

FOR SALE

Luxury Home on 2.3 Acres
Listed for \$1,450,000

2170 Forest Hill Dr
Cross Roads, Texas



In the coveted gated community of Forest Hills in Cross Roads, discover this meticulously renovated masterpiece with easy access to Highway 380 in booming North Texas. Set on 2.32 serene acres, stunning sunsets and a picturesque pond with an illuminated fountain create magical evenings.

The single-story design offers 4,250 square feet of interior living space. Step inside to soaring 10, 12 and 14-foot ceilings throughout, crowned by a breathtaking 20-foot cathedral ceiling in the family room and sophisticated coffered details in the formal living area. The flowing floor plan seamlessly connects the formal dining room to the elegant living space, with stunning fireplaces gracing both the formal living and family rooms. An expansive master suite offers luxurious privacy with an oversized bathroom and walk-in closet. The heart of this home is a spacious chef's kitchen that opens to a light-filled family room, creating the perfect space for both entertaining and daily living. Distinctive 9-foot solid doors throughout add to the home's architectural appeal, while recent updates include new HVAC systems installed in 2023 and 2024. The entire residence has been freshly painted inside and out with premium paint.

Step outside to find your private oasis – a completely renovated pool and expansive entertainment area featuring over 2,000 square feet of patio and deck space.

The pool is equipped with cutting-edge features including an efficient chiller system to maintain perfect temperatures during hot months and an automatic water leveling system. The property's efficient irrigation system draws from a private pond owned by six surrounding property owners, significantly reducing water costs.

Both air-conditioned garages feature extensive above-storage space with dedicated lighting, providing ample room for organization.

This home has no city tax, providing substantial annual savings to homeowners.

Modern stone accents and a sophisticated color palette complete this thoughtfully updated residence, creating a perfect blend of luxury and comfort in one of North Texas's most desirable locations.



 
DUTCH & CHERYL KELLER WILLIAMS.
REAL ESTATE

Dutch and Cheryl Wiemeyer
REALTORS®
Direct/Text (940) 391-9092
Office (940) 365-4687
info@texasliving.com
www.texasliving.com

2170 Forest Hill Drive, Cross Roads, Texas 76227

MLS#: 21160241 **N Active**
Property Type: Residential

[2170 Forest Hill Drive Cross Roads, TX 76227-7104](#)
SubType: Single Family

LP: \$1,450,000



Also For Lease: N
Subdivision: Forest Hills
County: Denton
Country: United States
Parcel ID: [R655433](#)
Lot: 1R **Block:** B
Legal: FOREST HILLS BLK B LOT 1R
Unexempt Tx: \$15,300
Spcl Tax Auth: No

Lst \$/SqFt: \$341.18

Lake Name:
Lse MLS#:
Plan Dvlpm:
MultiPrcl: No **MUD Dst:** No
PID:No

Beds: 4 **Tot Bth:** 4 **Liv Area:** 2
Fireplc: 2 **Full Bath:** 3 **Din Area:** 2 **Pool:** Yes
Half Bath: 1 **Adult Community:**
Smart Home App/Pwd: No

SqFt: 4,250/Assessor
Yr Built: 2008/Assessor/Preowned
Lot Dimen:
Subdivide?: No
HOA: Mandatory
Access Unit: No

Hdcp Am: No
Horses?:
Attached: No
Acres: 2.323
HOA Dues: \$882/Semi-Annual
AccUnit SF:

Garage: Yes/3
Attch Gar: Yes
Carport: 0
Cov Prk: 4
Unit Type:

School Information

School Dist: Denton ISD
Elementary: Providence **Middle:** Rodriguez **High:** Ray Braswell

Rooms

Room	Dimen / Lvl	Features	Room	Dimen / Lvl	Features
Living Room	16 x 16 / 1	Fireplace	Family Room	20 x 19 / 1	Ceiling Fan(s), Fireplace
Office	12 x 12 / 1		Kitchen	20 x 13 / 1	Breakfast Bar, Built-in Cabinets, Farm Sink, Kitchen Island, Second Sink, Solid Surface/Non-Natural Type, Water Line to Refrigerator
Dining Room	14 x 12 / 1		Breakfast Rm	14 x 9 / 1	
Utility Room	9 x 9 / 1	Built-in Cabinets, Room for Freezer, Separate Utility Room, Sink in Utility	Bedroom-Primary	21 x 15 / 1	Ceiling Fan(s), Ensuite Bath, Garden Tub, Separate Shower, Separate Vanities, Walk-in Closet(s)
Bedroom	14 x 12 / 1	Ceiling Fan(s), Split Bedrooms, Walk-in Closet(s)	Bedroom	14 x 12 / 1	Walk-in Closet(s)
Bedroom	12 x 12 / 1	Ensuite Bath, Split Bedrooms, Walk-in Closet(s)			

General Information

Housing Type: Single Detached
Style of House: Traditional
Lot Size/Acres: 1 to < 3 Acres
Alarm/Security: Burglar, Carbon Monoxide Detector(s), Gated Community, Smoke Detector(s)
Soil:
Heating: Central, Natural Gas, Zoned, Other
Roof: Shingle
Windows: Window Coverings
Construction: Brick, Rock/Stone, Wood
Foundation: Slab
Basement: No
Possession: Other

Fireplace Type: Family Room, Gas, Gas Logs, Living Room, Stone
Flooring: Carpet, Tile, Wood
Levels: 1
Type of Fence: Metal
Cooling: Ceiling Fan(s), Central Air, Electric, Zoned, Other
Accessible Ft:
Cmplx Appv For:
Patio/Porch: Covered, Patio
Special Notes: Deed Restrictions, Survey Available
Listing Terms: Cash, Conventional

Features

Appliances: Built-in Refrigerator, Dishwasher, Disposal, Gas Range, Gas Water Heater, Microwave, Oven-Double, Tankless Water Heater
Interior Feat: Built-in Features, Cathedral Ceiling(s), Chandelier, Decorative Lighting, Dry Bar, Flat Screen Wiring, High Speed Internet Available, Kitchen Island, Open Floorplan, Walk-In Closet(s)
Exterior Feat: Covered Patio/Porch, Rain Gutters, Storm Cellar
Park/Garage: Circular Driveway, Covered, Driveway, Garage, Garage Door Opener, Garage Double Door, Garage Single Door, Heated Garage
Pool Features: Fenced, Gunite, In Ground, Outdoor Pool, Pool/Spa Combo, Salt Water, Other

Street/Utilities: Aerobic Septic, Co-op Electric, Co-op Water, Concrete, Individual Gas Meter, Individual Water Meter, Natural Gas Available, Private Road, Underground Utilities, Well

Lot Description: Acreage, Few Trees, Interior Lot, Landscaped, Sprinkler System, Water/Lake View, Waterfront

HOA Includes: Management Fees

Restrictions: Deed

Easements: Drainage, Utilities

Waterfront: Lake Front

Dock Permitted: No

Other Equipment:

Plat Wtrfn Bnd:

Lake Pump: Yes

Remarks

Property Description: In the coveted gated community of Forest Hills in Cross Roads, discover this meticulously renovated masterpiece with easy access to Highway 380 in booming North Texas. Set on 2.32 serene acres, stunning sunsets and a picturesque pond with an illuminated fountain create magical evenings. The single-story design offers 4,250 square feet of interior living space. Step inside to soaring 10,12, and 14-foot ceilings throughout, crowned by a breathtaking 20-foot cathedral ceiling in the family room and sophisticated coffered details in the formal living area. The flowing floor plan seamlessly connects the formal dining room to the elegant living space, with stunning fireplaces gracing the formal living and family rooms. An expansive master suite offers luxurious privacy with an oversized bathroom and walk-in closet. The heart of this home is a spacious chef's kitchen that opens to a light-filled family room, creating the perfect space for both entertaining and daily living. Distinctive 9-foot solid doors throughout add to the home's architectural appeal, while recent updates include new HVAC systems installed in 2023 and 2024. The entire residence has been freshly painted inside and out with premium paint. Step outside to find your private oasis – a completely renovated pool & expansive entertainment area featuring over 2,000 square feet of patio and deck space. The pool has cutting-edge features, including an efficient chiller system to maintain perfect temperatures during hot months and an automatic water leveling system. The property's efficient irrigation system draws from a private pond owned by 6 homeowners, significantly reducing water costs. Both climate-controlled garages feature extensive above-storage space with dedicated lighting, providing ample room for organization. Modern stone accents & a sophisticated color palette complete this thoughtfully updated residence, creating a perfect blend of luxury & comfort in one of North Texas's most desirable locations.

Public Driving Directions: Hwy 380 - North on Fishtrap - Left into Forest Hills - Right at stop sign.

Agent/Office Information

Lst Ofc: KELLER WILLIAMS REALTY

Lst Agt: [DUTCH WIEMEYER](#)

Prepared By: DUTCH WIEMEYER KELLER WILLIAMS REALTY on 01/25/2026 14:02

2170 Forest Hill Drive, Cross Roads, Texas 76227
Listing ID: 20865106



FRONT OF PROPERTY...Spectacular Single-Story Home W/Pool And Also A Private Pond That Is Shared W/6 Home Owners.



PROPERTY AERIAL...Located In The Sought After Forest Hills Gated Acreage Neighborhood



PROPERTY AERIAL...Extra View



PROPERTY AERIAL...Property Lines Are Approx.



FRONT OF HOME...Close View



OVERHEAD VIEW OF PROPERTY

2170 Forest Hill Drive, Cross Roads, Texas 76227
Listing ID: 20865106



BACK AERIAL VIEW OF PROPERTY...Lake Lewisville Shown In Upper Background



BACK OF PROPERTY AERIAL



BACK OF PROPERTY AERIAL



BACK VIEW OF PROPERTY



COVERED BACK PATIO



COVERED BACK PATIO

2170 Forest Hill Drive, Cross Roads, Texas 76227
Listing ID: 20865106



COVERED BACK PATIO



SALTWATER POOL...Play Pool Depth, Attached Spa, Chiller For Maintaining Desirable Water Temps In Hotter Summer Months



POOL...Extra View



FOYER...Wood Flooring, Open To Formal Living/Dining Areas And Office



FORMAL LIVING...Wood Floor, Gas Log Fireplace, Coffered Ceiling, Dry Bar



FORMAL LIVING ROOM...Extra View, Gorgeous Wood Trim Throughout The Home

2170 Forest Hill Drive, Cross Roads, Texas 76227
Listing ID: 20865106



FORMAL LIVING ROOM...Extra View



DRY BAR...Open To Formal Living, Mini Fridge/Wine Fridge Combo, Plumbed For Wet Bar And An Adjoining Butlers Pantry Is To The Left Of Dry Bar



BUTLERS PANTRY



FORMAL DINING...Wood Flooring, Bay Window, Trayed Ceiling, Open To Foyer, Office And Formal Living Room



OFFICE...Wood Floor, Built-In Shelves, Closet, Open To Foyer



FAMILY ROOM...Wood Floor, Vaulted Ceiling W/Wood Beams, Stone Fireplace W/Gas Logs, Open To Kitchen & Dinette

2170 Forest Hill Drive, Cross Roads, Texas 76227
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FAMILY ROOM...Built-Ins, Ceiling Fan



FAMILY ROOM...Extra View



HUGE KITCHEN...Tile Floor And Backsplash, Stainless Appliances, 6-Burner Gas Range W/Griddle And Dbl Ovens, B/I Fridge



KITCHEN...Extra View, Open To Family Room And Dinette, Two Breakfast Bars, Upper And Under Cabinet Lighting, Trayed Ceiling



KITCHEN-DINETTE-FAMILY ROOM



DINETTE...Tile Flooring, Built-In Hutch, Bay Window, Door To Covered Back Patio

2170 Forest Hill Drive, Cross Roads, Texas 76227
Listing ID: 20865106



PRIMARY BEDROOM...Wood Floor, Trayed Ceiling,
Door To Back Patio, Bay Window



PRIMARY BEDROOM...Extra View



PRIMARY BATH...Tile Floor, 2 Separate Vanities,
Dressing Table, B/I Linen Cabinets, Barrel Ceiling,
Free Standing Soaking Tub, Large Shower



PRIMARY BATH...Extra View, Large Walk-In Closet
W/Built-Ins



PRIMARY BATH...Extra View, Large Tile Shower
W/Dual Shower Heads



BEDROOM 2-Carpet, Walk-In Closet, Jack-N-Jill
Bath, Shared With Bedroom 3

2170 Forest Hill Drive, Cross Roads, Texas 76227
Listing ID: 20865106



BEDROOM 3-Carpet, Walk-In Closet, Jack-N-Jill Bath, Shared With Bedroom 2



BEDROOM 4...Wood Floor, Walk-In Closet, Private Full Bath



BEDROOM 4...Extra Photo, View Of Private Full Bath W/Tile Floor, Tile Shower, And Door To Back Patio And Pool



BACK YARD AND POND PARTIAL VIEW...Private Pond Is Shared W/6 Home Owners And Features A Beautiful Fountain



Floor Plan Created By Cubicasa App. Measurements Deemed Highly Reliable But Not Guaranteed.





Floor Plan Created By Cubicasa App. Measurements Deemed Highly Reliable But Not Guaranteed.



Water Quality:	<i>Strata Depth (ft.)</i>	<i>Water Type</i>
	No Data	No Data

Chemical Analysis Made: **No**

Did the driller knowingly penetrate any strata which contained injurious constituents?: **No**

Certification Data: The driller certified that the driller drilled this well (or the well was drilled under the driller's direct supervision) and that each and all of the statements herein are true and correct. The driller understood that failure to complete the required items will result in the report(s) being returned for completion and resubmittal.

Company Information: **Double D Drilling, Inc.**
PO Box 483
Lewisville, TX 75067

Driller Name: **Dale Chepulis** License Number: **54840**

Comments: **No Data**

Lithology:
 DESCRIPTION & COLOR OF FORMATION MATERIAL

Casing:
 BLANK PIPE & WELL SCREEN DATA

<i>Top (ft.)</i>	<i>Bottom (ft.)</i>	<i>Description</i>
0	3	Yellow topsoil
3	23	Yellow sandy clay
23	45	Sand
45	65	Gray shale
65	75	Sand
75	80	Gray shale
80	155	Sand & sandy shale
155	160	Gray shale

<i>Dia. (in.)</i>	<i>New/Used</i>	<i>Type</i>	<i>Setting From/To (ft.)</i>
4.5	N	PVC	0 120
4.5	N	PVC screen	120 160 .02

IMPORTANT NOTICE FOR PERSONS HAVING WELLS DRILLED CONCERNING CONFIDENTIALITY

TEX. OCC. CODE Title 12, Chapter 1901.251, authorizes the owner (owner or the person for whom the well was drilled) to keep information in Well Reports confidential. The Department shall hold the contents of the well log confidential and not a matter of public record if it receives, by certified mail, a written request to do so from the owner.

Please include the report's Tracking Number on your written request.

Texas Department of Licensing and Regulation
P.O. Box 12157
Austin, TX 78711
(512) 334-5540

Denton County
Cynthia Mitchell
County Clerk
Denton, Tx 76202



70 2007 00021466

Instrument Number: 2007-21466

As

Recorded On: February 22, 2007

Declaration

Parties: RMJ FOREST HILLS LP

Billable Pages: 34

To

Number of Pages: 34

Comment:

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Declaration	148.00
Total Recording:	148.00

***** DO NOT REMOVE THIS PAGE IS PART OF THE INSTRUMENT *****

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.

File Information:

Document Number: 2007-21466

Receipt Number: 362675

Recorded Date/Time: February 22, 2007 02:42:02P

User / Station: K Kirby - Cash Station 3

Record and Return To:

FIDELITY NATIONAL TITLE AGENCY INC
5430 LBJ FRWY STE 260 LB-16
DALLAS TX 75240



THE STATE OF TEXAS }
COUNTY OF DENTON }

I hereby certify that this instrument was FILED in the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Cynthia Mitchell

County Clerk
Denton County, Texas

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
FOREST HILLS
Cross Roads, Denton County, Texas**

The Declaration of Covenants, Conditions and Restrictions for Forest Hills (the "Declaration") is made this 12th day of February, 2007, by RMJ Forest Hills, L.P., a Texas limited partnership (herein referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of the real property (the "Land") described on Exhibit "A", attached hereto and made a part hereof for all purposes; and

WHEREAS, Declarant desires to create thereon a residential community with certain amenities for the common benefit of residents of the community (the "Subdivision"); and

WHEREAS, Declarant desires to provide for, among other matters, certain restrictions to protect and preserve the desired character of the community and, to this end, desires to subject the Land to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Land and its present and future owners; and

WHEREAS, Declarant has deemed it desirable to provide for the creation of agencies to which would be delegated and assigned the powers, duties and rights as may be provided for under this Declaration.

NOW, THEREFORE, Declarant declares that the Land is and shall be held, transferred, sold, conveyed and occupied subject to the following covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions") hereinafter set forth.

ARTICLE I DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall otherwise prohibit) shall have the following meanings:

- 1.1 “Architectural Control Committee” shall have the meaning assigned to such term in Section 8.1 hereof.
- 1.2 “Architectural Guidelines” or “Design Guidelines” shall have the meaning assigned to such term in Section 8.2 hereof.
- 1.3 “Association” shall mean and refer to the FOREST HILLS RESIDENTIAL ASSOCIATION, INC. Prior to conveying any Lot to any other Owner, Declarant shall cause such entity to be organized as a Texas non-profit corporation.
- 1.4 “Board of Directors” means the board of directors of the Association.
- 1.5 “Common Area” means the portion of the Land, including subdivision streets, that is not situated within a residential lot and any other property rights within the Land which are known, described or designated or which shall subsequently be intended for or devoted to, the common use and enjoyment of the Members. The Common Area may be owned by the Association.
- 1.6 “Common Improvements” means those improvements initially made by Declarant within the Common Area, together with such other improvements as may be made hereafter by the Association.
- 1.7 “Common Properties” means the Common Area and Common Improvements, collectively.
- 1.8 “Declarant” means RMJ Forest Hills, L.P., a Texas limited partnership and its successors in interest to the Land through (i) a voluntary disposition of all (or substantially all) of the assets of such partnership and/or the voluntary disposition of all (or substantially all) of the right, title and interest of the partnership in and to the Land where such voluntary disposition of right, title and interest expressly provides for the transfer and assignment of the rights of such partnership as Declarant, or (ii) an involuntary disposition of all or any part of the Land owned by Declarant prior to completion of development of the Land as a residential community. No person or entity purchasing one or more Lots from such partnership in the ordinary course of business shall be considered as Declarant.
- 1.9 “Land” means the real property in Denton County, Texas, described on Exhibit “A” attached hereto and incorporated herein and such other real property as may be made subject to the terms of the Declaration in accordance with the provisions hereof.

1.10 "Lot" means a residential lot shown as such on the Plat and which is or is intended to be improved with a residential dwelling.

1.11 "Member" means a member of the Association.

1.12 "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. If a Lot is owned in undivided interests by more than one person or entity, each owner shall be an Owner for purposes of this Declaration. A person or entity that owns only a lien or other similar interest in a Lot as security for performance of an obligation is not an Owner with respect to that Lot.

1.13 "Plat" means the Final Plat (the "Plat") for **FOREST HILLS ADDITION**, an addition to the City of Crossroads, Denton County, Texas was filed and recorded in **Cabinet C, Page 429, Plat Records, Denton County, Texas, as ratified by Ratification of Plat filed January 1, 2007, under Clerk's File No. 2007-818, Official Public Records, Denton County, Texas.**, is made subject to the terms hereof in accordance with the terms of this Declaration; as such plat may be modified and amended from time to time hereafter.

1.14 "Properties" means the Land and all improvements thereto, whether now existing or hereafter placed thereon.

ARTICLE II PROPERTY SUBJECT TO THE DECLARATION; ADDITIONS THERETO

2.1 Initial Properties. The Properties that shall initially be subject to this Declaration shall include the Land and all improvements now or hereafter constructed thereon.

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

(a) The Declarant may add or annex additional real property (whether owned by Declarant or others) to the scheme of this Declaration by filing of record a Supplementary Declaration of Covenants, Conditions and Restrictions ("Supplementary Declaration") which shall extend the scheme of the covenants and restrictions of this Declaration to such property; provided, however, that such Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not materially inconsistent with this Declaration in a manner which adversely affects the concept of this Declaration.

(b) In the event any person or entity other than the Declarant desires to add or annex additional residential and/or common areas to the scheme of this

Declaration, such proposed annexation must have the prior written consent and approval of the majority of the outstanding votes within each class of Members of the Association.

(c) Any additions made pursuant to Paragraphs (a) and (b) of this Section 2.2, when made, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added.

(d) Notwithstanding the fact that the Declarant may not be an Owner by virtue of its sale, transfer or conveyance of all of its right, title, and interest in the Properties, the Declarant shall continue to be entitled to implement and exercise all its rights under and pursuant to this Section 2.2 and all of the subsections hereof.

Even though the Declarant may not be a Class A or Class B Member prior to an annexation, permitted by this Section 2.2, subsequent to such annexation, the Declarant shall be and become a Class B Member with respect to the Lots owned by it within the Properties, as such Properties have been expanded or increased by the annexation. The Declarant's rights as a Class B Member shall be governed by and set forth in this Declaration and the Articles of Incorporation and Bylaws of the Association, as same may be amended or altered by, and in accordance with the annexation.

ARTICLE III USE OF PROPERTIES AND LOTS – PROTECTIVE COVENANTS

The Properties and each Lot situated thereon shall be constructed, developed, occupied and used as follows:

3.1 Public Use Permitted. Any restrictions contained herein shall not be intended to restrict or prohibit, and shall not restrict or prohibit the State of Texas or any political subdivision thereof, including independent school districts, from using any of the property affected hereby for public purposes, regardless of the nature of said use.

3.2 Residential Purposes. Each Lot (including land and improvements) shall be used and occupied for single family residential purposes only. As used herein the term "single family residential purposes" shall be deemed to prohibit specifically, but without limitation, the use of any Lot for apartment use. No trade or business of any kind shall be conducted upon said property or any part thereof, except that home occupations that conform to the requirements of the Town of Cross Roads regulations are allowed. No structure shall be erected, placed, altered, used or permitted to remain on any property other than single family residences with private garages as permitted and governed by the Design Guidelines, accessory buildings, and quarters, as may be permitted by the Design Guidelines. In addition a separate dwelling may be constructed on each Lot the heated and air conditioned square footage of which separate dwelling may not exceed the limitations set forth in the Design Guidelines. The separate

dwelling shall be occupied only by temporary guests or on a more permanent basis by members of the immediate family of the Lot Owner. Servant's quarters or pool cabana houses may be constructed and occupancy and design thereof shall be governed and restricted by the Design Guidelines and the ARC.

3.3 Replatting. No Lot shall be resubdivided; provided, however, that Declarant shall have and reserves the right, at any time, or from time to time, to file a replat of the Plat to effect a reconfiguration of any Lots in the Property then owned by Declarant, subject only to obtaining any necessary approval, joinder or consent of the appropriate county and/or municipal authorities. The consent or approval of Owners other than Declarant shall not be required for such replatting.

3.4 Combining Lots. Any person owning two (2) or more adjoining Lots may consolidate such Lots into a single building location for the purpose of constructing one (1) dwelling thereon (the plans and specifications therefore being approved as set forth in this Declaration) and such other improvements as are permitted herein; provided, however, any such consolidation must comply with the rules, ordinances and regulations of any governmental authority having jurisdiction over the Properties. In the event of any such consolidation, the consolidated Lots shall be deemed to be a single Lot for purposes of applying the provisions of this Declaration; provided, however, such Owner shall continue to pay assessments on such Lots as if such Lots had not been consolidated and shall be entitled to one (1) vote for each Lot (determined prior to such consolidation) owned by such Owner. Any such consolidation shall give consideration to easements as shown and provided for on the Plat and any required abandonment or relocation of any such easements shall require the prior written approval of Declarant (if Declarant owns any Lots) or the Association (if Declarant does not own any Lots) as well as the prior written approval of any utility company having the right to the use of such easements.

3.5 Drainage. Neither the Declarant nor its successors or assigns, shall be liable for, and each Owner hereby waives any right of recovery against Declarant, its successors and assigns for any loss of, use of, or damage done to, any shrubbery, trees, flowers, improvements, fences, sidewalks, driveways, or buildings of any type or the contents thereof on any Lot caused by any water levels, rising waters, or drainage waters. After completion of building construction on a Lot, the Owner of such Lot shall cause such Lot to be graded so that surface water will flow to streets, alleys, drainage easements, or Common Properties. It shall be the responsibility of each Owner to maintain or modify, if necessary, the drainage characteristics of his Lot so that storm water runoff from such Lot will not run across or collect upon any adjacent Lot. If a retaining wall or underground drainage improvements are necessary to control and prevent drainage from one Lot onto an adjacent Lot, it shall be the responsibility of the Owner of the Lot having the higher surface elevation to construct and maintain the retaining wall or underground drainage improvements.

3.6 Removal of Dirt. The digging of dirt or the removal of any dirt from any Lot is prohibited, except as necessary in conjunction with landscaping or construction of improvements thereon.

3.7 Utilities. The installation and use of any propane, butane, liquid petroleum gas or other gas tank, bottle or cylinder of any type (except portable gas grills) shall require the explicit, itemized approval of the Architectural Control Committee, and, if so approved, the Architectural Control Committee may require that such tank, bottle or cylinder be installed underground. Any control boxes, valves, connection, utility risers or refilling or refueling devices shall be completely landscaped with shrubbery so as to obscure their visibility from the streets within or adjoining the Properties or from any other Lot. Portable toilets will be allowed during building construction.

(a) No individual water supply system shall be permitted on any portion of the Subdivision unless the system is designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of the State of Texas, the Town of Cross Roads and the local public health authority, and the individual water supply system is approved, in writing, by the Architectural Control Committee. Approval of such system, as installed, shall be obtained from such authorities.

(b) The individual sewerage disposal system for each residence then shall be designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of the State of Texas, and the local public health authority. Approval of such system, as installed, shall be obtained from such authorities and approved by the Architectural Control Committee.

3.8 Access. No driveways or roadways may be constructed on any Lot to provide access to any adjoining Lot except as expressly provided on the Plat, or with the express written approval of the Architectural Control Committee.

3.9 Driveways. Each Lot must be accessible to an adjoining street or alley by a driveway suitable for such purposes and approved as to design and location by the Architectural Control Committee before the dwelling located on any such Lot may be occupied or used. Driveways must be constructed of continuous concrete or other materials as may be expressly approved by the Architectural Control Committee, in writing, in its sole discretion.

3.10 Setback Requirements and Building Location. All front, side, and rear setbacks must be approved by the Architectural Control Committee and must meet the requirements of the Town of Cross Roads and the requirements set forth in the Design Guidelines. The location of the main residence on each Lot and the facing of the main elevation with respect to nearby streets shall be subject to the approval of the Architectural Control Committee. No building or structure of any type shall be erected on any Lot nearer to the property lines than indicated by the minimum building setbacks set forth in the Design Guidelines

3.11 Minimum Floor Space. Minimum and maximum floor areas for structures constructed on any Lot shall be as is set forth in the Design Guidelines from time to time.

3.12 Height. No dwelling or other building on any Lot shall have a height in excess of the maximum height allowed by the Town of Cross Roads as such height is measured per applicable Town ordinance from time to time.

3.13 Construction Requirements.

(a) The roof pitch of the main structure and on sheds, porches, and other improvements shall be the minimum as set forth in the Design Guidelines, unless otherwise approved by the Architectural Control Committee. Exterior paint and stain colors may be limited to those listed in the Design Guidelines and are subject to the express written approval of the Architectural Control Committee.

(b) Each residence shall have installed on the outside wall thereof a service riser conduit, and the location and length of such conduit must be approved by the Architectural Control Committee.

(c) No above ground-level swimming pools shall be installed on any Lot. Upon express written approval of the Architectural Control Committee, above ground-level hot tubs may be permitted.

(d) The exterior construction of a single family residence, erected on any Lot shall conform to the requirements of the Design Guidelines.

(e) Roof materials shall conform to the requirements of the Design Guidelines.

(f) No air conditioning apparatus or other appurtenance shall be installed on the ground in front of a dwelling house. No evaporative cooler shall be installed on the rear wall or the side wall of a dwelling house.

(g) The total land area of a Lot used for accessory buildings shall not exceed the limits set forth in the Design Guidelines.

3.14 Garages. Each dwelling erected on any Lot shall provide enclosed garage space for a minimum of two (2) conventional automobiles and a maximum number of automobiles as set forth in the Design Guidelines and garages shall conform to the requirements set forth in the Design Guidelines.

3.15 Lot Grading. Grading or excavation for the construction of a new house may occur following the issuance of a building permit by the Town of Cross Roads and written approval by the Architectural Control Committee of the Site Grading Plan proposed for the Lot. Grading shall be limited to that area required for the construction of the house. Special consideration shall be given to the preservation of the existing trees and understory. Prior to commencement of any grading, the Site Grading Plan must be submitted to the Architectural Control Committee for written approval.

3.16 Antenna. No radio or television serial wires, satellite dishes or antennas shall be maintained on the outside of any building without the detailed written approval of the Architectural Control Committee, nor shall any free standing antenna towers of any style be permitted.

3.17 Dishes. Up to two (2) exterior satellite dishes or similar devices, not exceeding eighteen inches (18") in diameter, may be located on each Lot; provided, however, the location of any such satellite dish or similar device is subject to approval, in writing by the Architectural Control Committee.

3.18 Fences and Privacy Walls. **No fence, privacy wall, wall or hedge shall be erected, placed or altered on any Lot without the written approval of the Architectural Control Committee and the height of, design of and materials used in the construction of fences and walls shall comply with the minimum fencing and privacy wall requirements listed in the Design Guidelines for Forest Hills.**

3.19 Retaining Walls. The design and materials for all retaining walls shall be limited to those designs and materials in the Design Guidelines and must have the written approval of the Architectural Control Committee for each particular retaining wall.

3.20 Landscaping, Sprinkler System and Tree Preservation. Any and all plans for the landscaping of front yards and of side yards not enclosed by solid fencing, including alterations, changes or additions thereto shall be subject to the written approval of the Architectural Control Committee and shall comply with the requirements listed in the Design Guidelines. The Design Guidelines provide for the installation and maintenance of a minimum number of trees of a certain size in the front yard. Each Lot on which a residential dwelling is constructed shall have and maintained an underground water sprinkler system for the purpose of providing sufficient water to all front and side yards not enclosed by solid fencing. Subject to weather delay, each Lot shall be fully landscaped (which shall include the hydromulching of all front and side yards) within sixty (60) days from the date on which the residence thereon is "complete," as such term is defined in Section 3.27. In addition, the Town of Crossroads has required that the following guidelines be satisfied in connection with the development of the Properties:

(a) Tree and Understory Preservation. Neither trees nor understory shall be removed unless the removal is necessary for the construction of the new building allowed by these covenants and approved in writing by the Architectural Control Committee. The developers and builders within the Subdivision shall preserve as many trees as possible. Further, the Town of Cross Roads has adopted ordinances and regulations governing the protection, removal and replacement of trees and each builder and Lot Owner is responsible for complying with the requirements of the Town of Cross Roads in this regard.

(b) Tree Replacement or Additions. Concurrently with the landscaping of the Lot upon completion of the residence thereon, each builder shall be required to plant on the Lot, at least three (3) trees, each of a species approved, in writing, by the Architectural Control

Committee. These trees must be of a size which satisfies the following minimum diameters as customarily measured: (i) one approved tree of at least a 4" minimum diameter in the front yard; and (ii) one 3" approved tree and one 4" approved tree elsewhere on the Lot.

3.21 Mailboxes, Trash Receptacles and Collection. Mailboxes shall be of a design and material listed in the Design Guidelines and shall be located as approved by the Architectural Control Committee. Each Lot Owner shall make or cause to be made appropriate arrangements with the Town of Cross Roads, Texas, for collection and removal of garbage and trash on a regular basis. Each and every Owner shall observe and comply with any and all regulations or requirements promulgated by the Town of Cross Roads, Texas, and/or the Association, in connection with the storage and removal of trash and garbage. All trash, garbage, or waste matter shall be kept in tightly sealed bags or other approved containers which shall be maintained in a clean and sanitary condition. An Owner may place trash on the street curb abutting his Lot only on those days designated by the Town of Cross Roads, Texas, as trash collection days. On all other days, an Owner must keep all trash, garbage and other waste material hidden from public view. No Lot shall be used for open storage of any materials whatsoever, except the building materials to be used in the construction of improvements erected on any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon through completion of construction. No garbage, trash, debris and other waste matter of any kind shall be burned on any Lot. No portion of the Properties shall be used as a dumping ground for rubbish, trash, garbage or other waste.

- 3.22 Parking. On-street parking is restricted to approved deliveries, pick-up or short-term guests and short-term invitees and shall be subject to such reasonable rules and regulations as shall be adopted by the Board of Directors. Parking in driveways is permitted. At least two (2) off-street spaces shall be provided on each Lot.

Trucks with tonnage in excess of one (1) ton and any vehicle with painted advertisement shall not be permitted to park overnight on the streets, driveways or otherwise in the Subdivision. No vehicle of any size which transports or contains flammable, explosive, or hazardous cargo shall be kept in the Subdivision overnight.

Any truck, bus, boat, boat trailer, trailer, mobile home, camper, mobile camper or any other vehicle other than conventional automobiles, SUV's and pickup trucks shall, if brought onto any portion of the Subdivision, be stored, placed or parked within the garage or accessory building of the appropriate Lot and concealed from view. Horse trailers only shall be allowed to park on approved parking surfaces behind the rear building line of the home.

- 3.23 Temporary Structures and Vehicles. No temporary structure of any kind shall be erected or placed upon any Lot. No trailer, mobile, modular or prefabricated home or building, tent, shack, shed, barn or any other structure or building, other than the residence to be built thereon, shall be placed on any Lot. Any truck, bus, boat, boat trailer, trailer, mobile home, camp mobile, camper or any other vehicle other than conventional automobile shall, if brought within the Properties, be stored, places or parked within the garage of the appropriate Owner and concealed from view. However, Declarant reserves the exclusive right to erect, place and

maintain, and may in its sole discretion, permit builders to erect, place and maintain, such construction, sale and presale facilities and construction trailers upon the Properties as may be necessary or convenient in connection with construction, development and sale activities. Such facilities may include without limitation, temporary construction or sales offices, storage areas and portable toilet facilities. Declarant and builders shall also have the temporary right to use a residence situated on a Lot as an office or model home in connection with construction and sales operations on the Properties. No garage, servant house, garage house or outbuilding of any Lot shall be occupied by an owner, tenant or anyone else prior to the erection of a dwelling house thereon.

Construction of only new buildings shall be permitted, it being the intent of the covenant to prohibit moving of any existing building onto a Lot.

3.24 Signs. No signs or flags shall be displayed to the public view on any Lot without the written approval of the Architectural Control Committee, with the following exceptions; (i) Declarant may erect and maintain a sign or signs deemed reasonable and necessary for the construction, development, operation, promotion and sales of the Lots; (ii) the patriotic display of flags not exceeding 4' x 6' in size shall be permitted on customary holidays; (iii) an Owner, through its licensed real estate brokerage as agent, may erect a sign of customary dimensions of not more than ten square feet (10 s.f.) in order to advertise his Lot or home for sale or rent through the licensed third party real estate brokerage company. No Owner may display any sign advertising such Owner's Lot or residence for sale or for lease by Owner. Signs, marketing and advertising the Subdivision during the initial construction and sales period to third parties, are allowed, but shall be removed upon the sale of the final home. Builders may use one (1) sign per Lot no bigger than 4'x 6' solely as advertising for the sale of the residence on the Lot upon which the sign is located. The Declarant and/or the Architectural Control Committee shall have the right and privilege to develop and implement additional uniform signage specifications and requirements applicable throughout the Properties.

3.25 Offensive Activities. No noxious or offensive activity shall be conducted on any Lot nor shall anything be done thereon which is or may become an annoyance or nuisance to the other Owners. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs (other than pit bull dogs or pit terriers), cats or other household pets (not to exceed three (3) adult animals) may be kept, provided that they are not kept, bred or maintained for commercial purposes. No llamas, donkeys, horses, pony, miniature horse or other large animals or livestock are allowed.

3.26 Drilling and Mining Operations. No oil drilling, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, oil tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

3.27 Duty of Construction. All construction on any Lot shall be completed no later than one (1) year following the commencement of construction. For the purposes hereof, the

term "commencement of construction" shall be deemed to mean the date on which the foundation forms are set. For purposes hereof, construction shall be deemed completed when all plumbing fixtures are installed and operational; all cabinet work is completed and installed; all interior walls, ceilings and doors are completed and installed; floors have been completed (with hardwood, carpet, tile or other similar floor covering installed); and the appropriate final finish has been applied to all surfaces within the structure, such as paint, wallpaper, paneling, stain or the like. In the event of destruction (total or partial) to the improvements of any individual Lot due to fire or any other cause, the Owner of such Lot covenants and agrees to complete all necessary repairs or reconstruction of the damaged improvements within one (1) year, and/or remove all remaining improvements within six (6) months, following the date that the damage occurs.

3.28 Maintenance of Lots and Improvements Thereon.

(a) Owners and occupants (including lessees) of any Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep such Lot and all buildings, improvements, grounds or drainage easements thereon or other rights-of-way incident thereto, and all vacant land thereon, in well-maintained, clean and attractive condition at all times. Such maintenance shall include, but shall not be limited to, the following:

- (i) Prompt mowing of weeds, grass or other unsightly growth on vacant Lots;
- (ii) Prompt removal of all litter, trash, refuse and waste;
- (iii) Lawn mowing, on a regular basis;
- (iv) Tree and shrub pruning;
- (v) Watering landscaped areas;
- (vi) Keeping exterior lighting in working order;
- (vii) Keeping lawn and garden areas alive, free of weeds, and attractive;
- (viii) Keeping parking areas and driveways in good repair;
- (ix) Complying with all government health and police requirements;
- (x) Repairing of improvements;
- (xi) Cleaning and maintaining of landscaped areas lying between street curbs and Lot lines, unless such streets or landscaped areas are expressly designated to be maintained by applicable governmental authorities or the Association;
- (xii) Maintaining all exterior surfaces;

(xiii) Maintaining and repairing fences, walls and retaining walls;

(xiv) Prompt removal of any ponding water on a Lot that contains or its adjacent to completed residence; and

(xv) Repairing and replacing silt fencing, erosion control improvements or features and otherwise comply with governmental requirements regarding surface water run off, water controls, and erosion.

(b) If, in the opinion of the Board of Directors, any such Owner or occupant has failed in any of the foregoing duties or responsibilities, then the Association may give such person written notice of such failure and such person must within ten (10) days after receiving such notice, perform the repairs and maintenance or make arrangements with the Association for making the repairs and maintenance required. Should any such person fail to fulfill this duty and responsibility within such period, then the Association, through its authorized agent or agents, shall have the right and power to enter onto the premises and perform such repair and maintenance without any liability for damages for wrongful entry, trespass or otherwise to any person. The Owner of any Lot on which such work is performed shall jointly and severally be liable for the cost of such work [such costs constituting a Special Assessment as specified in Section 7.5(b) hereof] and shall promptly reimburse the Association for such cost, including a reasonable charge for administrative costs attributable thereto.

3.29 Exterior Lighting. No exterior lighting on any tennis court shall be allowed within the Subdivision. Declarant shall petition the Town of Cross Roads for the installation of low level lighting fixtures for the streets located within the Subdivision and shall use its reasonable efforts to obtain the approval of such petition. Lighting on the exterior of the houses in the Subdivision shall be governed by the Design Guidelines and shall be subject to the written approval of the Architectural Control Committee and may not cause glare or disruption on any property in or adjacent to the Subdivision.

ARTICLE IV PROPERTY RIGHTS IN COMMON PROPERTIES

4.1 Title to the Common Properties. The Declarant shall dedicate and convey the fee simple title to the Common Properties to the Association prior to or upon completion of Declarant's initial construction of the Common Improvements.

4.2 Owner's Easement of Enjoyment. Subject to the provisions of Section 4.3 of this Article, every Owner and every tenant of every Owner, who resides on a Lot, and each individual who resides with either of them, respectively, on such Lot shall have a right and easement of use and enjoyment in and to the Common Properties, and such easement shall be appurtenant to and shall pass with the title of every Lot; provided, however, such easement shall not give such person the right to make alterations, additions or improvements to the Common Properties.

4.3 Extent of Owners' Rights and Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to adopt, amend, enforce and revoke rules and regulations governing the use, operation and maintenance of the Common Properties including, without limitation, the authority to assess fines against Owners violating such rules and regulations. The Association is further authorized and empowered to prohibit the use, or to limit the manner and extent of use, of the Common Properties by Owners owing unpaid fines or Assessments or violating rules and regulations of the Association.

(b) The right of the Association to enter into and execute contracts with third parties (including the Declarant, or an affiliate of the Declarant) for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association;

(c) The right of the Association, subject to the written approval of Member(s) having a majority of the outstanding votes of the Association, to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility company for such purposes and upon such conditions as may be approved by such Members.

4.4 Private Streets. The Common Properties include the private streets which are identified by name on the Plat, which private streets will be dedicated to the Association at such time as the Declarant determines it is appropriate to so dedicate such private streets. The Declarant and the Association will also have the right to, but absolutely no obligation to, prescribe regulations, rules and policies governing the use of the private streets which rules, regulations and policies may include speed limits governing the speed of motorized vehicles using the private streets, may prohibit parking and standing of vehicles or limit parking and standing of vehicles on the private streets and may provide for the means for enforcing parking regulations, speed limits and use of the private streets by motorized vehicles and by Persons. Rules, regulations and policies may also be adopted by the Declarant and/or the Association governing traffic flow, which rules, regulations and policies may provide for stop signs, require that certain traffic yield to other traffic and may dictate that certain areas are restricted to through traffic or are restricted regarding u-turns, left turns or right turns so as to provide for the proper flow of vehicular traffic within the private streets within the Properties. In addition, pedestrian or bike paths may be established and pedestrian or bike cross-areas may be established within the private streets. The preceding is not intended to be an exclusive list regarding regulations, policies and rules which may be adopted by the Declarant and/or the Association governing the use of private streets and it is intended hereby that the Declarant and the Association be given broad authority to govern the use and operation of the private streets by persons and vehicles. The Association has absolutely no obligation to adopt any of the preceding regulations or to enforce same if rules, regulations or policies are adopted.

ARTICLE V EASEMENTS

5.1 Emergency and Public Service Vehicles. An easement is hereby granted to all police, fire protection, ambulance and other emergency vehicles and other public service vehicles and personnel to enter upon the Common Properties, in the performance of their duties. In addition, an easement is hereby granted to the Association, its officers, agents, employees and management personnel to enter the Common Properties to render any service.

5.2 Ingress and Egress by the Association. The Association is hereby granted full rights of ingress and egress over and upon all Lots at all times for the maintenance and repair of each Lot and the Common Properties in accordance with the provisions hereof, and for the carrying out by the Association upon any Lot shall be made with as little inconvenience to the Owner as practical, and any damage caused by the Association's entry, other than damages caused by the failure of the Owner to comply herewith, shall be repaired by the Association at the expense of the Association.

5.3 Easements for Drainage. Drainage facilities and easements for the installation and maintenance of utilities are reserved as shown on this Plat.

ARTICLE VI HOMEOWNERS ASSOCIATION

6.1 Purposes. The Association shall have the duty and responsibility to administer and maintain the Common Properties, to establish and collect Assessments and to disburse collected funds as so permitted, and to enforce this Declaration. The Association will initiate a sinking fund to accumulate funds for road maintenance. The Association will maintain the roads with these funds. The Association will also be responsible for the maintenance and repair of the bar ditches in the Subdivision. Additional purposes, powers and authority of the Association and its Board of Directors are set for in the By-Laws of the Association, from time to time.

6.2 Membership. Every Owner shall automatically be a Member of the Association.

6.3 Classes of Membership. The Association shall have two (2) classes of voting membership:

CLASS A. Class A Members shall be all Owners who are not Class B Members. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. When more than one (1) person holds such interest or 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 (1) vote be cast with respect to any such Lot.

CLASS B. Class B Members shall be Declarant and building companies selling homes to third parties. Declarant shall be entitled to six (6) votes for each Lot owned by a Class B

Member. Class B Members shall be voting Members. The Class B membership shall cease, and each Class B Member shall become a Class A Member, on the first to occur of (i) the date on which the total number of votes outstanding in the Class A membership is greater than the total number of votes outstanding in the Class B membership; or (ii) the date that is the tenth (10th) anniversary of the date of this Declaration. The period of time during which the Declarant is a Class B Member shall be referred to herein, from time to time as the "Class B Control Period" or the "Declarant Control Period."

6.4 Assessments, Borrowing, Reserve Funds. The Board of Directors shall administer the Assessment process described in Article VII hereof. Upon prior approval of seventy percent (70%) of the Class A Members and seventy percent (70%) of the Class B Members, the Board of Directors may, on behalf of the Association, borrow funds on a secured or unsecured basis and, if secured, the security may consist of the assignment of current or future Assessments or the pledge of rights against delinquent Owners; provided, however, that the Association shall not have the power to mortgage the Common Properties. The Board of Directors may establish reserve funds from Assessments or borrowing for the purpose of accumulating funds to pay the cost of repairing, refurbishing and replacing any Common Properties. Reserve funds shall be accounted for separately from other funds.

6.5 Disbursement of Association Funds. The Board of Directors shall have the exclusive right to authorize the Association to contract for all goods, services. And insurance and to hold and disburse Association funds in payment therefore.

6.6 Declaration Enforcement. If, as and when the Board of Directors, in its sole discretion, deems necessary, it may cause the Association to take action to enforce the provisions of this Declaration and any rules made hereunder and to enjoin and/or seek damages from any Owner for violation thereof.

6.7 Liability Limitations. Neither any Member nor the Board of Directors (or any of them) nor the officers (if any) of the Association nor Declarant shall be personally liable for debts contracted for or otherwise incurred by the Association or for the negligence, willful misconduct or other tort of another Member, whether such other Member was acting on behalf of the Association or otherwise. Neither the Declarant nor the Association, its directors, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portion thereof or for failure to repair or maintain the same.

6.8 Board of Directors. The Board of Directors shall have the powers, authority, duties and obligations as are set forth in the By-laws of the Association, as same may be amended from time to time.

6.9 Disclaimer Regarding Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to make the Properties safer than they otherwise might be. Neither the Association, the Declarant, nor any successor declarant shall in any way be considered insurers or guarantors of

security within the Properties, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or of ineffectiveness of security measures undertaken. No representation or warranty is made that any gate limiting vehicular access to the Properties or any fire protection system, burglar alarm system or other security system can not be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform its tenants, invitees and licensees that the Association, the Board of Directors and committees, and the Declarant hereunder are not insurers and that each Person using the Properties assumes all risks for loss or damage to Persons, to Lots and to the contents of Lots resulting from acts of third parties.

The gatehouse, if any, located at the entrance to the Properties is intended as a convenience for the Declarant during initial construction within the Properties and is not designed or intended to enhance the security within or safety of persons residing within the Properties or their guests. The Declarant may, but shall not be obligated to, use such gatehouse during initial construction within the Properties for whatever purposes Declarant sees fit and may, but shall not be obligated to, employ or retain, at Declarant's sole cost and expense, a person or persons to occupy such gatehouse and perform such functions on behalf of Declarant as Declarant, in its sole discretion, deems appropriate, including but not limited to monitoring traffic and facilitating access by authorized persons to Lots which are under construction. Any such person employed or retained by the Declarant shall under no circumstances be responsible for providing security to any persons or property within the Properties. Upon termination of the Declarant's right to use the gatehouse, the Association may, but shall have no obligation to, staff or otherwise use the gatehouse for such purposes as the Board deems appropriate; however, at no time shall the Declarant or the Association have any obligation to staff or otherwise continue any prior use of the gatehouse.

ARTICLE VII ASSESSMENTS

7.1 Creation of the Lien and Personal Obligation of Assessments. For each Lot owned by each Owner, such Owner shall be deemed to covenant and agree to pay to the Association (or to an entity or collection agency designated by the Association): (1) all annual maintenance assessments or charges ("Maintenance Assessments") assessed against his Lot or Lots, which assessments shall be on a calendar year basis; (2) all special assessments for capital improvements ("Capital Assessments") assessed against his Lot or Lots, such assessments to be fixed, established and collected from time to time as herein provided; (3) all individual special assessments ("Special Assessments") levied against such Owner to reimburse the Association for the costs for maintenance and/or repairs to Owner's Lot or improvements thereon in accordance

with Section 3.28 hereof. As provided above, the Association is to maintain the private roads within the Subdivision out of funds reserved from the annual Maintenance Assessment or out of Capital Assessments as may be required from time to time. Such assessments shall be fixed, established and collected from time to time as herein provided. The Maintenance, Capital and Special Assessments (in general "Assessments"), together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge and a continuing lien upon each Lot against which each such Assessment is made. Each such Assessment together with interest thereon and costs of collection thereof as hereinafter provided, shall also be the continuing personal obligation of each person who was an Owner of such Lot at the time when the Assessment Became due.

7.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of promoting the health and welfare of the residents of the Lots, including in particular for the maintenance of the Common Properties and improvements thereto and for their management and supervision and for carrying out the duties of the Association or the Board of Directors as set forth in this Declaration or in the articles of incorporation or bylaws of the Association. In addition, Assessments may be used to pay the costs of maintaining, servicing and providing utilities to the Fountains located in each of the Lakes (as defined in Article IX, below) and to maintain the water well located within the Properties which water well provides water to the Association for use in connection with the maintenance and irrigation of Common Properties. General maintenance of the Lakes on a day to day basis as well as any capital repairs required with respect to the Lakes (such as dredging or erosion control), shall be the responsibility of respective Lake Committees (as defined in Article IX, below).

7.3 Initial Improvements and Maintenance of the Common Properties. Initially, all improvement of the Common Properties shall be the responsibility of the Declarant and shall be undertaken by Declarant at its sole cost and expense with no right to reimbursement from the Association. The exact nature of improvement to and identification of the Common Properties shall be within the sole discretion of the Declarant. Following the conveyance of the Common Properties to the Association, the responsibility for maintenance, repair, and replacement of the Common Properties shall automatically be assumed by the Association, and Declarant's responsibility therefore shall be limited to that described in Section 7.4 below.

7.4 Basis and Amount of Maintenance Assessments.

(a) At each annual meeting, the Board of Directors shall set the amount of the Maintenance Assessment that may be levied against each Lot for the succeeding year, provided that for any year, the maximum Maintenance Assessment for such year may not be increased more than ten percent (10%) above the Maintenance Assessment for the immediately preceding year unless otherwise approved by a majority of the votes of the Class A Members and a majority of the votes of the Class B Members. If in any year the Board of Directors fails to set a Maintenance Assessment for such year, the Maintenance Assessment shall be deemed to be the same as the Maintenance Assessment for the preceding year. Initially, the annual Maintenance Assessment shall be equal to fifty dollars (\$50) per Lot per month or six hundred dollars (\$600) per annum. It is anticipated that approximately thirty-five dollars (\$35) of each monthly

Maintenance Assessment per Lot shall be reserved and escrowed by the Association against future repair and replacement of private roads located within the Subdivision. A separate assessment will be assessed with respect to each of the Lake Lots (as defined in Article IX, herein below) such assessment to be utilized by the Lake Committees for maintenance of the Lakes.

(b) When the Maintenance Assessment is computed for Lots, all or a portion of such Maintenance Assessment shall be payable to the Association by the Member according to the status of such Member as follows:

(i) When the Lot is owned by a Class A Member the full Maintenance Assessment shall be payable upon inception of construction activities on the Lot. Prior to this inception, one-half (½) of the Maintenance Assessment shall be payable.

(ii) When Lot is owned by a Class B Member one-half (½) of the Maintenance Assessment shall be payable.

(c) Notwithstanding anything herein contained to the contrary, (i) the first Maintenance Assessment shall be made as and when determined by Declarant. The full Maintenance Assessment chargeable against any Lot for which a full Maintenance Assessment is payable shall not exceed Seventy and No/Dollars (\$70.00) per month unless approved by a majority of the votes of the then existing Class A Members and by a majority of the votes for the then existing Class B Members. The Declarant may, in its discretion, but has no obligation to, provide amounts in excess of the funds raised by the Maintenance Assessments in order to maintain the Common Properties within reasonable standards. If, in any year, Declarant advances funds for maintenance in excess of the Maintenance Assessment, such excess shall be a debt of the Association to Declarant payable only out of any Maintenance Assessments received by the Association, to the extent such receipts are in excess of the Association's current requirements.

(d) Written notice of the Maintenance Assessment to be paid by each Member shall be sent to every Member, but for Lots having more than one Owner, only one (1) Member for such Lot shall be entitled to notice. The Member to whom notice shall be sent shall be as requested in writing by the Owners of such Lot, and in the event of conflicting or uncertain instruction, the recipient of such notices shall be determined by the Association.

7.5 Capital Assessments and Special Assessments.

(a) The Association may levy in any assessment year a Capital Assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Properties or Common Properties, including the necessary fixtures and personal property related thereto; provided that if the total amount of the Capital Assessment against all of the Lots would exceed One Thousand and No/Dollars (\$1,000.00) in the aggregate, such Capital Assessment shall be made only after it

has received the affirmative approval of a majority of the voted of the Class A Members and a majority of the votes of the Class B Members.

(b) Upon an affirmative vote of a majority of the members of the Board of Directors of the Association, the Association may levy Special Assessments against individual Owners for reimbursement for maintenance or repairs occasioned by the willful or negligent acts of such individual Owners or their invitees (and not ordinary wear and tear and for maintenance or repair to the Owner's Lot or improvements thereon) in accordance with Section 3.28(b) hereof.

7.6 Uniform Maintenance and Special Capital Assessments. Except as otherwise provided in Section 7.4(b), Maintenance Assessments and Capital Assessments must be fixed at a uniform amounts for all Lots.

7.7 Date of Commencement of Assessments; Due Date. The Board of Directors may, from time to time, establish the date that particular Assessments provided for herein shall be payable and may provide for payment of Assessments in monthly, quarterly, semi-annual or annual installments.

7.8 Effect of Non-Payment of Assessments: The Personal Obligation of the Owner; the Lien; Remedies of Association.

(a) If any Assessment or any part thereof is not paid on the date(s) when due, then the unpaid amount of such Assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot of the non-paying Owner which shall bind such Lot, and shall be a personal obligation of the Owner of such Lot and his heirs, executors, devisees and personal representatives. The Association shall have the right to reject partial payments of an Assessment and demand the full payment thereof. The personal obligation of the then-existing Owner to pay such Assessment, however, shall remain his personal obligation and shall not be a personal obligation of his successors in title unless expressly assumed by them. However, the lien for unpaid Assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. By accepting a deed or other conveyance to a Lot or Lots every person or entity hereafter acquiring any interest in such Lot or Lots shall be deemed to have covenanted and agreed to pay the Assessments provided for herein in the same manner as if the covenant and agreement to pay was expressly set forth in such deed or other conveyance, without regard to whether such covenant and agreement shall actually be so expressed in any such deed or other conveyance. No Owner may waive or otherwise escape personal liability for the Assessments provided herein by non-use of the Common Properties or abandonment of his Lot.

(b) The Association may give written notification to the holder(s) of the mortgage on the Lot of the non-paying Owner of such Owner's failure to pay any Assessment when such payment has not been received within ten (10) days after the date such Assessment was due.

(c) If any Assessment or part thereof is not paid when due, the unpaid amount of such assessment shall bear interest from the due date at a rate equal to the lesser of (i) eighteen percent

(18%) per annum or (ii) the highest non-usurious rate of interest permitted by applicable law, and the Association may, at its election, bring an action at law against the Owner personally obligated to pay the same in order to enforce payment and/or to foreclose the lien against the property subject thereto, and there shall be added to the amount of such unpaid Assessment any and all costs of collection incurred by the Association, including reasonable attorneys' fees.

(d) Without limiting the other remedies available to the Association hereunder, for the purpose of further securing the payment and performance of each Owner's obligations hereunder, by accepting title to a Lot, the Owner thereof shall be deemed to have granted to the Association a contract lien covering such Lot, together with the right to appoint and remove a trustee and any number of substitute trustees and to cause the trustee or substitute trustee to foreclose the Association's lien against such Lot pursuant to a non-judicial foreclosure conducted in accordance with the provisions of Section 51.002 of the Texas Property Code.

(e) In addition to the other remedies available to the Association under this Section 7.8, the Association shall have the authority to exercise all of the remedies available at law or in equity and/or as may be contemplated by other sections of this Declaration against Owners that fail to pay Assessments in a timely manner. The Association may elect to pursue one or more remedies to enforce this Declaration and to pursue an Owner who has failed to pay Assessments and no pursuit of a particular remedy by the Association will be deemed to constitute an election of remedies it being provided that the Association may initiate pursuit of a remedy and thereafter cease pursuit of that remedy while electing to pursue any one or more remedies concurrently therewith or thereafter. The Association may pursue one or more remedies in concert in order to enforce the provisions of the Declaration or to pursue the recovery of Assessments owed by any Owner or to pursue the foreclosure of the lien securing Assessments.

7.9 Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate and inferior to the lien of any bona fide first lien mortgage or deed of trust now or hereafter placed upon the Lots subject to Assessment; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a foreclosure of such lien pursuant to the terms and conditions of any such mortgage or deed of trust. Such sale shall not relieve such Lots or the purchaser thereof from liability for the amount of any Assessments thereafter becoming due nor from the lien of any such subsequent Assessment. Upon request by an Owner, the Board of Directors, shall consider and may in its sole discretion, approve or disapprove the subordination of the lien of this Declaration to liens other than first lien mortgages or deeds of trust.

7.10 Exempt Property. The following property subject to this Declaration shall be exempted from the Assessments, charges and liens created herein:

(a) All properties dedicated and accepted by the local public authority and devoted to public use.

(b) All Common Properties.

ARTICLE VIII
ARCHITECTURAL CONTROL COMMITTEE

8.1 Architectural Control Committee. The Architectural Control Committee, hereinafter sometimes called the "Committee," shall be composed of three (3) individuals selected and appointed by Declarant, if at the time of appointment, Declarant owns one or more Lots and shall be selected and appointed by the Board of Directors, if at the time of appointment, Declarant does not own any Lots. The Committee shall function as the representative of Declarant during the time Declarant owns one (1) or more Lots and shall function as the representative of the Association from and after the time Declarant owns no Lots. The Committee shall exist and act for the purposes herein set forth as well as for all other purposes consistent with the creation and preservation of the residential development. Any one (1) or more of the members of the Committee may be removed from the Committee, with or without cause, by the Declarant, if at the time of removal, Declarant owns one (1) or more Lots or by the Board of Directors, if at the time of removal, Declarant does not own any Lots.

A majority of the Committee may designate a member to act for it. No member of the Committee shall be entitled to any compensation for services performed hereunder nor be liable for claims, causes, causes of action or damages (except where occasioned by gross negligence or willful misconduct) arising out of services performed pursuant to this Declaration. At any time, the Declarant may delegate and assign to the Board of Directors any of Declarant's rights in respect to the Committee. Such action by the Declarant shall be effective upon recordation of a written instrument properly reflecting the same.

8.2 Architectural Approval.

(a) Architectural Guidelines. The Committee shall, from time to time, publish and promulgate Architectural Guidelines or Design Guidelines (herein so called) which shall supplement the covenants and restrictions set forth in this Declaration and are incorporated herein by reference. The Committee shall have the right from time to time to amend the Architectural Guidelines, provided such guidelines, as amended shall be in keeping with the overall quality, general architectural style and design of the community. The Committee shall have the authority to make final decisions in interpreting the general intent, effect and purpose of those matters for which it is responsible in accordance with these Covenants and Restrictions. The Committee shall endeavor to promulgate the Architectural Guidelines in such a manner that only materials complying with all applicable laws and regulations are specified therein, but each Owner of a Lot (and not the Committee) is responsible for complying with such laws and regulations on his respective Lot. If the Committee should be advised that materials specified by the Architectural Guidelines do not comply with applicable laws or regulations, the Committee shall use reasonable efforts to inquire into the nature of the non-compliance and to make appropriate revisions of the Architectural Guidelines.

PRIOR TO ACQUIRING ANY LOT OR CONSTRUCTING ANY STRUCTURE ON A LOT, EACH PROSPECTIVE PURCHASER, TRANSFEREE, MORTGAGEE, AND/OR

OWNER IS STRONGLY ENCOURAGED TO CONTACT THE ARCHITECTURAL CONTROL COMMITTEE TO OBTAIN AND REVIEW THE MOST RECENT ARCHITECTURAL STANDARDS BULLETINS AND DESIGN GUIDELINES WHICH WILL CONTROL THE DEVELOPMENT, CONSTRUCTION, LANDSCAPE AND USE OF THE LOT AND THE STRUCTURES TO BE CONSTRUCTED THEREON.

THE ARCHITECTURAL STANDARDS BULLETINS AND DESIGN GUIDELINES MAY CONTAIN STANDARDS, REQUIREMENTS, OR LIMITATIONS IN ADDITION TO THOSE EXPRESSLY SET FORTH OR REFERRED TO IN THIS DECLARATION AND MORE STRINGENT STANDARDS, REQUIREMENTS, OR LIMITATIONS THAN THE SPECIFIC STANDARDS, REQUIREMENTS, OR LIMITATIONS SET FORTH OR REFERRED TO IN THIS DECLARATION.

(b) Required Approval. No building, structure, paving, pool, fencing, hot tub, or improvement of any nature shall be erected, placed or altered on any Lot until the site plan showing the location of such building, structure, driveway, paving or improvement, construction plans and specifications thereof and landscaping and grading plans therefore have been submitted to and approved in writing by the Committee as to: (i) location with respect to Lot lines, setback lines and finished grades with respect to existing topography, (ii) conformity and harmony of external design, color, and texture with existing structures and existing landscaping, (iii) quality of materials; adequacy of site dimensions; proper facing of main elevation with respect to nearby streets; and (iv) the other standards set forth within this Declaration or the Architectural Guidelines. The Committee is authorized to request the submission of samples of proposed construction materials or colors or proposed exterior surfaces.

(c) Procedure. Plans, specifications and other matters required to be submitted to the Committee shall be submitted in accordance with the requirements of the Design Guidelines and submissions to the Committee will be subject to the written approval of the Committee in its sole discretion.

(d) Committee Discretion. The Committee is authorized and empowered to consider and review any and all aspects of dwelling construction, construction of other improvements and location, quality and quantity of landscaping on the Lots, and may disapprove aspects thereof which may, in the discretion of the Committee, adversely affect the living enjoyment of one or more Owner(s) or the value of the Properties. As an example, and not by way of limitation, the Committee may impose limits upon the location of window areas of one dwelling which would overlook the enclosed patio area or other area of an adjacent dwelling. Also, the Committee is permitted to consider technological advance in design and materials and such comparable or alternative techniques, methods or materials may or may not be permitted, in accordance with the reasonable opinion of the Committee. The action of the Committee with respect to any matter submitted to it shall be final and binding upon the Owner submitting such matter, subject to the provisions of Section 10.8 hereof.

(e) Common Improvements. Declarant shall not be required to obtain Committee approval of the initial Common Improvements.

8.3 Variances. Upon submission of a written request for same, the Committee may, from time to time, in its sole discretion, permit Owners to construct, erect, or install improvements which are in variance from the Architectural Guidelines. In any such case, variances shall be in basic conformity with and shall blend effectively with the overall quality, general architectural style and design of the community. No member of the Committee shall be liable to any Owner for any claims, cause of action, or damages arising out of the grant of, or the refusal to grant, any variance to an Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the granting of a variance to any Owner shall not constitute a waiver of the Committee's right to strictly enforce this Declaration against any other Owner.

8.4 Nonconforming and Unapproved Improvements. The Board of Directors may require any Owner to restore such Owner's improvements to the condition existing prior to the construction thereof (including, without limitation, the demolition and removal of any unapproved improvement) if such improvements were commenced or constructed in violation of this Declaration including the Architectural Guidelines. In addition, the Board of Directors may, in its sole discretion, cause the Association to carry out such restoration, demolition and removal if the Owner fails to do so. The Board of Directors may levy the amount of the cost of such restoration, demolition and removal as a Special Assessment against the Lot upon which such improvements were commenced or constructed and shall have all the rights and remedies to enforce collection thereof provided by law and by this Declaration. Dwellings or other improvements initially constructed in accordance with this Declaration and having received any necessary approval of the Architectural Control Committee in connection with their initial construction, may be repaired, maintained and restored in accordance with the standards in force at the time of their initial construction, notwithstanding any subsequent amendment or revision of this Declaration or the Architectural Guidelines. If such dwellings or other improvements are totally destroyed or totally replaced, the new dwellings or other new improvements must conform to the requirements of this Declaration and the Architectural Guidelines in force at the time of their construction.

8.5 Foundation Form Survey. After setting forms for the pouring of concrete for any foundation on a Lot, but before pouring any concrete for such foundation or otherwise proceeding with construction of such foundation, each Owner shall cause a foundation form survey to be prepared by a licensed surveyor and submitted to the Committee for its records. The foundation form survey shall depict the location of the foundation form in relation to all Lot lines, setback lines and easement lines affecting such Lot. If the foundation form survey reflects the violation of any Lot or setback line or any violation of this Declaration, the Owner shall cause the violation to be cured before performing any further work on the Lot. No Owner shall proceed further with construction until the foundation form survey has been approved. If an Owner fails to obtain a foundation form survey before constructing improvements on a Lot, the improvements shall be deemed unapproved improvements and the provisions of Section 8.4 hereof shall apply to such improvements. Without limited any other rights or remedies available under this Declaration with respect to such Owner and Lot, the Board of Directors shall have the

right to cause an appropriate survey (the "Substitute Survey") of the Lot and the improvements thereon to be made and shall have the right to recover from the Owner of such Lot its expenses incurred in obtaining the Substitute Survey in accordance with the provisions of Section 7.5(b) hereof. If the Substitute Survey reflects violations of any Lot line or setback line or any violation of this Declaration, the Board of Directors shall have all of the rights provided in Section 8.4 hereof to cause the violation to be corrected, including the right to require the demolition and removal of the unapproved improvements. If an Owner fails to comply with the provisions of this Section 8.5, any failure on the part of the Board of Directors to promptly obtain a Substitute Survey or to promptly require the demolition or removal of the unimproved improvements shall not result in a waiver or diminution of the rights of the Board of Directors hereunder or give rise to any claim or defense in favor of the Owner of the unimproved improvements.

8.6 No Liability. Neither Declarant, the Association, the Committee, the Board of Directors, nor the officers, directors, members, employees or agents of any of them, shall be liable in damages to anyone submitting plans and specifications to any of them for approval, or to any Owner by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every person who submits plans or specifications and every Owner agrees that he will not bring any action or suit against Declarant, the Association, the Committee, the Board of Directors, or the officers, directors, members, employees or agents of any of them, to recover any such damages and hereby releases, remises, and quitclaims all claims, demands and causes of action arising out of or in connection with any actual or alleged mistake of judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given. Approval of plans and specifications by the Committee is not approval thereof for engineering or structural design or adequacy of material. By approving such plans and specifications neither the Committee, the members thereof, the Declarant, the Association nor the Board of Directors assumes liability or responsibility for safety or adequacy of design, nor for any defect to any structure constructed from such plans and specifications.

8.7 Builder Performance. Neither the Association, the Committee or the Declarant, nor any affiliate of Declarant, as hereinafter defined, are a co-venturer, partner, agent, employer, stockholder or affiliate of any kind of or with any builder, nor is any builder an agent of Declarant or an affiliate of Declarant. Therefore, the Association, the Committee the Declarant and affiliates of Declarant shall not be responsible for, or guarantors of, performance by any builder of all or any of its obligations to any Owner pursuant to any contracts for the sale or construction of a residence or Lot or otherwise. Neither the Association, the Committee or the Declarant nor any affiliates of Declarant has made, or have made, any warranty or representation with respect to performance by any builder under any contract or otherwise. Such Owner acknowledges and agrees that neither the Association, the Committee or the Declarant nor any affiliate of Declarant share any liability or obligation to Owner, related to or arising out of any contract with a builder or otherwise, by reason of any failure by a builder fully and adequately to perform its obligations to Owner. Owner further acknowledges and agrees that Owner has not, in entering into any contract with a builder, relied upon any representations, oral or written, of the Association, the Committee, the Declarant or any affiliate of Declarant or any salesperson.

ARTICLE IX
PROVISIONS GOVERNING LAKES

9.1 Certain Definitions. The following words when used in this Article IX (unless the context shall otherwise prohibit), shall have the following meanings:

(a) "Fountains" shall mean and refer to the Fountains located in each of the North Lake and South Lake which Fountains shall be Common Improvements to be maintained by the Association out of regular Maintenance Assessments collected from Members of the Association at large in accordance with the provisions of Article VII. The Association shall have access to the Fountains through the Lake Access Easements.

(b) "Lake Access Easement" means (i) as to the South Lake the twenty (20) foot wide Drainage Easement identified on the Plat, the center line of which Lake Access Easement is the common boundary line between Lots 5 and 6 of Block A of the Subdivision; this particular Lake Access Easement serving and running to the benefit of the Association and the Lake Committee for the South Lake; and (ii) as to the North Lake the forty (40) foot wide Drainage Easement identified on the Plat which easement is located entirely on and within Lot 29 of Block B of the Subdivision; this particular Lake Access Easement serving and running to the benefit of the Association and the Lake Committee for the North Lake. The Lake Access Easement does not include the forty (40) foot drainage easement which runs from the northwest portion of the North Lake to the northwest.

(c) "Lake Assessment" means the Lake Assessment as is described and defined at Section 9.4, herein below.

(d) "Lake Committee" means the Lake Committees (i) with respect to the North Lake and (ii) with respect to the South Lake all as more particularly described at Section 9.3, herein below.

(e) "North Lake" means that certain lake located within the Drainage Easement described on the Plat, portions of which lake cover or lie within the boundaries of the eight (8) North Lake Lots identified below. The physical location of the North Lake shall be defined by the boundaries of the Drainage Easement located upon the North Lake Lots or shall be defined and the boundaries thereof shall be deemed to be the "high bank" of said North Lake, whichever of these two boundaries is the greater extent of the North Lake. Included within the definition of "North Lake" will be improvements, equipment and personal property as may be procured by the Lake Committee or the Declarant for use in connection with the maintenance and operation of the North Lake. The North Lake is located entirely within Block B of the Subdivision.

(f) “North Lake Lots” means Lots 1, 2, 3, 4, 26, 27, 28 and 29 of Block B within the Subdivision.

(g) “South Lake” means that certain lake located within the Drainage Easement described on the Plat, portions of which lake cover or lie within the boundaries of the seven (7) South Lake Lots identified below. The physical location of the South Lake shall be defined by the boundaries of the Drainage Easement located upon the South Lake Lots or shall be defined and the boundaries thereof shall be deemed to be the “high bank” of said South Lake, whichever of these two boundaries is the greater extent of the South Lake. Included within the definition of “South Lake” will be: (i) improvements, equipment and personal property as may be procured by the Lake Committee or the Declarant for use in connection with the maintenance and operation of the South Lake; and (ii) the water well, pump station and attendant lines and improvements which serve the South Lake. The South Lake is located entirely within Block A of the Subdivision.

(h) “South Lake Lots” means Lots 2, 3, 4, 5, 6, 7 and 8 of Block A within the Subdivision.

9.2 Lakes, Generally. The North Lake and South Lake are referred to collectively herein as the “Lakes.” The Lakes are located entirely upon residential Lots within the Subdivision. In other words, Lot lines are platted into and under the surface of each of the respective Lakes. Accordingly, Owners of Lots within the Lakes have accepted title to such Lots subject to the Lake and the Drainage Easement within which is located. The Lakes generally are not Common Properties of the Association for the use and enjoyment of all Lot Owners. The North Lake is maintained for drainage purposes and for the use and enjoyment of the Owners and occupants of the North Lake Lots. The South Lake is maintained for drainage purposes and for the use and enjoyment of the Owners and occupants of the South Lake Lots. The Fountains located within each of the Lakes are the property of the Association to be maintained by the Association as to day to day maintenance as well to capital repair and replacement of the Fountains. Lots Owners other than the Owners of Lake Lots shall not have access to the Fountains or to either of the Lakes.

9.3 Lake Committees. There is hereby established a Lake Committee for each of the Lakes. Each of the Lake Committees shall have jurisdiction over the North Lake or the South Lake depending upon which Lake it governs. Each Lake Committee shall be comprised of three (3) Members each of which must be an Owner of an appropriate Lake Lot. Each of the Lake Committees shall serve as a board of directors. Each Lake Committee will, among themselves, appoint a Chairman thereof who shall act as a president. Each of the Lake Committees shall govern the affairs of the Owners of the North Lake Lots and South Lake Lots, respectively, as applicable, for purposes of maintaining the respective Lakes, assessing the Owners of Lake Lots for Lake Assessments and for determining rules and regulations governing the use, operation, maintenance and management of the respective Lakes. It is intended that Lake Committees be governed, empowered and regulated by this Declaration and the By-Laws of the Association in the manner set forth herein. By way of example, and not limitation, it is intended that Lake Committees constitute a sort of board of directors as set forth above, that the Chairman of the

Lake Committee be effectively the president of the Lake Committee, that the Members or constituents which are served by the Lake Committees be the Owners and occupants of the respective Lake Lots, that voting, calling of meetings, notices of meetings, proxies, majority voting, conduct of meetings, power, duties and authority of Lake Committees and the Members as their constituents be governed by applicable provisions of the By-Laws and this Declaration as are applied to the Board of Directors of the Association and the Members of the Association at large. There are no Class B Members and each Owner of a Lake Lot being entitled to representation by the Lake Committee. Each Lake Committee shall operate separately with each group of Owners of the Lake Lots making determination as to their respective Lake Assessments and budgets for maintenance of the respective Lakes. The Lake Committee for the North Lake shall govern matters pertinent to the North Lake only and the Lake Committee for the South Lake shall govern matters pertinent to the South Lake only.

9.4 Lake Assessments. The three-member Lake Committees shall each administer the Lake Assessment process using as the basis for that process the provisions of Article VII herein above. Accordingly, for each Lake Lot owned by an Owner of one of the North Lake Lots or South Lake Lots, as applicable, such Owners shall be deemed to covenant and agree to pay to the Lake Committee (or to an entity or collection agency designated thereby), Lake Assessments including, but not limited to, Lake Assessments which are in the nature of Maintenance Assessments or are in the nature of Capital Assessments or are in the nature of Special Assessments as are contemplated by the provisions of Section 7.1 above. The purpose of the Lake Assessments whether Maintenance, Special or Capital Assessments shall be similar to those of the Assessments authorized by Article VII herein above. Accordingly, the provisions of Article VII are incorporated herein by the reference and are applicable to the extent consistent herewith to the Lake Assessments. In addition, the following govern the Lake Assessments as well:

(a) Purpose of Assessments. The Lake Assessments levied by the Lake Committees shall be used exclusively for the purpose of promoting the health and welfare of the applicable Lake Lots and the occupants thereof, including, in particular, for the maintenance of the Lakes and improvements thereto (exclusive of the Fountains) and for the management and supervision and for carrying out the duties of the Lake Committees.

(b) Basis and Amount of Lake Assessments. At each annual meeting of the Lake Committees and the annual meeting of the Owners of the respective North Lake Lots and South Lake Lots, as applicable, the respective Lake Committee shall set the amount of the Lake Assessment that may be levied against each Lake Lot for the succeeding year under a procedure which shall be effectively the same as that set forth at Section 7.4 herein above. Initially the Lake Assessments shall be equal to \$ 20.00 per month subject to adjustment in a manner similar to that set forth at Section 7.4 herein above. The Lake Committees shall otherwise comply with the provisions of Section 7.4 when proceeding with the Lake Assessment process.

(c) Capital Assessments and Special Assessments. In addition, the Lake Committees shall have the right to levy Capital Assessments and Special Assessments in a manner similar to that which is permitted pursuant to the provisions of Section 7.5 herein above. All Lake

Assessments (which shall include any Capital and Special Assessments) shall be fixed at a uniform amount for all Lake Lots.

(d) Commencement; Due Date; Non-Payment; and Subordination of Assessments. The provisions of Sections 7.7, 7.8 and 7.9 of this Declaration are incorporated herein by this reference so that each Lake Committee may administer its assessment process in a manner which is permitted to the Association and its Board of Directors including, but not limited to, the ability of each Lake Committee to enforce payment of the Lake Assessments in the manners permitted in accordance with the provisions of Section 7.8 herein above.

(e) By-Laws and Budget. In addition, each of the Lake Committees shall be governed by the provisions of the By-Laws as applicable to the Board of Directors of the Association. In other words, for purposes of determining the powers, rights, duties and provisions governing the election of and votes by the Lake Committees, such Lake Committee shall be deemed to be a Board of Directors and each Lake Committee member shall be effectively a director. Each Owner of a Lake Lot will be entitled to vote in same manner as such Owner is within the Association; provided, however, matter affecting the North Lake are limited to consideration by Owners of the North Lake Lots and matter affecting the South Lake are limited to consideration by the Owners of South Lake Lots.

9.5 Access Easements. The Association and each Lake Committee is hereby granted full rights of ingress and egress over and upon the Lake Access Easements at all times for the maintenance and repair of the Fountains (in the case of the Association) and for the maintenance and repair of the Lakes in accordance with the provisions hereof. Each beneficiary of the Lake Access Easement shall make certain that access upon any Lake Lot shall be made with as little inconvenience to the Owner as practical and that any damage caused by said entry, other than damages caused by the failure of the Owner to comply herewith, shall be repaired by the Lake Committee or the Association, at the expense of the applicable party which caused the damage. It specifically provided that from time to time, as necessary, the Lake Committees may authorize others to use the Lake Access Easements for purposes of gaining access to the applicable Lake in order to maintain same, including, but not limited to, remove debris, dredge, control erosion, and any other maintenance function as may be determined to be reasonably necessary by the applicable Lake Committee. Each Owner of a Lot which is subject to or encumbered by a Lake Access Easement agrees to permit entry for these purposes and agrees that such Owner shall not construct, locate or otherwise maintain any masonry wall, fence or other structure within the Lake Access Easement it being understood that improvements and landscaping located within the Lake Access Easement may have to be removed or destroyed in connection with the exercise of rights by the beneficiaries of the Lake Access Easements.

9.6 Restrictions-Rules. It is intended that each of the North Lake and the South Lake shall be aesthetic amenities only and no other use thereof, including, without limitation,, skiing, swimming, boating, playing or use of personal flotation devices, shall be permitted without the prior approval of the Lake Committee applicable to the respective Lake. Neither the Association, the Lake Committees, nor the Declarant shall be responsible for any loss, damage or injury to any person or property arising out of the authorized or unauthorized use of Lakes, ponds or

streams within the Properties. No docks, piers or other structures shall be constructed on, within or over any Lake within the Properties.

9.7 Assumption of Risk and Indemnification. Each Owner, by its purchase of a Lot in the vicinity of the Lakes (collectively, the "Areas"), acknowledges the inherent dangers associated with living in proximity to the Areas and hereby expressly assumes the risk of personal injury, property damage or other loss caused by maintenance, operation and general use of the Areas including, without limitation (a) the possibility that trespassers or others without permission to use the Areas may access the Areas and such Areas may not be fenced in any manner which precludes access to the Areas; (b) the possibility that children or others may access the Areas and become injured therein; (c) there may be a reduction in privacy caused by the fact that persons may access the Areas since the Areas may not be fenced or otherwise have any means for controlling access thereto and (d) the inherent dangerous nature of the Lakes, creek and wooded areas which comprise the Areas and Lakes which are located upon or adjacent to the Properties and certain of the Lots within the Properties.

Each Owner agrees that neither Declarant, any successor Declarant, the Association, or their successors, successors-in-title or assigns, nor any officer, director or partner of any of the foregoing (collectively, for purposes of this Section 9.7, the "Released Parties") shall be liable to any Owner claiming any loss, injury or damage based upon, due to, arising from, directly or indirectly, or otherwise related to the proximity of such Owner's Lot to the Areas, the management of the Areas, or the exercise of the easement rights, even if such loss, damage or injury is caused in whole or in part by the negligence of any of the Released Parties. Each Owner hereby agrees to indemnify, defend and hold harmless the Released parties from and against any and all such claims as set forth in the preceding sentence by Owner or Owner's lessees, licensees, invitees and employees with respect to tenants of such Owner's Lot for injury, loss or damage, whether known or unknown, foreseen or unforeseen, arising from or resulting from, directly or indirectly, acts or omissions of the Released Parties, even if caused in whole or in part by the negligence of the Released Parties. **THE FOREGOING RELEASE AND INDEMNITY IS INTENDED TO RELEASE AND INDEMNIFY THE RELEASED PARTIES FROM AND AGAINST THEIR OWN NEGLIGENCE.**

ARTICLE X GENERAL PROVISIONS

10.1 Duration. The covenants and restrictions of this Declaration shall run with and bind the Land, and shall inure to the benefit of and be enforceable by Declarant, the Association and each Owner and each of their respective legal representatives, heirs, successors and assigns. This Declaration shall be effective for an initial term of fifty (50) years from the date that this Declaration is recorded in the Real Property Records of Denton County, Texas, after which time the covenants and restrictions of this Declaration shall be automatically extended for successive periods of ten (10) years unless, at least one (1) year prior to the expiration of the then current

term, an instrument terminating this Declaration is signed by Owners of at least seventy percent (70%) of the Lots, and is recorded in the Real Property Records of Denton County, Texas.

10.2 Amendments. Notwithstanding Section 9.1 of this Article, this Declaration may be amended and/or changed upon the express written consent of at least seventy percent (70%) of the outstanding votes of each class of Members of the Association. Any and all amendments of this Declaration shall be recorded in the Real Property Records of Denton County, Texas.

10.3 Enforcement. The covenants and restrictions of this Declaration may be enforced against any person or persons violating or attempting to violate them, by any proceeding at law or in equity, including, without limitation, through actions to enjoin violations, to recover damages, or to enforce any lien created by this Declaration. The failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

10.4 Severability. If any provision of this Declaration is determined by judgment or court order to be invalid, or illegal or unenforceable, the remaining provisions of this Declaration shall remain in full force and effect in the same manner as if such invalid, illegal or unenforceable provision had been deleted from this Declaration by an amendment effective as of the date of such determination.

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

10.6 Notices. Any notice required to be given to the Association, or to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, addressed to the last known address of such person as shown by the records of the Association at the time of such mailing.

10.7 Notices to Mortgagees. Upon written request delivered to the Association by the mortgagee of a Lot, the Association shall send to the requesting mortgagee written notification of any default hereunder affecting the mortgagor or the Lot covered by the mortgage of the requesting mortgagee. Any such request shall be in sufficient detail to enable the Association to determine the affected Lot and Owner and shall set forth the mailing address of the requesting mortgagee.

10.8 Controlling Ordinances. If any ordinance, regulation, or rule of the Town of Cross Roads, Texas is more limiting or restrictive than any restriction, requirement or covenant set forth in this Declaration or the Design Guidelines then the applicable ordinance, regulation, or rule of the Town of Cross Roads, Texas shall govern and control and may preclude the development, alteration or improvement of a Lot in the manner permitted by this Declaration or the Design Guidelines. Accordingly, even though this Declaration or the Design Guidelines may permit a Lot to be improved, altered, or developed in a certain manner, each Owner is advised to seek approval and review by the Town of Cross Roads, Texas before proceeding with any plan for the improvement, alteration, or development of such Owner's Lot.

10.9 Disputes. Matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions of this Declaration or the Association Bylaws or the Architectural Guidelines, shall be determined by the Declarant, if at the time of the determination Declarant continues to have authority to appoint members of the Architectural Control Committee, and shall be determined by the Board of Directors, if at the time of determinations the Board of Directors has the right to appoint the members of the Architectural Control Committee. The determination of Declarant or the Board of Directors, as the case may be, shall be final and binding upon all Owners.

10.10 Termination of and Responsibility of Declarant. If Declarant shall transfer all of its then remaining right, title and interest in and to the Land and shall additionally expressly assign all its rights, benefits and obligations as Declarant hereunder to the transferee of such remaining interest in the Land, then Declarant shall have no further rights or duties hereunder and such rights and duties of Declarant hereunder shall thereupon be enforceable and performable by such transferee of Declarant's rights hereunder.

DECLARANT: RMJ FOREST HILLS, L.P.,
a Texas limited partnership

By: Tower Group, Inc., a Texas corporation,
General Partner

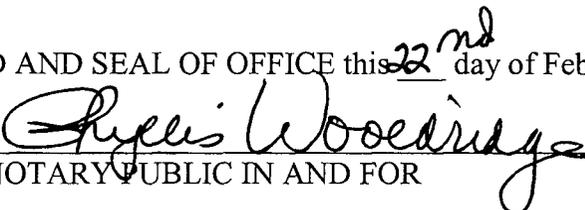

By: _____
Name: ROQUE SACO-VERTIZ
Title: PRESIDENT

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

REPRESENTATIVE ACKNOWLEDGMENT

This instrument was acknowledged before me on the 22nd day of February, 2007, by Roque Saco-Vertiz the President of Tower Group, Inc., a Texas corporation, general partner of RMJ Forest Hills, L.P., a Texas limited partnership, on behalf of said limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 22nd day of February, 2007.


NOTARY PUBLIC IN AND FOR

THE STATE OF TEXAS

[Print or Type Name of Notary]

My Commission Expires: _____

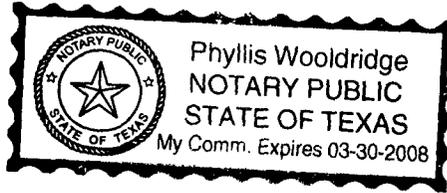


EXHIBIT "A"

Real Property described in Final Plat (the "Plat") for **FOREST HILLS ADDITION**, an addition to the City of Crossroads, Denton County, Texas was filed and recorded in **Cabinet C, Page 429, Plat Records, Denton County, Texas, as ratified by Ratification of Plat filed January 1, 2007, under Clerk's File No. 2007-818, Official Public Records, Denton County, Texas.**

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Fidelity National Title Agency, Inc.
5430 LBJ Freeway, Suite 260
Dallas, Texas 75240

Attn: B1