attributable thereto, (ii) given the defaulting Owner an opportunity to be heard and to contest such assessment before the Board at a special meeting of the Board called for that purpose. If the Association has not received full payment of all such delinquent

Assessments and any interest charges attributable thereto within fifteen (15) days from the mailing of such Notice of Default, the Association may promptly cause said Notice of Assessment to be recorded as provided above. Within thirty (30) days after the recordation of said Notice of Assessment, the Association may cause the Lot of the defaulting Owner to be sold. Any such sale shall be held as promptly as possible by foreclosing the lien herein provided in the manner provided by the law of the State of Texas for the foreclosure of deeds of trust or in any other manner permitted by law. The Association shall have the power to bid in the Lot of the defaulting Owner at such foreclosure sale and thereafter to hold, lease, mortgage and convey the same. Upon payment (prior to such a foreclosure) of any delinquent Assessment, together with interest and costs (including attorney's fees), with respect to which a Notice of Assessment has been recorded, the Association shall promptly cause to be recorded, at the expense of the defaulting Owner, a further notice stating the satisfaction and the release of the lien thereof. Except as otherwise provided herein or by law, the lien created as provided herein shall be prior to all other liens recorded subsequent to the recordation of said Notice of Assessment, and shall continue in force and effect until satisfied and released.

Section 8. Subordination of the Lien to Mortgages. The lien securing the amount of nonpayment, together with any interest, cost and reasonable legal fees provided for herein shall be subordinate to the lien of any Mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a Mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer but shall not relieve the previous Owner from personal liability for

payment thereof. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 9. Payment by Declarant of Assessments. Except under the circumstances and to the limited extent specified in Section 3 of Article III, no assessment shall be payable by Declarant under the terms hereof due to its ownership of a Lot or Lots unless Declarant is leasing such Lot and the improvements thereon to a tenant or tenants for residential purposes.

Section 10. All Assessments Pro Rata. The assessment made against any Lot in the Phase One Properties shall in no case be higher or lower than the assessment against any other Lot in the Phase One Properties, except as otherwise permitted herein, and except for any Special Assessments allowed pursuant to Section 4 of Article VI, Section 4 of Article VIII and Section 4 of Article IX of this Declaration which are properly attributable, in the judgment of the Board of Directors of the Association, to less than all of the Lots. If Declarant plats a portion of the Expansion Properties into Lots by filing a supplement to this Declaration with respect to such platted portion, as herein provided, the assessment made against any Lot in such newly platted portion shall in no case be higher or lower than the assessment against any other Lot in such newly platted portion (but may vary from the assessments against Lots in other portions of the Expansion Properties or in the Phase One Properties), except as otherwise permitted herein and except for any Special Assessments allowed pursuant to Section 4 of Article VI Section 4 of Article VIII and Section 4 of Article IX of this Declaration which are properly attributable, in the judgment of the Board of Directors of the Association, to less than all of the Lots.

Section 11. Diminution of Assessment. No diminution or abatement of assessments shall be allowed or claimed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Area or Lots or from any action taken to comply with any law, ordinance or order of a governmental authority.

Section 12. Mortgagee Notice. The Association shall promptly notify the Mortgagee of any Lot whose Owner is in default in the payment of Assessments, of the existence of such default, by notice addressed to such Mortgagee at its last known address as reflected in the records of the Association.

ARTICLE VI

MAINTENANCE BY AND SERVICES OF THE ASSOCIATION

Section 1. Common Area. The Association shall maintain the Common Area as provided in this Declaration.

Section 2. Exterior Maintenance. The Association shall at its option, have the right, but not the obligation, to paint, repair, replace or otherwise care for exterior improvements on Lots, including, without limitation, roofs, gutters, downspouts, and exterior building surfaces visible from the Common Area or any other Lot, provided, nonetheless, that said option shall not be exercised except in an emergency situation to protect against potential immediate harm to persons or to the improvements on any one or more Lots, or unless at least two-thirds (2/3 rds) of all Class A Members and Class B Members assent to the Association maintaining all exterior improvements on all Lots, pursuant to votes cast at a meeting duly called for this purpose, written notice of which having been delivered to each Member not

less than ten (10) days in advance of the meeting, setting forth the purpose of the meeting, or unless Declarant and the Owners of specific Lots assent to the Association's maintaining the exterior improvements on such Lots under an arrangement in which the Assessments of those Owners whose Lots have exterior improvements maintained by the Association are adjusted to reflect the cost of such exterior maintenance. If maintenance obligations are assumed for exterior improvements on Lots, such maintenance obligations shall in no event include garage door opening equipment, air conditioning equipment, glass surfaces, window, gate and door fixtures and hardware, any improvements not visible from the Common Area or another Lot, exterior light fixtures not installed-by the Declarant or the Association, utility meters, circuit breakers and switch panels, and any water, sewerage, or cable television system lines (except any such lines installed and owned by Declarant or the Association) within a Lot.

Section 3. Easement. The Association is hereby granted an easement of use and right of way on all Lots in order to comply with the terms of this Article and entry on any Lot for such purpose shall not be deemed trespass.

Section 4. Willful or Negligent Acts. In the event that the need for maintenance or repair is caused through the willful or negligent act of any Owner, his family, guests or invitees, the Association shall add the cost of such maintenance or repairs, as a Special Assessment, to the normal assessment of such Owner. In addition, any emergency repairs made in accordance with the terms hereof shall be added as a Special Assessment to the normal assessment of such Owner.

Section 5. Management of the Project. The management and control of the Project shall be the responsibility of the Association, acting alone or through its Board of Direc-

tors, its officers or other duly authorized representatives or agents, in accordance with the provisions of this Declaration, the Articles of Incorporation, the By-Laws and such rules and regulations as may be adopted by the Board, and such amendments, changes, or modifications thereto as may come into effect from time to time. Unless waived by 100% of the mortgagees, the Association shall cause professional management to be retained subject to the provisions of Section 8 of this Article V;. Professional management shall mean a person or firm in the business of and experienced in the management of real property.

Section 6. Powers and Duties Generally. In addition to the powers of assessment, collection and enforcement set forth in Articles 7 and 8 hereof, the Association may exercise any and all rights and powers hereinafter enumerated together with any and all rights and powers which are necessary or proper to maintain and keep the Project in first-class condition and in a good state of repair, to enforce any of the provisions of this Declaration, the By-Laws or the rules and regulations duly adopted by the Board of Directors of the Association, or carry out and perform its powers and responsibilities.

Section 7. Powers and Duties. The Association shall provide, perform, cause to be performed, maintain, acquire, contract and/or pay for all or any of the following:

(a) Utilities. Water, sewer, electrical and gas and other necessary utility services for the Common Area.

(b) Insurance. Such policies of casualty, liability and other insurance covering such persons, property and risks as are more particularly set forth in Article IX

(c) Management Services. The services of a Manager, together with the services of such other Persons as

the Board shall from time to time determine to be necessary or proper to the daily management, operation And maintenance of the Project, provided that no contract for such services shall be made and entered into which binds the Association for a period in excess of one (1) year. Further, all such contracts shall be terminable for cause upon thirty (30) days' written notice.

(d) Materials. All supplies and materials necessary or proper to the daily management, operation and maintenance of the Project; provided, however, that no contract for such supplies and materials shall be made and entered into which binds the Association for a period in excess of one (1) year, except with the Approval of a majority of the Owners.

(e) Repairs, Maintenance, Reconstruction. Subject to the further provisions hereof, arrangements for cleaning, painting, maintenance, repairs, reconstruction and replacement of and to all or any portion of the Project which are required to be cleaned, painted, maintained, repaired, reconstructed or replaced by the Association.

(f) Gardening and Landscaping. The services of a gardener to maintain, renew, and replace all or any portion of the landscaping, gardens and green areas within the Common Area together with all tools, supplies, plants and equipment reasonably necessary for such purpose.

(g) Trash, Rubbish Collection. The services of a trash, rubbish and garbage collection company or agency, whether public or private, for the purpose of promptly, regularly and efficiently collecting from designated areas within the Project and removing from the Project all trash, rubbish, garbage and refuse.

(h) Miscellaneous Services. Such other services for the use, enjoyment and protection of the Project and the residents thereof as the Association may determine from time

to time are reasonable, proper or desirable, including, but not limited to valet and/or garage parking, doormen, cleaning, pick-up and delivery, and security guards and security facilities.

(i) Annual Independent Audit; Examination of Books. An annual balance sheet and statement of income and expense of the Association, its Board, officers, the Manager and his staff. Said balance sheet and income and expense statement shall reflect the income and expenditures of the Association, its Board, its officers, the manager and his staff for the maintenance and operation of the Project for the Association's fiscal year, and shall be prepared by the chief financial officer of the Association, or any other person retained by the Association to prepare the same, or by an independent certified public accountant, as the Board of Directors shall determine. A copy of the balance sheet and statement of income and expense, shall be delivered to each Owner within ninety (90) days after the close of the Association's fiscal year. Additionally, any Mortgagee or Owner shall be entitled to inspect the books of the Association during usual business hours upon reasonable notice to the Association.

(j) Legal and Accounting. Legal and accounting services and fees for the Association, the Board, officers, the Manager and his staff, provided that said services and fees are incurred solely in connection with (i) the Management, operation and maintenance of the Project, (ii) the performance or enforcement (including the collection of assessments) of the provisions of this Declaration, the Articles of Incorporation, or the By-Laws, (iii) protest or litigation to contest local real estate taxes, or (iv) litigation arising out of the condemnation of all or any portion of the Common Areas.

(k) Fidelity Bonds. Such fidelity bond or bonds naming the Board of Directors of the Association, its officers, Members, the Manager, his staff and/or such other person or persons as may be designated by the Association as principals with the Association (as trustee) as the obligee.

(l) Taxes and Assessments. Taxes and/or assessments of whatever type duly assessed against all or of any portion of the Project or of the Association, whether or not such taxes are a lien upon said property or any portion thereof, which taxes and/or assessments are not separately assessed to individual Owners.

Section 8. Additional Authority. The Association, acting through its Board, officers or other duly authorized representatives or agents shall have authority to:

(a) Establish and publish uniform rules and regulations as may be deemed by them to be reasonable in connection with the use, occupancy and maintenance of the Project, and to alter, amend or modify such rules and regulations from time to time. All Mortgagees requesting same shall be given a copy of such rules and regulations. A copy of such rules and regulations shall be:

(i) posted in one or more conspicuous places in each building located on the Common Area; and

(ii) distributed to each Owner.

Such rules and regulations shall be binding upon each and every Owner and the members of his family and his tenants, social quests, employees, servants, and invitees.

(b) Charge reasonable admission and other fees for the use of any recreational facility situated on the Common Area.

Section 9. Delegation of Powers. The Association or the Board may delegate any of its duties, powers or functions to any qualified Person to act as Manager. Said Manager may

further be authorized to file any notice and take any legal action on behalf of the Owners which filing or the taking of such action is within the authority of the Association or the Board. Neither the Association, nor the members of its Board, nor its officers or committee members shall be liable for any omission or improper exercise by the Manager or his staff of any such duty, power or function so delegated.

Section 10. Right of Entry. The Manager or any one or more qualified persons designated by the Manager or by the Board of the Association, shall have the right and authority to enter upon and within any improvement or any Lot, in the presence of the Owner thereof where reasonably possible, for the purpose of (i) making emergency repairs therein, (ii) performing necessary maintenance or repairs to portions of the Common Area, (iii) abating any nuisance, or any dangerous, unauthorized, prohibited or unlawful activity being conducted or maintained therein, (iv) protecting the property rights and welfare of the other Owners or (v) for any other purpose reasonably related to the performance by the Manager of his responsibilities under the terms of this Declaration as the same may from time to time be amended or modified by the Association. Such right of entry shall be exercised in such manner as to avoid any unreasonable or unnecessary interference with the possession, use and/or enjoyment of the Owner or occupant of such improvement and shall be preceded by reasonable notice to the Owner or occupant thereof wherever the circumstances permit. Any damages to a Lot or to the furniture, furnishings, decorations or improvements contained therein resulting from negligence of the Manager during the exercise of such right of entry shall be repaired.

Section 11. Limitation of Liability. Neither the Declarant (nor its agents or employees) nor the Association, nor its Board of Directors (nor any member thereof), not its

officers (nor any of them), nor any committee of the Board of Directors (nor any member thereof), nor the Manager nor his staff shall be liable for any failure to provide any service or perform any duty, function or responsibility designated or provided in this Declaration or in any other document to be performed by the same, or for injury or damage to persons or property caused by fire, explosion, the elements or by another Owner or person in the Project or resulting from electricity, water, rain, dust or sand which may leak or flow from outside any building or from any part of any building or from any pipes, drains, conduits, appliances or equipment, or from any other place or cause unless caused by the gross negligence or willful misconduct of Declarant, the Association, the Board, the committee, officers, the Manager or his staff.

Section 12. Indemnification. The Association shall and does hereby indemnify the Board of Directors (and each member thereof), the officers of the Association (and each of them), the members of all committees of the Board of Directors (and each of them), the Manager and each member of his staff and each of the employees of the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by such person or persons in connection with any proceeding to which he may be a party, by reason of his being or having been a director, officer, committee member, Manager or employee of the Association, except in such cases where he is adjudged guilty of gross negligence, or willful misconduct in the performance of his duties.

Section 13. Non-Profit Character of Association. Notwithstanding anything contained in this Declaration to the contrary, neither the Association or its Board of Directors, the Manager or his staff may do, conduct or engage in

any activity, or cause the same to be done, which may jeopardize the non-profit character of the Association.

ARTICLE VII

PERMITTED USES AND RESTRICTIONS

Section 1. General Restrictions. The Properties shall be used solely for private residential purposes. Anything contained in this Section to the contrary notwithstanding, an Owner may lease his Lot to a tenant, but the Owner shall remain liable for all obligations hereunder.

Section 2. Noxious Uses. The land and improvements located on the Properties shall not be used so as to disturb the neighborhood or occupants of adjoining property, or to constitute a nuisance or to violate any public law, ordinance or regulation from time to time applicable thereto. Nor shall such land and improvements be used for any purpose which will create or emit any objectionable, offensive or noxious odors, dust, gas, fumes or other such material.

Section 3. Use of Common Area. The Common Area shall be used for park, recreational, social, access, utility easement and other purposes directly related to the private single family residential uses authorized hereunder.

Section 4. Animals. No animal or birds, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any Lot and then only if they are kept, bred, or raised thereon solely as domestic pets and not for commercial purposes. No animal or bird shall be allowed to make an unreasonable amount of noise, or to become a nuisance. No structure for the care, housing, or confinement of any animal or bird shall be maintained so as to be visible from neighboring property. Upon the written request of any Owner the Board of Directors of the Association shall conclusively determine, in its sole and absolute discretion, whether, for the purposes of this paragraph, a

particular animal or bird is a generally recognized house or yard pet, or a nuisance, or whether the number of animals or birds on any such property is reasonable. No animal or bird shall be maintained on any portion of the Common Area except with the express written consent of the Board of Directors of the Association.

Section 5. Antennas and Signals. No antenna or other device for the transmission or reception of television signals, radio signals, or any other form of electromagnetic radiation shall be erected, used, or maintained on any Lot, whether attached to a building or structure or otherwise, without approval in writing of the Architectural Control Committee, except that the Declarant or the Association may erect a common television antenna. No radio signals, television signals or any other form of electromagnetic radiation shall originate from any Lot which may unreasonably interfere with the reception of television or radio signals on any other Lot.

Section 6. Temporary Occupancy. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary building or structure of any kind shall be used at any time for a residence. Temporary buildings or structures used during the construction, repair or remodeling of a dwelling or Common Area shall be screened from view in a manner satisfactory to the Architectural Control Committee and shall be moved immediately after the completion of construction or upon order of the Architectural Control Committee.

Section 7. Trailers, Boats and Motor Vehicles. No mobile home, trailer of any kind, truck camper, permanent tent or similar structure, boat or inoperable motor vehicle of any type, camper, motor home or similar recreational vehicle shall be kept, placed, maintained, constructed,

reconstructed or repaired upon any property or street or private driveway in such a manner as will be visible from neighboring property or any street; provided, however, that the provisions of this paragraph shall not apply to emergency vehicle repairs or temporary construction shelters or facilities maintained during, and used exclusively in connection with, the construction of any improvement approved by the Architectural Control Committee, and provided further that trailers, truck campers, and boats may be designated by the Board of Directors. In addition, no motor vehicle of any type, whether operable or inoperable, may be constructed, reconstructed, or repaired upon any property or street or private driveway in such a manner as will be visible from neighboring property or any street. All motorized vehicles shall be maintained and operated in proper condition so as not to constitute a nuisance by virtue of noise, visible exhaust emission or otherwise.

Section 8. Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any part of the Properties, and no odors shall be permitted to arise therefrom, so as to render any such property or portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. No nuisance shall be permitted to exist or operate upon any such property so as to be offensive or detrimental to any other property in the vicinity thereof or to its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on any such property.

Section 9. Repair of Buildings. No building or structure upon the Properties shall be permitted to fall into

disrepair, and each such building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished.

Section 10. Trash Containers and Collection. All garbage and/or household trash shall be mechanically compacted. No garbage or trash shall be placed or kept on the Properties except in covered containers of a type, size and style which are approved by the Architectural Control Committee, which may include the requirement that all containers will be disposable and may prescribe the location and number of such containers. In no event shall such containers be maintained so as to be visible from neighboring property except to make the same available for collection and, then, only the shortest time reasonably necessary to effect such collection.

Section 11. Clothes Drying Facilities. Outside clothesline or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on the Properties unless they are erected, placed and maintained exclusively within a fenced service yard or otherwise concealed and not visible from neighboring property, and unless they are approved in writing by the Architectural Control Committee.

Section 12. Sidewalk Encroachments. No tree, shrub or planting of any kind on the Properties shall be allowed to overhang or otherwise encroach upon any sidewalk or other pedestrian way from ground level to a height of seven (7) feet without the prior approval of the Architectural Control Committee.

Section 13. Right-of-Way. During reasonable hours, Declarant, any member of the Architectural Control Committee, or any member of the Board of Directors or the Manager or any other representative of any of them, shall have the right to enter upon and inspect any Lot or Common Area for the purpose of ascertaining whether or not the provisions of

these restrictions have been or are being complied with, and such persons shall not be deemed guilty of trespass by reason of such entry.

Section 14. Mineral Exploration. The Properties shall not be used in any manner to explore for or to remove any water, oil, or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance of any kind.

Section 15. Machinery and Equipment. Without the approval of the Board of Directors of the Association or Declarant, no machinery or equipment of any kind shall be placed, operated or maintained upon the Properties except such machinery or equipment as is usual and customary in Collin County, Texas, in connection with the use, maintenance, or construction of a private residence or appurtenant structures or recreational facilities maintained by the Association; provided, however, such machinery or equipment may be so placed, operated or maintained by any governmental or quasi-governmental agency or a public utility.

Section 16. Diseases and Insects. No Owner shall permit anything or condition to exist upon the Properties which shall induce, breed, or harbor plant diseases or noxious insects.

Section 17. Restriction on Further Subdivision. No Lot shall be further subdivided.

Section 18. Signs. No signs whatsoever (movable or affixed), including, but not limited to, commercial, political and similar signs, which are visible from neighboring property shall be erected or maintained on the Properties except:

(a) Such signs as may be required by law.

(b) A residential identification sign of a combined total face area of seventy-two (72) square inches or less.

(c) During the time of construction of any building or improvement, one job identification sign not larger than eighteen (18) by twenty-four (24) inches in height and width and having a face area not larger than three (3) square feet, provided such sign is approved in writing by the Architectural Control Committee. The content and location of all signs shall be subject to such rules as the Architectural Control Committee may promulgate. The provisions of this paragraph shall not prevent Declarant from commencing, erecting, or maintaining structures or signs of any content or size on the Common Areas or on other property owned by Declarant when Declarant, in its sole discretion, deems it necessary or convenient to the development, sale, operation or other disposition of the Lots.

Section 19. Tanks. No surface or elevated tank shall be erected unless it is not more than five feet above ground level and is screened from view from neighboring properties and from streets in a manner satisfactory to the Architectural Control Committee.

Section 20. Increase Insurance Costs. Nothing shall be done on the Properties which will result in the increase of fire and extended coverage insurance premiums thereon or the cancellation of such insurance.

Section 21. Waste. No waste shall be committed on the Properties.

Section 22. Lighting. No lighting or illumination shall be placed upon the Properties in such a manner as to cause unreasonable glare or illumination.

Section 23. Garages. No garage may be used by other than the Owner of a Lot on which the garage is situated or his family or bona fide guests and all garage doors shall be closed at all times except as may be necessary for entry and exit of vehicles and persons. All garages must be attached to the residential structure. All garage openings must be equipped with doors.

Section 24. Building Restrictions. No residential building shall be erected on any Lot unless such building shall have a floor area of not less than the number of square feet of air conditioned and/or heated living space shown for such Lot on Exhibit F. Provided, however, that no such building shall cover more than 75% of any Lot area exclusive of set-back lines as may be prescribed by the Architectural Control Committee unless any such variation from the limitation set forth herein shall have been authorized in writing by the Architectural Control Committee. In the event any such residential building shall be constructed as a multi-story residence, not less than 1400 square feet shall be contained on the ground or first floor, and the height of such structure shall not exceed thirty-five (35) feet.

Section 25. Construction Period. The work of constructing any structure on a Lot shall be completed within twelve (12) months from the commencement thereof; provided that the Architectural Control Committee may grant extensions of time in which to complete construction when completion has been delayed by reason of strike, casualty lose, national emergency, Acts of God, or other matters beyond the control of the Owner or Builder.

Section 26. Frontage. All residential structures shall front on the street. Structures on corner lots shall front as determined by the Architectural Control Committee.

Section 27. Other Structures. Outbuildings, supplementary and appurtenant structures and attachments to the residential structure shall not be permitted. The following are expressly prohibited by way of illustration but not by way of limitation of the foregoing:

(a) Mailboxes and/or newspaper tubes, except as may be approved in writing by the Architectural Control

Committee. This provision shall not prohibit the placement of mail depositories by the U. S. Postal Service.

(b) Docks, piers, moorings, boathouses, slips and similar structures.

Section 28. Exterior Equipment. All heating and air conditioning equipment, swimming pool filter tanks and other similar exterior household equipment shall be screened in a manner to be approved in writing by the Architectural Control Committee, and shall be screened from view from the street and any adjoining Lot or Common Area.

Section 29. Fences. On Phase I Lots, no fences shall be permitted in any front or side yard, and may be constructed in any rear yard only in accordance with plans and specifications approved in writing by the Architectural Control Committee. For the purpose hereof, rear yard shall be that portion of any Lot situated within the rear line of the Lot and rear line of the residential structure, projected to the side lines of the Lot. On Lots in any portion of the Expansion Properties, fences may be constructed in accordance with plans and specifications approved by the Architectural Control Committee, unless otherwise provided in any supplement to this Declaration filed by Declarant upon the platting of such portion of the Expansion Properties.

Section 30. Driveways. All driveways and parking areas shall be constructed in accordance with plans, specifications and a site plan approved by the Architectural Control Committee. Particular compliance shall be had with respect to requirements of sizing, siting and grade of all crossing of drainageways and on drainage easements.

Section 31. Utilities. All residential buildings shall be constructed to provide the occupants thereof with water, sewer and electrical utility services.

Section 32. Waiver. The Architectural Control Committee may waive the requirements of sections of this Article VII for a period of not in excess of 180 days when compliance herewith is rendered impossible due to shortages of materials and other similar events beyond the control of the Builder or Owner.

Section 33. Trees. No live tree having a diameter in excess of three (3) inches, measured twelve (12) inches above the ground, no broad leaf evergreen, nor live vegetation on slopes of greater than 20% gradient, may be cut without prior written approval by the Architectural Control Committee. Any trees or vegetation so cut shall be disposed of in such a way that any Property or Common Area, whether vacant or occupied, shall be kept free of accumulations of trash, brush or other materials. Firewood may be stored in neat stacks, but in such location as to be not visible from any street faced by the Property where stored.

Section 34. Replanting. Any area made barren of vegetation as a result of any construction or improvement shall be replanted within six (6) months in such grass or other plantings as may be approved in writing by the Architectural Control Committee.

Section 35. Fireworks and Firearms. The use or discharge of fireworks and firearms is expressly prohibited.

Section 36. Bridle Paths. Those portions of the Common Area designated as bridle paths shall be for the exclusive use of pedestrians and equestrians. The use of bridle paths by others is expressly prohibited, and no vehicular traffic shall be permitted thereon, with the exception of vehicles necessary for the proper maintenance and operation of the Common Area or any facilities thereon.

Section 37. Trailers. No horse trailer, boat trailer or other similar means of transport shall be parked or

stored other than in an area designated for same by the Architectural Control Committee. If stored on any Property, storage shall be in a screened area approved in writing by the Architectural Control Committee.

Section 38. Power Boats. No power boats shall be permitted on any lake within the Common Area.

Section 39. Motorbikes. No trail bikes, motor bikes, go-carts, motorcycles, dune buggies or similar vehicles may be used except to travel from the Properties to Farm Road 1378, and then only as a means of conveyance to and from the outside boundaries of the Properties, and not for pleasure use within the Properties.

ARTICLE VIII

GENERAL OBLIGATIONS OF OWNER

Section 1. General Maintenance. Except as otherwise herein provided for maintenance of Lots and improvements thereon by the Association, each Owner shall maintain and care for all trees, plants, or foliage on his Lot, and otherwise keep his Lot and all improvements thereon in conformity to its condition when new. However, no Owner shall injure, remove or destroy any tree planted on any Lot by the Declarant or the Association, without the approval of the Architectural Control Committee.

Section 2. Complaints by owner. If any owner believes any other owner is in violation of this Declaration, he may so notify such owner in writing, explaining his reasons for such complaint. If the Owner fails to remedy the alleged violation in ten (10) days after delivery of such notice, a complaint may be transmitted in writing to the President or Board of Directors of the Association, who may thereupon choose, within not more than ten (10) days a neutral party to arbitrate the dispute in such a manner as the arbitrator deems best, but the arbitrator shall in all cases announce

his decision within thirty (30) days after the transmittal of the complaint to the President or Board of Directors of the Association. If the President or Board of Directors or the arbitrator fails to act, the complaint will be considered denied. The arbitrator shall be paid his reasonable expenses, the cost of which shall be borne by the losing party.

Section 3. Complaints by Association. If the Association believes any Owner is in violation of these Restrictive Covenants, it shall so notify such owner in writing, explaining its reason for such complaint. If the owner fails to remedy the alleged violation within ten (10) days following delivery of such notice, then the Association shall have the right to (i) institute appropriate legal action or (ii) submit the dispute to arbitration, such arbitration to be held in accordance with the rules of the American Arbitration Association by the action of a majority of arbitrators chosen as follows: (a) one arbitrator shall be chosen by the Owner; (b) one arbitrator shall be chosen by the Association; (c) one arbitrator shall be chosen by the two (2) arbitrators previously chosen. If either party fails to choose an arbitrator within thirty (30) days after the transmission of the complaint to the Owner, the other party may choose the second arbitrator. If the two arbitrators fail to select a third arbitrator within thirty (30) days after their own selection, either party may cause a third arbitrator to be selected by the Chief Judge of the United States District Court for the Northern District of Texas, acting in his individual rather than judicial capacity. The decision of the arbitrators shall be made within ninety (90) days after the transmission of the complaint to the Owner. If the arbitrators fail to act within such ninety (90) days, the complaint will be considered dismissed without prejudice. The Association shall not be precluded by dismissal as a

result of failure of the arbitrators to act from reinstituting arbitration or from instituting other appropriate legal action. The prevailing party in any such litigation or arbitration shall be entitled to recover from the other party all costs and expenses thereof, including attorney's fees, in connection therewith.

Section 4. Remedy of Violations. If the arbitrator(s) as provided in section 2 or Section 3 above or a court of competent jurisdiction upholds the complaint, the Owner shall be so notified in writing and shall promptly remedy the violation of this Declaration, and if he fails to remedy such violation within thirty (30) days after the date of such notice or in the time specified in any such proceeding, as appropriate, the Association may (but shall not be obligated to) cause the violation to be remedied and add the cost of same, as a Special Assessment, to the normal assessment of such Owner and/or may pursue such other remedies as may be available at law or in equity. The Association, and its designees, shall have the right of entry upon the Lot owned by such owner for such purpose.

ARTICLE IX

FIRE AND EXTENDED COVERAGE INSURANCE

Section 1. Individual Policies. The Board of Directors may, but shall not be obligated to, obtain a master policy of fire and extended coverage insurance covering all or portions of the improvements on the Properties. Unless and until such a master policy of fire and extended coverage insurance is obtained covering the Improvements on his Lot, each Owner shall obtain an individual policy of fire and extended coverage insurance covering the improvements on his Lot in an amount equal to at least ninety percent (90%) of the insurable value of such improvements. Additionally, such policy shall contain a clause providing that said policy cannot be cancelled except upon

thirty (30) days, written notice to the Association. A certificate showing such insurance policy is in effect shall be given to the Association. Unless and until a master policy of fire and extended insurance coverage is obtained covering the improvements on his Lot, each Owner shall be fully responsible for repairing, restoring or replacing the improvements on his Lot in the event of damage thereto, or in lieu thereof, for restoring his Lot to its natural grassy state to the satisfaction of the Architectural Control Committee, without visible evidence of the existence of previous improvements. Repairs, restorations and replacements shall be commenced promptly following damage to the improvements, and shall be prosecuted to completion with due diligence. If the Board of Directors of the Association elects not to purchase a master policy, it shall nonetheless Purchase and maintain a policy, naming the Association as Trustee for all of the Owners and for their Mortgagees as their interests may appear; and containing as a part thereof the standard extended coverage and replacement cost endorsements and such other or special endorsements as will afford protection and insure, for the full insurable replacement cost (excluding foundations and excavations but without deduction for appreciation) all improvements located on the Common Area, and all Personal Property of the Association located on or within the Project for or against the following:

(a) Loss or damage by fire or other risks covered by the standard extended coverage endorsement.

(b) Loss or damage to or an a result of theft, vandalism, malicious mischief, plate glass, boilers (if any pressure vessels or pressure pipes of water damage to the extent applicable.

(c) Such other risks, perils or coverage as the Association may determine.

Said policy and the endorsements made a part thereof may provide for such deductibles from any amounts otherwise payable thereunder as the Association may determine, and shall also (i) provide that only improvements made or installed by the Association shall affect the valuation of any improvement on the Properties for co-insurance purposes, (ii) provide for at least a biennial review which shall include an appraisal of all improvements and personal property located on or within the Project by a representative of the insurers insuring such policy, (iii) contain a waiver by said insurer of any and all rights of subrogation against any Owner, Declarant (and each member of its staff or employees), the Association, its Board, its committees and each member thereof, its officers (and each of them), the Manager and each member of his staff or employee of the Association, (iv) provide that said policy cannot be cancelled, invalidated, suspended, substantially modified, terminated, avoided or expire in whole or in part by reason of any act, omission, or breach of any covenant contained in this Declaration by the Association, its Board, its committees, officers, manager, his staff or any one or more Owners without a prior written demand that the Association cure such breach, and that in no event shall said policy be cancelled, invalidated, suspended, substantially modified, terminated, avoided or expire for any reason without thirty (30) days' prior written notice from the insurer to the Association, Declarant and to any Owner or Mortgagee who shall have filed a written request with said insurer for such notice, (v) provide that the Board or its authorized agent or representative shall have the exclusive authority to adjust any and all losses covered by said policy.

Section 2. Master Policy. If the Board of Directors of the Association chooses to obtain a master policy of fire

and extended coverage insurance, such policy shall contain the provisions described in Section 1 above, and shall additionally provide (i) "Use and Occupancy" coverage for the payment of all Assessments attributable to any damaged improvement located on a Lot during any period of repair or reconstruction thereof, (ii) specify that portion of the proceeds payable to each owner, (iii) contain no "escape" or "other insurance" clause that would cause said policy to become void in whole or in part or cause any proceeds payable thereunder to be reduced, set off, apportioned, pro rated, or otherwise brought into contribution with or by reason of separate insurance obtained by or for any owner or his Mortgagee, (iv) provide that the insurance obtained pursuant to this Article IX shall not be prejudiced by any act or neglect of any of the insureds when such act or neglect is not within the knowledge and control of the insureds collectively, (v) provide that the insurance obtained pursuant to this Article IX shall not be prejudiced by failure of the insureds collectively to comply with any warrant or condition with regard to any portion of the Properties over which the insureds collectively have no control and (vi) provide that all proceeds under said master policy shall be payable to the Association as Trustee to be held and expended as provided in this Declaration for the benefit of the Owners and their respective Mortgagees as their interests may appear.

Section 3. Attorney-in-Fact. Each Owner hereby appoints the Association as, its agent and attorney-in-fact for the collection of all proceeds payable under any master policy of fire and extended coverage insurance and pursuant to such authority, the Board of Directors of the Association may negotiate, compromise and settle any disputed claim with the insurance company providing the master policy of fire and extended coverage insurance and may execute any releases,

acquittances, discharges and other documents as may be necessary to affect such end and may institute such actions at law as it deems necessary to collect the proceeds of said insurance.

Section 4. Restoration. In the event of any fire or other casualty covered under a master policy of fire and extended coverage insurance, if any, the Association shall collect all insurance proceeds and will, to the extent of such proceeds, repair, restore and replace any damaged or destroyed structures to their same or similar condition existing just prior to the damage or destruction thereof (or, at the option of the Owner, will restore the Lot to its natural grassy state, without visible evidence of existence of previous improvements). Such repair, restoration, or replacement shall be commenced and completed within a reasonable time in a good and workmanlike manner using the same or similar materials as were originally used in the structures damaged or destroyed. The Association shall not be liable to any owner or his family for any delay in the completion of any repair, restoration or replacement due to causes beyond the reasonable control of the Association, its contractors or subcontractors. Specifically the Association shall not be liable for delay occasioned by weather, shortage or unavailability of materials and strikes or other work stoppages. To the extent that insurance proceeds are not sufficient to accomplish such repair, restoration or replacement, the Association shall levy against the Owners of the structures damaged or destroyed, a Special Assessment sufficient to accomplish such repair, restoration or replacement. Such Special Assessment shall be pro rated among the Owners of the structures damaged or destroyed in proportion to the extent to which such Owner's structure has been so damaged or destroyed.

Section 5. Assessment for Insurance. The cost of obtaining the master policy of fire and extended coverage insurance shall be added to and become a part of the Annual Assessment of each Owner, however, to the extent of the amount so included in the Annual Assessment, such amount shall not be included in calculating whether the Annual Assessment is in excess of the Maximum Permitted Annual Assessment.

Section 6. Mechanic's and Materialmen's Lien. Each Owner whose structure is repaired, restored or replaced by the Association hereby grants to the Association an express Mechanic's and Materialmen's Lien to cover the reasonable cost of such repair, restoration or replacement of the damaged or destroyed structure to the extent that the cost of such repair, restoration or replacement exceeds any insurance proceeds allocable to such repair, restoration or replacement. Upon request by the Board of Directors of the Association and before the commencement of any reconstruction, repair, restoration or replacement, such an Owner shall execute all documents sufficient to effectuate such Mechanic's and Materialmen's Lien in favor of the Association.

Section 7. Public Liability and Property Damage. The Association shall purchase, obtain, carry and maintain one or more comprehensive public liability and property damage policies naming as insureds the Association, its Board (and each member thereof), its Officers (and each of them), its Committees (and each member thereof) the Manager, his staff, all employees of the Association, and all of the Owners (including Declarant). Said policy or the endorsements made a part thereof shall provide immediate protection by virtue of an umbrella excess liability policy with limits of $1,000,000.00 and such underlying insurance as may be required in order to obtain such umbrella excess liability coverage, and shall

also (i) insure against bodily injury, death, or property damage occurring in, on or about any portion of the Properties, (ii) contain a cross-liability endorsement so as not to prejudice the rights of a named insured against another named insured, (iii) include "hired automobile" coverage, "off-premises employee" coverage and (iv) provide for the same waivers of the insurers rights of subrogation, "other insurance" provisions, loss adjustment clause, cancellation clause, "no control" clause and insurance proceed payment clause as contained in Sections 1 and 2 hereof.

Section 8. Workmen's Compensation. The Association shall purchase, obtain, carry and maintain workmen's compensation and employer's liability insurance to the extent necessary to comply with applicable laws.

Section 9. Fidelity Bonds. The Association shall purchase, obtain, carry and maintain fidelity bonds for officers and employees of the Association.

ARTICLE X

ENVIRONMENTAL CONTROL

Section 1. Construction of Improvements. Since the maintenance of environmental and architectural harmony and unity is essential for the preservation and enhancement of the value of the Lots and the harmonious functioning of the community affected hereby, no improvements may be erected on any Lot by anyone other than the Declarant without the approval of the Architectural Control Committee (as such term is hereinafter defined) appointed by the Board of Directors of the Association. The term "improvements" shall include but shall not be limited to the erection of any structure, including but not limited to additions to or alterations of any buildings, detached buildings, storage buildings, tool sheds, kennels, or other buildings for the care of animals, and greenhouses; the erection of any fence;

the moving of any structure from another locality to a Lot; the grading, scraping, excavation or other rearranging of the surface of any Lot; the construction of any driveway, alleyway, walkway, entryway, patio or similar item; the alteration or replacing of any exterior surface, including the repainting of any painted surfaces and the painting of formerly unpainted surfaces; and the planting, replanting or rearrangement of any plant life visible from another Lot, the Common Area, or the public streets.

Section 2. Architectural Control Committee. The Board of Directors of the Association shall appoint an Architectural Control Committee composed of at least three (3) persons, at least one of whom shall be an Owner other than Declarant, to approve improvements proposed to be made by any Owner other than Declarant. The Architectural Control Committee shall meet within fifteen (15) days after an owner has made written application to it for approval, submitting at that time two (2) sets of plans and specifications. Applications and plans and specifications shall be submitted to the Architectural Control Committee at the office of the Association or at such other address as the Architectural Control Committee may specify. The Architectural Control Committee shall render its decision within thirty (30) days after this meeting, either approving the plans or disapproving them, in the latter case making specific reference to those features which caused the disapproval. Approval may be conditioned upon completion within a specified period of time. All decisions shall be made by a majority vote of the Architectural Control Committee. A failure of the Committee to act within forty-five (45) days following receipt of an application, together with two (2) sets of plans and specifications, will result in the project being considered approved.

ARTICLE XI

EASEMENT AND RIGHTS

Section 1. General Easement. The Declarant, so long as he shall retain record title to any part of the Properties, and the Association, reserves the right and easement to the use of the Common Areas and any Lot or any portion of the Properties thereof, as may be needed for repair, maintenance or construction.

Section 2. Crossover Easement. If the Owner (including the Declarant) of any Lot must, in order to make reasonable repairs or improvements to a building on his Lot, enter or cross the Common Areas or a Lot of another Owner, such owner shall have an easement to do so; provided that the said Owner shall use the most direct, feasible route in entering and crossing over such an area and shall restore the surface so entered or crossed to its original condition at the expense of said Owner and further provided such easement shall not exist on the land of any other Lot owner if the purpose for the entrance or crossing is one requiring, by virtue of Article X of this Declaration, approval of the Architectural Control Committee of the Association, unless such approval has been given.

Section 3. Drainage Easement. Each Owner covenants to provide such easements for drainage and waterflow as the contours of the land and the arrangement of buildings by Declarant thereon requires.

Section 4. Utility Easement. An easement of ingress and egress is hereby granted on all Lots and the Common Areas in favor of any utility company for the purpose of the repair, construction and maintenance of all utility lines; provided, however, no new utility line may be constructed or no existing utility line may be relocated without the approval of either Declarant or the Architectural Control Committee.

Section 5. Blanket Easement. An easement is hereby retained in favor of Declarant and the Association over the Lots and the Common Areas in the event Declarant or the Association elects to construct a common cable television system, a common sprinkler, or any other item for the common benefit of Owners. An easement is further granted for the purpose of the repair and maintenance of any item so constructed. An entry upon any Lot or the Common Areas to effectuate the foregoing purposes shall not be deemed trespass. Each Owner covenants not to damage or destroy any portion of an item so constructed and shall hold the Association and/or Declarant harmless for the cost of repairing or replacing any portion damaged or destroyed by such owner, his family, his guests and invitees.

ARTICLE XII

DEVIATIONS

The Association may grant approval for deviations from the restrictions provided in Article VII and from restrictions placed on portions of the Expansion Properties by Declarant as herein provided. Such approval shall require either (1) that the Board of Directors of the Association refer the request for deviation to the Architectural Control Committee, and that the Architectural Control Committee unanimously approve the deviation, or (2) the affirmative vote of holders of two-thirds (2/3) of the Memberships of each class voting at a meeting duly called for this purpose, written notice of which shall be delivered to all Members not less than ten (10) days nor more than fifty (50) days before the date of the meeting, setting forth the purposes of the meeting. All Owners shall be given notice or requests for deviations prior to the grant thereof.

ARTICLE XIII

LEASE OF LOTS

Section 1. Owners' Right to Lease Lots. Each Owner shall have the right to lease his Lot provided that such lease be evidenced by an agreement in writing which shall specifically state that such lease is subject to all the terms and conditions of the Declaration, By-Laws and Articles of Incorporation, and that failure of the lessee to comply with the terms of such documents shall be a default under the lease.

ARTICLE XIV

LIABILITY OF BOARD OF DIRECTORS AND OFFICERS

Section 1. Indemnification. The members of the Board of Directors and Officers of the Association and members of committees of the Association shall not be liable to any owner or any person claiming by or through any Owner for any act or omission of such Directors or officers or members of committees in the performance of their duties except if such act or omission shall involve gross negligence, or willful misconduct, and the Association shall indemnify all such Directors and officers and committee members from all claims, demands, actions and proceedings and any expenses in connection therewith, except if such Director or officer or committee member be judicially declared to have acted in a grossly negligent manner, or with willful misconduct.

ARTICLE XV

GENERAL PROVISIONS

Section 1. Enforcement. The restrictions herein set forth shall run with the land and bind the present Owners except as otherwise provided, their successors and assigns, and all parties claiming by, through or under them, shall be taken to hold, agree and covenant with the Owners of said land, its or their heirs, personal representatives, successors

and assigns, and with each of them, to conform to and observe said restrictions as to the use of said Lots and the construction of improvements thereon. No restriction herein set forth shall be personally binding on any Person except in respect to breaches committed during his ownership of title to his Lot. No action for enforcement of these covenants may be commenced until the procedure specified in Article VIII, Section 2 or Section 3 as appropriate has been completed. Failure of any owner or Owners or the Association to enforce any of the restrictions herein set forth shall in no event be deemed a waiver of the right to do so or to enforce other restrictions.

Section 2. Invalidation. The invalidation of any of the covenants or restrictions set forth herein by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Right to Assign. The Declarant may, by appropriate instrument, assign or convey to any Person or Corporation any or all of the rights, reservations, easements, and privileges herein reserved by the Declarant, and upon such assignment or conveyance being made, its assigns or grantees may, at their option, exercise, transfer or assign such rights, reservations, easements and privileges or any one or more of them at any time or times in the same way and manner as those directly reserved by them or it in the instrument.

Section 4. Duration and Amendment. All of the restrictions set forth herein shall continue and be binding for a period of twenty-five (25) years from the date of this instrument and shall automatically be extended thereafter for successive periods of ten (10) years; provided, however, that the Owners of seventy-five percent (75%) of the Lots may, at the end of such twenty-five year term and during or

at the end of any successive ten year period thereafter, by a written instrument signed by such Owners, vacate or modify all or any part of this Declaration. During the initial twenty-five (25) year period, a vacation or modification hereof shall be effective only if a written instrument be signed by the Owners of seventy-five per cent (75%) of the Lots owned by owners other than Declarant, and by the Declarant, provided, however, that Declarant may, by written instrument executed solely by Declarant, make minor corrections, modifications and additions to this Declaration provided such minor corrections, modifications or additions do not adversely affect the rights of the Owners to the enjoyment of the Common Area, do not increase the obligations of the owners hereunder and do not adversely affect the value of the Lots of the Owners. Declarant shall notify the Board of Directors of the Association of its intention to make any such minor corrections, modifications or additions. Any such vacation or modification shall be filed of record in the Collin County Deed Records promptly when executed.

Section 5. Notices. All, notices given or required to be given by the Association to its Members or to Mortgagees shall be deemed to have actually been given if actually received and, whether or not actually received, when deposited in the United States mail, postage prepaid, and addressed to the Member at his address as it appears on the books of the Association, and shall be deemed given when mailed.

Section 6. Remedy at Law Inadequate. Except for the nonpayment of any Assessments provided for herein, it is hereby expressly declared, stipulated and agreed that the remedy at law to recover damages for the breach, default or violation of any of the Covenants contained in this Declaration are inadequate and the failure of any Owner, tenant,

occupant or user of any Lot or any portion of the Common Area or facilities thereof to comply with each and all of the terms and provisions of this Declaration, the rules, regulations, decisions, resolutions and By-Laws of the Association and its Board, all as lawfully amended from time to time, may be enjoined by appropriate legal proceedings instituted by Declarant, any Owner, the Association, its Board, its officers, or the Manager, or their respective successors and assigns.

ARTICLE XVI

LIABILITY OF DECLARANT

Realty Growth Investors is a Maryland real estate investment trust created and governed by Articles of Restatement of Declaration of Trust dated February 16, 1972, as they may be amended from time to time, and all persons dealing with Realty Growth Investors, including without limitation all persons joining in this Declaration or owning or acquiring property subject to this Declaration, must look solely to the trust property of Realty Growth Investors for the enforcement of any claims against Realty Growth Investors as no Trustee, officer, agent, manager, employee or shareholder of Realty Growth Investors assumes any personal liability for obligations entered into or created on behalf of Realty Growth Investors. All persons joining in this Declaration or owning or acquiring property subject to this Declaration hereby agree to look solely to the trust property of Realty Growth Investors for the satisfaction of any claim against Realty Growth Investors, and agree that no resort shall be had to the private property of any trustee, officer, agent, manager, employee or shareholder of Realty Growth Investors on account of any such claim. The Articles of Restatement of Declaration of Trust, as amended, and the names of the Trustees of Realty Growth Investors are on file at the offices of Realty Growth Investors in Towson, Maryland.

EXHIBIT "A"

(Legal description of Seis Lagos)

(See Master Copy)

EXHIBIT "B"

Portions of the Properties

Not Owned by Declarant

Lots 10, 18, 25, 27, 39, and 42 in Block B, Lots 5, 18, 22, and 30 in Block C, Lots, 5, 13, and 14 in Block D, Lot 3 in Block E, Lots 1 and 6 in Block F, Lot 3 in Block G, and Lots 4 and 7 in Block H, Lots 6 and 12 in Block J of Seis Lagos Phase one, according to the Final Plat for Seis Lagos Phase One recorded in Volume 9, Pages 24, 25, and 26 of the Deed Records of Collin County, Texas, as corrected by Certificate of Correction recorded in Volume 877, Page 576 of the Deed Records of Collin County, Texas.

Property described in Partial Releases of Lien recorded in Volume 1011, Pages 124 and 126 of the Deed Records of Collin County, Texas (Clerk's File Nos. 19078 and 19079).

2.169 acre tract and 1.486 acre tract described in Partial Release of Lien recorded in Volume 892, Page 278 of the Deed Records of Collin County, Texas (Clerk's File No. 24955).

(iv) Two tracts described in Partial Release of Lien recorded in Volume 892, Page 557 of the Deed Records of Collin County, Texas, (Clerk's File No. 25158).

EXHIBIT "C"

Expansion Properties

All of the Properties described in Exhibit "All hereto, save and except:

(i) those portions of the Properties described as items (ii), (iii) and (iv) on Exhibit "B" hereto.

(ii) that portion of the Properties comprising Seis Lagos Phase One according to the Final Plat for Seis Lagos Phase one recorded in Volume 9, Pages 24, 25, and 26 of the Deed Records of Collin County, Texas, as corrected by Certificate of Correction recorded in Volume 877, Page 576 of the Deed Records of Collin County, Texas.

EXHIBIT "D"
RESTATED ARTICLES OF INCORPORATION
(With Amendments)
OF
SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.

1. SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC. pursuant to the provisions of Article 4.06 of the Texas Non-Profit Corporation Act, hereby adopts Restated Articles of Incorporation which accurately copy the Articles of Incorporation and all amendments thereto that are in effectto date and as further amended by such Restated Articles of Incorporation as hereinafter set forth and which contain no other change in any provision thereof.

2. The Articles of Incorporation of the corporation are amended by the Restated Articles of Incorporation as follows: to add an article entitled "Definitions"; to amend the purposes of the corporation; to change the address and name of the corporation's registered agent; to change the maximum number of directors from seven (7) to nine (9); to provide for and define two classes of membership in the corporation; to require an ordinary quorum and majority vote of the membership and the consent of all mortgagees for certain actions of the corporation; to provide procedures for the disposition of assets upon dissolution; and to change the numbering of certain articles.

3. Each such amendment made by these Restated Articles of Incorporation has been effected in conformity with the provisions of the Texas Non-Profit Corporation-Act and such Restated Articles of Incorporation were duly adopted in the following manner:

The Restated Articles of incorporation as so amended were adopted at a meeting of members held on _____ 1978, at which a quorum was present, and the Restated Articles of Incorporation as so amended received at least two-thirds of the votes of the members of all classes of membership who were present or represented by proxy at such meeting and entitled to vote with respect thereto.

4. The Articles of Incorporation and all amendments and supplements thereto are hereby superseded by the following Restated Articles which accurately copy the entire text thereof and as amended as above set forth:

RESTATED ARTICLES OF INCORPORATION
OF
SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.
ARTICLE ONE

Definitions

The following words when used in these Articles of Incorporation, shall have the following meanings:

(a) "Corporation" shall mean and refer to the Corporation incorporated hereunder.

(b) "Properties" shall mean and refer to the land and premises situated in Collin County, Texas, and more particularly described by metes and bounds on Exhibit "A" attached hereto. The Properties include those certain tracts of land platted into lots by Final Plat for Seis Lagos Phase one recorded in Volume 9, Pages 24, 25 and 26 of the Deed Records of Collin County, Texas (the "Phase one Properties") and those certain unplatted tracts of land owned by Declarant (as hereinafter defined) and described on Exhibit "B" attached hereto (the "Expansion Properties").

(c) "Declaration" shall mean and refer to that certain Amendment and Complete Restatement of Declaration of Reservations, Restrictions, Covenants, Conditions, Easements and Liens applicable to the Properties and recorded or to be recorded by Declarant (as hereinafter defined) in the office of the Clerk of Collin County, Texas, and as the same may be amended or supplemented from time to time as therein provided. In the event of any conflict between the provisions of these Articles of Incorporation and the provisions of the Declaration, unless otherwise required by applicable law, the provisions of the Declaration shall control.

(d) "Common Area" shall mean and refer to those areas of land designated as Common Area on any recorded subdivision plat of any portion of the Properties, as amended from time to time, or in the Declaration and intended to be devoted to the common use and enjoyment of Members (as hereinafter defined) of the Corporation, which have been or are to be conveyed to the Corporation by Declarant (as hereinafter defined), together with any and all improvements that are now or may hereafter be constructed thereon.

(e) "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map of the Properties, as amended from time to time, which is designated as a lot therein, but shall not include any part of the Common Area, but shall include any lot on any portion of the Expansion Properties which may hereafter be platted by Declarant (as hereinafter defined) in accordance with the provisions of the Declaration.

(f) "Owner" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any Lot, including contract sellers, but excluding persons or entities who hold an interest merely as security for the performance of an obligation.

(g) "Members" shall mean and refer to each Owner as provided herein in Article Seven and Article Eight.

(h) "Declarant" shall mean and refer to Realty Growth Investors, a real estate investment trust organized under the laws of Maryland, its successors and any assignee who shall receive by assignment from the said Realty Growth Investors, all, or a portion, of its rights hereunder as such Declarant, by an instrument expressly assigning such rights as Declarant to such assignee.

(i) "PUD" shall mean and refer to the Planned Unit Development for the Properties, which consists of separately owned Lots with contiguous or non-contiguous areas or facilities administered by the Corporation in which the owners of the Lots have a membership interest. Title to the Lots is held by the individual Lot owners and not by the Corporation. The Corporation has (or will have upon the happening of certain events) title to and will administer the Common Area, and will levy monthly charges against the Lot owners (other than Declarant) for Common Area expenses. Membership in the Association cannot be severed from the ownership of an individual Lot.

(j) "Mortgage" shall mean and refer to any security device (including a Deed of Trust) encumbering all or any portion of the Lots in the Project securing a loan made by an entity regularly engaged in the business of making loans.

(k) "Mortgagee" shall mean and refer to the record owner of a beneficial interest under a Mortgage.

ARTICLE TWO

The name of the Corporation is Seis Lagos Community Services Association, Inc.

ARTICLE THREE

This corporation is a non-profit corporation, and does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of and to promote the health, safety and welfare of the residents of the Properties, and to preserve the beautification of the Properties, and for these purposes:

(a) Subject to the other provisions of these Articles of Incorporation, to borrow money and to acquire (by gift, purchase or otherwise), 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;

(b) To maintain unkept lands or trees;

(c) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in the Declaration, and reference to the Declaration

(d) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments provided for by the terms of the Declaration and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including any licenses, taxes or governmental charges which may be levied or imposed against the Common Area or any other property owned by the Corporation;

(e) Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the residents of the Properties; provided, that no part of the net earnings of the Corporation shall inure to the benefit of or be distributable to any member, director or officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation effecting one or more of its purposes), and no member, director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation; and provided, further, that no part of the activities of the Corporation shall be carrying on propaganda in order to influence legislation, or otherwise attempting to influence legislation, or participating or intervening in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

ARTICLE FOUR

The address of the registered office of the Corporation is 2800 Republic National Bank Building, Dallas, Texas 75201, and the name of its registered agent at such address is Carl B. Lee.
ARTICLE FIVE

The period of duration of the corporation is perpetual.

ARTICLE SIX

The business and affairs of the Corporation shall be managed by a Board of five (5) Directors. Directors need not be residents of the State of Texas or Members of the Corporation, except that at least one-third (1/3) of the Directors shall be Members of the Corporation other than Declarant. However, if implementation of this preceding provision would result in a fractional number of Directors who must be Members of the Corporation other than Declarant, such fractional number shall be rounded down to its nearest whole integer. The number of Directors may be changed by amendment of the By-Laws of the Corporation, but shall in no. event be less than three (3) nor more than nine (9). The names and address of the persons constituting the present Directors of the Corporation until the selection of their successors are:

NAME ADDRESS

ARTICLE SEVEN

Every person or entity who is now or hereafter becomes an Owner shall automatically be a Member of the Corporation, and membership shall be appurtenant to and may not be separated from ownership of any Lot.

ARTICLE EIGHT

The Corporation shall have two classes of voting membership:

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

CLASS B. The Class B Member(s) shall be Declarant. The Class B Member(s) shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership. The Class B membership shall cease and be converted into Class A membership on the happening of either of the following events, whichever occurs earlier: (i) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, or (ii) on June 1, 1995.

ARTICLE NINE

The Corporation shall have power to annex residential property and Common Areas in addition to the Properties, PROVIDED that any such annexation must first have the assent of the Members as provided in Article Fourteen hereof. Declarant shall have the power, in its sole discretion, to withdraw all or any portion of the Expansion Properties from the PUD in accordance with the provisions of the Declaration.

ARTICLE TEN

To the extent permitted by law, the Corporation may participate in mergers and consolidations with any other non-profit corporations organized for the same purpose, PROVIDED that any such merger or consolidation must first have the assent of the Members as provided in Article Fourteen hereof.

ARTICLE ELEVEN

The Corporation shall have power to mortgage, pledge, deed in trust, or hypothecate any or all of the real or personal property owned by the corporation as security for money borrowed or debts incurred, PROVIDED that any such mortgage must first have the assent of the Members as provided in article Fourteen hereof. However, the PUD's common areas and facilities, after their transfer to the Corporation by Declarant, may not be alienated, released, transferred, hypothecated or otherwise encumbered without the approval of all Mortgagees. Approval by Mortgagees of any action shall be deemed to be given unless a Mortgagee notifies the Corporation of its disapproval in writing within thirty (30) days after notices of the action is given to Mortgagees in the manner provided in the By-Laws of the Corporation.

ARTICLE TWELVE

The Corporation shall have power to dedicate, sell or

transfer all or any part of the Common Area, after its transfer to the Corporation by Declarant, to any public agency, authority or utility for public use, PROVIDED that no such dedication, sale or transfer shall be effective unless it shall have been approved by the Members as provided in Article Fourteen hereof and by the Mortgagees as provided in Article Eleven hereof.

ARTICLE THIRTEEN

The Corporation may be dissolved only with the assent of the Members as provided in Article Fourteen hereof.

ARTICLE FOURTEEN

(a) Subject to the provisions of Paragraph (c) of this Article, any action described in Article Nine, Article Ten, Article Eleven, Article Twelve, and/or Article Thirteen hereof, and the amendment of these Articles as provided in Article Fifteen hereof, shall require the assent of two-thirds (2/3) of each class of Members who are entitled to vote and are represented in person or by proxy at a meeting duly called for that purpose, written notice of which shall be given to all Members at least fifteen (15) days in advance of the date appointed for the meeting. The notice shall set forth the purpose of such meeting.

(b) The quorum required for any action referred to in Paragraph (a) of thus Article shall be as follows: At the first meeting called, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of the votes of each class of membership entitled to vote shall constitute a quorum. If a quorum is not present at the first meeting, a second meeting may be called, subject to the notice requirement hereinabove set forth, and a quorum at such second meeting shall be one-half (1/2) of the required quorum at the preceding meeting; provided, however, that if a quorum is not present at the first meeting, the second meeting shall be held within sixty (60) days following the first meeting.

(c) The notice, voting and quorum requirements for all other action to be taken by the Corporation shall be as set forth in its By-Laws, as amended from time to time, or as provided in the Declaration.

ARTICLE FIFTEEN

Amendment to these Articles shall require the assent of the membership as provided in Article Fourteen hereof, PROVIDED that no amendment of Articles Seven and Eight (membership and voting rights) shall be effective except as provided in the Declaration. Further, the Corporation shall notify in writing all Mortgagees or all action to be taken with respect to (i) abandonment or termination of the PUD; (ii) any material amendment to the Declaration, By-Laws or Articles of Incorporation and (iii) the effectuation of any decision by the corporation to terminate professional management and assume self-management of the PUD thirty (30) days in advance of any such action. Any professional management contract entered into by the Corporation will be terminable by the Corporation for cause upon thirty (30) days' written notice thereof, and the term of any such agreement may not exceed one (1) year renewable by agreement of the parties for successive one-year periods. Professional management shall mean a person or firm in the business of and experienced in the management of real property.

ARTICLE SIXTEEN

Upon dissolution of the Corporation, other than incident to a merger or consolidation, the assets, both real and personal, of the Corporation shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Corporation. In the event that such dedicated is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization engaged in activities substantially similar to those of the Corporation and which is qualified as an exempt organization under the Internal Revenue Code of 1954, or the corresponding provisions of any future United States Internal Revenue Law.

IN WITNESS WHEREOF, we have hereunto set our hands this ____ day of _____ 1978.

SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.

BY

, President

By

, Secretary

THE STATE OF TEXAS
COUNTY OF DALLAS

I, - a Notary Public in and for said County and State, do here-by certify that on this day of 1978, personally appeared before me and that he being by me duly sworn, declared that he is President of the corporation executing the foregoing document, that he signed the foregoing document in the capacity therein set forth, and that the statements contained therein are true.

IN WITNESS WHEREOF, I have this day and year written above given under my hand and seal of office.

Notary Public in and for

Dallas County, Texas

(SEAL)
My Commission Expires:

EXHIBIT "A"

(Legal description of the boundaries of Seis Lagos)

(See master copy for description)

EXHIBIT "B"

Expansion Properties

All of the Properties described in Exhibit "A" hereto, save and except:

(i) that portion of the Properties comprising Seis Lagos Phase One according to the Final Plat for Seis Lagos Phase One recorded in Volume 9, Pages 24, 25, and 26 of the Deed Records of Collin County, Texas, as corrected by Certificate of Correction recorded in Volume 877, Page 576 of the Deed Records of Collin County, Texas.

(ii) Property described in Partial Releases of Lien recorded in Volume 1011, Pages 124 and 126 of the Deed Records of Collin County, Texas (Clerk's File Nos. 19078 and 19079).

(iii) 2.169 acre tract and 1.486 acre tract described in Partial Release of Lien recorded in Volume 892, Page 278 of the Deed Records of Collin County, Texas (Clerk's File No. 24955).

(iv) Two tracts described in Partial Release of Lien recorded in Volume 892, Page 557 of the Deed Records of Collin County, Texas, (Clerk's File No. 25158).

EXHIBIT "E"

AMENDED AND RESTATED
BY-LAWS
OF
SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC..

ARTICLE I

NAME AND LOCATION

The name of the corporation is SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC., hereinafter referred to as the "Corporation". The principal office of the Corporation shall be located in Collin County, Texas, but meetings of Members and Directors may be held at such places within the State of Texas as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The following words, when used in these By-Laws, unless a different meaning or intent clearly appears from the context, shall have the following meanings:

Section 1. "Corporation" shall mean and refer to Seis Lagos Community Services Association, Inc., a Texas Non-Profit Corporation.

Section 2. "Articles" shall mean and refer to the Articles of Incorporation of the Corporation.

Section 3. "Properties" shall mean and refer to the land and premises described in the Declaration (as hereinafter defined).

Section 4. "Common Area" shall mean and refer to those areas of land defined in the Declaration, and intended to be devoted to the common use and enjoyment of Members (hereinafter defined) of the Corporation, together with any and all improvements that are now or may hereafter be constructed thereon.

Section 5. "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map of the Properties, as amended from time to time, which is designated as a lot therein, together with any and all improvements that are now or may hereafter be constructed thereon, with the exception of the Common Areas, and shall include any Lot on any portion of the Expansion Properties (as defined in the Declaration which may hereafter be platted by Declarant in accordance with the provisions of the Declaration.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to REALTY GROWTH INVESTORS, a real estate investment trust organized under the laws of the State of Maryland, its successors and any assignee who shall receive by assignment from the said REALTY GROWTH INVESTORS, all, or a portion, of its rights hereunder as such Declarant, by an instrument expressly assigning such rights as Declarant to such assignee.

Section 8. "Declaration" shall mean and refer to that certain Amendment and Complete Restatement of Declaration of Reservations, Restrictions Covenants, Conditions, Easements and Liens applicable to the Properties recorded or to be recorded by Declarant in the Deed Records of Collin County, Texas, and as the same may be amended or supplemented from time to time as therein provided.

Section 9. "Member" shall mean and refer to each owner as provided herein.

Section 10. "PUD" shall mean and refer to this Planned Unit Development for the Properties which consists of separately owned Lots with contiguous or non-contiguous areas or facilities owned or to be owned by the Association in which the owners of the Lots have a membership interest. Title to the Lots is held by the individual Lot owners and not by the Association. The Association has or will have title to and will administer the common areas, and will levy monthly charges against the Owners for the common area expenses. Membership in the Association cannot be severed from the ownership of an individual Lot.

Section 11. "Mortgage" shall mean and refer to any security device (including a Deed of Trust) encumbering all or any portion of the Lots in the Project which secures a loan made by an entity regularly engaged in the business of making loans.

Section 12. "Mortgagee" shall mean and refer to the record owner of a beneficial interest under a Mortgage.

ARTICLE III

MEMBERSHIP

Section 1. Every person or entity who is now or hereafter becomes an Owner shall automatically be a Member of the Corporation.

Section 2. The Corporation shall have two classes of voting membership:

CLASS A. Class A Members shall be all owners of Lots (with the exception of Declarant until conversion of the Class B Membership into Class A Membership). Class A Members shall be entitled to vote for each Lot in which they hold the interest required for membership.. When more than one person hold such interest or interests in any Lot, all such persons shall be Members and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot.

CLASS B. The Class B Member(s) shall be Declarant. The Class B Member(s) shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership. The Class B membership shall cease and be converted into Class A membership on the earliest to occur of the following: (i) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B Membership or (ii) on June 1, 1995.

Section 3. The rights of membership (other than Declarant's) are subject to the payment of annual and special assessments levied by the Corporation, the obligation of which assessments is imposed against the Owner of and becomes a lien upon each Lot against which such assessments are made as provided by Article V of the Declaration which is hereby incorporated herein and made a part hereof for all purposes.

Section 4. The membership rights of any person whose interest in a Lot is subject to the assessments referred to hereinabove in Article III, Section 3, whether or not he is personally obligated to pay such assessments, may be suspended by action of the directors during the period when such assessments remain unpaid; but upon payment of such assessments, his rights and privileges shall be automatically restored. If, at any time, the directors shall have adopted and published rules and regulations governing the use of the Common Area and facilities, they

may, as provided in Article V, Section 3 hereof, in their discretion, for violation of such rules and regulations by a Member or by his family or guests, suspend the rights of such Member and/or the person committing the violation, such suspension to continue for a period not to exceed sixty (60) days.

ARTICLE IV

PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT

OF THE COMMON AREA

Section 1. Each Member shall be entitled to the use and enjoyment of the Common Area and facilities in accordance with and subject to the terms and conditions set forth in the Declaration.

Section 2. Any Member may delegate his rights of enjoyment in the Common Area and facilities to the members of his family who reside upon the Properties, or to other persons permitted by the Declaration who reside on the Properties. Such Member shall notify the Secretary of the Corporation in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 4 hereof, to the same extent as those of the Member. Any member may also delegate the aforementioned rights of enjoyment to his guests, subject to any applicable rules and regulations that may be adopted from time to time by the Board of Directors of the Corporation.

ARTICLE V

DIRECTORS

Section 1. The number of directors of the Corporation shall be five (5). The directors shall be elected at the annual meeting of the Members, except as provided in Section 2 of this Article. Each director elected shall hold office until his resignation or removal or until his successor is elected and qualified. Directors need not be residents of the State of Texas or Members of the Corporation except that at least one-third (1/3) of the directors shall be Members other than Declarant. If implementation of this preceding provision would result in a fractional number of directors who must be Members other than Declarant, such fractional number shall be rounded down to its nearest whole integer.

Section 2. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled at an annual meeting of the Members or at a special meeting of the Members entitled to vote called for that purpose. Any director, may be removed from the Board of Directors, with or without cause, by a majority vote of- the Members at an annual meeting of the Members or at a special meeting of the Members entitled to vote called for that purpose.

Section 3. The business and affairs of the Corporation shall be managed by its Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things which are not directed or required by statute or by the Articles or by these By-Laws or by the Declaration to be exercised and done by the Members. The power and authority of the Board of Directors shall include, but shall not be limited to, the power and authority:

(a) to establish, levy and assess, and collect the assessments referred to in Article III, Section 3 hereof;

(b) to adopt and publish or cause to be published rules and regulations governing the use of the common Area and facilities and the personal conduct of the Members, their families and their guests thereon;

(c) to declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(d) to employ managers, independent contractors, or such other employees of the Corporation as it may deem necessary, and to prescribe their duties;

(e) to suspend the voting rights and right to use of the Common Area of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations; and

(f) to exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration.

Section 4. It shall be the duty of the Board of Directors:
(a) to cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting, when such statement is requested in writing by one-fourth (1/4th) of the entire voting membership or by one-fourth (1/4th) of the Class A Members who are entitled to vote;
(b) to supervise all officers, agents and employees. of this Corporation and to see that their duties are properly performed;

(c) as more fully provided herein and in the Declaration:
(1) to fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period.

(2) to cause written notice of each assessment to be sent to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(3) to collect the assessments; and

(4) to foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date and/or to bring an action at law against the Owner personally obligated to pay the same;

(d) to issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid;

(e) to procure and maintain adequate liability and hazard insurance on property owned by the Corporation, or on the Lots, if appropriate;

(f) to cause the assessment proceeds to be expended for maintenance of the Common Area and related activities consistent with the purpose of the assessment as described in Article V, Section 2 of the Declaration;

(g) to cause all officers or employees of the Corporation having fiscal responsibilities to be bonded, as it may deem appropriate;

(h) to perform or cause to be performed the duties of the Architectural Control Committee in accordance with and subject to the terms and conditions set forth in the Declaration;

(i) to cause the common Area to be maintained; and

(j) to cause the exterior of the dwellings to be maintained as provided in the Declaration.

ARTICLE VI

MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Meetings of the Board of Directors, regular or special, may be held either within or without the State of Texas.

Section 2. The first meeting of each newly elected Board of Directors shall be held at such time and place as shall be fixed by the vote of the Members at the annual meeting of the Members and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting. In the event of the failure of the Members to fix the time and place of such first meeting of the newly elected Board of Directors, or in the event that such meeting is not held at the time and place so fixed by the Members, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors, or as shall be specified in a written waiver signed by all of the directors,

Section 3. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and time as may be fixed from time to time by resolution of the Board. Should the meeting fall upon a legal holiday or Sunday, then that meeting shall be held at the same time on the next succeeding day which is not a legal holiday or Sunday.

Section 4. Special meetings of the Board of Directors shall be held when called by the President, or by any two directors. Written notice of special meetings of the Board of Directors shall be given to each director at least three (3) days before the date of the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 5. A majority of the directors shall constitute a quorum for the transaction of business and the act of the majority of the directors present in person or by proxy at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by the Articles. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 6. Any action required or permitted to be taken at a meeting of the Board of Directors or a committee established by the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action taken, is signed by all of the members of the Board of Directors or the committee, as the case may be, and such consent shall have the same force and effect as a unanimous vote at a meeting. A director or committee member may vote by proxy executed in writing by the director or committee member, but directors or committee members present by proxy may not be counted toward a quorum. No proxy shall be valid after three months from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and no proxy shall be valid after three months from the date of its execution.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination for election of the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting of the Members. The Nominating Committee shall consist of a chairman, and two or more persons. At least one member of the Nominating Committee shall be a Member of the Corporation other than Declarant. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting

and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 2. Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

COMMITTEES

Section 1. The Board of Directors, by resolution adopted by a majority of the whole Board, shall (i) appoint a Nominating Committee, as provided in these By-Laws, and (ii) designate representatives to perform the duties and exercise the authority of the Architectural Control Committee, as provided in the Declaration. In addition, the Board of Directors may appoint other committees, whose members need not be directors, as deemed appropriate in carrying out its purposes, such as:

1. A Recreation Committee which shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Corporation and shall perform such other functions as the Board, in its discretion, determines;

2. A Maintenance Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Area, and shall perform such other functions as the Board, in its discretion, determines;

3. A Publicity Committee which shall inform Members of all activities and functions of the Corporation and may, after consulting with the Board of Directors, make such public releases and announcements as are in the best interest of the Corporation.

Section 2. Vacancies in the membership of any committee appointed by the Board of Directors, shall be filled by the Board of Directors at a regular or special meeting of the Board of Directors. Each committee shall keep regular minutes of its proceedings and report the same to the Board when required. The designation of an executive committee, if any, and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or him by law.

Section 3. Members of committees shall hold office until their successors are chosen and qualify. Any officer or agent or member of any committee elected or appointed by the Board of Directors may be removed by the Board of Directors with or without notice, whenever, in its judgment, the best interest of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

ARTICLE IX

COMPENSATION OF DIRECTORS

Section 1. The directors of the Corporation and committee members shall serve without compensation. However, any director may be reimbursed for actual expenses incurred in the performance of his duties.

ARTICLE X

NOTICES

Section 1. Notices to directors, Members, committee members and Mortgagees shall be in writing and delivered personally or mailed to the directors, Members, committee members and Mortgagees at their addresses appearing on the books of the Corporation. Each Owner shall furnish the Corporation with the current name and address of the record owner of any Mortgage encumbering his Lot. Notice by mail shall be deemed to be given at the time when deposited in the United States mail addressed to the Member, director, committee member or Mortgagee at his address as it appears on the books of the Corporation, with postage thereon prepaid. Notice may also be given by telegram and shall be deemed to be given when given to the telegraph company. Notice to all Mortgagees must be given prior to (1) the abandonment or termination of the PUD, (2) a material amendment of the Declaration, the Articles or future By-Laws or (3) the effectuation of any decision by the Corporation to terminate professional management and assume self-management. Professional management shall mean a person or firm in the business of and experienced in the management of real property.

Section 2. Whenever any notice is required to be given to any Member, director, committee member or Mortgagee under the provisions of any statute or of the Articles or of these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 3. Attendance of any Member, director, committee member or Mortgagee at a meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE XI

OFFICERS

The officers of the Corporation shall consist of a President (who shall at all times be a member of the Board of Directors), one or more Vice Presidents, a Secretary and a Treasurer each of whom shall be elected by the Board of Directors. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices.

Section 2. The Board of Directors at its first meeting after each annual meeting of Members shall elect the officers of the Corporation.

Section 3. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors.

Section 4. All officers of the Corporation shall serve without compensation.

Section 5. Each officer of the Corporation shall hold-office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors without notice whenever in its judgment the best interests of the corporation will be served thereby. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise shall be filled by the Board of Directors.

THE PRESIDENT

Section 6. The President shall be the chief executive officer of the Corporation, shall preside at all meetings of the Members and the Board of Directors, shall have general and active management of the business of the Corporation, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

Section 7. He shall execute all leases, bonds, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes, except where required by law to be otherwise signed and executed.

THE VICE PRESIDENTS

Section 8. The Vice Presidents in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. They shall perform such other duties and have such other powers as the Board of Directors shall prescribe.

THE SECRETARY AND ASSISTANT SECRETARY

Section 9. The Secretary shall attend all meetings of the Board of Directors and all meetings of the Members and record all the votes and proceedings of the meeting of the Members and of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President under whose supervision he shall be. He shall keep in safe custody the seal of the Corporation and, when authorized by the Board of Directors, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his signature or by the signature of the Treasurer or an Assistant Secretary.

Section 10. The Assistant Secretaries in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary. They shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

THE TREASURER AND ASSISTANT TREASURERS

Section 11. The Treasurer shall have the custody of the corporate funds and securities and shall have full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall receive and deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

Section 12. He shall disburse the funds of the Corporation as may be authorized by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors at its regular meetings or when the Board of Directors so requires, an account of all his transactions as Treasurer and of the financial condition of the Corporation.

Section 13. He shall sign all checks and promissory notes of the Corporation and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members. He shall cause an annual audit of the Corporation's books to be made by a public accountant at the completion of each fiscal year.

Section 14. If required by the Board of Directors, he shall, at the expense of the Corporation, give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

Section 15. The Assistant-- Treasurers in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer. They shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

ARTICLE XII

MEETINGS OF MEMBERS

Section 1. Meetings of the members for the election of directors shall be held at the offices of the Corporation in the County of Collin, State of Texas, or at such other location within the County of Collin, State of Texas, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. Meetings of Members for any other purpose may be held at such place, within or without the State of Texas, and at such time as shall be stated in the notice of the meeting, or in a duly executed waiver of notice thereof. In addition, the Board of Directors must, upon request by any Mortgagee of any Unit in the PUD, cause to be prepared and furnished to all such Mortgagees, a financial statement of the operations of the PUD prepared in accordance with generally accepted accounting principles by the chief financial officer of the Corporation, or by any other person retained by the Corporation to prepare the same, or by a certified public accountant, as the Board of Directors shall determine, within ninety (90) days following the close of each fiscal year of the PUD.

Section 2. Annual meetings of Members, commencing with the year 1979, shall be held on the second Tuesday of June if not a Saturday, Sunday or legal holiday, and if a Saturday, Sunday or legal holiday, then on the next business day following at 7:30 o'clock P.M., at which they shall elect by a plurality vote, which shall be by secret written ballot, a Board of Directors, and transact such other business as may properly be brought before the meeting.

Section 3. Special meetings of the Members may be called by the President or the Board of Directors and shall be called by the Secretary upon written request of Members entitled to cast one tenth (1/10) of all of the votes of the entire membership or who are entitled to cast one-fourth (1/4) of the votes of the Class A membership.

Section 4. Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than fifteen (15) nor more than fifty (50) days before the day of the meeting, either personally or by mail, by or at the direction of the President, the Secretary or the officer or person calling the meeting, to each Member entitled to vote at such meeting, and to all Mortgagees of Units in the PUD who shall be entitled to representation at any such meeting.

Section 5. Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

Section 6. The presence at any meeting of Members entitled to cast one-tenth (1/10th) of the votes of each class of membership represented in person or by proxy, shall constitute a quorum at meetings of Members except as otherwise provided in the Declaration the Articles or these By-Laws. If, however, a quorum shall not be present or represented at any meeting of the Members the Members present in person or represented by proxy shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 7. The vote of Members entitled to cast a majority of the votes thus represented at a meeting at which a quorum is present shall be the act of the Members meeting, unless the vote of a greater number is required by law, the Declaration, the Articles or these By-Laws.

Section 8. Each Member may cast as many votes as he is entitled to exercise under the terms and provisions of the Articles on each matter submitted to a vote at a meeting of Members, except to the extent that the voting rights of any Member have been suspended in accordance with these By-Laws or the Declaration. At each election for Directors, every Member entitled to vote at such election shall have the right to cast as many votes as he is entitled to exercise under the terms and provisions of the Articles, in person or by proxy for as many persons as there are directors to be elected and for whose election he has a right-to-vote, and Members of the Corporation are expressly prohibited from cumulating their votes in any election for directors of the Corporation.

Section 9. A Member may vote in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable and in no event shall it remain irrevocable for a period of more than eleven (11) months from the date of its execution.

Section 10. The officer or agent having charge of the corporate books shall make, at least ten (10) days before each meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of each, which list, for a period of ten days prior to such meeting, shall be kept on file at the principal office of the Corporation and shall be subject to inspection by any Member at any time during the usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

Section 11. The Board of Directors may fix in advance a date, not to exceed fifty (50) days preceding the date of any meeting of Members, as a record date for the determination of the Members entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, and in such case such Members and only such Members as shall be Members of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof, notwithstanding any change of membership on the books of the Corporation after any such record date fixed as aforesaid.

Section 12. Any action required by the statutes to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members required to vote affirmatively with respect to the subject matter thereof, and such consent shall have the same force and effect as the required affirmative vote of Members.

Section 13. Any conflict between one or more provisions of these By-Laws and one or more provisions of the Articles shall be resolved in favor of the provision(s) set forth in the Articles. Any conflict between one or more provisions of these By-Laws and one or more provisions of the Declaration shall be resolved in favor of the provision(s) set forth in the Declaration.

ARTICLE XIII,

GENERAL PROVISIONS

REPORT TO SHAREHOLDERS

Section 1. The Board of Directors must, when requested by Members entitled to cast at least one-third (1/3rd) of all of the votes of the entire membership present written reports of the business and condition of the Corporation.

FISCAL

Section 2. The fiscal year of the Corporation shall be fixed by the resolution of the Board of Directors.

SEAL

Section 3. The corporate seal shall - have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal,, State of Texas". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

ARTICLE XIV

ASSESSMENTS

The rights of membership in the Corporation are subject to the payment of annual and special assessments levied by the Corporation, the obligation of which assessments is imposed against the owner of and becomes a lien upon each Lot against which such assessments are made as provided in Article V of the Declaration which is incorporated herein by reference and made a part hereof for all purposes.

ARTICLE XV

BOOKS AND RECORDS

The books, records and papers of the Corporation shall at all times, during reasonable business hours, be subject to inspection by all members or Mortgagees. The Declaration, the Articles and the By-Laws of the corporation shall be available for inspection by any Member or Mortgagee at the principal office of the Corporation, where copies may be purchased at reasonable cost.

INDEMNIFICATION

Section 1. The Corporation shall indemnify any director or officer or former director or officer of the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection with any claim asserted against him, by action in court or otherwise, by reason of his being or having been such director or officer, except in relation to matters as to which he shall have been guilty of gross negligence or willful misconduct in respect of the matters in which indemnity is sought.

Section 2. If the Corporation has not fully indemnified him, the court in the proceeding in which any claim against such director or officer has been asserted, or any court having the requisite jurisdiction of an action instituted by such director or officer on his claim for indemnity, may assess indemnity against the Corporation, its receiver, or trustee, for the amount paid by such director or officer in satisfaction of any judgment or in compromise of any such claim (exclusive in either case of any amount paid to the Corporation), and any expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection therewith to the extent that the court shall deem reasonable and equitable, provided, nevertheless, that indemnity may be assessed under this Section only if the court finds that the person indemnified was not guilty of gross negligence or willful misconduct in respect of the matter in which. indemnity is sought.

ARTICLE XVII

AMENDMENTS

Section 1. These By-Laws may be altered, amended or repealed at any regular meeting of the Members or at any special meeting of the Members if notice of such proposed action be contained in the notice of such special meeting, except that notice must have been first given to all Mortgagees.

IN WITNESS WHEREOF, we, being all of the directors of the SEIS LAGOS HOMEOWNERS' ASSOCIATION, have hereunto set our hands this day of 197-.

EXHIBIT "F"

(Map of Seis Lagos PUD)

AMENDMENT TO AMENDMENT AND

COMPLETE RESTATEMENT OF

DECLARATION OF RESERVATIONS,,

RESTRICTIONS, COVENANTS, CONDITIONS,

EASEMENTS AND LIENS FOR SEIS·LAGOS

COMMUNITY SERVICES ASSOCIATION, INC.

THIS AMENDMENT TO AMENDMENT AND COMPLETE RESTATEMENT OF DECLARATION, made as of the date hereinafter set forth by REALTY GROWTH INVESTORS, a real estate investment trust organized under the laws of Maryland, hereinafter referred to as "Declarant", and consented to by the other undersigned parties executing this instrument;
WITNESSETH:

WHEREAS, on May 31, 1978, an Amendment and Complete Restatement of Declaration of Reservations, Restrictions, Covenants, Conditions, Easements and Liens For Seis Lagos Community Services Association, Inc. (the "Declaration") was filed and recorded in Volume 1115, Page 190 of the Deed Records of Collin County, Texas, as corrected by those two certain corrections to Declaration filed and recorded in Volume 1121, Page 560 and Volume 1132, Page 203, respectively, of the Deed Records of Collin County, Texas, with respect to certain real property known as Seis Lagos Subdivision, containing 509.54 acres, more or less, and being more particularly described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Properties"); and

WHEREAS, the Declaration provides in Section 4 of Article XV that the Declaration may be amended by a written instrument signed by the owners of seventy-five percent (75%) of the lots in the subdivision owned by owners other than Declarant, and by Declarant; and

WHEREAS, the undersigned parties executing this instrument in addition to Declarant constitute at least seventy-five

(75%) of the owners of lots in the subdivision owned by owners other than Declarant;

NOW, THEREFORE, Declarant and the undersigned owners of fee simple title to portions of the Properties hereby amend the Declaration as follows:

1. To add the following sentence to Section 23 of Article VII thereof:

   "No garage opening shall face any street."

2. To add the following sentence to Section 30 of Article VII thereof:

   "No driveway or any other accessway shall be constructed on any Lot in the subdivision to provide access from such Lot to Farm to Market Road 1378."

IN WITNESS WHEREOF, the undersigned have executed this instrument to be effective as of the 14th day of May 1979.

REALTY GROWTH INVESTORS

By: (Name)

Its: Vice President

OWNERS	
Robert Bailey	Lot 5, Block C
Barbara Bailey	
Robert Mininger	Lot 18, Block C
Nancy A. Lamm Mininger	
Steven Beagle	Lot 10, Block B
Kristeen Beagle	
Gary Olsen	Lot 3, Block G

AMENDMENT TO AMENDMENT AND

COMPLETE RESTATEMENT OF

DECLARATION OF RESERVATIONS,

RESTRICTIONS, COVENANTS, CONDITIONS,

EASEMENTS AND LIENS FOR SEIS LAGOS

COMMUNITY SERVICES ASSOCIATION, INC.

THIS AMENDMENT TO AMENDMENT AND COMPLETE RESTATEMENT OF DECLARATION, made as of the date hereinafter set forth by REALTY GROWTH INVESTORS, a real estate investment trust organized under the laws of Maryland, hereinafter referred to as "Declarant", and consented to by the other undersigned parties executing this instrument;

W I T N E S S E T H

WHEREAS, on May 31, 1978, an Amendment and Complete Restatement of Declaration of Reservations, Restrictions, Covenants, Conditions, Easements and Liens For Seis Lagos Community Services Association, Inc. (the "Declaration") was filed and recorded in Volume 1115, Page 190 of the Deed Records of Collin county, Texas, as corrected by those two certain corrections to Declaration filed and recorded in Volume 1121, Page 560 and Volume 1132, Page 203, respectively, of the Deed Records of Collin County, Texas, and as amended by that certain Amendment to Declaration filed and recorded in volume 1177, Page 281 of the Deed Records of Collin County, Texas, with respect to certain real property known as Seis Lagos Subdivision, containing 509.54 acres, more or less, and being more particularly described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Properties"); and

WHEREAS, the Declaration provides in Section 4 of Article XV that the Declaration may be amended by a written instrument signed by the owners of seventy-five percent (75%) of the lots in the subdivision owned by owners other than Declarant, and by Declarant; and

WHEREAS, the undersigned parties executing this instrument in addition to Declarant constitute at least seventy-five (75%) of the owners of lots in the subdivision owned by owners other than Declarant;

NOW, THEREFORE, Declarant and the undersigned owners of fee simple title to portions of the Properties hereby amend the Declaration as follows:

To amend Section 1 of Article VII in its entirety to read as follows:

> "The Phase One Lots may be used solely for single family, detached private residential purposes. The Expansion Properties may be used solely for any residential purposes. Anything contained in this Section to the contrary notwithstanding, an Owner may lease his Lot to a tenant, but the owner shall remain liable for all obligations hereunder."

IN WITNESS WHEREOF, the undersigned have executed this instrument to be effective as of the 31st day of March 1980.

REALTY GROWTH INVESTORS

By: (Name)

Its: Vice President

OWNERS	LOT AND BLOCK IN SEIS LAGOS PHASE ONE
Robert Bailey Barbara Bailey	Lot 5, Block C
Robert Mininger Nancy A. Lamm Mininger	Lot 18, Block C
Steven Beagle Kristeen Beagle	Lot 10, Block B
Gary Olsen Sandra Olsen	Lot 3, Block G
Frank Bradley	Lot 25, Block B

AMENDMENT TO AMENDED AND RESTATED
BY-LAWS OF
SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.

THIS AMENDMENT TO AMENDED AND RESTATED BY-LAWS, made as of the date hereinafter set forth by SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, and consented to by the other undersigned parties execut9ing this instrument; WITNESSETH:

WHEREAS, on June 13, 1978, an Amendment and Complete Re-Statement of Declaration of Reservations, Restrictions, Covenants, Conditions, Easements and Liens For Seis Lagos Community Services Association, Inc. (the Declaration) was filed and recorded in Volume 1115, Page 190 of the Deed Records of Collin County, Texas, as corrected by those two certain corrections to Declarations filed and recorded in Volume 1121, Page 560 and Volume 1132, Page 203, respectively, of the Deed Records of Collin County, Texas, with respect to certain real property known as Seis Lagos Subdivision, containing 509.4 acres, more or less, and being more particularly described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Properties"); and

WHEREAS, the Declaration provides in Article Fifteen that the By-Laws may be amended by the assent of the membership as provided in Article Fourteen, and

WHEREAS, the undersigned parties executing this instrument do so in witness that the affirmative vote was received from Two Thirds (2/3) of the members present and that the members present constituted a quorum at a meeting dually called for the purpose of amending the By-Laws;

NOW THEREFORE, the undersigned Board of Directors hereby amend the By-Laws as follows:

1. Article V Section 1 (DIRECTORS) shall be written as follows: The number of directors of the Corporation shall be seven (7). The term of office of each director shall be two years. Three directors shall be elected at the annual meeting of the Members occurring on odd years and Four directors shall be elected at the annual meeting on even years. Each director shall hold office until his resignation or removal or until his successor is elected and qualified. Directors shall be members of the Corporation.

IN WITNESS WEREOF, the undersigned have executed this instrument to be effective as of the 13th day of June 1989.

SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.
BOARD OF DIRECTORS 1988/1989

Paul Tomor, President	Nancy Larkin, Vice President
Larry Konash, Vice President	Rags Johnson, Director
Byrne Underhill, Director	

Notarized by Rosemarie Swykert, Notary expires 12-1-92, dated June 30, 1989.

96- 0053600

SEIS LAGOS - PHASE II
DECLARATION OF RESERVATIONS, RESTRICTIONS, COVENANTS, CONDITIONS, EASEMENTS AND LIENS FOR SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.

This Declaration is made this date by **Bozeman-Spencer Development Company, Inc.,** ("Developer) a Texas corporation, also referred to herein as "Declarant," as the owner of a certain parcel of land situated in Seis Lagos - Phase II, an Addition to Collin County, Texas, commonly known as Seis Lagos Phase II, being the same parcel platted into lots by a Final Plat recorded in Volume J, Pages 26-27 of the Collin County Map and Plat Records, Collin County, Texas (the "Property").

1. Seis Lagos Phase One is a subdivision described in a Final Plat recorded in Volume 9, Pages 24-26 of the Deed Records of Collin County, Texas, and corrected by a Certificate of Correction recorded in Volume 877, Page 576 of the Deed Records of Collin County Texas ("Seis Lagos Phase One"). Seis Lagos Phase One is subject to certain reservations, restrictions, covenants, easements and liens set forth in the instruments filed in: Volume 934, Page 153; Volume 1115, Page 190; Volume 1121, Page 560; Volume 1132, Page 203; and Volume 1177, Page 281, Deed Records of Collin County, Texas; and in Volume 1253, Page 484; and Volume 3093, Page 877, Land Records of Collin County, Texas, all of which are incorporated herein by this reference (the "Prior Covenants").

2. The Property was originally subject to the Prior Covenants by virtue of being a part of the Expansion Properties referred in the Covenants. The Prior Covenants were subordinate to the interest of a prior lienholder of the Property, whose subsequent foreclosure extinguished the Prior Covenants from the Property.

3. Declarant hereby adopts the Prior Covenants, to the extent that the Prior Covenants currently apply to Seis Lagos Phase One, as the restrictions, covenants, easements and liens of and applying to Seis Lagos Phase II, together with the terms of this Declaration (all collectively the "Covenants").

4. Declarant hereby subjects the Property to the Covenants and thereby causes the Property to be included as a part of and subject to management by the Seis Lagos Community Services Association, Inc. (the "Association"), subject to acceptance of Seis Lagos Phase II by the Association and subject to the condition that Association dues on any lot within the Property shall begin to accrue the month next following the expiration of twelve months from the date that such lot within Seis Lagos Phase II is sold by the Developer to any third party, rather than the six-month deferral provided generally in the Prior Covenants.

5. The Covenants, as applied to Seis Lagos Phase II, include the following additional reservations and restrictions on use:

a. Declarant, as Developer, reserves the right to impose Developer's Guidelines related to the original construction of a residential dwelling on a lot within Seis Lagos Phase II, which may be in addition to or more restrictive, but shall not be less restrictive, than the requirements imposed by the Covenants and Architectural Control Committee of the Association. Developer's Guidelines may include requirements related to landscaping, such as the requirement that mature trees (at least ten inches in diameter) be included in the front yard. Developer's Guidelines may include requirements related to uniformity of exterior structures, such as mailboxes.

b. Improvements to be constructed upon the lots within Seis Lagos Phase II shall be subject to minimum square footage requirements as set forth on Exhibit "A" hereto, which requirement is more stringent than the requirement set forth in the prior covenants.

c. All new construction shall include a driveway sleeve that satisfies TU Electric specifications. Typically this requirement will be satisfied by a 4-inch PVC conduit installed beneath the driveway at a depth not less than 36 inches. The conduit shall be Schedule 40 PVC Electrical Grade (gray). A 1/8 inch nylon pulling cord shall be left in the conduit. The conduit shall be plugged at both ends, and the ends must extend at least 4 inches beyond each side of the driveway. The conduit shall be placed at least 5 feet inward from the property line, which would also be 30 feet inward from the center line of the road.

6. The Covenants shall be construed reasonably in being applied to Seis Lagos Phase II so as to reflect the following rules of construction, in the priority here indicated:

a. First, to the extent possible, Seis Lagos Phase II lots and Seis Lagos Phase One lots shall be treated in the same manner and subject to the same restrictions, covenants, easements and liens. Any portion of the Covenants no longer applicable to Seis Lagos Phase One shall not be applicable to Seis Lagos Phase II.

b. Second, if necessary to reasonably construe any part of the Covenants, the fact that Seis Lagos Phase II was brought under the Covenants at a later date may be considered.

7. By indicating acceptance hereon, the Association accepts the Property constituting Seis Lagos Phase II as a part of the Association and agrees to the beginning date for dues on individual lots as set forth above. The undersigned officer of the Association certifies that the Board of Directors of the Association has taken all action necessary to approve this action.

DATED June 26, 1996

Bozeman-Spencer Development Company, Inc.

By: _____

Name: John D. Spencer
(Typed or Printed)

Title: V.P.

ACCEPTED:

Seis Lagos Community Services Association, Inc.

By: Martha A. Moody, President

Name: MARTHA A. MOODY
(Typed or Printed)

STATE OF TEXAS §
COUNTY OF COLLIN §

Subscribed to and acknowledged before me on June 26, 1996 by John D. Spencer, V.P of BOZEMAN-SPENCER DEVELOPMENT COMPANY, INC., and by Martha A. Moody, as President of the SEIS LAGOS COMMUNITY SERVICES ASSOCIATION, INC.

SEAL:

Rosemarie Swykert
Notary Public in and for the
State of Texas

ROSEMARIE SWYKERT
MY COMMISSION EXPIRES
December 1, 1998

EXHIBIT "A"

COUNTY CLERK'S MEMO
PORTIONS OF THIS
DOCUMENT NOT
REPRODUCIBLE
WHEN RECORDED

Minimum Square Footage for Lots Phase II

Block L

Lot	
1	2600
2	2600
3	2600
4	2600
5	2600
6	2600
7	2600
8	2600
9	2600
10	2600
11	2600
12	2600
13	2600
14	2600
15	2600
16	2800
17	2800
18	2800
19	2800
20	2800
21	2800
22	2800
23	2800
24	2800
25	2800
26	2600
27	2600
28	2600
29	2600
30	2600
31	2600

Block M

Lot	
1	2600
2	2600
3	2600
4	2600
5	2600
6	2600
7	2600
8	2600
9	2600
10	2600
11	2600
12	2600
13	2600
14	2600
15	2800
16	2800
17	2800
18	2800
19	2800
20	2800
21	2800
22	2800
23	2800
24	2800
25	2800
26	2600

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW

(THE STATE OF TEXAS) (COUNTY OF COLLIN)
I hereby certify that this instrument was FILED in the File Number Sequence on the date and the time stamped hereon by me; and was duly RECORDED, on the Official Public Records of Real Property of Collin County, Texas on

JUN 27 1996

Helen Starnes

COUNTY CLERK, COLLIN COUNTY, TEXAS

Filed for Record in:
COLLIN COUNTY, TX
HONORABLE HELEN STARNES

On 1996/06/27

At 9:33A

Number: 96- 0053600
Type : RS 17.00

UNANIMOUS CONSENT OF DIRECTORS
BOZEMAN-SPENCER DEVELOPMENT COMPANY, INC.

The undersigned, being all the directors of Bozeman-Spencer Development Company, Inc. (the "Corporation"), in lieu of conducting a special meeting, do hereby adopt the following resolution by unanimous consent, with the same force and effect as if such resolution had been duly proposed, seconded, and unanimously adopted at a meeting of the Board of Directors on this date:

WHEREAS, the Corporation owns property known as Seis Lagos - Phase II, an Addition to the County of Collin, State of Texas, more particularly described in Volume J, Pages 26-27 of the Collin County Map and Plat Records (the "Property");

WHEREAS, the directors have determined that the orderly development of the Property would be best promoted by adopting and imposing upon the Property covenants and restrictions on use, including those that currently affect Seis Lagos Phase One, the adjoining development; and

WHEREAS, the directors have determined that the orderly development of the Property would best be served by including the Property in the Seis Lagos Community Services Association, Inc. (the "Association") and subjecting the Property to ongoing management by the Association;

IT IS THEREFORE,

RESOLVED, that either Lyndon Bozeman, as President of the Corporation, or John Spencer, as Vice President of the Corporation, is hereby authorized to enter into agreements and execute documents as may be necessary or incidental to the adoption of restrictions and covenants upon the Property and the inclusion of the Property within the Association.

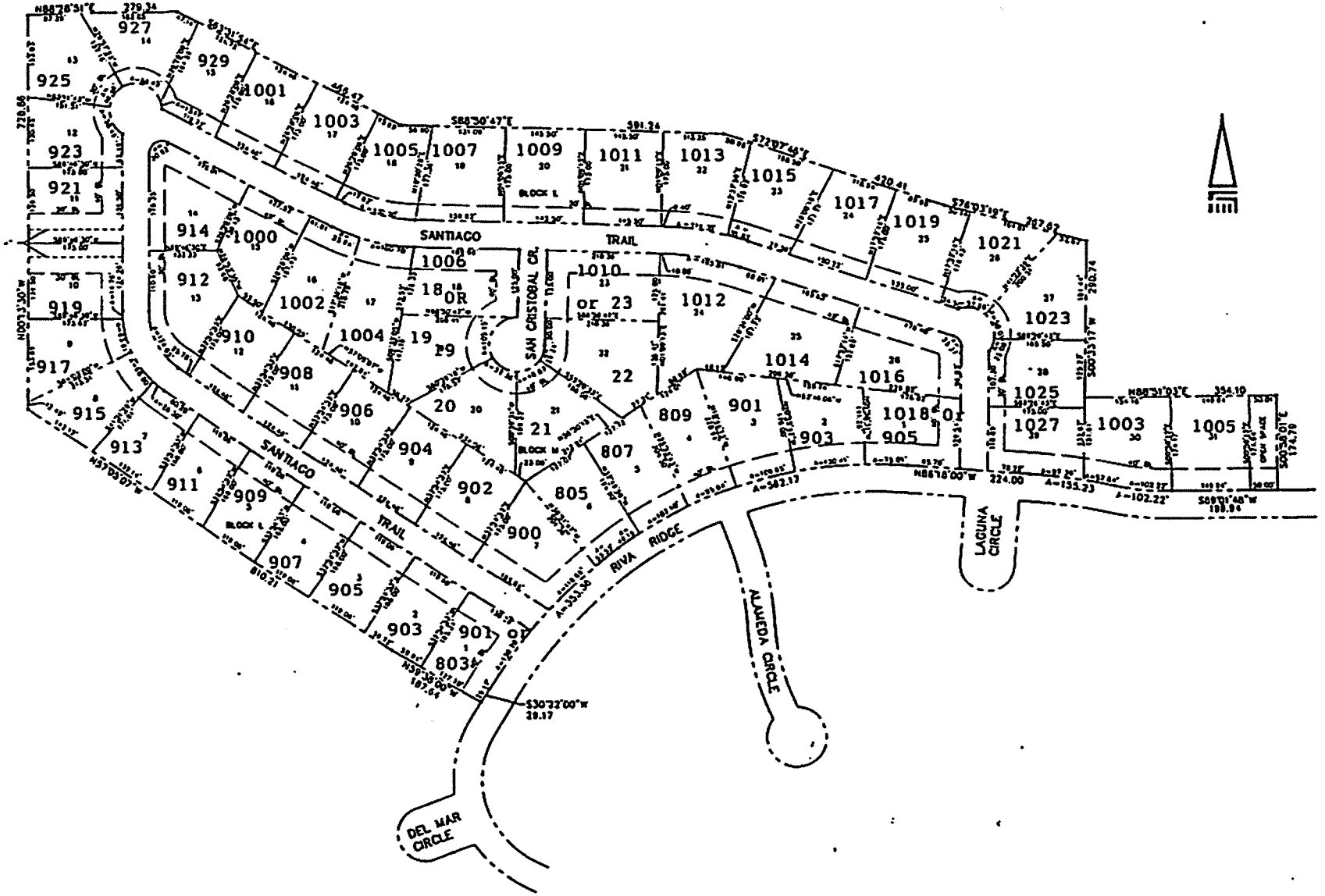
Witness our hands on June 26, 1996.

DIRECTORS:

Lyndon Bozeman

John Spencer

SEIS LAGOS II



SEIS LAGOS – PHASE III
DECLARATION OF RESERVATIONS, RESTRICTIONS, COVENANTS, CONDITIONS, EASEMENTS AND LIENS FOR SEIS LAGOS COMMUNITY SERVICES ASSOCIATION INC.

This Declaration is made this date by Bozeman-Spencer Development Company Inc. (Developer) a Texas corporation, also referred to herein as "Declarant," as the owner of a certain parcel of land situated in Seis Lagos – Phase III, and Addition to Collin County, Texas, commonly known as Seis Lagos Phase III, being the same parcel platted into lots by a Final Plat recorded in ~~Volume~~ __, ~~Pages~~ _____ of the Collin County Map and Plat Records, Collin County, Texas (the "Property"). DRAWER M; PAGES 403,404

1. Seis Lagos Phase One is a subdivision described in a Final Plat recorded in Volume 9, Pages 24-26 of the Deed Records of Collin County, Texas, and corrected by a Certificate of Correction recorded in Volume 877, Page 576 of the Deed Records of Collin County Texas ("Seis Lagos Phase One"). Seis Lagos Phase One is subject to certain reservations, restrictions, covenants, easements and liens set forth in the instruments filed in: Volume 934, Page 153; Volume 1115, Page 190; Volume 1121, Page 560; Volume 1132, Page 203; and Volume 3093' Page 877, Land Records of Collin County, Texas, all of which are incorporated herein by this reference (the "Prior Covenants").

2. The Property was originally subject to the Prior Covenants by virtue of being a part of the Expansion Properties referred in the Covenants.

3. The Declarant hereby adopts the Prior Covenants, to the extent that the Prior Covenants currently apply to Seis Lagos Phase One, as the restrictions, covenants, easements and liens of and applying to Seis Lagos Phase III, together with the terms of this Declaration (all collectively the "Covenants").

4. Declarant hereby subjects the Property to the Covenants and thereby causes the Property to be included as a part of and subject to management by the Seis Lagos Community Services Association, Inc. (the "Association"), subject to acceptance of Seis Lagos Phase III by the Association and subject to the condition that Association Dues on any lot within the Property shall begin to accrue the month next following the expiration of twelve months from the date that such lot within Seis Lagos Phase III is sold by the Developer to any third party, rather than the six-month deferral provided generally in the Prior Covenants.

5. The Covenants, as applied to Seis Lagos Phase III, include the following additional reservations or restrictions on use:

a. Improvements to be constructed upon the lots within Seis Lagos Phase III shall be subject to minimum square footage requirements as set forth on Exhibit "A" hereto, which requirement is more stringent than the requirement set forth in the prior covenants.

6. The Covenants shall be construed reasonably in being applied to Seis Lagos Phase III sa as to reflect the following rules of construction, in the priority here indicated:

a. First, to the extent possible, Seis Lagos Phase III lots, Seis Lagos Phase II lots and Seis Lagos Phase One lots shall be treated in the same manner and subject to the same restrictions, covenants, easements and liens. Any portion of the Covenants no longer applicable to Seis Lagos Phase II or Seis Lagos Phase One shall not be applicable to Seis Lagos Phase III.

b. Second, if necessary to reasonably construe any part of the Covenants, the fact that Seis Lagos Phase III was brought under the Covenants at a later date may be considered.

7. By indicating acceptance hereon, the Association accepts the Property constituting Seis Lagos Phase III as a part of the Association and agrees to the beginning date for dues on individual lots as set forth above. The undersigned officer of the Association certifies that the Board of Directors of the Association has taken all action necessary to approve this action.

Exhibit "A"

Minimum Square Footage requirements of Seis Lagos Phase III Lots.

Lots	Min Footage
Block N	
1 thru 13	2800
14 thru 21	3000
Block O	
1 thru 4	2800
5 thru 12	3000
13 thru 15	2800
16 thru 22	2600
23 thru 28	2800
Block P	
1 thru 13	2800
Block Q	
1 thru 12	2800

UNANIMOUS CONSENT OF DIRECTORS
BOZEMAN-SPENCER DEVELOPMENT COMPANY, INC.

The undersigned, being all the directors of Bozeman-Spencer Development Company, Inc. (the "Corporation"), in lieu of conduction a special meeting, do hereby adopt the following resolution by unanimous consent, with the same force and effect as if such resolution had been duly proposed, seconded, and unanimously adopted at a meeting of the board of Directors on this date:

WHEREAS, the Corporation owns property known as Seis Lagos Phase III, an addition to the County of Collin, State of Texas, more particularly described in ~~Volume~~ _____, ~~Page~~ _____ of the Collin County Map and Plat Records (The "Property"); DRAWER M, PAGES 403,404

WHEREAS, the Directors have determined that the orderly development of the Property would be best promoted by adopting and imposing upon the property covenants and restrictions on use, including those that currently affect Seis Lagos Phase One, the adjoining development; and

WHEREAS, the Directors have determined that the orderly development of the Property would best be served by including the Property in the Seis Lagos Community Services Association, Inc. (the "Association") and subjecting the Property to ongoing management by the Association;

IT IS THEREFORE,

RESOLVED, that either Lyndon Bozeman, as President of the Corporation, or John Spencer, as Vice President of the Corporation, is hereby authorized to enter into agreements and execute documents as it may be necessary or incidental to adoption of restrictions and covenants upon the Property and the inclusion of the Property within the Association.

Witness our hands on November 30, 2000

DIRECTORS:

Lyndon Bozeman

John Spencer

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW
(THE STATE OF TEXAS) (COUNTY OF COLLIN)
I hereby certify that this instrument was FILED in the File Number Sequence on the date and the time stamped hereon by me; and was duly RECORDED, in the Official Public Records of Real Property of Collin County, Texas on

DEC 21 2000

Helen Starnes

Filed for Record in:
Collin County, McKinney TX
Honorable Helen Starnes
Collin County Clerk

On Dec 21 2000
At 9:21am

Doc/Num : 2000- 0137977

Recording/Type:RS 17.00
Receipt #: 314677

DATED November 30, 2000

Bozeman-Spencer Development Company, Inc.

By _____

Name: John D. Spencer , V.P

ACCEPTED:

Seis Lagos Community Services Association, Inc.

By: _____

Name: David Bullcit , President

STATE OF TEXAS
COUNTY OF COLLIN

Subscribed to and acknowledged before me on November 30, 2000 by John D Spencer , V.P. of Bozeman Spencer Development, Inc. and by David Bullcit, President of the Seis Lagos Community Services Association, Inc.

_____
Notary Public in and for the State of Texas

SEAL:

ROSEMARIE SWYKERT
Notary Public, State of Texas
My Commission Expires 12-01-04

R. t to:

Bozeman Spencer Dev.
P.O. Box 861051
Plano TX 75086

ATTN: John Spencer

NOTICE OF CONFIDENTIALITY RIGHTS. IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HUNT §

THAT THE UNDERSIGNED, Bozeman-Spencer Development Company Inc., hereinafter referred to as "Grantor," whether one or more, for and in consideration of the sum of TEN DOLLARS ($10.00) cash, and other good and valuable consideration in hand paid by the Grantee, herein named, the receipt and sufficiency of which is hereby fully acknowledged and confessed, has GRANTED, SOLD and CONVEYED, and by these presents does hereby GRANT, SELL and CONVEY unto Seis Lagos Utility District, herein referred to as "Grantee," whether one or more, the real property described as follows:

BEING Lot 1RA in Block O of Replat of Seis Lagos Phase Three Addition, an Addition to Collin County, Texas, according to the Map thereof recorded in Volume Q, Page 529 of the Map Records of Collin County, Texas

This conveyance, however, is made and accepted subject to any and all validly existing encumbrances, conditions and restrictions, relating to the hereinabove described property as now reflected by the records of the County Clerk of HUNT County, Texas

TO HAVE AND TO HOLD the above described premises, together with all the rights and appurtenances lawfully accompanying it, by the Grantee, Grantee's heirs, executors, administrators, successors and/or assigns forever; and Grantor does hereby bind Grantor, Grantor's heirs, executors, administrators, successors and/or assigns to WARRANT AND FOREVER DEFEND all the said premises unto the said Grantee, Grantee's heirs, executors, administrators, successors and/or assigns, against every person whomsoever claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise.

Current ad valorem taxes on said property having been prorated, the payment thereof is assumed by Grantee

EXECUTED this date.

Brad Bozeman Vice President

Grantee's Address

224 Seis Lagos Trail
Wylie, TX 75098

ACKNOWLEDGMENT

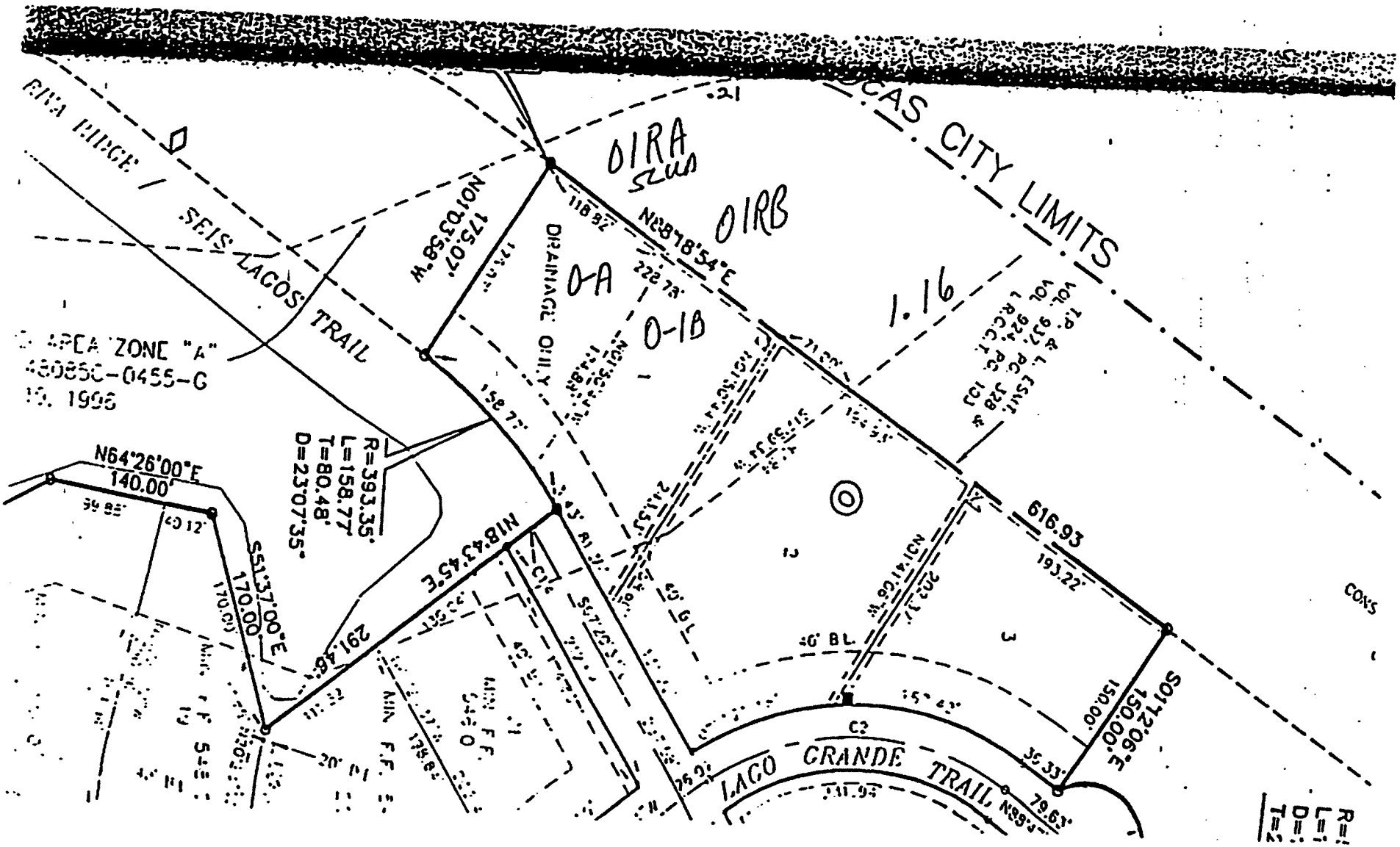
STATE OF TEXAS

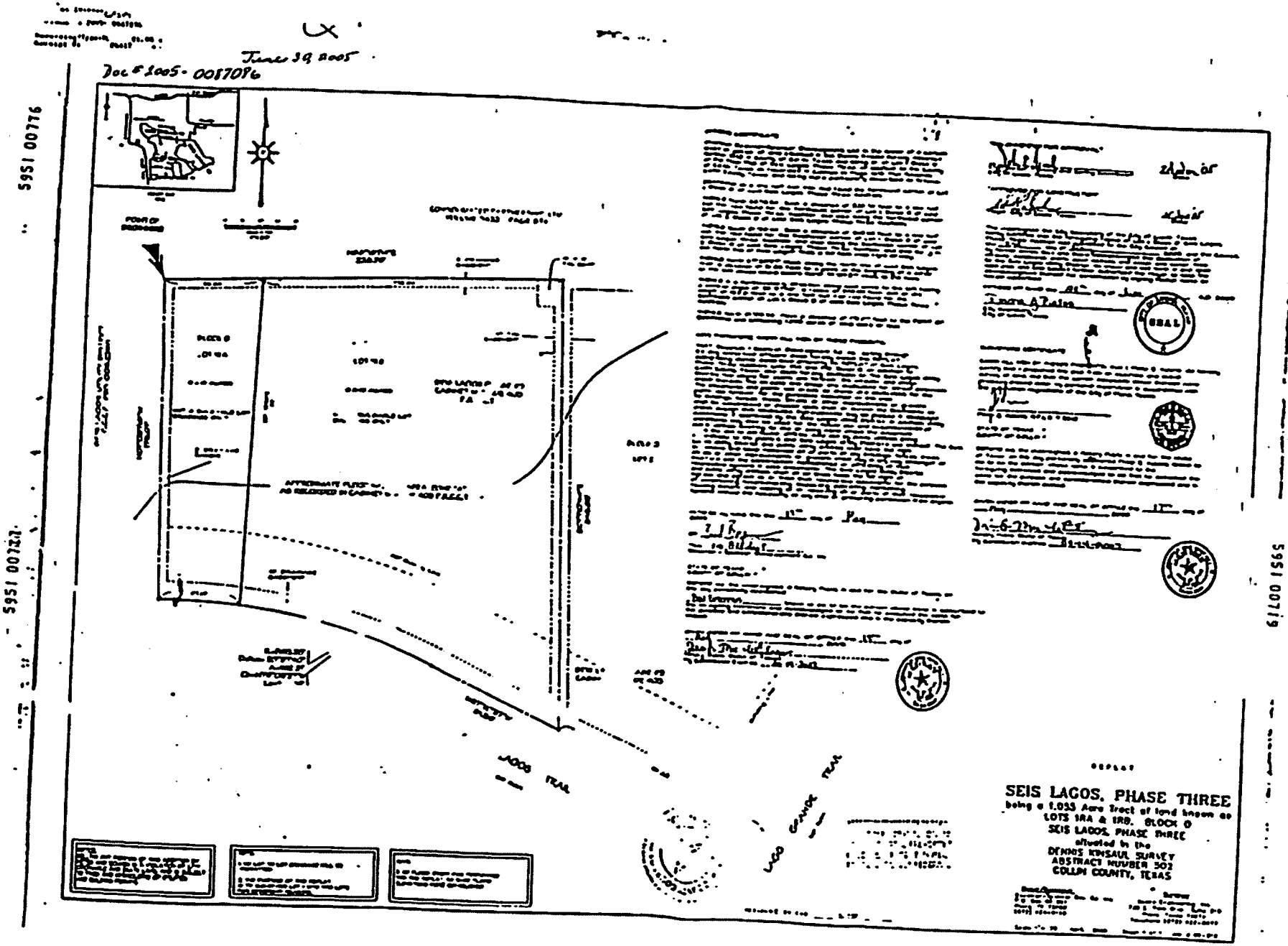
COUNTY OF DALLAS

This instrument was acknowledged before me on July 20, 2005 by Brad Bozeman, as Vice President of on behalf of said Corporation.

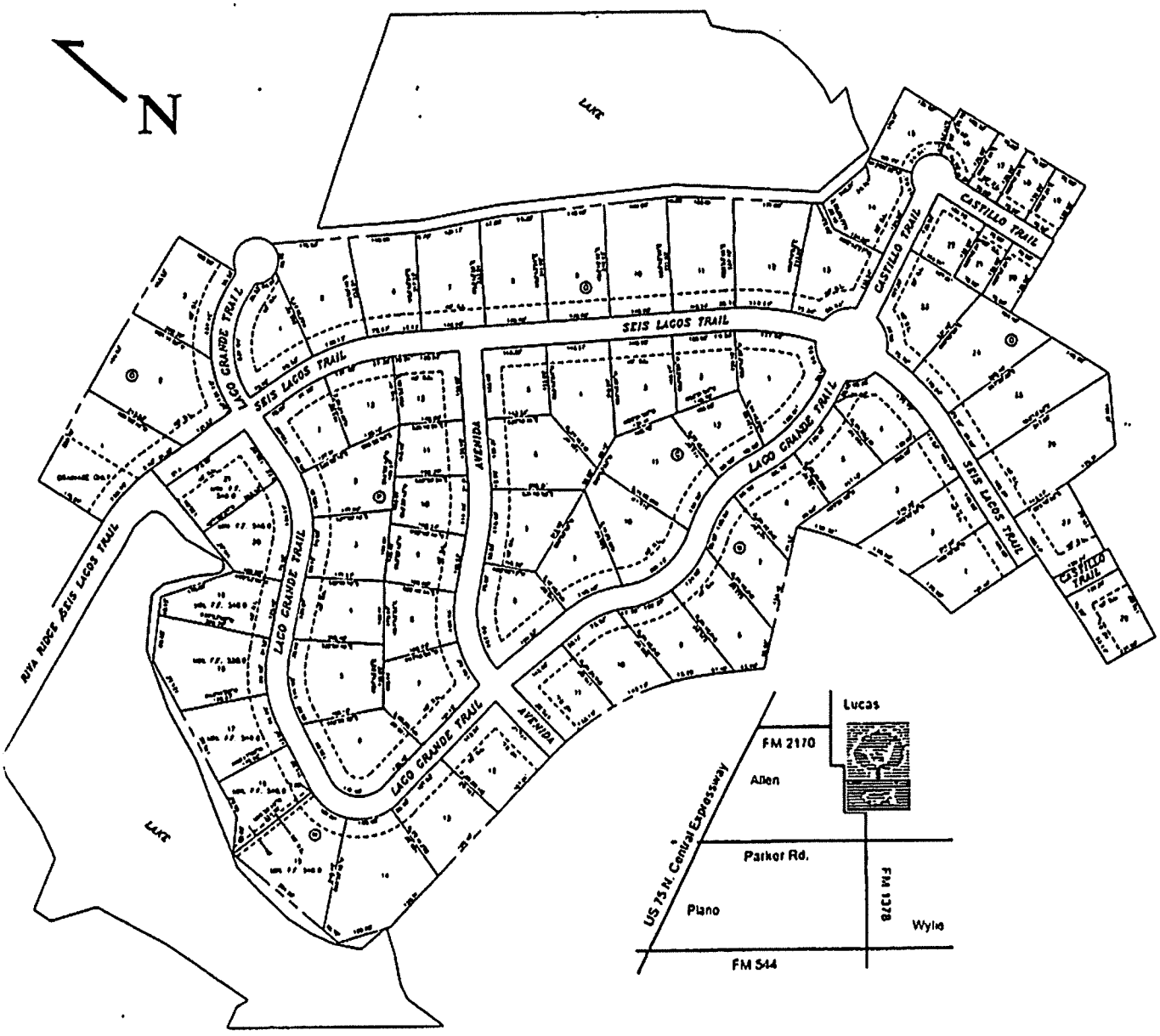
Notary Name:
State of:
County of:
Expires:

MARTIN A. RIPOLL
Notary Public
STATE OF TEXAS
Commission Expires 06/08/08


AREA ZONE "A"
480850-0455-G
10, 1996
SEIS LAGOS TRAIL
DRAINAGE DITCH
0-A
0-1B
0IRA
0IRB
1.16
N64°26'00"E
140.00'
R=393.35'
L=158.77'
T=80.48'
D=23°07'35"
N18°43'45"E
291.48'
S51°37'00"E
170.00'
N01°03'58"W
175.07'
N87°18'54"E
616.93
193.22
S01°12'00"E
150.00'
LAGO GRANDE TRAIL
CITY LIMITS
50' BL
20' P.U.E.


June 29 2005
Doc # 2005-0087096
SEIS LAGOS, PHASE THREE
being a 1.033 Acre Tract of land known as
LOTS 1RA & 1RB, BLOCK O
SEIS LAGOS, PHASE THREE
situated in the
DENNIS KINSAUL SURVEY
ABSTRACT NUMBER 502
COLLIN COUNTY, TEXAS

SEIS LAGOS III



SEIS LAGOS – PHASE IV
DECLARATION OF RESERVATIONS, RESTRICTIONS, COVENANTS, CONDITIONS, EASEMENTS AND LIENS FOR SEIS LAGOS COMMUNITY SERVICES ASSOCIATION INC.

This Declaration is made this date by Bozeman Spencer Development Company Inc. (Developer) a Texas corporation, also referred to herein as "Declarant" as the owner of a certain parcel of land situated in Seis Lagos – Phase IV, an Addition to Collin County, Texas, commonly known as Seis Lagos Phase IV, being the same parcel platted into lots by a Final Plat recorded in Drawer O, Pages 387, 388, 389 .

1. Seis Lagos Phase One is a subdivision described in a Final Plat recorded in Volume 9, Pages 24 – 26 of the Deed Records of Collin County, Texas, and corrected by a Certificate of Correction recorded in Volume 877, Page 576 of the Deed Records of Collin County Texas ("Seis Lagos Phase One'). Seis Lagos Phase One is subject to certain reservations, restrictions, covenants, easements and liens set forth in the instruments filed in: Volume 3093, Page 153; Volume 1115, Page 190; Volume 1121, Page 560; Volume 1132, Page 203; and Volume 3093, Page 877, Land Records of Collin County, Texas, all of which are incorporated herein by this reference (the "Prior Covenants").

2. The Property was originally subject to the Prior Covenants by virtue of being a part of the Expansion Properties referred in the Covenants.

3. The Declarant hereby adopts the Prior Covenants, to the extent that the Prior Covenants currently applying to the Seis Lagos Phase One, as the restrictions, covenants, easements and liens of and applying to Seis Lagos Phase IV, together with the terms of this Declaration (all collectively the 'Covenants").

4. Declarant hereby subjects the Property to the Covenants and thereby causes the Property to be included as a part of and subject to management by the Seis Lagos Community Services Association, Inc. (the "Association"), subject to acceptance of Seis Lagos Phase IV by the Association and subject to the condition that;

   a. Association Dues on any lot within the Property shall begin to accrue the month next following the expiration of twelve months from the date that such lot within Seis Lagos Phase IV is sold by the Developer to any third party, rather than the six-month deferral provided generally in the Prior Covenants.

5. The Covenants, as applied to Seis Lagos Phase IV, include the following additional reservations or restrictions on use;

   a. Improvements to be constructed upon the lots within Seis Lagos Phase IV shall be subject to a minimum square footage requirement of 3000 sq. ft..

6. The Covenants shall be construed reasonably in being applied to Seis Lagos Phase IV sa as to reflect the following rules of construction, in the priority herein indicated;

   a. First, to the extent possible, Seis Lagos Phase IV lots, Seis Lagos Phase III lots, Seis Lagos Phase II lots and Seis Lagos Phase One lots shall be treated in the same manner and subject to the same restrictions, covenants, easements and liens. Any portion of the Covenants no longer applicable to Seis Lagos Phase III, Seis Lagos Phase II or Seis Lagos Phase One shall not be applicable to Seis Lagos Phase IV.

b. Second, if necessary to reasonably construe any part of the Covenants, the fact that Seis Lagos Phase IV was brought under the Covenants at a later date may me considered.

7. By indication acceptance heron, the Association accepts the Property constituting Seis Lagos Phase IV as a part of the Association and agrees to the conditions set forth in paragraph 5 herein.

DATED 12/28/05.

Bozeman Spencer Development Company Inc.

By _____

Name: John D. Spencer

ACCEPTED:

Seis Lagos Community Services Association Inc.

By: Robert C. Flint.

Name: ROBERT C. FLINT.

SATE OF TEXAS
COUNTY OF COLLIN

Subscribed to and acknowledged before me on 12/28/05 John D Spencer, V.P. of Bozeman Spencer Development Inc. and by Robert Flint, Pres. of the Seis Lagos Community Services Association, Inc.

_____.
Notary Public in and for the State of Texas

Seal:

MARK EDWARD BLANKINSHIP
Notary Public
State of Texas
My Comm. Expires 05-12-09

UNANIMOUS CONSENT OF DIRECTORS
BOZEMAN SPENCER DEVELOPMENT COMPANY INC.

The undersigned, being all the directors of Bozeman Spencer Development Company Inc. (the "Corporation"), in lieu of conducting a special meeting, do hereby adopt the following resolution by unanimous consent, with the same force and effect as if such resolution had been duly proposed, seconded, and unanimously adopted at a meeting of the board of Directors on this date:

WHEREAS, the Corporation owns property known a Seis Lagos Phase IV, an addition to the County of Collin, State of Texas, more particularly described in Drawer Q, Pages 387, 388, 389 of the Collin County Map and Plat Records (The "Property").

WHEREAS, the Directors have determined that the orderly development of the Property would be best promoted by adopting and imposing upon the property covenants and restrictions on use, including those that currently affect Seis Lagos Phase One, Two and Three, the adjoining development; and

WHEREAS, the Directors have determined that the orderly development of the Property would be best served by including the Property in the Seis Lagos Community Services Association, Inc. (the "Association") and subjecting the Property to ongoing management by the Association;

IT IS THEREFORE.

RESOLVED, that either Lyndon Bozeman, as President of the Corporation, or John Spencer, as Vice President of the Corporation, is hereby authorized to enter into agreement and execute documents as it may be necessary or incidental to adoption of restrictions and covenants upon the Property and the inclusion of the Property within the Association.

Witness our hands on DECEMBER 27, 2005.

DIRECTORS:

Lyndon Bozeman

John Spencer

b. Second, if necessary to reasonably construe any part of the Covenants, the fact that Seis Lagos Phase IV was brought under the Covenants at a later date may me considered.

7. By indication acceptance heron, the Association accepts the Property constituting Seis Lagos Phase IV as a part of the Association and agrees to the conditions set forth in paragraph 5 herein.

DATED 12/28/05.

Bozeman Spencer Development Company Inc.

By _____

Name: John D. Spencer

ACCEPTED:

Seis Lagos Community Services Association Inc.

By: Robert C Flint.

Name: ROBERT C. FLINT.

SATE OF TEXAS
COUNTY OF COLLIN

Subscribed to and acknowledged before me on 12/28/05
John D Spencer, V.P. of **Bozeman Spencer Development Inc.** and by Robert Flint, Pres. of the **Seis Lagos Community Services Association, Inc.**

_____.
Notary Public in and for the State of Texas

Seal:

NOTARY PUBLIC STATE OF TEXAS
MARK EDWARD BLANKINSHIP
Notary Public
State of Texas
My Comm. Expires 05-12-09

BOZEMAN / SPENCER
DEVELOPMENT COMPANY, INCORPORATED

MAINTENANCE AGREEMENT

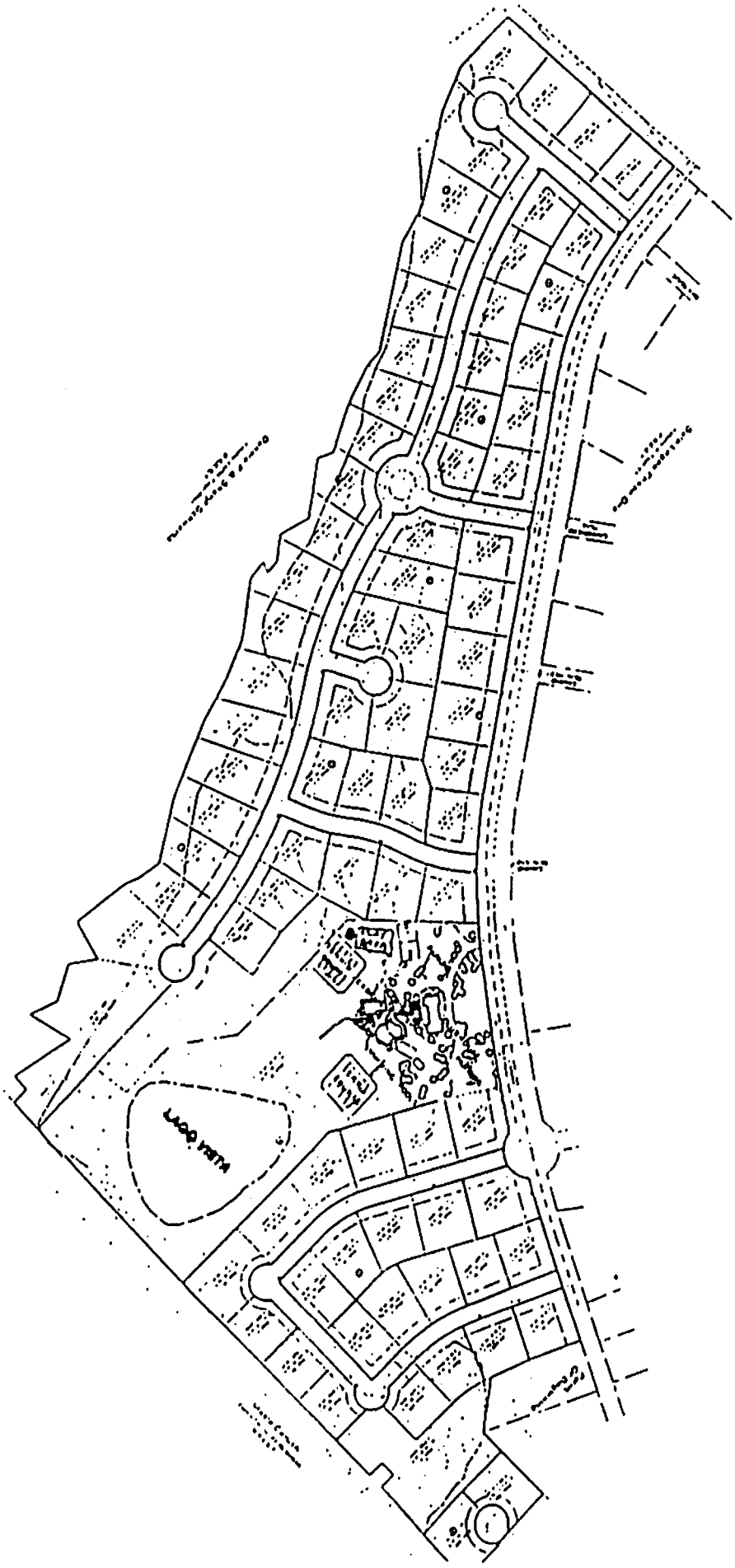
RE: The landscaped berm bordering 1378 & Seis Lagos Phase IV

Bozeman Spencer Development, Inc. agrees to incur the cost of building and landscaping the above mentioned berm. Upon completion of the project, Seis Lagos Community Services Association (SLSCA) agrees to takeover all costs related to maintaining the berm. As a result, from the date of this agreement, Bozeman Spencer Development, Inc. and any future property owners whose property includes any part of this berm will not be responsible for any costs associated with it.

Bozeman Spencer Development, Inc. — Date 10/17/05

Seis Lagos Community Services Association — Date 10/19/05

P.O. BOX 861051 • PLANO, TEXAS
972 / 424-9149 • FAX 972 / 881-1877



Filed for Record In:
Collin County, McKinney TX
Honorable Brenda Taylor
Collin County Clerk

On: May 16 2005
At 3:24pm

Receipt/Rec. #: 41.00

FINAL PLAT

SEIS LAGOS PHASE 4

AND BEING A

REPLAT

ALL OF LOTS 27 & 28, BLOCK O & ALL OF CASTILLO TRAIL

OF

SEIS LAGOS PHASE 3

79 RESIDENTIAL LOTS

79.058 ACRES OUT OF THE

J. ANDERSON SURVEY ~ ABSTRACT NO. 0017

D. KINSAUL SURVEY ~ ABSTRACT NO. 502

COLLIN COUNTY, TEXAS

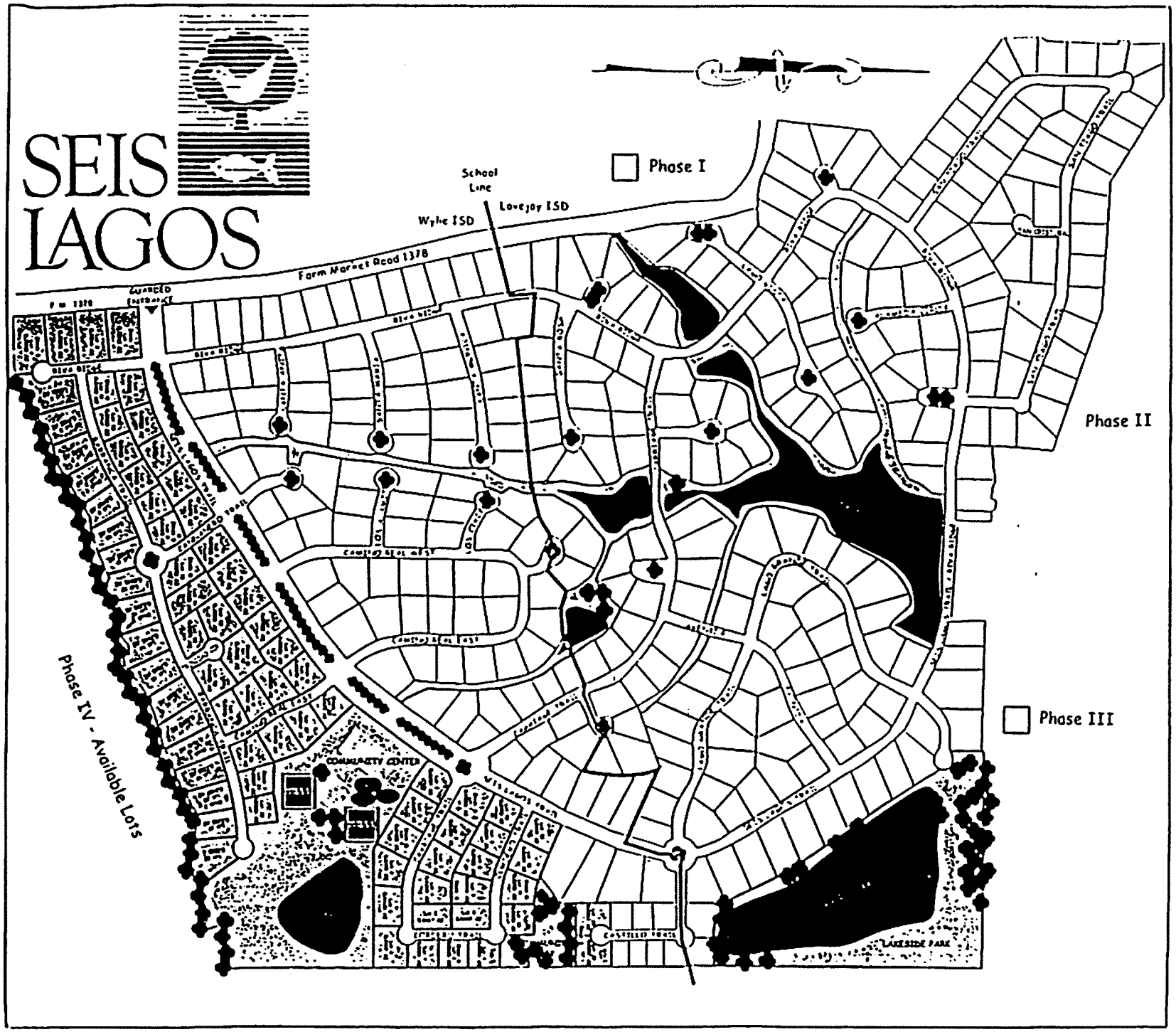
Owner

Bozeman / Spencer
Development Company, Incorporated
P.O. Box 861051
Plano, Texas 75086
Telephone (972) 424-9149
Contact: Brad Bozeman

Engineer/Surveyor

Spiars Engineering, Inc.
730 E. Park Blvd., Suite 210
Plano, Texas 75074
Telephone (972) 422-0077
Contact: Matt Dorsett

Scale 1"=100' February 22, 2005 Sheet 1/3


SEIS LAGOS
Phase I
School Line
Wylie ISD
Lovejoy ISD
Farm Market Road 1378
Phase II
Phase III
Phase IV - Available Lots
COMMUNITY CENTER
LAKESIDE PARK

August 15th, 1986

All Seis Lagos residents with **wood fences:**

The Board has meet on this issue and have determined wood fences are no longer to be a part of what we (the community) want for Seis Lagos. Those that are up and in good condition are hereby grandfathered until such time they fall in to disrepair. At that time they will be required to be replaced with wrought Iron or nothing. (If you have a pool you must have a fence therefore you must put up an iron fence).

If it comes in disrepair and the owner at the time does not repair and or keep it up the Assoc. has the right to remove it and it will not be allowed to be rebuilt. The cost to remove it will be past on to you. You may not remove and replace your currant fence with wood.

You and future owners of this property will follow these guidelines.

Thank you

The Board of Directors of the Seis Lagos Community Services, Inc