

**FIRST AMENDED AND RESTATED DECLARATION OF
COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
LIBERTY HOMEOWNERS ASSOCIATION, INC.**

CITY OF MELISSA, COLLIN COUNTY, TEXAS

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**FIRST AMENDED AND RESTATED DECLARATION OF COVENANTS,
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FOR
LIBERTY HOMEOWNERS ASSOCIATION, INC.**

CITY OF MELISSA, COLLIN COUNTY, TEXAS

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

THIS FIRST AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LIBERTY HOMEOWNERS ASSOCIATION, INC. ("***Declaration***"), is made and executed this 25th day of March, 2022, by Hillwood RLD, L.P., a Texas limited partnership ("***Declarant***").

RECITALS

- A. Declarant created that certain Declaration of Covenants, Conditions and Restrictions for Liberty Homeowners Association, Inc., recorded March 8, 2004 as Document Number 2004-0032507 in the Real Property Records of Collin County, Texas, as amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions for Liberty Homeowners Association, Inc. recorded on September 13, 2005 in Volume 6001 Page 00468 as Document No. 2005-0127945 in the Official Public of Collin County, Texas, as amended by that certain Second Amendment to Declaration of Covenants, Conditions and Restrictions for Liberty Homeowners Association, Inc. recorded on November 11, 2009 as Document No. 20091111001377530 in the Official Public Record of Collin County, Texas, as amended by that certain Third Amendment to Declaration of Covenants, Conditions and Restrictions for Liberty Homeowners Association, Inc. recorded on July 11, 2012 as Document No. 20120711000835960 in the Official Public Record of Collin County, Texas, and as amended by that certain Fourth Amendment to Declaration of Covenants, Conditions and Restrictions for Liberty Homeowners Association, Inc. recorded on July 8, 2013 as Document No. 20130708000944140 in the Official Public Record of Collin County, Texas (collectively referred to as, the "***Original Declaration***").
- B. Declarant currently serves in its role as authorized by the expressed terms and provisions of this Declaration.
- C. The Declarant is regarded as a Class B Member pursuant to the expressed covenants of the Original Declaration. Until such time as all Lots held by the Class B Member have been sold and conveyed, all votes of the Association shall be cast solely by the Class B Member, to the exclusion of the Class A Members.

- D. Pursuant to Declarant's authority under Section 13.1 of the Original Declaration, Declarant desires to amend and modify the terms of the Original Declaration and, for purposes of convenience, to amend and restate the Original Declaration in its entirety, with the affirmative vote or written consent of the Association's Class B Members representing at least fifty-one percent (51%) of the votes in the Association at the time of execution.
- E. By this Declaration, Declarant desires to amend and update: (i) the general plan for the development of the Liberty Property; (ii) the creation, maintenance, repair, improvement and replacement of the Common Areas as set forth in the Governing Documents; (iii) the implementation of the powers and duties of the Declarant, Board of Directors, and the Association as set forth in the Governing Documents; (iv) the preservation and enhancement of the Liberty Property; (v) the creation and granting of the Easements; and (vi) implementation of the purposes of the Association as provided for in the Governing Documents.
- F. Declarant has created Liberty Homeowners Association, Inc. as a non-profit homeowners association for the purposes set forth in the Articles. Declarant requires that the Owners of Lots become Members of the Association and enjoy the benefits of membership in the Association and be subject to the burdens of Association membership, all as more fully set forth in the Bylaws, the Articles of Incorporation or this Declaration.
- G. Declarant further desires to provide the opportunity for the eventual annexation of Future Phases of the property covered by this Declaration.

NOW, THEREFORE, Declarant hereby covenants, agrees, and declares that (a) the Property shall be held, sold, transferred and conveyed subject to the easements, covenants, conditions and restrictions set forth in this Declaration; and (b) these covenants, conditions, restrictions and easements shall run with the land comprising the Property or any part thereof, and shall inure to the benefit of each owner of all or a part of the Property.

ARTICLE I

DEFINITIONS

Section 1.1. Amendment and Restatement of Original Declaration. This Declaration amends, modifies, supersedes, and restates the Original Declaration. Except as modified pursuant to the terms hereof, the terms of the Original Declaration are hereby ratified and reaffirmed in every respect and shall remain in full force and effect. Nothing herein contained shall be construed to impair the lien for Assessments in favor of the Association as set forth in the Original Declaration or the priority thereof.

Section 1.2. Defined Terms. Each capitalized term used in this Declaration (unless the context shall prohibit) shall have the following meanings:

"Architectural Control Committee" and/or "ACC" shall mean and refer to the architectural review body for the Property, as described in Article VII.

"Articles" shall mean and refer to the Articles of Incorporation of the Liberty Homeowners Association, Inc., as may be amended from time to time. The initial Articles are attached hereto as Exhibit "C".

"Assessments" shall mean and refer to the regular annual assessments, the special assessments and the default assessments provided in Section 3.1 hereof.

"Association" shall mean and refer to the Liberty Homeowners Association, Inc., a Texas non-profit corporation organized under the Act and created for the purpose and possessing the rights, powers, authority, and obligations set forth in the Governing Documents.

"Board" shall mean the Board of Directors of Liberty Homeowners Association, Inc.

"Bylaws" shall mean and refer to the Bylaws of the Liberty Homeowners Association, Inc., as may be amended from time to time. The initial Bylaws are attached hereto as Exhibit "B".

"City" shall mean the City of Melissa, Texas.

"City Council" shall mean the City Council of the City of Melissa, Texas.

"Common Areas" shall mean and refer to the sum of (a) the Common Areas as may be described in the Final Plat and (b) (i) the Swim Club Facilities, the Playground Facilities and the Amenity Center Property, unless and until the Amenity Center Property shall be deemed a "Lot" (which Declarant reserves the right to do during the Class B Member period), (ii) the Screening Wall and Entry Improvements, (iii) the Landscaping Improvements, (iv) the Playground Facilities, (v) any other areas designated as "Common Areas" by the Board, and (vi) any other real property and any other easements, licenses, leaseholds, rights, rights-of-way and other interests in real property, and the improvements thereon, within the Property which have not been separately platted as a Lot on which a Residence will be constructed or dedicated to the City or another governmental authority: provided, however, additional property constituting a portion of the Future Phases of Liberty may be annexed into the Common Areas by Declarant as provided in Article X.

"Common Facilities" shall mean and refer to the Common Areas and any improvements located thereon.

"Contractor" shall mean and refer to any party performing construction, repair, remodeling or other services for an Owner, Occupant or Association.

"County" shall mean Collin County, Texas.

"Declarant" shall mean and refer to Hillwood RLD, L.P., a Texas limited partnership, its successors and any assignee, other than an Owner, who shall receive by assignment from the said Hillwood Operating L.P., all or a portion of its rights hereunder as such Declarant, by an instrument expressly assigning such rights as Declarant to such assignee.

"Declarant Control Period" shall mean and refer to the period of time beginning on the date when this Declaration has been filed in the Real Property Records, and ending twenty-five (25) years

thereafter, unless earlier terminated by a written instrument executed by the Declarant and filed in the Real Property Records. Declarant may terminate the Declarant Control Period by an instrument executed by the Declarant and filed in the Real Property Records.

"Dwelling Unit" shall mean and refer to any building or portion of a building situated upon Liberty Property which is designated and intended for use and occupancy as a residence by a single person, a couple, a family or a permitted family size group of persons.

"Entry Areas" shall mean those Common Areas as shown on the Plats near or adjacent to the subdivision entrances for Liberty.

"Future Phases of Liberty" shall mean and refer to any tracts of land adjacent to the Liberty Property now or hereafter owned by Declarant or an affiliate of Declarant.

"HOA Budget Fund" shall mean the regular annual assessments collected by the Association from time to time in accordance with the provisions of Section 3.1 hereof.

"Improvements" shall mean any and all physical structures, facilities, alterations or changes of any type or nature made to or on any portion of the Property, Common Areas and Lots including any buildings, residences, parking lots, parking structures, roadways, driveways, ramps, loading areas, mechanical equipment, utilities, fencing, antennae, walls, screens, landscaping, streetscapes, grading changes, park areas, walkways, bridges, recreational facilities, exterior lighting facilities, drainage structures, curbs, retaining walls and grates existing or in the future placed on any portion of the Property, including all cable television, cellular phone, internet and other utility or communication installations or equipment or any other item visible from the outside of the Residence.

"Liberty" shall mean and refer to the residential community arising out of the development and improvement of Liberty Property with Dwelling Units and the use and occupancy of the Lots as a residential subdivision including any and all additional real property (and the improvements thereon) which Declarant or its assignee hereafter subjects to this Declaration, in accordance with Article X hereof.

"Liberty Property" and "Property" means all that certain land described in Exhibit "A" hereto. It shall also refer to any and all future phases of Liberty, if and when, any additional phases have been made subject to the terms of this Declaration.

"Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map of the Liberty Property which is shown as a lot thereon and which is or is to be improved with a Dwelling Unit.

"Member" shall mean and refer to each Owner as provided herein in Article II.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot but, notwithstanding any applicable theory of mortgages or other security devices, shall not mean or refer to any mortgagee or trustee under a mortgage or deed of

trust unless and until such mortgagee or trustee has acquired title pursuant to foreclosure or and conveyance in lieu of foreclosure.

"Plat" shall mean the final subdivision plat of the Liberty, an addition to the City of Melissa, Collin County, Texas, or the final plat of any Liberty Property, recorded or to be recorded in the Plat records of Collin County, Texas, pertaining to Liberty.

"Residence" shall mean a residential dwelling constructed on a Lot.

"Resident" shall mean and refer to each person (whether or not an Owner or Member) authorized by an Owner to reside within such Owner's Dwelling Unit.

"Reviewer" shall mean the entity having jurisdiction in a particular case, as provided in Article VII, whether Declarant, its designee, or the ACC.

"Supplemental Declaration" shall mean a recorded instrument which accomplishes one or more of the following purposes: (i) subjects additional real property to this Declaration, or (ii) imposes, expressly or by reference, additional restrictions, covenants, easements and/or obligations on the land described.

"Private Recreational Facilities" shall mean those certain facilities in the Common Areas designated by the Association as available for use only by Owners in good standing, including a recreational center, swimming pools, clubhouses, playgrounds, sports facilities and other recreational activity areas restricted by the Association to use by Owners.

"Public Recreational Facilities" shall mean those certain recreational facilities that are not designated by the Association as Private Recreational Facilities.

"Regulations" shall mean those rules and regulations for the Property as the same may be adopted and amended from time to time by the Board, in accordance with the Governing Documents.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 2.1. Membership. Every Owner of a Lot shall automatically be a Member of the Association.

Section 2.2. Class of Membership. The Association shall have two classes of voting membership.

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

CLASS B. The Class B Member shall be the Declarant. Until such time as all Lots held by the Class B Member have been sold and conveyed, all votes of the Association shall be cast solely by the Class B Member, to the exclusion of the Class A Members. At such time as all Lots held by Class B Member have been sold and conveyed then the Class B membership of the Declarant in the Association shall terminate, and all votes shall thereafter be cast solely by Class A Members.

Section 2.3. Quorum and Notice Requirements.

(a) Except as expressly provided herein to the contrary, any action of the Members shall require the assent of a majority of the votes of those Members who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be given to all Members not less than ten (10) days nor more than sixty (60) days in advance and shall set forth the purpose of such meeting.

(b) A quorum is required for any action referred to in Section 2.3(a) and, unless otherwise providing for any action for which a percentage vote at a meeting is required. A quorum shall be determined as set forth in Section 2.3(b). Upon a meeting being called, whether regular or special, the presence at the meeting of Members, or of proxies, entitled to cast at least ten percent (10%) of all of the votes of the Members, without regard to class, shall constitute a quorum. If said meeting is called upon solely for the election of Board members and/or representatives, and if the required quorum is not present at the meeting, additional meetings may be called, subject to the notice requirement hereinabove set forth, and the required quorum at such second meeting shall be one-half (1/2) of the required quorum at the preceding meeting; provided, however, that no such second meeting shall be held more than sixty (60) days following the first meeting, or the process must then be repeated.

(c) Except as specifically set forth in this Declaration, notice, voting and quorum requirements of any action to be taken by the Association shall be set forth in its Articles and Bylaws, as same may be amended from time to time, unless, said requirements directly conflict with the statutory requirements as mandated by state law.

ARTICLE III
COVENANT FOR ASSESSMENTS

Section 3.1. Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Lot (by acceptance of a deed thereof, whether or not it shall be so expressed in any such deed or other conveyance), for each Lot owned by any such Owner, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Association (or to a mortgage company or other collection agency designated by the Association): (a) annual assessments or charges, to be paid in installments as the Board may elect, (b) special assessments for capital improvements and/or unanticipated expenses (including, without limitation, pursuant to Sections 3.5 and 4.I (b)(vi) hereof, such assessments to be fixed, established and collected from time to time as hereinafter provided, (c) default assessments which may be assessed against an Owner's Lot by the Board at any time and from time to time to reimburse the Association for costs and expenses incurred on behalf of such

Owner by the Association in accordance with this Declaration, and (d) an Initiation Fee of \$400.00 to be paid upon conveyance of a Lot to an Owner and of which fifty percent (50%) must be deposited into the Association's reserve fund account established for the maintenance, repair, or replacement of the Common Facilities. The Board may modify the amount of Initiation Fees by Resolution or Policy. The payment dates with respect to each Lot shall commence upon the date on which title to such Lot has been conveyed to a purchaser of a completed Dwelling Unit.

The regular annual assessments collected by the Association shall constitute the "HOA Budget Fund" of the Association. The regular annual, special, and default assessments, together with such interest thereon and costs of collection thereof as hereinafter provided (collectively "**Assessments**"), shall be a charge on the land and shall be a continuing lien upon each Lot against which each such Assessment is made. Each such Assessment, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such Lot at the time when the Assessment became due.

Section 3.2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health and welfare of the residents of Liberty, and in particular for the payment of all costs and expenses related to Common Facilities Maintenance, including without limitation services, equipment and facilities devoted to this purpose, including, but not limited to, the payment of all costs and expenses incurred for carrying out the duties of the Board as set forth in Article IV hereafter and for carrying out the purposes of the Association as stated in its Articles of Incorporation.

Section 3.3. Basis and Amount of Assessments.

(a) Until adjusted pursuant to the terms of Section 3.3(b), the annual assessments shall be due semi-annually, payable in advance on February 1 and August 1 of each year ("**Assessment Date**"), and of an amount solely determined by the Board at a duly called meeting.

(b) The amount of the annual Assessment shall remain the same until the Board, at its annual meeting, shall set the amount of the annual assessment for the following year for each Lot in each Liberty Property as a different amount, taking into consideration the current maintenance costs and the future needs of the Association; provided that, in no event shall the annual Assessment for each Lot in Liberty which is subject to being assessed for any year exceed the annual Assessment levied by the Board for each such Lot for the immediately preceding year by more than fifteen (15%) percent except only in the case of unusual or extraordinary costs and expenses to be paid by the Association as determined from time to time by the Board.

(c) In addition to the regular assessments set forth in Section 3.1, and the special assessments set forth in Section 3.4 below, an Initiation Fee shall be payable at the time of the acquisition of a lot and shall be due and payable by both, individual Owners and Builders.

The Initiation Fees will supplement the funds of the Association provided in Section 3.1.

Section 3.4. Special Assessments for Capital Improvements. In addition to the annual Assessments authorized by Section 3.3 above, the Association may levy in any Assessment year

a special Assessment, applicable to that year only, for the purpose of defraying, in whole or in part, any unanticipated cost or expense related to the Common Facilities or for the cost of any construction or reconstruction, unexpected repair or replacement, of a described capital improvement, including the necessary fixtures and personal property related to the Common Areas and Common Facilities; provided that any such Assessment for capital improvements shall have the assent of (i) fifty-one percent (51%) of the Members present and voting in person or by proxy at a meeting in which a quorum is present duly called for this purpose, or (ii) the written consent of fifty-one percent (51%) of all the Members of the Association entitled to vote in lieu of a meeting for such purpose.

Section 3.5. Rate of Assessment. Both regular annual Assessments and special Assessments shall be fixed at a uniform rate for all Lots within Liberty.

Section 3.6. Date of Commencement of Assessments: Due Date.

(a) The initial regular Assessment provided for in Section 3.3(a) above shall commence and be payable in advance on the Assessment Dates provided therein. Thereafter, special Assessments shall be paid semi-annually the amount designated by the Board unless another and different payment schedule is determined by the Board. For purposes of the annual assessment, if the date on which an Owner takes title and becomes liable for Assessments ("***Date of Commencement***") falls on other than the Assessment Date, the initial regular Assessment for such Owner shall be prorated by the number of days remaining before the next succeeding Assessment. Date and shall be payable in advance of the Date of Commencement.

(b) The due date or dates, if it is to be paid in installments, of any special Assessment under Section 3.4 above shall be fixed in the resolution authorizing such Assessment.

Section 3.7. Duties of the Board with Respect to Assessments.

(a) The Board shall fix the amount of the annual regular Assessments against each Lot for the succeeding year at its annual meeting. At least thirty (30) days in advance of each Assessment Date the Board shall prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner, upon formal request for inspection.

(b) Written notice of the Assessment shall thereupon be delivered or mailed to every Owner subject thereto.

(c) The Board shall upon demand at any time furnish to any Owner liable for each Assessment a certificate in writing signed by an officer of the Association, setting forth whether such Assessment has been paid. Each such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificates.

Section 3.8. Effect of Non-Payment of Assessment: 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 (being the dates specified by the Board pursuant to Section 3.6 above), then the unpaid amount of such Assessment shall become delinquent and shall, together with such interest thereon and the costs of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot of the non-paying Owner which shall bind such Lot to the hands of the then Owner, his heirs, executors, devisees, personal representatives and assigns. The personal obligation of an Owner to pay such Assessment which arises during his ownership of a Lot, however, shall remain his personal obligation and the personal liability for any such Assessment shall not pass to his successors in title unless expressly assumed by them. Notwithstanding the foregoing, the lien for unpaid Assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the Assessments provided herein by non-use of the Common Facilities or abandonment of the Lot.

(b) In furtherance of the Lien provided in Section 3.8(a) above, and to secure the full and timely payment of all Assessments and other amounts payable by each Owner hereunder, each Owner does hereby grant and convey unto Declarant in trust as Trustee ("**Trustee**"), the Lot; provided, that each such grant shall be subordinated to the lien of any mortgage or deed of trust only to the extent provided in Section 3.9 below; and for these purposes the provisions of this paragraph shall be deemed to have created a deed of trust ("**Deed of Trust**") covering all of the lots with a power of sale granted to the Trustee in accordance with the provisions of Chapter 51 of the Texas Property Code ("**Code**"), as it may be amended from time to time. The Deed of Trust created hereby shall be upon the same terms and conditions and shall provide to the Association all of the rights, benefits and privileges, of the Deed of Trust promulgated by the State Bar of Texas for use by lawyers designated as Form No. 2402, and all amendments, modifications and substitutions thereof, which form is hereby incorporated by reference for all purposes hereof. The Association, acting through its President, shall have the right in its sole discretion at any time, and from time to time, to appoint in writing a substitute or successor Trustee who shall succeed to all rights and responsibilities of the then acting Trustee.

(c) Without limitation of the remedies available to the Association and to the other Owners upon the occurrence of a default by any Owner in the payment of any Assessment or other amount due and payable hereunder, the Association may, at its election and by and through the Trustee, sell or offer for sale the Lot owned by the defaulting Owner to the highest bidder for cash at public auction in accordance with the provisions of the Code. The Association may, at its option, accomplish such foreclosure sale in such manner as permitted or required by the Code or by any other present or subsequent laws relating to the same. After the sale of any Lot in accordance with the provisions of the paragraph, the Owner of such Lot shall be divested of any and all interests and claims thereto, and the proceeds of any such sale shall be applied in the following order of priority: (i) to the payment of the costs and expenses of taking possession of the Lot, (ii) to the payment of reasonable Trustee's fees, (iii) to the payment of costs of advertisement and sale, (iv) to the payment of all unpaid Assessments and other amounts payable by such Owner to the Association hereunder, and (v) to the defaulting Owner or to any other party entitled thereto. The Association shall have the right to become the Purchaser at the sale of any Lot hereunder and shall have the right to be credited on the amount of

its bid therefor all of the Assessments due and owing by the defaulting Owner to the Association as of the date of such sale.

(d) If any Assessment or part thereof is not paid within thirty (30) days after the delinquency date, the unpaid amount of such Assessment shall bear interest from the date of delinquency at the maximum legal rate of interest, 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 lot subject thereto, and there shall be added to the amount of such Assessment the costs of preparing and filing the complaint (including reasonable attorneys' fees) in such action, and in the event a judgment is obtained such judgment shall include interest on the Assessment as above provided and a reasonable attorneys' fee to be fixed by the court, together with the costs of the action. In addition to interest on delinquent amounts as set forth above, each delinquent Owner shall be obligated to pay a late charge with respect to any Assessment which is not paid within thirty (30) days after the date due as determined from time to time by the Board.

Section 3.9. Subordination of the Lien to Mortgages. The lien securing the payment of the Assessments and other obligations provided for herein shall be superior to any and all other charges, liens or encumbrances which may hereafter in any manner arise or be imposed upon any Lot whether arising from or imposed by judgment or decree or by any agreement, contract, mortgage or other instrument, except for:

(a) bona fide first mortgage or deed of trust liens for purchase money and/or home improvement purposes placed upon a Lot, including without limitation institutional mortgages and Eligible Mortgages, in which event the Association's lien shall automatically become subordinate and inferior to such first lien,

(b) liens for taxes or other public charges as are by applicable law made superior to the Association's lien; and

(c) such other liens to which the Board may, in the exercise of its reasonable discretion, elect to voluntarily subordinate the Association's lien; provided however, such subordination shall apply only to (i) the Assessments which have been due and payable prior to the foreclosure sale (whether public or private) of such Lot pursuant to the terms and conditions of any such first mortgage or deed of trust or tax lien; and (ii) the permitted lien on the Lot alone. Such sale shall not relieve such Lot from liability for the amount of any Assessment thereafter becoming due nor from the lien of any such subsequent Assessment. Such subordination shall not apply where the first mortgage or deed of trust or tax lien is used as a device, scheme or artifice to evade the obligation to pay Assessments and/or to hinder the Association in performing its functions hereunder.

Section 3.10. Exempt Property. The following property subject to this Declaration shall be exempted from the Assessments, charge and lien created herein:

(a) All properties dedicated and accepted for maintenance by the City or any other local public authority and devoted to public use. All Common Areas as defined in Article I hereof.

- (b) All areas reserved by the Declarant on the recorded plat of the Liberty Property.
- (c) All Lots owned by Declarant.
- (d) All parcels of land owned by Liberty Homeowners Association, Inc.

ARTICLE IV
GENERAL POWERS AND DUTIES OF THE
BOARD OF DIRECTORS OF THE ASSOCIATION

Section 4.1. Powers and Duties.

(a) The Board, for the benefit of Liberty Property and the Owners, shall provide, and shall pay for out of the HOA Budget Fund the following:

(i) Care, preservation and maintenance of the Common Facilities, and the purchase and upkeep of any desired personal property used in connection with the maintenance of the Common Facilities.

(ii) The services of a person or firm to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by the manager.

(iii) Legal and accounting services.

(iv) If deemed appropriate by the Board, a policy or policies of Director and Officer insurance insuring the Association against any liability to the public or to the Owners (and/or invitees or tenants), incident to the operation of the Association, in an amount not less than \$100,000 to indemnify against the claim of one person, \$300,000 against the claims of two or more persons in any one occurrence, and property damage insurance in an amount not less than \$100,000 per occurrence, which policy or policies shall contain an endorsement providing that the rights of the named insureds shall not be prejudiced with respect to actions against other named insureds.

(v) Workmen's compensation insurance to the extent necessary to comply with any applicable laws.

(vi) Such fidelity bonds as the Board may determine to be advisable.

(vii) Any other materials, supplies, insurance, furniture, labor, services, maintenance, repairs, taxes or Assessments (including taxes or Assessments assessed against an individual Owner) which the Board is required to obtain or pay for pursuant to the terms of this Declaration or by law or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of this Declaration.

(b) The Board shall have the following additional rights, powers, and duties:

(i) to borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit.

(ii) To enter into contracts, maintain one or more bank accounts (granting authority as the Board shall desire to one or more persons to sign checks), and generally, to have all the powers necessary or incidental to the operation and management of the Association.

(iii) To protect or defend the Common Areas and Common Facilities from loss or damage by suit or otherwise, and to reimburse for maintenance and repairs of same.

(iv) To make reasonable rules and regulations for the maintenance and protection of the Common Facilities and Common Areas, and to amend them from time to time, provided that any rule or regulation may be amended or repealed by an instrument in writing signed by a majority of the Members entitled to vote pursuant to Section 2.2.

(v) To promulgate reasonable rules and regulations for access to and use of Common Areas and for the governance of the Association, as well as a policy establishing a schedule and procedures by which the Board may assess fines against Owners or invoke self-help remedies for violations of this Declaration, the Bylaws, and any other rules, regulations, and/or policies promulgated by the Board on behalf of the Association.

(vi) To make available to each Owner upon written request within sixty (60) days after the end of each year an annual report and, upon the written request of ten percent (10%) of the Members entitled to vote pursuant to Section 2.2, to have such report audited by an independent certified public accountant, which audited report shall be made available to each Member within thirty (30) days after completion.

(vii) To adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property, and if proceeds are insufficient to repair damage or replace lost property, to assess the Members in proportionate amounts to cover the deficiency.

(viii) To enforce the provisions of this Declaration and any rules made hereunder and to enjoin and seek damages from any Owner for violation of such provisions or rules.

Section 4.2. Board Powers, Exclusive. The Board shall have (a) the exclusive right to contract for all goods, services, and insurance, payment for which is to be made from the HOA Budget Fund and (b) the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

ARTICLE V

CONSTRUCTION OF IMPROVEMENTS AND USE OF LOTS

Section 5.1. Residential Use. The Lots shall be used for single-family residential purposes and home office only. No building or other structure shall be erected, altered, placed or

permitted to remain on any Lot other than one (1) detached single-family residence per Lot, which residence may not exceed three (3) stories in height, and a private garage as provided below.

Any building or structure to be placed or constructed on a Lot is subject to approval in writing by the Reviewer under Article VII.

Section 5.2. Single-Family Use. Each Dwelling Unit may be occupied only by persons living together as a single housekeeping unit, together with any household employees. Except for families consisting of persons related by blood, adoption, or marriage, no more than two (2) persons per bedroom may occupy the same dwelling on a regular and consistent basis.

(a) ***Leasing of Dwelling Unit.*** Each Owner may lease its residence and/or Dwelling Unit for a minimum period of time of six (6) months. Under no circumstance may a residence and/or Dwelling Unit be leased or rented for transient purposes. Transient purposes include, but are not limited to, short term rentals, third party rentals, hotel rentals, and/or event rentals. A Dwelling Unit may only be leased in its entirety. Rooms or other portions of the Dwelling Unit may not be leased separately. Subleasing is strictly prohibited. Any lease and/or rental of the residence and/or Dwelling Unit for a period of six (6) months or longer requires a written contract and/or lease be provided to the Association prior to commencement of said lease and/or rental. All Residences shall be used exclusively for single-family residential purposes. The Association may adopt and enforce reasonable rules regulating leasing and subleasing.

Section 5.3. Garage Required. Each residence shall have an enclosed two car attached garage which shall conform in design and materials with the main structure. At least one (1) overhead garage door shall be equipped with a remote-operated automatic door opener which shall remain functional at all times. Each garage shall provide space for storage of a minimum of two (2) cars. No garage will be permitted to be converted to living space nor shall any garage be so used as to prevent the storage of two (2) cars. This provision is not applicable to the builders' sales offices. Garage doors shall remain closed but remain open for a reasonable period of time during which a residential Owner is on its Lot and is performing routine maintenance to its yard, landscaping and Residence on its Lot; however, in no event shall leaving any such garage doors open contribute to an unsafe environment or compromise the general safety of the Property and neighboring Lots. No vehicle of any size which transports flammable or explosive cargo may be kept on a Lot, including the garage, at any time other than the temporary parking of a properly licensed fuel truck that dispenses propane. For the safety of the Residents, it is recommended and encouraged that personal items, including liquids or flammables, not be stored in the garage in a manner that creates unsafe or hazardous conditions.

Section 5.4. Driveways. All driveways shall be surfaced with concrete and maintained in a clean and well-maintained manner at all times. The driveway and alley portion of a Lot may not be used for any purpose that interferes with its ongoing use as a route of vehicular access to the garage. Without the Board's prior approval, a driveway or alley may not be used: (i) for storage purposes, including storage of boats, trailers, and inoperable vehicles; or (ii) for repair or restoration of vehicles. Driveways must be maintained free of potholes, cracks, stains, and hazards.

(a) ***Extensions.*** Any and all driveway extensions must receive written approval from the ACC. Under no circumstance may a driveway extend further than the front edge of the Dwelling

Unit on the portion of the Lot upon which the garage is constructed. Driveway extensions may not encroach and/or impede upon the five-foot (5') drainage swale located on the side yard of each Lot. In the instance that an extension will encroach and/or impede upon this portion of the Lot, a detailed drainage plan prepared by a certified contractor and/or engineer must be provided to the ACC prior to approval and installation of the extension. If the ACC approves said extension, the extension shall not extend greater than two feet (2') from each side of the existing drive located on the Lot. Existing extensions, approved prior to the execution of this Declaration, will not be deemed in violation of the expressed terms herein.

Section 5.5. Uses Specifically Prohibited.

(a) ***Temporary Structures and Constructions.*** No temporary dwelling, shop, trailer or mobile home of any kind or any improvement of a temporary character shall be permitted on any Lot except (i) children's playhouses, dog houses, and structures for storage of lawn maintenance equipment, which may be placed on a Lot subject to prior written approval in accordance with Article VII; and (ii) the builder or contractor may have temporary improvements (such as a sales office and/or construction trailer) on a given Lot during construction of the Dwelling Unit on that Lot or on a different Lot as agreed to between the builder or contractor and Declarant. In the event children's playhouses, dog houses, and/or structures for storage of lawn maintenance equipment are approved for a Lot, each structure may not exceed twelve feet (12') in height and be constructed of a reliable wooden material, maintain neutral colors, and appear aesthetically in conformity with surrounding Lots. No building material of any kind or character shall be placed or stored upon the Lot until the Owner thereof is ready to commence construction of improvements, and then such material shall be placed within the property lines of the Lot upon which the improvements are to be erected.

(i) ***Sheds and Storage Containers.*** No metal or plastic/resin sheds will be permitted to be placed on a Lot. Sheds will be allowed if otherwise acceptable if designed and constructed to match the color of the existing home trim. Sheds must be located behind a six-foot (6') cedar fence, not exceeding eight feet (8') in overall height and limited to one hundred (100) square feet. Exterior material of said shed or storage containers is limited to wood or cedar (metal and plastic sheds are not allowed). The shed must have a pitched roof and shingles similar to that of the main house located upon the Lot. Sheds and/or storage containers must have a minimum of five feet (5') clearance from other structures or property lines.

(b) ***Vehicles and Common Facilities and Common Areas.*** Except as otherwise provided in this Section, no vehicle may be parked or left upon any port of a Lot except in a garage or on a driveway. Notwithstanding the foregoing, no motor vehicles of any kind shall operate in or on the Common Areas, pathways, trails, sidewalks or easement areas within Liberty Property, which easement areas may include but are not limited to open space or greenbelt areas and drainage areas. Unauthorized machinery or equipment are prohibited on any portion of the Lots, Common Areas, sidewalks, streets or any other portion of Liberty Property. No vehicle shall be parked on any portion of property within Liberty other than in designated parking areas for Lots, driveways and appropriate street areas. No lawns or other yard spaces shall be used for parking of automotive vehicles or for parking of other vehicles for which parking is prohibited on driveways or streets.

(i) ***Authorized Vehicles.*** Authorized vehicles operating in Liberty must be operable and must display a current license tag and current inspection sticker. For purposes of this Section, unless otherwise determined by the Association, permitted vehicles are defined as noncommercial automobiles, motorcycles, passenger trucks, small vans, SUVs, similar passenger vehicles, and any other vehicle for which state or local government required a license or an inspection sticker.

(ii) ***Motorized Vehicle Prohibitions.*** Large commercial vehicles, motorized scooters, motorized bicycles, trailers, recreational vehicles, all-terrain vehicles, buses, boats, watercraft, aircraft, and mobile homes (excluding those permitted for construction activity, delivery or pick up of materials and other reasonable temporary services) and unauthorized machinery or equipment are prohibited on any portion of the Lots, Common Facilities, sidewalks, streets or any other portion of Liberty. These vehicles, whether operable or inoperable, must be screened from public and/or neighboring view at all times. A large commercial vehicle is defined as a vehicle with equipment attached, strapped, or affixed to the exterior of the vehicle, including, but not limited to, storage containers, racks, ladders, pipes; or an unmarked vehicle, which because of its irregular height, length, shape, or weight, is not a conventional private passenger vehicle and is more suited for a commercial purpose. No vehicle shall be parked on any portion of Lots within Liberty other than in designated parking areas for Lots, driveways, and appropriate street areas. No lawns or other yard spaces shall be used for parking of automotive vehicles or for parking of other vehicles for which parking is prohibited on driveways or streets. Motorcycles or bicycles may not be chained to buildings, fences or any other part of a Lot, unless such area is designated for that purpose. No servicing or repairs shall be made to any vehicle within Liberty, except for emergency repairs as necessary to enable movement of the vehicle to a repair facility. Minor service such as, replacement of windshield wipers, light bulbs, and/or air filters, ultimately requiring less than one hour in total for said service are excluded from this prohibition. Parking spaces, garages, parking lots and driveways shall only be used for authorized vehicle parking purposes.

Except as provided below, the following vehicles are also prohibited from being parked on any street, alley, Lot, and/or common area within Liberty: recreational vehicles, mobile homes, trailers, campers, stored vehicles, trucks with tonnage in excess of one (1) ton, commercial vehicles (including all vehicles with commercial lettering or logos), and unlicensed or inoperable vehicles. "Sports utility vehicles" and "mini-vans" (as such vehicles are commonly referred to, as determined in the Board's discretion) and pick-up trucks without commercial writing or logos shall be treated as automobiles and may be parked outside of enclosed garages. Boats may not be kept or stored on a Lot unless approved in writing by the ACC.

(iii) ***Temporary Parking.*** This Section shall not apply to parking for purposes of emergency vehicle repairs or to construction, service, and delivery vehicles for periods necessary to perform the service or make a delivery. Notwithstanding the above, for purposes of cleaning, loading, unloading, and short-

term and visitor parking, any vehicle may be parked outside of an enclosed garage temporarily and irregularly to accommodate such use. The Board in its discretion, may enact rules governing such temporary, irregular use or, in the absence of specific rules, shall have discretion in determining what constitutes permissible parking under such circumstances.

(iv) ***Golf Carts.*** Golf carts are permitted as long as they are in compliance with all City requirements and are in good repair. Golf carts must be stored in the garage and not visible from the street or alley. Golf carts shall not be parked on the streets or alleys and are not permitted in Private or Public Recreational Facilities, parks, or on trails and sidewalks.

(v) ***Non-Motorized Vehicle Prohibitions.*** All non-motorized vehicles (*i.e.*, bicycles, skateboards, rollerblades, boats, trailers, recreational vehicles, travel trailers etc.) must be stored away from public view when not in use and/or in approved storage facilities, garages or as otherwise specified by the Association. Parking of boats, trailers, RV's, travel trailers and the like for a period of less than twenty-four (24) hours to permit loading, unloading, or cleaning is permitted. Non-motorized vehicles may not be stored under house facades or in front or side yards that are visible from the street.

(vi) ***Vehicle Nuisances.*** Each vehicle operated in Liberty must be muffled and must be maintained and operated to minimize noise, odor and oil emissions. The use of car horns is discouraged, except for the judicious use of a horn for right of way. No vehicle may be kept in Liberty if the Association deems it to be unsightly, inoperable, inappropriate, or otherwise in violation of these restrictive covenants. A vehicle is considered inoperable if it has no valid/current registration or license plate attached to the vehicle, has environmental indicators such as excessive dirt, spider webs, grass/weed debris surrounding the vehicle, has physical indications of not having been moved, such as flat tires, missing parts (*i.e.*, missing doors, mufflers, broken windows, wheels, engine, etc.), resting on jacks/blocks, and any other indication of inoperable as subjectively perceived by the Association.

(vii) ***Fire Lanes/Obstructions.*** No vehicle may be parked in a manner that impedes or prevents ready access to any Lot, Common Areas, Recreational Facilities, alleys, mailboxes by mail carriers, cluster mailboxes, fire hydrants by firefighters or other authorized utility service provider, school bus stops by school buses or any other portion of property in the Property including driveways, parking lots, curb cuts designated for use by disabled persons or garages. No vehicle may obstruct the flow of traffic, park in front of a stop sign, constitute a nuisance or otherwise create a safety hazard. No vehicle may be parked, even temporarily, in spaces reserved for others, in fire lanes, alleys or in any area designated as "No Parking".

(viii) ***Violations.*** A vehicle or non-motorized device in violation of these Regulations may be stickered, wheel-locked, towed or otherwise removed from any portion of property in the Property by the Manager at the vehicle Owner's expense.

The Board, the Association, all Owners, the Manager and the Declarant and each of their respective successors, assigns and Designees expressly disclaim any liability for damage to vehicles occasioned by the exercise of these remedies.

(c) ***Flammables and Explosives.*** No vehicle of any size which transports inflammatory or explosive cargo may be kept or parked on the Property at any time, except for use by or on behalf of Declarant in connection with the development of the Property or by a builder or contractor in connection with the construction of improvements on a Lot.

(d) ***Drilling and Excavation.*** No drilling, or other mineral exploration or excavation activities shall be permitted on any Lot within Liberty, nor shall any wells, tanks, or storage facilities of any kind be located thereon, subject to approval and/or easements granted by the Declarant to engage in same.

(e) ***Drainage Swales and Water Flowage.*** WITHIN EASEMENTS ON EACH LOT, AND WITHIN DRAINAGE SWALES RUNNING BETWEEN LOTS, UNLESS OTHERWISE APPROVED IN WRITING BY THE ACC, NO STRUCTURES, PLANTING OR MATERIALS SHALL BE PLACED OR PERMITTED TO REMAIN THAT MAY DAMAGE OR INTERFERE WITH THE INSTALLATION AND MAINTENANCE OF UTILITIES, WHICH MAY CHANGE THE DIRECTION OF FLOW WITHIN DRAINAGE CHANNELS OR WHICH MAY OBSTRUCT OR ALTER THE FLOW OF WATER THROUGH DRAINAGE CHANNELS. DECLARANT OR THE ACC MAY REQUIRE ANY OWNER CAUSING ANY CHANGE IN THE FLOW OF SURFACE WATER TO REMOVE AT SUCH OWNER'S EXPENSE ANY STRUCTURE OR IMPROVEMENTS CAUSING SUCH ALTERATION. ANY AND ALL DAMAGES CAUSED BY THE ACTION AND/OR INACTION BY THE OWNER COULD RESULT IN ENFORCEMENT PROCEDURES AGAINST SAID OWNER.

AFTER DECLARANT OR ANOTHER DEVELOPER HAS GRADED THE LOT, THE GENERAL GRADING, SLOPE, AND DRAINAGE PLAN OF A LOT (INCLUDING THE INSTALLATION OF RAISED SHRUB BEDS, SWIMMING POOLS OR SIMILAR IMPROVEMENTS) MAY NOT BE ALTERED WITHOUT (1) THE PRIOR WRITTEN APPROVAL OF THE ACC AND (2) THE PRIOR WRITTEN APPROVAL OF THE CITY AND OTHER APPROPRIATE AGENCIES HAVING AUTHORITY TO GRANT SUCH APPROVAL.

(f) ***Patio Covers.*** No patio cover(s) will be installed on a Lot unless written approval is received in accordance with Section 7.2 below (unless installed by the builder). The construction and appearance, including roof and paint trim, must match the construction of the home. Nothing herein is intended to vary either the procedures or standards contained in Article VII or in any bulletins or construction/improvement criteria hereafter promulgated.

(g) ***Exterior and Holiday Lighting.*** All exterior lighting must be directed in a manner that prevents any glare of such lighting on to neighboring Lots. Flood lights may not exceed one hundred and fifty (150) watts. Exterior colored lighting and holiday decorations will be permitted only during the period commencing thirty (30) days prior and thirty (30) days following holidays.

(h) ***Fence Stain.*** Supplemental to the provisions of Section 5.6 below, **ALL FENCES MUST BE STAINED IN COMPLIANCE WITH THE APPROVED STAIN COLORS EXPRESSED IN THIS DECLARATION.**

(i) ***Animals and Household Pets.*** Owners may not keep or permit on any Lot within the Liberty Property, an animal of any kind, at any time, except a pet permitted by these restrictive covenants, the Governing Documents and local ordinances and/or code. Pets may be kept only in Dwelling Units and/or upon the Owner's Lot.

(i) ***Permitted Pets.*** An Owner may keep in such Owner's Dwelling Unit up to four (4) household pets. Permitted household pets are limited to domesticated dogs, cats, caged birds and aquarium fish (all fish in a single aquarium being deemed a single pet).

(ii) ***Prohibited Pets.*** No dangerous animals (as reasonably determined by the Board) are allowed to be kept on any Lot within the Dwelling Unit covered by this Declaration. Any animal, which poses a safety or health threat to any Resident, Owner, Dwelling Unit or portion of Liberty Property, shall not be allowed on any Lot or in any portion of the Dwelling Unit. Any animal not commonly thought of as a household pet must be removed from the Lot and/or Dwelling Unit. No pet may be kept, bred or maintained for any commercial purpose.

(iii) ***Leashes.*** All pets are required to be on a leash and under the control of the Owner(s) or guest and/or Resident of the Owner, if the pet is outside of the Owner's fenced Lot. Pets must also be on a leash and under the control of the Owner at all times when on any Common Areas and/or accessing Common Facilities within Liberty which do not expressly permit dogs to roam without a leash (*i.e.*, dog parks). No pet is allowed in the Private Recreational Facilities.

(iv) ***Disturbance.*** Pets must be kept in a manner that does not disturb another Owner's peaceful enjoyment of such Owner's Dwelling Unit, Lot, or any other individual elsewhere in the Liberty Properties, outside of the Dwelling Unit. No pet may be permitted to bark, howl, dig, whine, screech or make other loud noises for extended or repeated periods of time, or to create a nuisance, odor, unreasonable disturbance, or noise.

(v) ***Damage.*** Each Owner is responsible for any property damage, injury or disturbance such Owner's pet may cause. An Owner who keeps a pet is deemed to have agreed to defend, indemnify, and hold harmless the Board, the Association, all other Owners, the Association's managing agent, the Declarant and each of their respective successors, assigns or Designees from any loss, claim or liability of any kind or character of whatever nature resulting from any action of such Owner's pet or arising by reason of keeping or maintaining the pet on the individual Owner's Lot.

(vi) ***Dog Walk and Pooper Scooper.*** Pets must only use designated areas in Liberty and/or Common Areas to relieve themselves. Owners shall promptly remove all pet waste from all areas within the Liberty Property. The Association may levy a fine or take other action against an Owner each time feces is discovered on any portion of property

within the Liberty Property and are attributed to an animal in the custody or ownership of such Owner.

(vii) **Enforcement.** If an Owner or its pet violates these provisions, the Owner or individual having control of the animal may be given a written notice by the Association to correct the problem. After the first written warning, a fine shall be levied in accordance with Article III of the Declaration. If violations occur repeatedly, the Owner, upon written notice from the Association, may be required to remove the pet, in which event the Owner agrees to permanently remove the violating animal of such Owner from Liberty within ten (10) days after receipt of such removal notice.

(viii) **Compliance.** To the extent mandated by law, disabled Owners who are unable to comply with certain provisions of these restrictive covenants because of their disability shall receive a written variance for such provisions from the Association upon written or verbal request made by the Owner(s) supported with such information or documentation as the Association may reasonably request and/or deem necessary.

(j) **Garbage and Rubbish.** No Lot or other area on the Lot shall be used as a dumping ground for rubbish or a site for the accumulation of unsightly materials of any kind, including, without limitation, broken or rusty equipment, disassembled or inoperative cars, other vehicles or discarded appliances and furniture. Trash, garbage or other waste shall be kept in sanitary containers.

(i) **Trash Cans and Recycling Receptacles.** Trash cans and recycling receptacles must be stored in the garage, or in fenced area of a Lot, specifically in the side and/or backyard of a Lot, ensuring they are not visible from public view. A 4'-6' screening fence may be constructed, with Architectural Control Committee or Association approval, along the side yard to allow the Owner to store trash containers outside the garage. The screening fence must be constructed and stained to match the fence of the Residence. Owners and all Persons must place trash in a sealed or tied container or bag before putting it in the trash receptacle specified by the waste collection service designated for the Property. Trash cans and Recycling Receptacles may be put out for collection no earlier than 6:00 p.m. the night before trash collection and must be returned to approved storage areas no later than 11:59 p.m. of the same day of the trash collection.

(ii) **Rear Entry Lot Exception.** Any and all rear entry Lots may store collection containers outside the garage so long as the trash cans and recycle receptacles are not stored in the alley right of way or visible from street view.

(k) **Incinerators.** All incinerators or other equipment for the storage or other disposal of such material shall be kept in clean and sanitary condition.

(l) **Construction Materials.** Materials incident to construction of improvements may be stored on Lots during construction so long as construction progresses without undue delay.

(m) **Air Conditioning Units and/or Apparatus.** No air-conditioning apparatus shall be installed on the ground in front of a Dwelling Unit or on the side of the Dwelling Unit in view of

any public street. No air-conditioning apparatus shall be attached to any wall or window of a Dwelling Unit. All air-conditioning equipment must be installed in the rear yard or on the side yard completely screened by a fence or three (3) gallon dwarf wax myrtle shrubs.

(n) ***Antennas and Satellite Dishes.*** No antenna, satellite dish, or other device for the transmission or reception of television or radio (including amateur or ham radios) signals is permitted outside the Dwelling Unit on a Lot, except those devices whose installation and use is protected under federal law or regulations (generally, certain antennae under one meter in diameter) in the Over-the-Air-Reception Device Rule ("***OTARD***") adopted by the Federal Communications Commission. Notwithstanding such protection, an application for such an antenna or other device must be submitted to the ACC for review and approval. The ACC shall consider any such application on an expedited basis. Approval will be granted only if:

(i) An Owner who subscribes directly to cable or satellite service is solely responsible for the cost and maintenance of the subscription and the appurtenant equipment, provided that no antennas or satellite dishes may be installed except in compliance with these Regulations.

(ii) First, the antenna or other device is designed for minimal visual intrusion (*i.e.*, is located in a manner that minimizes visibility from the street or an adjacent Lot); and

(iii) Second, the antenna or other device complies to the maximum extent feasible with design guidelines promulgated by the Association, if any, within the confines of applicable federal regulations (*i.e.*, without precluding reception of a quality signal or unreasonably increasing the cost of the antenna or device).

(o) ***Flagpoles.*** Flagpoles on Lots must be black or silver in color, must be constructed of aluminum, must have snap hook covers and may not exceed the height of the roof or twenty feet (20'), whichever is less. Flagpoles that attach to the façade of a Dwelling Unit are also allowed. Only one flagpole is allowed per Lot. The location of a flagpole, material, size and type of flag and flagpole and lighting plans applicable to same must be approved by the Architectural Control Committee prior to its installation on a Lot and shall comply with local ordinances and recorded setback requirements. No flagpole shall interfere with any easement area. Owners must make an effort to reduce the sounds that may be produced by flagpole apparatus, if applicable.

Each Owner has a right to fly a United States flag, State of Texas flag or an official or replica flag of any branch of the United States armed forces on its Lot which must be displayed in a respectful manner on a flagpole that is in compliance with this Section 5.5(m.). Flags may not exceed three feet (3') by five feet (5') in size. Flag lighting (if any) shall be directed at the flag and may not cause or be a nuisance to neighboring Lots or surrounding Property. All flags must be in good condition and flown in compliance with applicable federal and state laws governing public flags.

(p) ***Basketball Goals.*** Basketball goals may be permitted on an Owner's Lot subject to the review and approval of the ACC prior to installation or placement. The ACC may impose limitations on basketball goals and consider several factors in its determination of approval including but not limited to the size and configuration of the Lot on which the basketball goal will

be placed, proposed location of the basketball goal, proximity of the basketball goal to neighboring Lots, streets, sidewalks and/or Common Areas and characteristics of the basketball goal (i.e., color, quality, installation, size, etc.)

(i) ***Maintained in Good Repair.*** If basketball goals become unsafe, unsightly or any other type of nuisance, the Board, in its sole judgment, may require the removal thereof;

(ii) ***Location.*** Basketball goals must be used and stored only in those areas approved by the ACC; without limiting the foregoing, basketball goals will be required to be stored in garages or fenced back yard areas of a Lot and shall not be placed or stored on a driveway or side of a Dwelling Unit for any extended period of time;

(iii) ***Aesthetics.*** All basketball goals must be comprised of a clear backboard, black pole, and proper anchoring. Any and all approved portable basketball goals may not be anchored by sandbags, rocks, bricks, and/or any other object or material that is visible from public street view. All portable basketball goals must be anchored by materials such as anchors and/or straps.

(iv) ***Prohibited Areas.*** Basketball goals are prohibited from being located on or encouraging play near or on sidewalks, streets or other unsafe areas within Liberty; and

(v) ***Damages to Common Areas.*** Use of basketball goals are strictly prohibited from causing damage to any surrounding Common Areas, Common Facilities, landscaping, neighboring Lots, vehicles, structures or signage.

(q) ***Prohibited Activities.*** No Lot or improvement thereon shall be used for commercial or manufacturing purposes of any kind other than a small home office. No noxious or offensive activity shall be undertaken on the Property, nor shall anything be done which is or may become an annoyance or nuisance to the neighborhood. Nothing in this subparagraph shall prohibit a builder's use of a Residence as a sales office until such builder's last residence on the Property is sold. Nothing in this subparagraph shall prohibit an Owner's use of a Residence for quiet, inoffensive activities such as a small home office, tutoring or giving lessons such as art or music, so long as such activities are consistent with the residential character of the Property, do not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of others within the Property, as determined in the Board's discretion, and do not materially increase the number of cars parked on the street.

(r) ***Height Limits.*** No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between three feet (3') and six feet (6') above the roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street right-of-way lines and a line connecting them at points ten feet (10') from the intersection of the street right-of-way lines, or, in the case of a rounded property corner, from the intersection of the street right-of-way lines as extended. The same sight-line limitations shall apply on any Lot within ten (10) feet from the intersection of a street right-of-way line with the edge of a private driveway or alley pavement. No tree shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

(s) ***Prohibited Structures.*** Except for children's playhouses, dog houses, gazebos and structures for storage of lawn maintenance equipment which specifically conform to such design guidelines as may be promulgated by the Association, no building previously constructed elsewhere shall be moved onto any Lot, it being the intention that only new construction be placed and erected thereon. No metal sheds will be permitted to be placed on a Lot.

(t) ***Signs.*** "For Rent" or "For Lease" signs are prohibited and shall not be displayed to the public view on the Property including signs displayed in the window of any Residence or vehicle except that:

(i) Declarant may erect and maintain a sign or signs deemed by it to be reasonable and necessary for the construction, development, operation, promotion and sale of the Lots.

(ii) Any Builder, during the construction and sale of a Residence, may utilize professional signs (of not more than six (6) square feet in size) on each Lot which it owns for advertising and sales promotion.

(iii) One "For Sale" sign (of not more than six (6) square feet in size) may be utilized on a Lot by the Owner of that Lot for the sale of that Lot and its improvements.

(iv) Two (2) small, professionally fabricated signs indicating that the Lot is protected by a security system and monitored by a professional security company may be placed on a Lot.

(v) Political signs are allowed provided that they are in compliance with applicable Texas law governing political signs and with the Design Guidelines. Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, up to one sign for each candidate, party, issue or proposal, provided that such signs shall not be erected more than 90 days in advance of the election to which they pertain and are removed within 15 days after the election. Political Signs may not be more than three feet by five feet (5') and may not be attached to a structure.

(vi) Personal signs indicating school affiliations, birth announcements and similar type signs may be erected on a Lot provided they are in compliance with the Design Guidelines.

(vii) No sign may be placed on the Common Property or the entrance areas to the Development without written approval of the Board.

(viii) No Owner shall engage in any picketing on any Lot, easement, right-of-way or Common Area within or adjacent to the Community, nor shall any Owner park, store or drive any vehicle in or adjacent to the Community which bears or displays any signs, slogans, symbols, words or decorations intended to create controversy, invite ridicule or

disparagement, or interfere in any way with the exercise of the property rights, occupancy or permitted business activities of any Owner, Builder or the Declarant.

(ix) The Board or its agents shall, without notice, have the right, but not the obligation, to remove any sign, billboard or other advertising structure that does not comply with this Section and in so doing shall not be subject to any liability for trespass or any other liability in connection with such removal. In addition to any other remedy provided herein for the enforcement of violations of the Governing Documents, the failure to comply with this Section 5.5(r) will subject any Owner to a fine of up to \$100.00 per day per sign for each day such Owner fails to comply with this Section. The Board shall have the right to erect signs as it deems appropriate. All signs are to be in compliance with the sign ordinance of the City.

(u) ***Clothes Drying.*** The drying of clothes in public view is strictly prohibited.

(v) ***Wood Storage.*** Wood used for fireplace, barbeque, or other use must be stacked neatly and screened from public view. The Owner is responsible for ensuring that such wood stack is kept free of rodents and all pests (*i.e.*, termites).

(w) ***Unlawful Activities.*** No Owner shall perform, fail to perform, or permit anything to be done or not done on such Owner's Lot which would violate any laws, statutes, ordinances or regulations of any kind or character.

(x) ***Birdhouses.*** Pole mounted birdhouses shall not exceed 20' in height and shall be maintained in a vertical upright manner at all times. Only one pole mounted birdhouse is allowed per Lot. Poles supporting birdhouses must be constructed of wood, metal or fiberglass and shall be painted earth tone colors or white and coordinating with the colors of the house. Pole mounted birdhouses shall not exceed 2' x 1' x 1' in overall dimensions, must be placed in fenced side of backyard areas. Birdhouses must be offset and located at least five feet (5') away from the Owner's fence and neighboring fences, may not be mounted upon the fence, and any Birdhouse openings must face towards the Owner's residence. Hanging birdhouses shall not exceed 2' x 1' x 1' in overall dimensions, may be placed in trees, on accessory structures or within the fenced rear yard of the Dwelling Unit, and shall not impede the natural development of any tree on which such birdhouse is placed.

(y) ***Fountains and Statues.*** All front yard fountains/statuary/wishing wells must be approved by the ACC prior to installation.

(z) ***Garage Sales.*** Garage Sales are limited to two (2) annually and may only be hosted and/or coordinated by the Association. In the event a Garage Sale is hosted by the Association, Owners must comply with City's ordinances regarding garage sales.

(aa) ***Gutters and Downspouts.*** Plans to install gutters and/or downspouts must be submitted to the ACC for approval prior to installation.

(bb) ***Grills and Fire Pits.*** Portable grills and fire pits shall be stored and/or installed in a fenced backyard area or a garage.

(cc) ***Rain Barrels and Harvesting Systems.*** Rain barrels and rain harvesting systems must be submitted for approval by the ACC prior to installation. Owners may install a rain barrel or rainwater harvesting system only on Lots owned by such Owners. Barrels and systems must be of a color consistent with the color scheme of such Owner's Dwelling Unit and contain only writing visible on such barrels and systems originally written thereon by the commercial manufacturer of such barrels or systems. Barrels must be screened from the view of the street and neighboring Lots and Residences.

The ACC shall monitor and regulate the size, type, shielding, and materials for or the location of such rain barrels and rainwater harvesting devices or other related appurtenances if the restrictions imposed do not prohibit the economic installation thereof on the Owners Lot where there is reasonably sufficient area to install such devices. This Section 5.5(cc), nor any other portion of this Article V intends to include or have enforced any provision that would prohibit or restrict an Owner in any manner in violation of Chapter 202 of the Texas Property Code.

(dd) ***Religious Symbols and Items.*** Owners, or any occupant of a Dwelling Unit shall not display or affix a religious item on the entry to such Dwelling Unit which:

- (i) threatens the public health or safety;
- (ii) violates a law;
- (iii) contains language, graphics, or any display that is patently offensive to a passerby;
- (iv) is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the owner's or resident's dwelling; or
- (v) individually or in combination with each other religious item displayed or affixed on the entry door or door frame has a total size of greater than twenty-five (25) square inches.

(ee) ***Storage Items and Boxes.*** Any boxes used for storage purposes shall be kept in the garage or in the fenced portions of backyard areas out of public view at all times.

(ff) ***Door and Window Treatments.*** All door and window treatments visible from the exterior of an Improvement shall be neutral in color, in good repair, shall not be foil and be made of material traditionally used for such type coverings. Nothing shall be placed on the outside of windowsills or portions of any Dwelling Unit. All window screens shall be free from damage.

(gg) ***Storage for Moving.*** Any permitted storage devices, also called "***PODS***", may not be stored in any Common Area, may temporarily be placed on a Lot in designated areas established by the Architectural Control Committee and must be removed from the Property within 30 days from initial delivery.

(hh) **Water Features.** Before installation of fountains, ponds, pools, hot tubs, spas, whirlpools or jacuzzis (portable or permanently installed), an Owner must obtain prior written approval of the Architectural Control Committee pursuant to Article XII of the Declaration. This rule does not apply to customary in home bathtub fixtures installed pursuant to all applicable Legal Requirements.

(ii) **Pools/Spas/Hot Tubs.** All pools, spas and hot tubs are to be located inside or rear yards. Pool, spa and hot tub equipment must be enclosed within a 6' fence. Above ground, masonry block, vinyl lined, and low hung vinyl lined pools will not be approved. Pool, spa or hot tub drainage must be routed into the sanitary sewer line. Under no circumstances is surface deck or overspill drainage permitted to drain into a concentrated drain source (*i.e.*, pvc pipe) into streets, neighboring properties, or "natural area". Improvements must have a minimum 5' clearance from other structures or property lines. Height of water features cannot exceed 4'. Exposed areas must be screened with landscaping or faced with an acceptable material.

Section 5.6 Fences and Walls. Fences will comply with guidelines set forth in Article VI. No fence or wall shall be permitted to extend nearer to any street than the front of any residence. Any and all fence or walls located on a Lot must be installed at a setback of at least five feet (5') from the front façade of the home constructed on the particular Lot, including landscaping and/or fence screening, with the exception of Lots developed in Phase 1 and/or Phase 2. Corner Lots must also maintain a five-foot (5') landscape setback on the side yard of each Lot. Fences or walls erected by Declarant shall become the property of the Owner of the Lot on which the same are erected and as such shall be maintained and repaired by such Owner.

(a) **Fence Materials and Heights.** All fencing, including any fencing referenced in Article VI of the Declaration must be No. 1 grade cedar or better and shall not be less than six feet (6') in height and no portion of any fence may extend beyond eight feet (8') in height.

(b) **Wrought Iron Fencing.** Any wrought iron fencing approved by the ACC may extend a minimum of six feet (6') in height and of black material. Wrought iron fencing is only permitted on Lots where prior approval has been received by the in writing by the ACC.

(c) **Fence Stains.** Any exterior portion of a fence visible from a street shall be stained, stain applications shall be uniform, and stain shall be replaced when fencing is visibly worn or faded. The ACC's acceptable and approved stain colors are attached to this Amendment as Exhibit "D" and hereby represent the ACC's approved stain colors for any and all fencing on Lots. Any other stain color outside of those mentioned in Exhibit "D" must be approved by the ACC prior to its application.

(d) **Maintenance and Repairs.** Owners shall continuously maintain fences on their Lots in overall good condition and promptly repair any damage to fences. In the event of a dispute, the cost of fence repair or replacement shall be split equally between the Owners. Fencing abutting Common Areas and roads not located on residential Lots shall be maintained by the Association unless maintenance has been otherwise delegated to another responsible party or Owner. Notwithstanding any provision to the contrary contained in this Declaration and in addition to any prior approval required to be obtained by the ACC, any modification to be made by an Owner to a fence on its Lot that is greater than 6 feet (6') in height will require the written approval of any

other Owner on an adjacent Lot which other Owner(s) shares all or a portion of the fence to be modified.

(e) ***Retaining Walls.*** All retaining walls constructed within the community must be constructed of a Millsap Stone material and a color approved by the ACC. If approved, the retaining walls must be uniform with surrounding Lots and in conformance with all setback and property line requirements. The Owner constructing the retaining wall shall be required to construct the retaining wall at its own expense and the Association shall not be obligated to provide nor maintain any retaining wall located on a Lot within the community.

Retaining wall maintenance is the responsibility of the Owner on the high side if the retaining wall is on the property line between two single family Lots. Retaining walls located wholly within a lot are the responsibility of the Owner of that lot regardless of if they are on the high side or low side. Walls on lots adjacent to areas not part of the Liberty community or not between two single family Lots are the responsibility of the Owner of the lot regardless of if the Lot is on the low side or high side of the retaining wall.

(f) ***Corner Lots.*** Owner(s) shall maintain at a minimum, a five (5) foot wide living screen between the fence and sidewalk on the side street of all Corner Lots. *This requires a five feet (5') fencing setback.* All fencing facing the side street must have landscape planting in front of it to help soften the fences impact on the street. The planting design should include primarily evergreen plant material, with perennial accents for seasonal interest.

Section 5.7. Mailboxes and Address Blocks. Mailboxes shall be standardized throughout Liberty and shall be constructed of metal material, be of a design and color as is consistent with guideline promulgated by the Association and/or as approved by the ACC.

(a) ***Individual Mailboxes.*** Individual Mailboxes, including any and all single or double mailboxes located on each a Property line on each individual Lot, must conform to the standard mailbox design criteria set forth in the Governing Documents of the Association. Repair and maintenance of each Individual Mailbox is the sole responsibility of the Owner(s) utilizing said Individual Mailbox.

(b) ***Cluster Mailboxes.*** Cluster Mailboxes are regarded as centralized communal mail delivery equipment and are not owned nor maintained by the United States Postal Service. Any and all maintenance and/or repair of damaged mailboxes or locks shall be the sole responsibility of the Association and/or the individual homeowner utilizing said damaged box. The Association maintains responsibility for the outer shell of the mailbox unit and will be responsible for the repair of any and all damaged doors and/or locks existing on the largest sized mailboxes. In the event that cluster mailboxes are installed within Liberty requiring maintenance, replacement and/or repairs, such maintenance, replacement and/or repairs shall be performed by the Association and the costs and expenses incurred by the Association in connection therewith shall be charged on a pro rata basis (based on the total number of mailbox units within such cluster mailbox) as a special individual assessment to the individual Owners within the cluster mailbox that has been maintained, repaired and/or replaced. In instances of repairs to individual locks, each affected Owner will need to contact the Post Office serving Liberty for repair requests as needed.

(c) No Individual Mailbox or mailbox within a Cluster Mailbox may be individualized or decorated. Additional numbers, names and/or other symbols or decorations may not be added to individual mailboxes nor within cluster mailboxes. With or without notice, the Association may remove and replace any numbers, names or other symbols or decorations on a mailbox that does not conform to the Design Guidelines and these Regulations and may assess the cost thereof against the Lot or Lots being served by such mailbox.

Section 5.8. Landscaping. Each builder of a residence upon each Lot shall, upon or before the first occupancy of a house, sod grass in the front and side yards (anything visible from the street) and either sod, seed or hydro mulch the rear, and plant the minimum size and number of shrubs in the front yard against the foundation of the house as may be required under landscaping guidelines promulgated by the Association and approved by the Architectural Control Committee. Each Owner must maintain an attractive ground cover or lawn on all yards visible from a street, alley or neighboring home, must prevent lawn weeds or grass from exceeding six inches in height, must mow the lawn at regular intervals, must edge street curbs, sidewalks, and driveways at regular intervals, and must promptly remove weeds, lawn clippings, and plant trimmings. Must not plant vegetable gardens that are visible from the street. Landscaped areas will be irrigated with complete coverage, so that there are no areas of dead or brown vegetation. Plastic or artificial flowers or other plant material is prohibited. At least 30% of the available front yard area and corner yard must have landscape bed coverage with the remaining 70% of the yard area being composed of grass. Trees will conform to the Special Building Requirements in Article VI below. Dead trees must be replaced with the same species of tree originally installed on the Lots pursuant to Article VI unless another species of tree is approved in writing by the ACC prior to replacement.

(a) ***Tree Rings and Landscape Borders.*** Tree rings and landscape borders are hereby permitted to be installed and/or remain within the front landscaping of individual Lots within the community. Each Owner understands that any and all tree ring and/or landscape border installation must be constructed and installed by a professional contractor. The professional contractor must install such items with the use of brick, stone, or rock. Metal and/or plastic borders are strictly prohibited. No installation may contain any type of jagged and/or aesthetically displeasing edging.

(b) ***Grass Replacement.*** An Owner may replace depleted and/or dead Bermuda grass with alternative shade tolerant grasses such as St. Augustine or Zoysia, provided, however, that the replacements are only made in locations containing an abundance of shading from the canopy of existing trees located on the Lot. No other exposed areas of the Lot may contain any other grass other than Bermuda grass.

Section 5.9. Design Guidelines. In addition to any requirements set forth in this Declaration, the Association may, from time to time, publish criteria and guidelines for guidance of and Owners in the construction, alteration, and maintenance of improvements on their Lots. All Owners are required to comply with such design guidelines in the construction of improvements within the Property.

Section 5.10. Recorded Final Plat. All dedications, limitations, restrictions, and reservations shown on the Final Plat are incorporated herein and shall be constructed as being adopted in each contract, deed or conveyance executed or to be executed by Declarant conveying Lots, whether specifically referred to therein or not.

Section 5.11. Offensive Conduct. While these covenants relate primarily to the construction and maintenance of the real property, it is important to the quiet enjoyment of the Dwelling Units by all Owners, that the personal conduct of Residents in the Property not, in itself, constitute a nuisance. Therefore, NOTICE IS HEREBY GIVEN THAT 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 within the Property or any portion thereof. Loud, boisterous, drunk or threatening conduct, on the part of any Owner, Member, Resident, tenant, guest, or invitee, or any vandalism or trespassing on the Lot of another Owner, or any activities which injure or may injure persons or property shall, without limitation, be defined as "Offensive Activity". Cumulative of any other fines, penalties or damages provided herein, upon a complaint from any Owner or tenant of an Owner and after such investigation as the Board may deem appropriate, a written notice shall be sent by the Board (or the Management Company or attorney retained by the Board) to the Owner of the Lot occupied by the person or person violating this provision (and to the occupant if other than the Owner) specifying the nature of the complaint and making formal demand that it cease. If the offending party is a tenant, the Owner shall have thirty (30) days from formal notice to remove the offending tenant or to otherwise ensure that the Offensive Activity does not recur. The Owner, and, if enforceable, the offending party, shall thereafter (and subject to the notice and hearing requirements set out elsewhere herein) be subject to a fine to be determined by the Board. The violation fines shall be levied against the Owner and, if applicable and enforceable, the tenant or other offending party, as a default assessment as referenced in Section 3.1 above. The assessment shall include highest permissible interest rate as permitted by Texas statute and reasonable attorney's fees (if incurred).

Section 5.12. Common Areas. No Owner shall obstruct or interfere with the use of the Common Areas, by any other Owners, Declarant or the Association. No Owner shall keep or store anything on any part of the Common Areas without the prior written approval of the Association. No alteration, construction, nor removal may occur by an Owner upon the Common Areas without the prior written consent and approval of the Association. This Declaration does not obligate the Association or Declarant to construct any particular type or kind of Improvements on or within the Common Areas.

ARTICLE VI

SPECIAL BUILDING REQUIREMENTS

Supplemental to the general restrictions on use and construction contained in Article V above, the following special building restrictions are applicable to the Lots according to size as indicated below. The application of the criteria and restrictions will be the authority of the ACC under the provisions of Article VII.

Section 6.1. 50' Neo-Traditional. The following building requirements shall be applicable:

- (a) ***Minimum Floor Area:*** 1,400 square feet of air-conditioned space.
- (b) ***Minimum Roof Pitch:*** 6:12 (Minimum Roof Pitch 8:12 in phase 5,6,7 and 8).

(c) **Masonry Requirement:** 80%. For this provision, Hardi-Plank is considered masonry. (Hardi-Plank will not be considered masonry in phase 5,6,7 and 8).

(d) **Front Setback:** Fifteen feet (15').

(e) **Front Porch Setback:** Ten feet (10').

(f) **Side Yard Setback:** Five feet (5').

(g) **Rear Yard Setback:** Ten feet (10').

(h) **Trees:** Two 3" caliper trees in the front yard; four 3" caliper trees on corner Lots.

(i) **Mailbox:** As provided in Section 5.7 above, material, color, and design will be coordinated and consistent throughout the Liberty community.

(j) **Upgraded Fencing:** Fencing along corner Lots, abutting parks, open spaces, the amenity center, school, or other fencing visible from the street must be No. 1 grade cedar or better. Fencing shall comply with Section 5.6 above.

Section 6.2. 50' and 55' x 110'- Traditional. The following building requirements shall be applicable:

(a) **Upgraded Fencing:** Fencing along corner Lots, abutting parks, open spaces, the amenity center, school, or other fencing visible from the Street must be No. 1 grade cedar or better. Fencing shall comply with Section 5.6 above.

Section 6.3. 60' x 120'-Neo-Traditional. The following building requirements shall be applicable:

(a) **Minimum Floor Area:** 1,400 square feet of air-conditioned space.

(b) **Minimum Roof Pitch:** 6:12 (Minimum Roof Pitch 8:12 in phase 5,6,7 and 8).

(c) **Masonry Requirement:** 80%. For this provision Hardi-Plank is considered masonry. (Hardi-Plank will not be considered masonry in phase 5,6,7 and 8).

(d) **Front Setback:** Fifteen feet (15').

(e) **Front Porch Setback:** Ten feet (10').

(f) **Side Yard Setback:** Five feet (5').

(g) **Rear Yard Setback:** Fifteen feet (15').

(h) **Trees:** Two 3" caliper trees in the front yard; four 3" caliper trees on corner Lots.

(i) **Mailbox:** As provided in Section 5.7 above, material, color, and design will be coordinated and consistent throughout the Liberty community.

(j) **Upgraded Fencing:** Fencing along corner Lots, abutting parks, open spaces, the amenity center, school, or other fencing visible from the street must be No. 1 grade cedar or better. Fencing shall comply with Section 5.6 above.

Section 6.4. 60' and 65' x 120'-Traditional. The following building requirements shall be applicable:

(a) **Minimum Floor Area:** 1,800 square feet of air-conditioned space. Minimum 2,100 SF for phase 5,6,7 and 8.

(b) **Minimum Roof Pitch:** 6:12 (Minimum Roof Pitch 8:12 in phase 5,6,7 and 8).

(c) **Brick Requirement:** 80%. (Hardi-Plank will not be considered masonry in phase 5,6,7 and 8).

(d) **Porch Requirement:** 20% of all homes built.

(e) **Front Setback:** Twenty feet (20').

(f) **Front Porch Setback:** Ten feet (10').

(g) **Side Yard Setback:** Five feet (5').

(h) **Rear Yard Setback:** 20' Rear yard building line.

(i) **Trees:** Two 3" caliper trees in the front yard; four 3" caliper trees on corner Lots.

(j) **Mailbox:** As provided in Section 5.7 above, material, color, and design will be coordinated and consistent throughout the Liberty community.

(k) **Upgraded Fencing:** Fencing along corner Lots, abutting parks, open spaces, the amenity center, school, or other fencing visible from the street must be No. 1 grade cedar or better. Fencing shall comply with Section 5.6 above.

Section 6.5. 70' and 75' x 125'-Traditional. The following building requirements shall be applicable:

(a) **Minimum Floor Area:** 2,200 square feet of air-conditioned space.

(b) **Minimum Roof Pitch:** 8:12.

(c) **Brick Requirement:** 80%.

(d) **Porch Requirement:** 20% of all homes built.

- (e) **Front Setback:** Twenty- feet (20').
- (f) **Front Porch Setback:** Ten feet (10').
- (g) **Side Yard Setback:** Five feet (5').
- (h) **Rear Yard Setback:** Twenty feet (20').
- (i) **Trees:** Two 3" caliper trees in the front yard; four 3" caliper trees on corner Lots.
- (j) **Mailbox:** As provided in Section 5.7 above, material, color, and design will be coordinated and consistent throughout the Liberty community.
- (k) **Upgraded Fencing:** Fencing along corner Lots, abutting parks, open spaces, the amenity center, school, or other fencing visible from the street must be No. 1 grade cedar or better. Fencing shall comply with Section 5.6 above.

Section 6.6. Paint. If an Owner desires to repaint the trim, shutters, siding or doors (including garage doors) on its Lot with the same existing colors, no ACC approval is required. Any other paint or similar type change to the exterior of a Dwelling Unit or accessory structure on a Lot must be approved by the ACC in accordance with Article VII.

Section 6.7. Roofing Materials. The Association shall not prohibit an Owner who is otherwise authorized to install shingles on the roof of the Owner's Dwelling Unit or other improvements on an Owner's Lot that:

(a) are designed to:

- (i) be wind and hail resistant;
- (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles subject to the approval by the ACC of the shingle color prior to installation;
- (iii) provide solar generation capabilities subject to the approval by the ACC of the size, type and appearance prior to installation; and

(b) when installed:

- (i) resemble the shingles used or otherwise authorized for use on the Property in the subdivision;
- (ii) are composition shingles, are more durable than and are of equal or superior quality to the shingles described by subsection (a) above; and
- (iii) match the aesthetics of the Properties and Lots surrounding the Owner's Lot.

(c) are approved in writing by the ACC for:

- (i) being constructed with 3 tab/3 dimensional shingles;
and
- (ii) being painted and/or installed with a neutral color previously approved by the ACC.

Section 6.8. Storm Doors. Full view glass storm doors are allowed on Lots. The trim of such screen doors may be black or match the paint color of the door on which it is placed on the Dwelling Unit. All other storm/security/screen doors must be submitted to the ACC for approval prior to installation in accordance with Article VII.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 7.1. Authority.

(a) **Declarant.** Declarant shall have exclusive authority to administer and enforce architectural controls and to review and act upon all applications for architectural and other improvements within the Property until all planned Lots have been conveyed to persons other than Declarant or a builder and have been improved with a Dwelling Unit for which a certificate of occupancy has been issued, unless Declarant earlier terminates its rights in a recorded instrument or the Declarant Control Period has terminated and/or expired. Declarant may designate one or more persons to act on its behalf in reviewing any application. In reviewing and acting upon any request for approval, Declarant or its designee acts solely in Declarant's interest and owes no duty to any other person. Declarant is not required to hold meetings or keep minutes relating to its review under this Article. Declarant may from time-to-time delegate or assign all or any portion of its rights under this Article to any other person or committee, including the ACC. Any such delegation shall be in writing, shall specify the delegated responsibilities, and shall be subject to:

- (i) Declarant's right to revoke such delegation at any time and reassume its prior jurisdiction, and
- (ii) Declarant's right to veto any decision which it determines, in its discretion, to be inappropriate or inadvisable for any reason. So long as Declarant has any rights under this Article, the jurisdiction of other entities shall be limited to such matters as Declarant specifically delegates.

(b) **Architectural Control Committee.** Upon Declarant's delegation or upon expiration or termination of Declarant's rights under this Article, the Association, acting through the Architectural Control Committee ("ACC"), shall assume jurisdiction over architectural matters. The ACC shall consist of at least three (3) persons. The ACC members shall be designated, shall serve, and may be removed and replaced in the Board's discretion.

- (i) For so long as Declarant owns any portion of the Property, the ACC shall notify Declarant in writing within three business days of any action (*i.e.*, approval, partial approval, or disapproval) it intends to take under this Article. A copy of the application and any additional information that Declarant may require shall accompany the notice. During such time, Declarant shall have the right, in its sole and absolute discretion, to veto any ACC action; provided, Declarant's right to veto must be exercised within ten (10) business days after it receives notice of the ACC's action. The party submitting the plans for approval shall not be notified of the ACC's action until after Declarant's right to veto has been exercised or has expired.
 - (ii) The Board may create and appoint subcommittees of the ACC. Subcommittees may be established to preside over particular areas of review (*e.g.*, landscape plans) and shall be governed by procedures the Board or the ACC may establish. Any subcommittee's actions are subject to review and approval by Declarant, for as long as Declarant may review the ACC's decisions, and the ACC. Notwithstanding the above, neither the ACC nor Declarant shall be obligated to review all actions of any subcommittee, and the failure to take action in any instance shall not be a waiver of the right to act in the future.
 - (iii) Unless and until such time as Declarant delegates any of its reserved rights to the ACC or Declarant's rights under this Article terminate, the Association shall have no jurisdiction over architectural matters. Declarant and the Association may employ architects, engineers, or other persons to perform the review required under this Article.
- (c) **Reviewer.** The entity having jurisdiction in a particular case, whether Declarant, its designee, or the ACC, shall be referred to as the "Reviewer."
- (d) **Fees; Assistance.** The Reviewer may establish and charge reasonable fees for its review of applications and may require that such fees be paid in advance. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers, or other professionals.
- (e) **Appeals.** Upon Declarant's delegation or upon expiration or termination of Declarant's rights under this Article, an Owner may appeal to the Board any decision by the ACC if the Owner submits a written application for hearing to the Board, with a copy to the ACC, within thirty (30) days of the date the decision is mailed to the Owner. The Board may affirm, overrule, or modify the ACC's decision. The decision of the Board shall be final and unappealable, and shall be, as determined by the Board, in the best interest of the Association. An Owner waives its right of appeal if it fails to submit a written request to the Board within thirty (30) days after the date the decision is mailed to the Owner.

Section 7.2. Review Requirements. No building, wall or any other structure or improvement shall be commenced, erected, placed, or substantially altered on any Lot, nor shall any exterior painting (other than repainting a structure the same or similar color) of, exterior addition to, or substantial alteration of, such items be made until all plans and specifications and a plot plan have been submitted to and approved in writing by the Reviewer.

(a) The Reviewer is authorized and empowered to consider and review any and all aspects of construction and landscaping which may, in the reasonable opinion of the Reviewer, adversely affect the use or enjoyment of one (1) or more Owners or the general value of the Property.

(b) In reviewing each submission, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of the proposed exterior design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that aesthetic determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements. The Reviewer shall have the sole discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment and such determinations are not subject to judicial review so long as they are made in good faith and in accordance with the required procedures.

Section 7.3. Procedure for Approval. Final plans and specifications shall be submitted in duplicate by certified mail, return receipt requested or hand delivery to the Reviewer. The plans and specifications shall show the nature, kind, shape, height, materials and location of all landscaping and improvements. The documents shall specify any requested variances from the requirements set forth in this Declaration. The Reviewer is authorized to request the submission of samples of proposed construction materials and such other information as they reasonably deem necessary to make their determination. At such time as the plans and specifications meet the approval of the Reviewer, one complete set of plans and specifications will be retained by the Association, for up to three (3) years only, and the other complete set of plans shall be marked "Approved " signed by a representative of the Reviewer and returned to the Lot Owner or his designated representative. If disapproved by the Reviewer, one set of such plans shall be returned marked "Disapproved" and shall be accompanied by a reasonable statement of the reasons for disapproval, which statement shall be signed by a representative of the Reviewer. Any modification of the approved set of plans and specifications must again be submitted to the Reviewer for its approval. The Reviewer's approval or disapproval, as required herein, shall be in writing. Any reliance upon a verbal approval of any plans by the Reviewer shall be at the risk of the Lot Owner and subject to any subsequent or otherwise conflicting written response by the Reviewer.

(a) If the Reviewer fails to approve or disapprove any such plans and specifications or modification thereto within thirty (30) days after the date of submission of all information the Reviewer requires, written approval of the matters submitted shall not be required and compliance with this Section shall be deemed to have been completed. In case of a dispute about whether the Reviewer responded within such time period, the person submitting the plans shall have the burden of establishing that the Reviewer received the plans. The Reviewer's receipt of the plans may be established by a signed certified mail receipt.

(b) Any builder who is constructing residences on multiple Lots shall have the option of submitting a master set of final plans and specifications for all of the residences it intends to construct within the Property to the Reviewer in accordance with the provisions of this paragraph. Once the master set of plans has been approved, the builder shall be allowed to construct residences in accordance with such approved plans and no further submittals shall be required unless material deviations have been made to such approved plans.

(c) The Reviewer may, but is not obligated to, permit or require that plans be submitted or considered in stages, in which case, a final decision shall not be required until after the final, required submission stage.

(d) As part of any approval, the Reviewer may require that construction in accordance with approved plans commence within a specified time period. If construction does not commence within the required period, the approval shall expire, and the Owner must reapply for approval before commencing any activities. Once commenced, construction must be diligently pursued to completion. All construction work shall be completed within six (6) months of its commencement unless otherwise specified in a notice of approval provided by the Reviewer, Declarant or Architectural Control Committee, whichever is applicable, or such party, provided it has the requisite authority, grants a written extension for the construction work to be completed. If approved work is not completed within the required time, it shall be in violation of this Article and shall be subject to enforcement action.

(e) As a part of the review process, the Reviewer may require that the construction of any improvement be inspected on a periodic basis prior to completion for compliance with the plans and other matters relating to the quality or method of construction. The Association may conduct such inspections, or, in the alternative, it may contract with third parties for such purposes. The Owner on whose Lot the construction is taking place shall be responsible for the payment of costs relating to any such inspection.

Section 7.4. Standards. The Reviewer shall have sole discretion with respect to taste, design and all standards specified herein. One objective of the Reviewer is to prevent unusual, radical, curious, odd, bizarre, peculiar or irregular structures from being built on the Property. The Reviewer shall have the authority to interpret and amend design guidelines, subject to Declarant's approval for so long as Declarant or any builder owns any portion of the Property or thereafter, with approval of the Board. The Reviewer may from time to time publish and promulgate bulletins regarding architectural standards, which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration. Any such guidelines, criteria, bulletins, or standards constitute "Dedictory Instruments" under the Texas Property Code and will be filed of record in the office of the Collin County Clerk.

Section 7.5. Special Procedure for Homebuilders. Once the Reviewer has approved a set of final plans and specifications (including, but not limited to, exterior colors) submitted by the builder, that homebuilder may use such plans and specifications for other homes it will construct on the Property, provided that (a) there shall be at least two (3) Lots on the same side of the street between Lots with Dwelling Units using the same or substantially the same floorplan, The same floor plan cannot repeat on the lot across the street or on the one lot on either side of the lot across the street; (b) there shall be at least three (4) Lots on the same side of the street between Lots with Dwelling Units using the same or substantially the same exterior elevations, the same elevation cannot repeat on the lot across the street or on the two lot on either side of the lot across the street; and (c) Homes with similar materials, color families, and design elements must be located one lot of separation on the same side of the street; Homes with similar materials, color families, and design elements cannot be located on the lot across the street; Homes with similar materials, color families, and design elements cannot be located on the lot immediately behind the lot. The builder will be

subject to such restrictions or requirements as the Reviewer may make for future use at the time of approval of the plans and specifications.

Section 7.6. Liability of Reviewer. Neither Declarant, the Board, the ACC, or any of their respective members, officers, employees and agents, shall have any liability whatsoever for decisions made in accordance with this Article so long as such decisions are made in good faith and are not arbitrary or capricious. The plans or the site plan submitted to the Reviewer shall be the responsibility of the Owner of the Lot to which the improvements relate, and the Reviewer shall have no obligation to check for errors in or omissions from any such plans, or to check for such plans' compliance with the general provisions of this Declaration, or any codes, ordinances, regulations or other laws, whether statutory or not, and whether the same relate to Lot Lines, building lines, easements or any other issue. Review and approval of any plans pursuant to this Article may be based on purely aesthetic considerations. The Reviewer is not responsible for the structural integrity or soundness of approved construction or modifications, for compliance with building codes and other governmental requirements, or for ensuring that every dwelling is of comparable quality, value, or size, of similar design, or aesthetically pleasing or otherwise acceptable to other Owners.

Section 7.7. Reasonable Accommodation for Handicap. To the extent required by applicable law and subject to the requirements of this Section, the ACC will accept an application for "reasonable accommodation" (within the context of Fair Housing Act) by or for a person with a valid handicap that qualifies for protection under the Fair Housing Act. The ACC may require adequate documentation of the handicapped person's qualification for Fair Housing Act protection as a condition of reviewing the application. To the extent permitted by applicable law, the ACC may specify aspects of the reasonable accommodation that affect the appearance and value of the Property, and the right to choose an alternate method for the reasonable accommodation. No reasonable accommodation for a handicap is permitted on portions of the Property that are visible from a street or common area without the prior written approval of the ACC.

THE ASSOCIATION HEREBY UNCONDITIONALLY AND PERPETUALLY INDEMNIFIES AND HOLDS DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, AND THEIR RESPECTIVE MEMBERS, EMPLOYEES, CONTRACTORS, AND AGENTS, INCLUDING PROFESSIONAL MANAGEMENT, HARMLESS FROM AND AGAINST ANY CLAIMS, LIABILITIES, LOSS, DAMAGE, COSTS AND EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEY'S FEES, IN CONNECTION WITH OR ARISING OUT OF ANY ACTIONS OR INACTIONS TAKEN HEREUNDER BY THE REVIEWER, IRRESPECTIVE OF WHETHER OR NOT THE REVIEWER, ITS EMPLOYEES, CONTRACTORS, AGENT AND OTHER INDIVIDUALS OR ENTITIES. RELATED TO OR EMPLOYED BY THE REVIEWER ACTED NEGLIGENTLY.

ARTICLE VIII

EASEMENTS

Section 8.1. Utility Easements.

(a) Non-exclusive easements are hereby reserved for the benefit of, and granted to, the City, all providers of utility services within Liberty, and all other governmental servicers of Liberty (including without limitation the U.S. Postal Service), to enter into and use the easements as designated on the final plats for the provision of all governmental and utility services necessary and/or required for the benefit of the Owners in the proper exercise of governmental functions and the providing of utility services.

(b) Utilities serving Liberty shall be installed only in the streets or in designated utility easements(s) shown on the Plats (except for individual utility connections from the common utility lines to improvements constructed on a Lot).

(c) The Plats shall contain a dedication to the City and to all public utility entities providing utility service to Liberty of the right to use the Streets to construct, install, maintain, operate, inspect, remove and reconstruct the facilities, equipment and systems that serve Liberty, but the City and such utility companies shall repair any damage to the pavement or other improvements on the Streets resulting from any such installation, maintenance, reconstruction or such other work.

Section 8.2. Easement Reserved for Association. Full rights of ingress and egress shall be had by the Association at all times over and upon each Lot and Liberty for the carrying out by the Association of its rights, functions, duties and obligations hereunder: provided, that any such entry by the Association upon any Lot shall be made with as little inconvenience to the Owner as practical, and any excessive and/or unreasonable damage(s) caused thereby shall be repaired by the Association at the expense of the Maintenance Fund.

ARTICLE IX

REQUIREMENTS OF CERTAIN MORTGAGEES AND MORTGAGE INSURERS

Section 9.1. Definitions.

(a) The owners and holders of Institutional Mortgages which are required to satisfy the applicable requirements of FHA, VA, FNMA, FLMC, and other similar governmental, quasi-governmental and nationally recognized public and/or private sources of end financing are referred to herein as "Eligible Mortgagees" and their mortgages referred to as "Eligible Mortgages".

(b) The insurers, guarantors, participants and subsidizers of the Eligible Mortgages, are referred to herein as the "Eligible Insurers". To the extent applicable, necessary or proper, the provisions of this Article IX apply not only to this Declaration but also to the Articles of Incorporation and Bylaws of the Association. This Article is supplemental to, and not in substitution of, any other provisions of this Declaration, the Articles of Incorporation and Bylaws, but in the event of ambiguity or conflict, this Article shall control.

Section 9.2. Reservation of Right and Authority to Satisfy Requirements. During the Class B Member period, Declarant may take such action as may be necessary to secure the approval of the Eligible Mortgagees and Eligible Insurers, if any, where such approval is required, and such action is required or requested by them as a prerequisite to approval of a purchase money loan on Lots within Liberty. This authority includes the power to amend the Declaration without the vote or consent of any other Owner or party if necessary in the future to satisfy the requirements of HUD/FHA or VA or other Eligible Insurers in the making of loans, or to comply with the FNMA Seller's Guide, as same may be from time to time amended. This may include adding mortgagee protection clauses to the Declaration.

ARTICLE X

EXPANSION OF THE PROPERTY

Section 10.1. Expansion of the Property. Declarant, in its sole discretion and without the approval of any other party, may from time to time subject this Declaration to additional real property by recording in the Public Real Estate Records of the County a Supplemental Declaration describing the additional real property to be subjected to this Declaration. Declarant may also annex additional real property owned by a third party who is not the Declarant so long as done so within the Declarant Control Period. Upon termination of the Declarant Control Period, the annexation of real property owned by a third party must be approved by a majority of the membership. Any such Supplemental Declaration which is executed by Declarant or its assignee and recorded in the Public Real Estate Records of the County shall not require the consent or approval of any other Owner or other person in order to be fully enforceable and effective to cause such additional real property to be incorporated herein. Nothing in this Declaration shall be construed to require Declarant or any successor of Declarant to subject additional real property to this Declaration. Declarant does hereby designate and appoint Beneficiary as its agent and attorney-in-fact for the limited purpose of assigning such annexation rights should Declarant fail to assign such rights within thirty (30) days of Beneficiary's request after default under the Deed of Trust.

Section 10.2. Additional Covenants and Easements. Declarant, in its sole discretion and without the approval of any other party, may from time to time subject any portion of the Property, whether now or hereafter a part of this Declaration, to additional covenants and easements, including, without limitation, covenants obligating the Association to maintain and insure such property and authorizing the Association to recover its costs through the assessments, as described in Article X hereof. Such additional covenants and easements may be set forth either in a Supplemental Declaration subjecting such property to this Declaration or in a separate Supplemental Declaration referencing property previously subjected to this Declaration. Any such Supplemental Declaration may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the Property, whether now or hereafter a part of this Declaration, in order to reflect the different character and intended use of such Property. Any such Supplemental Declaration which is executed by Declarant and recorded in the Public Real Estate Records of the County shall not require the consent or approval of any other Owner or other person in order to be fully enforceable and effective to cause such additional covenants and easements to be incorporated herein.

Section 10.3. Effect of Recording Supplemental Declaration. A Supplemental Declaration shall be effective upon the recording of same in the Public Real Estate Records of the County unless otherwise specified in such Supplemental Declaration. On the effective date of the

Supplemental Declaration, any additional property subjected to this Declaration shall be assigned voting rights in the Association and assessment liability in accordance with the provisions of this Declaration.

ARTICLE XI **LOT MAINTENANCE BY OWNERS**

Section 11.1. Lot Maintenance. After the installation of the landscaping on a Lot by a builder, the Owner of the Lot shall thereafter maintain the yard in a sanitary and attractive manner, including adequate watering and immediate replacement of dead vegetation, including front yard trees, and shall edge the street curbs that run along the Lot boundary lines. Trees along the street shall be maintained so they do not block or impair visibility of stop signs or other traffic signs. Yards must be kept mowed and trimmed at regular intervals so as to maintain the Lot in a neat and attractive manner. Grass shall not be permitted to grow to a height of greater than six inches (6") upon any Lot. No vegetables shall be grown in any portion of a Lot yard that faces a street or is not screened by fencing built in accordance with the terms hereof. No Ivy plant material shall be grown on any portion of the outside of the front façade of the Home. Ivy shall not be permitted on the front or side of any Dwelling Unit and the growth of Ivy on any Lot shall be maintained in a controlled and attractive manner, limiting growth to the backside of a Dwelling Unit and in no event shall be allowed to grow onto windows, doors or roof.

Section 11.2. Maintenance of Improvements. Each Owner shall maintain the exterior of all buildings, fences, walls and other improvements on his or her Lot in good condition and repair, and shall replace worn and rotten parts, and shall regularly repaint all painted surfaces and shall not permit the roofs, rain gutters, downspouts, exterior walls, windows, doors, walks, driveways, parking areas or other exterior portions of the improvements to deteriorate in an unattractive manner. All fences shall be kept neat, clean and in good repair. Any fence which is damaged, leaning, or otherwise not in good repair shall be immediately repaired.

ARTICLE XII **ENFORCEMENT**

Section 12.1. Special Enforcement Provisions. In the event that an Owner fails to comply with any provision of this Declaration, including but not limited to any provision in Article XI, then, prior to the Board or the Association enforcing the compliance of such failure or seeking against such Owner remedies in accordance with the Declaration (or other such remedies that may be available at law or in equity) the Board shall first be obligated to give Owner notice of such failure and the opportunity to cure such failure in accordance with any fining rules and procedures policy adopted and followed by the Board in accordance with the Code, as may be amended (the "***Fine Policy***"). If Owner fails to cure the violation within the requisite cure periods as set forth in any Fine Policy, then the Board shall have the right, but not the obligation, to cure the violation including entering upon a Lot, if such Lot is the cause for the violation, and bring the Lot into compliance with this Declaration. All costs and expenses incurred by the Association in connection with correcting any such failure shall be borne by the Owner in violation and such Owner shall promptly reimburse the Association for all such costs and expenses after the request thereof. In the event Owner fails to reimburse such costs, the Board shall have the right to assess the owner for same plus interest and fines as set forth in this Declaration.

Fining Rules and Procedure

(a) ***Policy.*** The Association uses fines to discourage violations of the Governing Documents and to encourage present and future compliance when a violation does occur. Fines are not intended to punish violators or generate revenue for the Association.

(b) ***Owners Liable.*** An Owner is liable for fines levied by the Association for violations of the Governing Documents whether the Owner commits the violation or Occupants, guests or other visitors of such Owner commit the violation. Regardless of who commits the violation, the Association will direct its communications to the Owner, although the Association may also send copies of its notices to the actual violator.

(c) ***Violation Notice.*** Before levying a fine, the Association will give the Owner a written violation notice(s) and an opportunity for a hearing in compliance with the Act. The Association's written violation notice(s) will contain the following items: (i) the date the violation notice is mailed or prepared; (ii) a description of the violation; (iii) a reference to the rule being violated; (iv) a description of the action required to cure the violation; (v) the amount of the fine, if applicable; (vi) a statement that not later than the 30th day after the date of the violation notice, the Owner may request a hearing before the Board to contest the fine and (vii) the date the fine attaches or begins accruing.

(d) ***First Violation.*** If the Owner was not given proper notice and a reasonable opportunity to cure a similar violation within the preceding six months, the notice will state a specific date by which the violation must be cured to avoid a fine, if the violation is ongoing or continuous. If the violation is not ongoing, but is instead sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine.

(e) ***Repeat Violation.*** In the case of a repeat violation, the notice will state that, because the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months, the fine attaches from the date of the violation notice.

(f) ***Right to Hearing.*** An Owner may request in writing a hearing by the Board regarding an alleged breach of the Governing Documents. The Board shall have ten (10) days after receiving the Owner's request for a hearing to give the Owner notice of the time, place and date of the hearing. The hearing must be scheduled for a date within thirty (30) days from the date the Association receives the Owner's request and should be scheduled to provide a reasonable opportunity for the Board and the Owner to attend. The Owner's request for a hearing suspends only the levy of a fine. The hearing will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation, and the Owner may attend in person or may be represented by another person or written communication.

Section 12.2. Enforcement. In addition to the enforcement provisions set forth in Section 12.1, the Board may impose sanctions for violation of this Declaration (including any rules, guidelines, or standards adopted pursuant to the Declaration) in accordance with the applicable procedures set forth in the Bylaws. Such sanctions may include all remedies available at law and/or in equity and all remedies herein, including, without limitation, the following:

(a) ***Fines.*** The Board may impose reasonable monetary fines which shall constitute a lien upon the Owner of the Lot related to or connected with the alleged violation. The Owner shall be liable for the actions of any occupant, guest, or invitee of the Owner of such Lot.

(b) ***Suspension of Rights to Use the Common Properties.*** The Board may suspend any person's or entity's right to use any recreational facilities within the Common Properties; provided, however, nothing herein shall authorize the Board to limit ingress or egress to or from a Lot.

(c) ***Right of Self-Help.*** The Board may exercise self-help or take action to enter upon the Lot to abate any violation of this Declaration.

(d) ***Right to Require Removal.*** The Board may require an Owner, at the Owner's expense, to remove any structure or improvement on such Owner's Lot in violation of this Declaration and to restore the Lot to its previous condition and, upon failure of the Owner to do so, the Board or its designee shall have the right to enter the Lot, remove the violation, and restore the property to substantially the same condition as previously existed, without such action being deemed a trespass.

(e) ***Levy Default Assessment.*** The Board may levy a special individual assessment in accordance with Section 3.1 to cover costs incurred by the Association in bringing a Lot into compliance with this Declaration.

(f) ***Lawsuit; Injunction or Damages.*** The Board may bring a suit at law or in equity to enjoin any violation or to recover monetary damages, or both.

Failure by Declarant, or the Board, to enforce any covenant, condition, agreement or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In addition to the Association's enforcement rights, this Declaration may be enforced by any aggrieved Owner.

The decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case: (i) the Association's position is not strong enough to justify taking any or further action; (ii) the covenant, restriction, or rule being enforced is, or is likely to be construed as, inconsistent with applicable law; (iii) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or (iv) that it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

ARTICLE XIII **AMENDMENT AND TERMINATION**

Section 13.1. Amendment. Subject to the provisions of Article IX, if applicable, this Declaration may be amended by an instrument containing such amendment(s) and recording same in the Real Estate Records of the County, provided, that (i) for the period which Declarant owns at least

one Lot, no such amendment shall be valid or effective without the joinder and consent of Declarant and (ii) such amendment shall first be approved by the affirmative vote or written consent of the Association's Members representing at least fifty-one percent (51%) of the total votes in the Association. In addition, Declarant, at its sole discretion and without a vote or the consent of any other party, may modify, amend, or repeal this Declaration: (i) at any time prior to the conveyance of the first Lot; (ii) as necessary to bring any provision into compliance with any applicable governmental statutes, rule, regulation, or judicial determination; (iii) as necessary to comply with the requirements of VA, or HUD (Federal Housing Administration), FHLMC, or FNMA or any other applicable governmental agency or secondary mortgage market entity; or Eligible Mortgagees, or (iv) as necessary for clarification or to correct technical, typographical or scrivener's errors. Any amendment to this Declaration must be recorded in the Real Property Records of the County.

No amendment may remove, revoke, or modify any right or privilege of Declarant or the Class B Member without the written consent of Declarant or the Class B Member, respectively (or the assignee of such right or privilege). If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that the Owner has the authority to consent, and no contrary provision in any mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Section 13.2. Termination. Subject to the provisions of Article IX, if applicable, the Owners may terminate and extinguish this Declaration in its entirety by executing an instrument terminating this Declaration and recording same in the Real Estate Records of the County, provided, however, that (i) for the period in which Declarant owns at least one Lot, no such termination shall be valid or effective without the joinder and consent of Declarant and (ii) such termination and extinguishment shall first be approved by the affirmative vote or written consent of the Association's Members representing at least sixty-seven percent (67%) of the votes in the Association.

ARTICLE XIV

GENERAL PROVISIONS

Section 14.1. Power of Attorney. Each and every Owner and Member hereby makes, constitutes and appoints Declarant as his/her true and lawful attorney-in-fact, coupled with an interest and irrevocable, for him/her and in his/her name, place and stead and for his/her use and benefit to do the following:

(a) to exercise, do or perform any act, right, power, duty or obligation whatsoever in connection with, arising out of, or relating to any matter whatsoever involving this Declaration and Liberty;

(b) to sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the terms within this Declaration, or any part hereof, with such clauses(s), recital(s), covenant(s), agreement(s) and restrictions(s) as Declarant shall deem necessary, proper and expedient under the circumstances and conditions as may be then existing; and

(c) to sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, enlarge, contract or abandon the subdivision plat(s) of Liberty, or any part thereof, with any easements and rights-of-way to be therein contained as the Declarant shall deem necessary, proper and expedient under the conditions as may then be existing.

The rights, powers and authority of said attorney-in-fact to exercise any and all of the rights and powers herein granted shall commence and be in full force upon recordation of this Declaration in the Collin County Clerk's Office and shall remain in full force and effect thereafter until all the Lots owned by Declarant have been sold and conveyed by Declarant to Class A Members.

Section 14.2. Duration. This Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for an original fifty (50) year term expiring on the fiftieth (50th) anniversary of the date of recordation of this Declaration, after which time this Declaration shall be automatically extended for successive periods of ten (10) years unless an instrument is signed by the Owners of at least fifty-one percent (51%) of all Lots within Liberty and recorded in the Deed Records of Collin County, Texas, which contains and sets forth an agreement to abolish this Declaration; provided, however, no such agreement (where approved by less than seventy-five percent (75%) of the Owners of all Lots within Liberty) to abolish shall be effective unless made and recorded one (1) year in advance of the effective date of such abolishment.

Section 14.3. Amendments. This Declaration is expressly subject to change, modification and/or deletion by means of amendment at any time and from time to time as provided herein. This Declaration may be amended and/or changed in part as follows:

(a) In response to any governmental or quasi-governmental suggestion, guideline, checklist, requisite or requirement, particularly with respect to those entities or agencies directly or indirectly involved in, or having an impact on, mortgage financing, mortgage insurance and/or reinsurance, Declarant shall have the complete and unrestricted right and privilege to amend, change, revise, modify or delete portions of this Declaration, and each and every Owner and Member specifically and affirmatively authorizes and empowers Declarant, as their and the Association's attorney-in-fact to undertake, complete and consummate any and all such amendments, changes, revisions, modifications or deletions as Declarant (in its sole and absolute discretion) shall deem reasonable and appropriate.

(b) Declarant may otherwise amend or change this Declaration by exercising its powers under Section 13.1 hereinabove or with the direct consent of at least fifty-one percent (51%) of the Owners of Lots within Liberty.

(c) At such time as Declarant no longer owns any Lot within Liberty, this Declaration may be amended either by (i) the written consent of at least fifty-one percent (51%) of the Owners of the Lots within Liberty, or (ii) the affirmative vote of the Members entitled to cast fifty-one percent (51%) of the votes of the Members of the Association entitled to vote who are present at a meeting duly called for such purpose. Any and all amendments shall be recorded in the Office of the County Clerk of Collin County, Texas.

Section 14.4. Enforcement. Each Owner of each Lot shall be deemed, and held responsible and liable for the acts, conduct and omission of each and every Resident, Member, guest and invitee affiliated with such Lot, and such liability and responsibility of each Owner shall be joint and several with their Resident(s), Member(s), guests and invitees. The lien created hereby on each Lot shall extend to, cover and secure the proper payment and performance by each and every Resident, Member, guest and invitee affiliated with each Owner. Unless otherwise prohibited or modified by law, all parents shall be liable for any and all personal injuries and property damage proximately caused by the conduct of their children (under the age of 18 years) within Liberty. Enforcement of this Declaration may be initiated by any proceeding at law or in equity against any person or persons violating or attempting to violate them, whether the relief sought is an injunction or recovery of damages, or both, or enforcement of any lien created by this Declaration, but failure by the Association or any Owner to enforce any covenant herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association and the City, Texas are specifically authorized (but not obligated) to enforce this Declaration. With respect to any litigation hereunder, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorney's fees, from the non-prevailing party.

Section 14.5. Validity. Violation of or failure to comply with this Declaration shall not affect the validity of any mortgage, bona fide lien or other similar security instrument which may then be existing on any Lot. Invalidation of any one or more of the provisions of this Declaration, or any portions thereof, by judgment or court order shall not affect any of the other provisions or covenants herein contained, which shall remain in full force and effect. In the event any portion of this Declaration conflicts with mandatory provisions of any ordinance or regulation promulgated by the City (including, without limitation, the applicable zoning ordinances of the City), the strictest of the conflicting provisions shall control.

Section 14.6. Headings; Gender; Construction. 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. Words of any gender used herein shall be held and construed to include any other gender, and words in the singular shall be held to include plural and vice versa, unless the context requires otherwise. Examples, illustration, scenarios and hypothetical situations mentioned herein shall not constitute an exclusive, exhaustive or limiting list of what can or cannot be done.

Section 14.7. Registration with the Association. Each and every Owner, Member and Resident shall have an affirmative duty and obligation to originally provide, and thereafter revise and update, within fifteen (15) days after a material change has occurred, various items of information to the Association such as (a) the full name and address of each Owner, Member and Resident, (b) the full name of each individual family member who resides within the residential dwelling of the Lot Owner; (c) the business address, occupation and telephone numbers of each Resident; (d) the description and license plate number of each automobile owned or used by a Resident and brought within Liberty; (e) the name, address and telephone numbers of other local individuals who can be contacted (in the event the Resident cannot be located) in case of an emergency; and (f) such other information as may be reasonably requested from time to time by the Association. In the event any Owner, Member or Resident fails, neglects or refuses to so provide, revise and update such information, then the Association may, but is not required to, use whatever means it deems reasonable and appropriate to obtain such information and the offending Owner,

Member and Resident shall become automatically jointly and severally liable to promptly reimburse the Association for all reasonable costs and expenses incurred in so doing.

Section 14.8. Notices to Resident/Member/Owner. Any notice required to be given to any Resident, Member or Owner under the provisions of this Declaration shall be deemed to have been properly delivered when (i) deposited in the United States mail, postage prepaid, addressed to the last known address of the person who appears as the Resident, Member or Owner on the records of the Association at the time of such mailing, or when (ii) delivered by hand or by messenger to the last known address of such person within Liberty; or when (iii) posted on the Association's bulletin board for at least thirty (30) consecutive calendar days.

Section 14.9. Notices to Mortgagees. The holder(s) of a mortgage may be furnished with written notification from the Association of any default by the respective mortgagor/Member/Owner in the performance of such mortgagor's/Member's/Owner's obligation(s) as established by this Declaration, provided that the Association has been theretofore furnished, in writing, with the correct name and address of such mortgage holder(s) and a request to receive such notification and reasonably supply of self-addressed, stamped envelopes.

Section 14.10. Disputes. Matters of dispute or disagreement between Owners, Residents or Members with respect to interpretation or application of the provisions of this Declaration or the Association Bylaws, shall be determined by the Board. These determinations (absent arbitrary and capricious conduct or gross negligence) shall be final and binding upon all Owners, Residents and Members.

Section 14.11. Notice of Transfer. If at any time a Lot is sold, the new Owner shall promptly notify the Association of the transfer and give the name and address for notice (if other than the Lot) of the new Owner.

Section 14.12. No Liability for Trespass. Whenever the Association, the Board, Declarant, the management company, or their respective agents or officers exercise any right hereunder and in connection therewith enters upon any Lot, such parties shall not be liable for trespass upon such Lot.

Section 14.13. Incorporated Documents. The following documents are attached hereto and incorporated as if fully set forth herein:

- Exhibit A – Legal Description of the Property subject to Declaration
- Exhibit B – Initial Bylaws of Liberty Homeowners Association, Inc.
- Exhibit C – Initial Articles of Incorporation of Liberty Homeowners Association, Inc.
- Exhibit D – Approved Fence Stain Colors

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed on the day and year written below.

DECLARANT:

**HILLWOOD RLD, L.P.,
a Texas limited partnership**

By: Hillwood Operating, L.P.,
a Texas limited partnership
Its: General Partner

By: Hillwood Services GP, LLC,
a Texas liability company,
Its: General Partner

By: Elaine Ford
Elaine Ford
Its: Senior Vice President

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Before me, the undersigned authority, on this the 25 day of March, 20 22, appeared Elaine Ford, Senior Vice President of Hillwood Services GP, LLC, a Texas liability company, the General Partner of Hillwood Operating, L.P., a Texas limited partnership, the General Partner of Hillwood RLD, L.P., a Texas limited partnership, on behalf of said entities, known to me to be the person whose name is subscribed on the foregoing instrument and acknowledged to me that she executed the same for the purposes therein expressed and in the capacity therein stated.

Shannon Dear
Notary Public, State of Texas

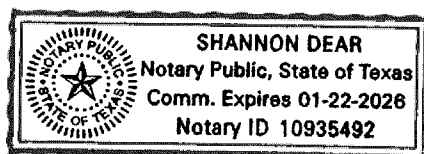


Exhibit A – Legal Description of the Property subject to Declaration

Exhibit "A"
Property Description
(Phase I)

STATE OF TEXAS)(
COUNTY OF COLLIN)(

WHEREAS HILLWOOD RLD L.P., IS THE SOLE OWNER OF A 112.440 ACRE TRACT OF LAND SITUATED IN THE D.E.W. BABB SURVEY, ABSTRACT NO. 33, IN THE CITY OF MELISSA, COLLIN COUNTY, TEXAS AND BEING A PORTION OF TRACT I OF A TRACT OF LAND DESCRIBED IN DEED TO HILLWOOD RLD L.P., RECORDED IN COUNTY CLERK'S FILE NO. (CC#) 2003-0136381 OF THE DEED RECORDS OF COLLIN COUNTY, TEXAS (D.R.C.C.T.), SAID 112.440 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS;

BEGINNING AT A 1/2" IRON ROD WITH PLASTIC CAP STAMPED "RPLS 4545" FOUND FOR THE SOUTHEAST CORNER OF SAID TRACT I IN THE NORTH RIGHT-OF-WAY (R.O.W.) LINE OF STATE HIGHWAY NO. 121 (VARIABLE WIDTH R.O.W.) RECORDED IN VOLUME 577, PAGE 298, D.R.C.C.T.

THENCE ALONG THE SOUTH LINE OF SAID TRACT I AND THE COMMON NORTH R.O.W. LINE OF SAID STATE HIGHWAY NO. 121 THE FOLLOWING COURSES AND DISTANCES:

S 54°35'38" W, A DISTANCE OF 527.20 FEET TO A 1/2" IRON ROD WITH PLASTIC CAP STAMPED "RPLS 4545" FOUND FOR CORNER;

S 52°26'39" W, A DISTANCE OF 100.64 FEET TO A 1/2" IRON ROD WITH PLASTIC CAP STAMPED "RPLS 4545" FOUND FOR CORNER;

S 54°42'18" W, A DISTANCE OF 199.21 FEET TO A 1/2" IRON ROD WITH PLASTIC CAP STAMPED "RPLS 4545" FOUND FOR CORNER;

S 51°53'13" W, A DISTANCE OF 100.45 FEET TO A 1/2" IRON ROD WITH PLASTIC CAP STAMPED "RPLS 4545" FOUND FOR CORNER;

S 54°41'58" W, A DISTANCE OF 565.55 FEET TO AN ALUMINUM DISC STAMPED "CARTER BURGESS" SET IN CONCRETE FOR CORNER;

THENCE OVER AND ACROSS SAID TRACT I THE FOLLOWING COURSES AND DISTANCES:

N 01°59'42" W, A DISTANCE OF 526.90 FEET TO AN ALUMINUM DISC STAMPED "CARTER BURGESS" SET IN CONCRETE FOR CORNER;

N 87°40'06" W, A DISTANCE OF 1193.21 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

07700 17.95

N 02°19'54" E, A DISTANCE OF 1100.00 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 87°40'06" E, A DISTANCE OF 170.00 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

N 02°19'54" E, A DISTANCE OF 993.00 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 87°40'06" E, A DISTANCE OF 940.00 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 02°19'54" W, A DISTANCE OF 264.91 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 87°40'06" E, A DISTANCE OF 250.00 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

N 02°19'54" E, A DISTANCE OF 241.36 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

ALONG A CURVE TO THE LEFT HAVING A DELTA ANGLE OF 48°59'21", A RADIUS OF 225.00 FEET, AN ARC LENGTH OF 192.38 FEET, A CHORD BEARING OF N 22°09'47" W, AND A CHORD LENGTH OF 186.57 FEET, TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

N 87°13'14" W, A DISTANCE OF 172.65 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

N 02°19'54" E, A DISTANCE OF 42.42 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

ALONG A CURVE TO THE RIGHT HAVING A DELTA ANGLE OF 9°00'17", A RADIUS OF 970.00 FEET, AN ARC LENGTH OF 152.45 FEET,

47700 17.95

A CHORD BEARING OF N 06°50'02" E, AND A CHORD LENGTH OF 152.29 FEET, TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

ALONG A CURVE TO THE LEFT HAVING A DELTA ANGLE OF 8°56'38", A RADIUS OF 1030.00 FEET, AN ARC LENGTH OF 160.78 FEET, A CHORD BEARING OF N 06°51'51" E, AND A CHORD LENGTH OF 160.62 FEET, TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 60°15'10" E, A DISTANCE OF 4.23 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 55°25'17" E, A DISTANCE OF 52.60 FEET TO AN ALUMINUM DISC STAMPED "CARTER BURGESS" SET IN CONCRETE FOR CORNER;

S 59°19'24" E, A DISTANCE OF 63.66 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 58°43'22" E, A DISTANCE OF 45.12 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 64°43'18" E, A DISTANCE OF 76.13 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 50°38'41" E, A DISTANCE OF 54.43 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 22°57'33" E, A DISTANCE OF 9.06 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 44°07'43" E, A DISTANCE OF 60.59 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 41°39'09" E, A DISTANCE OF 115.08 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 37°46'46" E, A DISTANCE OF 56.44 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 47°45'04" E, A DISTANCE OF 26.42 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 59°32'21" E, A DISTANCE OF 56.71 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 23°42'43" E, A DISTANCE OF 84.69 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 31°42'27" E, A DISTANCE OF 68.08 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 49°34'25" E, A DISTANCE OF 22.93 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 87°00'29" E, A DISTANCE OF 50.52 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 64°36'53" E, A DISTANCE OF 64.42 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 81°12'48" E, A DISTANCE OF 61.81 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 55°26'45" E, A DISTANCE OF 76.35 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 41°01'43" E, A DISTANCE OF 89.99 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 30°10'49" E, A DISTANCE OF 159.18 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 57°42'39" E, A DISTANCE OF 105.89 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

S 83°42'05" E, A DISTANCE OF 203.55 FEET TO AN ALUMINUM DISC STAMPED "CARTER BURGESS" SET IN CONCRETE FOR CORNER IN THE EAST LINE OF SAID TRACT I;

THENCE ALONG THE EAST LINE OF SAID TRACT I THE FOLLOWING COURSES AND DISTANCES:

S 01°59'12" W, A DISTANCE OF 950.55 FEET TO A 1/2" IRON ROD WITH PLASTIC CAP STAMPED "RPLS 4545" FOUND FOR CORNER;

S 01°29'12" W, A DISTANCE OF 399.68 FEET TO THE POINT OF BEGINNING, AND CONTAINING 112.440 ACRES OF LAND, MORE OR LESS.



177001799

EXHIBIT A

**LEGAL DESCRIPTION OF LIBERTY ADDITIONAL LAND OWNED BY
DECLARANT**

Clifford Smith Tract

BEING a tract of land situated in the D. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, the subject tract being all of a tract conveyed to Clifford Lee Smith, recorded in Volume 1474, Page 399 of the Deed Records, Collin County, Texas (DRCCT), with the subject tract being more particularly described as follows:

BEGINNING at a 3/8" iron rod found for the southwest corner of a tract conveyed to Melvin Letteer & Terry Letteer according to the deed recorded in Document No. 20090318000308640 DRCCT, and being on the most easterly north line of a tract conveyed to Hillwood RLD, L.P., recorded in Document No.

2003-0136381 DRCCT;

THENCE S 89° 51' 23" W, 193.52 feet along the common line thereof to a 5/8" iron rod with plastic cap found on the east line of a tract conveyed to GM Buckeye, recorded in Document No. 2001-0091843 DRCCT;

THENCE N 00° 11' 48" E, 20.00 feet along the common line thereof to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

THENCE N 89° 27' 37" W, 720.33 feet continuing along the common line thereof to a 1/2" iron rod found on the east line of a tract conveyed to PLJ2, LLC, recorded in Document No. 20140731000809710 DRCCT;

THENCE N 00° 31' 25" W, 15.10 feet along the common line thereof to a 1" iron pipe found;

THENCE N 89° 39' 09" W, 737.10 feet continuing along the common line thereof to a 1/2" iron rod found on the east line of a tract conveyed to Kenneth R. Holland, recorded in Volume 1419, Page 823 DRCCT;

THENCE N 01° 38' 09" E, along the east line thereof, passing the northeast corner of said Holland tract and a southeast corner of a tract conveyed to Explorer Pipeline Company, recorded in Document No. 20070821001166220 DRCCT, and continuing along an east line thereof a total distance of 290.76 feet to a 3/8" iron rod found;

THENCE S 88° 46' 11" E, 626.70 feet continuing along the common line thereof to a 1/2" iron rod with plastic cap found;

Supplemental Declaration of Covenants, Conditions and Restrictions of Liberty Additional Land

Exhibit A

THENCE N 00° 12' 35" E, 145.82 feet continuing along the common line thereof to a 1/2" iron rod found for the southwest of a tract conveyed to Adeelmo Raymundo, Sr., recorded in Volume 4460, Page 2736 DRCCT;

THENCE S 89° 37' 41" E, 134.21 feet along the common line thereof;

THENCE S 89° 20' 04" E, 527.61 feet continuing along the common line thereof;

THENCE S 89° 28' 37" E, 353.96 feet to a 3/8" iron rod found for the northwest corner of said Letteer tract;

THENCE S 00° 01' 06" W, 458.64 feet along the common line thereof to the POINT OF BEGINNING with the subject tract containing 630,829 square feet or 14.482 acres of land.

Terry Letteer Tract

Parcel: 1

BEING a tract of land situated in the D. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, the subject tract being a portion of a tract conveyed to Melvin Letteer & Terry Letteer according to the deed recorded in Document No. 20090318000308640 of the Deed Records, Collin County, Texas (DRCCT), the subject tract being more particularly described as follows:

BEGINNING at a 3/8" iron rod found for the southeast corner of a tract conveyed to Clifford Lee Smith, recorded in Volume 1474, Page 399 DRCCT, and being on the most easterly north line of a tract conveyed to Hillwood RLD, L.P., recorded in Document No. 2003-0136381 DRCCT, and from which a 5/8" iron rod with plastic cap found for the upper northwest corner thereof bears S 89°51'23" W, 193.52 feet;

THENCE N 00°01'06" E, 458.64 feet along the east line of said Smith tract to a 3/8" iron rod found on the south line of a tract conveyed to Adeelmo Raymundo, Sr., recorded in Volume 4460, Page 2736 DRCCT;

THENCE S 89°33'08" E, 733.60 feet along the south line thereof to a 1/2" iron rod with plastic cap stamped "SPIARSENG" set;

THENCE S 89°23'29" E, 642.15 feet continuing along the south line thereof to a 5/8" iron rod with plastic cap found for a southwesterly corner of a tract conveyed to Oak National Holdings, LLC, recorded in Document No. 20150622000743450 DRCCT, and for the northwest corner of a tract conveyed to Robert L. Stephens by Assignment of Veterans Land Board Contract recorded in Volume 3375, Page 869 DRCCT;

THENCE S 00°01'26" W, 457.66 feet along the west line thereof to a 1/2" iron pipe found on the north line of a tract conveyed to Shaddock Developers, Ltd., recorded in Document No. 2004-0069265 DRCCT;

THENCE N 89°32'09" W, 644.01 feet along the north line thereof to a 1/2" iron rod found for the northwest corner thereof, and for the northeast corner of said Hillwood RLD tract;

THENCE N 89°30'08" W, 731.69 feet along the north line thereof to the POINT OF BEGINNING with the subject tract containing 631,062 square feet or 14.487 acres of land.

GM Buckeye Tract

Supplemental Declaration of Covenants, Conditions and Restrictions of Liberty Additional Land

Exhibit A

BEING a tract of land situated in the D. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, the subject tract being a portion of a tract conveyed to GM Buckeye according to the deed recorded in Document No. 2001-0091843 of the Deed Records, Collin County, Texas (DRCCT), with the subject tract being more particularly described as follows:

BEGINNING at a 1/2" iron rod found for a southwesterly corner of a tract conveyed to Clifford Lee Smith, recorded in Volume 1474, Page 399 DRCCT, and being on the east line of a tract conveyed to PLJ2, LLC according to the deed recorded in Document No 20140731000809710 DRCCT;

THENCE S 89° 27' 37" E, 720.33 feet along a south line of said Smith tract to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set for an inset corner thereof;

THENCE S 00° 11' 48" W, 20.00 feet along a west line of said Smith tract to a 5/8" iron rod with plastic cap found for a northwesterly corner of a tract conveyed to Hillwood RLD, L.P. recorded in Document No. 2003-0136381 DRCCT;

THENCE S 00° 16' 19" W, 873.50 feet along a west line of said Hillwood RLD tract to a 1/2 iron rod with plastic cap stamped "SPIARSEN" set for an inset corner thereof;

THENCE N 86° 14' 19" W, 719.83 feet along a north line of said Hillwood RLD tract to a 3/8 iron rod found for the southeast corner of said PLJ2 tract;

THENCE N 00° 08' 49" E, 853.05 feet along the east line thereof to the POINT OF BEGINNING with the subject tract containing 628,233 square feet or 14.422 acres of land.

Price Johnson Tract

BEING a tract of land situated in the D. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, the subject tract being all of a tract conveyed to PLJ2, LLC according to the deed recorded in Document No. 20140731000809710 of the Deed Records, Collin County

Texas (DRCCT), with the subject tract being more particularly described as follows:

BEGINNING at a 1" iron pipe found for an inset southwesterly corner of a tract conveyed to Clifford Lee Smith, recorded in Volume 1474, Page 399 DRCCT;

THENCE S 00° 31' 25" E, 15.10 feet along a westerly line thereof to a 1/2" iron rod found for the northwest corner of a tract conveyed to GM Buckeye, recorded in Document No 2001-0091843 DRCCT;

THENCE S 00°08'49" W, 853.05 feet along the west line thereof to a 3/8" iron rod found on a north line of a tract conveyed to Hillwood RLD, L.P., recorded in Document No 2003-01 36381 DRCCT;

THENCE N 86° 14' 19" W, 754.41 feet along the north line thereof to a 1/2" iron rod with plastic cap stamped "SPIARSENG" set for the southeast corner of a tract conveyed to Kenneth R. Holland, recorded in Volume 1419, Page 823 DRCCT;

THENCE N 01° 14'07" E, 823.32 feet along the east line thereof to a 3/8" iron rod found for the most westerly southwest corner of said Smith tract;

THENCE S 89° 39' 09" E, 737.10 feet along the westerly south line thereof to the POINT OF BEGINNING with the subject tract containing 630,288 square feet or 14.469 acres of land.

Shaddock Tract

BEING a tract of land situated in the D. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, the subject tract being all of a tract conveyed to Frisco Stone Creek Village, LLC according to the deed recorded in Document No. 20110406000359180 of the Deed Records, Collin County, Texas (DRCCT), with the subject tract being more particularly described as follows:

BEGINNING at an aluminum monument found for the northeast corner of Liberty Phase 2, an addition recorded in Cabinet 2006, Page 862, Plat Records, Collin County, Texas (PRCCT), for the southeast corner of a tract conveyed to Hillwood RLD, L.P., recorded in Document No. 2003-0136381 DRCCT;

THENCE N 00°56'01" E, 870.17 feet along the common line thereof to a 1/2" iron rod with plastic cap found;

THENCE S 82°35'26" E, 437.34 feet continuing along the common line thereof to a 1/2" iron rod with plastic cap found;

THENCE N 00°11'47" E, 990.26 feet continuing along the common line thereof to a 1/2" iron rod found on the south line of another tract conveyed to Hillwood RLD, L.P., recorded in Document No. 20160729000985510 DRCCT;

Supplemental Declaration of Covenants, Conditions and Restrictions of Liberty Additional Land

Exhibit A

THENCE S 89°32'09" E, 644.01 feet along the common line thereof to a 1/2" iron pipe found for the southwest corner of a tract conveyed to Robert L. Stephens, and being described in Volume 1320, Page 839 DRCCT;

THENCE S 89°52'25" E, 517.16 feet along the common line thereof to a 1/2" iron rod with plastic cap found for the northwest corner of Hunters Creek Phase 1, an addition recorded in Cabinet Q, Page 179 PRCCT;

THENCE along the common line thereof, the following:

S 01°07'02" W, 267.37 feet to a 1/2" iron rod found;

S 89°08'51" E, 110.00 feet;

S 01°07'02" W, 36.72 feet;

A tangent curve to the left having a central angle of 14°50'07", a radius of 325.00 feet, a chord of S 06°18'01" E - 83.91 feet, an arc length of 84.15 feet;

A reverse curve having a central angle of 14°50'07", a radius of 275.00 feet, a chord of S 06°18'01" E - 71.01 feet, an arc length of 71.20 feet;

S 01°07'02" W, 871.18 feet;

N 88°52'58" W, 110.00 feet to a 1/2" iron rod with plastic cap found;

And S 01°07'02" W, 806.19 feet to a point on the north line of a tract conveyed to Bloomfield Homes, LP, recorded in Document No. 20160701000842210 DRCCT;

THENCE N 89°51'19" W, 601.20 feet along the common line thereof;

THENCE N 89°30'22" W, 994.94 feet continuing along the common line thereof to a point on the east line of Liberty Phase 2;

THENCE N 00°55'53" E, 326.95 feet along the common line thereof to the POINT OF BEGINNING with the subject tract containing 3,111,083 square feet or 71.421 acres of land.

SAVE AND EXCEPT THE 23.156 ACRES AS DESCRIBED BELOW:

BEING a tract of land situated in the D. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, the subject tract being a portion of three tracts conveyed to Hillwood RLD, L.P. according to the deeds recorded in Document No. 20160729000985500 of the Deed Records, Collin County, Texas (DRCCT), Document No. 20160729000985520 DRCCT, and Document No. 20160801000989140 DRCCT, with the subject tract being more particularly described as follows:

BEGINNING at a 1/2" iron rod found on an east line of a tract conveyed to the City of Melissa, recorded in Document No. 20161220001721900 DRCCT, for the southwest corner of a tract conveyed to Adeelmo Raymundo, Sr., recorded in Volume 4460, Page 2736 DRCCT;

THENCE S 89°37'41" E, 31.49 feet along the south line thereof to a point for corner;

THENCE departing the south line of said Raymundo tract, the following:

S 00°47'41" W, 171.54 feet;

S 89°25'48" E, 20.00 feet;

S 00°47'41" W, 50.00 feet;

N 89°25'48" W, 20.00 feet;

S 00°47'41" W, 240.00 feet;

S 89°25'48" E, 20.00 feet;

S 00°47'41" W, 50.00 feet;

N 89°25'48" W, 19.67 feet;

A non-tangent curve to the left having a central angle of 29°18'31", a radius of 720.00 feet, a chord of S 15°36'29" E - 364.30 feet, an arc length of 368.30 feet;

A reverse curve having a central angle of 14°51'56", a radius of 730.00 feet, a chord of S 22°49'47" E - 188.87 feet, an arc length of 189.40 feet;

N 72°16'03" E, 23.16 feet;

S 17°43'56" E, 70.00 feet;

N 72°16'03" E, 173.12 feet;

A tangent curve to the right having a central angle of 44°44'29", a radius of 460.00 feet, a chord of S 85°21'42" E - 350.15 feet, an arc length of 359.21 feet;

S 62°59'27" E, 73.79 feet;

S 00°16'19" W, 237.48 feet;

And N 86°14'19" W, 1474.23 feet to the southeast corner of a tract conveyed to Kenneth Ray and Joann Holland, recorded in Volume 1419, Page 823 DRCCT;

Supplemental Declaration of Covenants, Conditions and Restrictions of Liberty Additional Land

Exhibit A

THENCE N 01°14'07" E, 823.32 feet along the east line thereof to a 3/8" iron rod found;

THENCE N 01°38'09" E, continuing along the east line of said Holland tract, passing at 45.32 feet the northeast corner thereof and being the lower southeast corner of said City of Melissa tract, and continuing along the common line thereof a total distance of 290.76 feet to a 3/8" iron rod found;

THENCE S 88°46'11" E, 626.70 feet along the common line thereof to a 1/2" iron rod with plastic cap found;

THENCE N 00°12'35" E, 145.82 feet continuing along the common line thereof to the POINT OF BEGINNING with the subject tract containing 1,008,677 square feet or 23.156 acres of land.

EXHIBIT B

**LEGAL DESCRIPTION OF LIBERTY PHASE 5 LAND OWNED BY LIBERTY
PHASE 5 LANDOWNER**

BEING a tract of land situated in the D. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, the subject tract being a portion of three tracts conveyed to Hillwood RLD, L.P. according to the deeds recorded in Document No. 20160729000985500 of the Deed Records, Collin County, Texas (DRCCT), Document No. 20160729000985520 DRCCT, and Document No. 20160801000989140 DRCCT, with the subject tract being more particularly described as follows:

BEGINNING at a 1/2" iron rod found on an east line of a tract conveyed to the City of Melissa, recorded in Document No. 20161220001721900 DRCCT, for the southwest corner of a tract conveyed to Adeelmo Raymundo, Sr., recorded in Volume 4460, Page 2736 DRCCT;

THENCE S 89°37'41" E, 31.49 feet along the south line thereof to a point for corner;

THENCE departing the south line of said Raymundo tract, the following:

S 00°47'41" W, 171.54 feet;

S 89°25'48" E, 20.00 feet;

S 00°47'41" W, 50.00 feet;

N 89°25'48" W, 20.00 feet;

S 00°47'41" W, 240.00 feet;

S 89°25'48" E, 20.00 feet;

S 00°47'41" W, 50.00 feet;

N 89°25'48" W, 19.67 feet;

A non-tangent curve to the left having a central angle of 29°18'31", a radius of 720.00 feet, a chord of S 15°36'29" E - 364.30 feet, an arc length of 368.30 feet;

A reverse curve having a central angle of 14°51'56", a radius of 730.00 feet, a chord of S 22°49'47" E - 188.87 feet, an arc length of 189.40 feet;

N 72°16'03" E, 23.16 feet;

Supplemental Declaration of Covenants, Conditions and Restrictions of Liberty Additional Land

Exhibit B

S 17°43'56" E, 70.00 feet;

N 72°16'03" E, 173.12 feet;

A tangent curve to the right having a central angle of 44°44'29", a radius of 460.00 feet, a chord of S 85°21'42" E - 350.15 feet, an arc length of 359.21 feet;

S 62°59'27" E, 73.79 feet;

S 00°16'19" W, 237.48 feet;

And N 86°14'19" W, 1474.23 feet to the southeast corner of a tract conveyed to Kenneth Ray and Joann Holland, recorded in Volume 1419, Page 823 DRCCT;

THENCE N 01°14'07" E, 823.32 feet along the east line thereof to a 3/8" iron rod found;

THENCE N 01°38'09" E, continuing along the east line of said Holland tract, passing at 45.32 feet the northeast corner thereof and being the lower southeast corner of said City of Melissa tract, and continuing along the common line thereof a total distance of 290.76 feet to a 3/8" iron rod found;

THENCE S 88°46'11" E, 626.70 feet along the common line thereof to a 1/2" iron rod with plastic cap found;

THENCE N 00°12'35" E, 145.82 feet continuing along the common line thereof to the POINT OF BEGINNING with the subject tract containing 1,008,677 square feet or 23.156 acres of land.

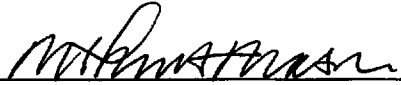
ATTACHMENT I
(Clifford Smith Tract, Terry Letteer Tract, GM Buckeye Tract and Price Johnson Tract)
CONSENT AND SUBORDINATION OF LIENHOLDER

The undersigned, Finance Partners, LP, a Texas limited partnership ("Lienholder"), hereby consents to the filing of the Supplemental Declaration of Covenants, Conditions and Restrictions for Liberty Additional Land to which this Consent and Subordination is attached to and made a part of and, subject to the terms and provisions of this Consent and Subordination, subordinates the lien and security interests of that certain Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement recorded on July 29, 2016 as Document No. 20160729000985530 of the Official Public Records of Collin County, Texas as may be modified from time to time (as modified, the "Deed of Trust"), to the Liberty Additional Land Supplemental Declaration; provided, however, this Consent and Subordination: (i) shall not be construed or operate as a consent and subordination to any amendment to or modification of the Declaration and shall not be construed or operate as a release of the lien and security interests of the Deed of Trust, but shall instead confirm that the lien and security interests of the Deed of Trust shall hereafter be upon and against all applicable portions of the Property subject to the Declaration and made part of the Deed of Trust and (ii) shall not modify or amend the terms and provisions of the Deed of Trust.

LIENHOLDER:

FINANCE PARTNERS, LP,
a Texas limited partnership


By: Finance Partners GP, LLC,
a Texas limited liability company,
its general partner

By: 
Name: M. Thomas Mason
Title: Executive Vice President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on this 11th day of April, 2018, by M. Thomas Mason, E.V.P. of Finance Partners GP, LLC, a Texas limited liability company, in its capacity as general partner of Finance Partners, LP, a Texas limited partnership, on behalf of said limited partnership.




Notary Public – State of Texas

Supplemental Declaration of Covenants, Conditions and Restrictions of Remaining Liberty Phases Attachment I

ATTACHMENT 2
(Shaddock Tract)
CONSENT AND SUBORDINATION OF LIENHOLDER

The undersigned, Finance Partners, LP, a Texas limited partnership ("Lienholder"), hereby consents to the filing of the Supplemental Declaration of Covenants, Conditions and Restrictions for Liberty Additional Land to which this Consent and Subordination is attached to and made a part of and, subject to the terms and provisions of this Consent and Subordination, subordinates the lien and security interests of that certain Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement recorded on January 5, 2018 as Document No. 20180105000023930 of the Official Public Records of Collin County, Texas as may be modified from time to time (as modified, the "Deed of Trust"), to the Liberty Additional Land Supplemental Declaration; provided, however, this Consent and Subordination: (i) shall not be construed or operate as a consent and subordination to any amendment to or modification of the Declaration and shall not be construed or operate as a release of the lien and security interests of the Deed of Trust, but shall instead confirm that the lien and security interests of the Deed of Trust shall hereafter be upon and against all applicable portions of the Property subject to the Declaration and made part of the Deed of Trust and (ii) shall not modify or amend the terms and provisions of the Deed of Trust.

LIENHOLDER:

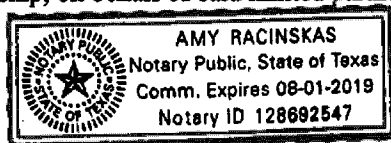
FINANCE PARTNERS, LP,
a Texas limited partnership

By: Finance Partners GP, LLC,
a Texas limited liability company,
its general partner

By: *M. Thomas Mason*
Name: M. Thomas Mason
Title: Executive Vice President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on this 11th day of April, 2018, by M. Thomas Mason, E.V.P. of Finance Partners GP, LLC, a Texas limited liability company, in its capacity as general partner of Finance Partners, LP, a Texas limited partnership, on behalf of said limited partnership.



Amy Racinkas
Notary Public – State of Texas

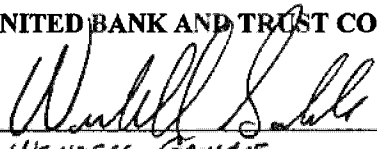
Supplemental Declaration of Covenants, Conditions and Restrictions of Remaining Liberty Phases Attachment 2

ATTACHMENT 3
(23.156 acres of Liberty Phase 5)
CONSENT AND SUBORDINATION

The undersigned, FIRST UNITED BANK AND TRUST COMPANY ("Lender"), hereby consents to the terms, provisions and conditions of that certain to the filing of the Supplemental Declaration of Covenants, Conditions and Restrictions for Liberty Additional Land to which this Consent and Subordination is attached (the "Liberty Additional Land Supplemental Declaration") and, subject to the terms and provisions of this Consent and Subordination, subordinates the lien and security interests of that certain Commercial Deed of Trust, Security Agreement, Financing Statement and Assignment of Rents, recorded on October 4, 2017, recorded under Document No. 2017100400133940 of the Real Property Records of Collin County, Texas (the "Deed of Trust"), to the Liberty Additional Land Supplemental Declaration; provided, however, this Consent and Subordination: (i) shall not be construed or operate as a consent and subordination to any amendment to or modification of the Declaration and shall not be construed or operate as a release of the lien and security interests of the Deed of Trust, but shall instead confirm that the lien and security interests of the Deed of Trust shall hereafter be upon and against all applicable portions of the Property subject to the Declaration and made part of the Deed of Trust and (ii) shall not modify or amend the terms and provisions of the Deed of Trust.

LENDER:

FIRST UNITED BANK AND TRUST COMPANY

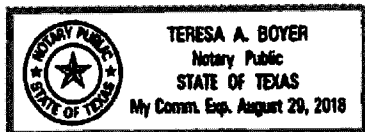
By: 
Name: WENDELL GAMATE
Title: SVP

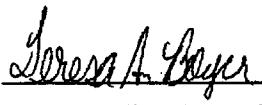
STATE OF TEXAS §

§

COUNTY OF Denton §

This instrument was acknowledged before me on this 13th day of April, 2018, by of First United Bank and Trust Company on behalf of said bank.




Notary Public – State of Texas

Supplemental Declaration of Covenants, Conditions and Restrictions of Remaining Liberty Phases Attachment 3

EXHIBIT A

LEGAL DESCRIPTION OF REMAINING LIBERTY PHASES

TRACT 1:

BEING a tract of land situated in the D.E.W. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, also being a portion of a tract of land described in deed to Hillwood RLD, L.P., according to the deed recorded in County Clerks File No. 2003-0136381 of the Deed Records Collin County, Texas (D.R.C.C.T.), the subject tract being more particularly described by metes and bounds as follows;

BEGINNING at a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set at the northwest corner of Liberty Phase 2, Section 1 according to the plat recorded in Instrument No. 2006-863 of the Official Public Records of Collin County, Texas, also being in the south line of a called 19.728 acre tract of land described in deed to Melissa Independent School District according to the deed recorded in County Clerks File No. 2007-0206000174950 of the Official Public Records of Collin County, Texas;

THENCE, along the westerly line of said Liberty Phase 2, Section 1, the following courses:

S 02°19'54" W, a distance of 90.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

S 87°40'06" E, a distance of 32.03 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner at the northwest corner of Block J of Liberty Phase 1, according to the plat recorded in Cabinet P, Slide 802 of the Plat Records of Collin County, Texas;

THENCE, along the westerly line of said Liberty Phase 1, the following courses:

S 02°19'54" W, a distance of 993.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 170.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 100.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for the northeast corner of Liberty Phase 2, as recorded in Instrument No. 2006-862 of the Official Public Records of Collin County, Texas;

THENCE, departing the west line of said Phase 1 and along a northerly line of said Phase 2, the following courses:

N 87°40'06" W, a distance of 77.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 30.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner from which a 5/8" iron rod found with yellow cap bears S 02°19'54" W, a distance of 160.00 feet;

N 87°40'06" W, a distance of 110.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 02°19'54" E, a distance of 130.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 560.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner from which a 5/8" iron rod with yellow cap found bears S 63°16'38" W, a distance of 41.18 feet;

THENCE, departing the north line of said Phase 2, over and across said Hillwood RLD, LP tract, the following courses:

N 02°19'54" E, a distance of 120.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 7.50 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 02°19'54" E, a distance of 50.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

S 87°40'06" E, a distance of 7.50 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 02°19'54" E, a distance of 120.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 110.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 02°19'54" E, a distance of 120.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 10.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 02°19'54" E, a distance of 595.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

S 87°40'06" E, a distance of 790.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 02°19'54" E, a distance of 18.00 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 19.25 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 02°19'54" E, a distance of 66.50 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

S 87°40'06" E, a distance of 9.25 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 47°19'54" E, a distance of 14.14 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

N 02°11'20" E, a distance of 2.07 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

S 88°21'18" E, a distance of 119.65 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set in the west line of the aforementioned 19.728 acre tract, also being the beginning of a non-tangent curve to the right;

THENCE, along the westerly line of said 19.728 acre tract, the following courses:

Along said non-tangent curve to the right having a central angle of 03°53'23", a radius of 300.00 feet, a chord bearing of S 08°26'38" E, 20.36 feet and an arc length of 20.37 feet to a 5/8" iron rod with yellow cap stamped "Cotton Surveying" set for corner;

S 87°40'06" E, a distance of 91.53 feet to the POINT OF BEGINNING, containing 1,048,622 square feet or 24.073 acres of land, more or less.

TRACT 2:

BEING a tract of land situated in the D.E.W. Babb Survey, Abstract No. 33, City of Melissa, Collin County, Texas, also being a portion of a tract of land described in deed to Hillwood RLD, L.P., according to the deed recorded in County Clerks File No. 2003-0136381 of the Deed Records Collin County, Texas (D.R.C.C.T.), the subject tract being more particularly described by metes and bounds as follows;

BEGINNING at a 5/8" iron rod found at the southwest corner of a called 20.518 acre tract of land described in deed to Melissa Liberty II, LP, according to the deed recorded in County Clerks File No. 2005-0178447, D.R.C.C.T., also being in the northwest right-of-way line of State Highway 121 (variable width right-of-way) according to the deed recorded in Volume 557, Page 298, D.R.C.C.T.;

THENCE, S 55°53'20" W, along the northwest line of said State Highway 121, a distance of 60.00 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set at the most easterly corner of a called 29.155 acre tract of land described in deed to Melissa Liberty II, LP, according to the deed recorded in County Clerks File No. 2005-0178448, D.R.C.C.T.;

THENCE, along the easterly and north line of said 29.155 acre tract, the following courses:

N 34°06'40" W, a distance of 385.51 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for the beginning of a tangent curve to the right;

Along said tangent curve to the right having a central angle of 33°40'36", a radius of 1050.00 feet, a chord bearing of N 17°16'22" W, 608.31 feet and an arc length of 617.16 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set;

N 00°26'04" W, a distance of 224.40 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set at the northeast corner of said 29.155 acre tract;

N 87°45'27" W, a distance of 901.90 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set at the northwest corner of said 29.155 acre tract, also being a northeast corner of a tract of land described in deed to Jeffrey L. Sparks and wife Lynn Sparks, Wanda J. Sparks and Roy L. Sparks according to the deed recorded in County Clerks File No. 95-0046938, D.R.C.C.T.;

THENCE, N 66°22'23" W, along the northeast line of said Sparks tract, a distance of 5.61 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set at the southeast corner of Lot 10, Block A of Liberty Phase 2, Section 2, according to the plat recorded in County Clerks File No. 2006-862 of the Official Public Records of Collin County, Texas;

THENCE, along the southeasterly line of said Liberty Phase 2, the following courses:

N 00°36'49" E, a distance of 128.90 feet to a 5/8" iron rod found for the beginning of a non-tangent curve to the left;

Along said non-tangent curve to the left having a central angle of 04°41'21", a radius of 275.00 feet, a chord bearing of N 88°16'08" E, 22.50 feet and an arc length of 22.51 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 04°04'32" W, a distance of 50.0 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for the beginning of a non-tangent curve to the right;

Along said non-tangent curve to the right having a central angle of 12°36'51", a radius of 225.00 feet, a chord bearing of N 87°46'07" W, 49.44 feet and an arc Length of 49.54 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 12°18'53" E, a distance of 79.44 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 19°07'22" E, a distance of 368.28 feet to a 7/8" iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 02°19'54" E, a distance of 266.91 feet to an "X" cut on top of retaining wall found for corner;

S 87°40'06" E, a distance of 816.00 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 20.00 feet to a 5/8" iron rod found for corner;

S 87°40'06" E, a distance of 77.00 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for corner in the west line of Liberty Phase 1, according to the plat recorded in Cabinet P, Slide 802 of the Plat Records of Collin County, Texas;

THENCE, S 02°19'54" W, along the west line of said Liberty Phase 1, a distance of 790.00 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for corner;

THENCE, S 87°40'06" E, along the south line of Block A of said Liberty Phase I, a distance of 50.00 feet to a 1/2" iron rod found for the beginning of a non-tangent curve to the right;

THENCE, along said non-tangent curve to the right having a central angle of 11°09'23", a radius of 300.00 feet, a chord bearing of S 07°54'15" W, 58.32 feet and an arc length of 58.41 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for corner;

THENCE, S 13°28'56" W, along the west line of the aforesaid 20.518 acre tract, a distance of 187.36 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for the beginning of a tangent curve to the left;

THENCE, continuing along the west line of said 20.518 acre tract, the following courses:

Along said tangent curve to the left having a central angle of 15°57'52", a radius of 300.00 feet, a chord bearing of S 05°29'32" W, 83.32 feet and an arc length of 83.59 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for the beginning of a compound curve to the left;

Along said compound curve to the left having a central angle of 31°37'19", a radius of 990.00 feet, a chord bearing of S 18°18'00" E, 539.48 feet and an arc length of 546.39 feet to a 5/8" iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 34°06'40" E, a distance of 385.51 feet to the POINT OF BEGINNING, containing 907,000 square feet or 20.822 acres of land, more or less.

TRACT 3:

Easement rights reserved in Special Warranty Deed, by Hillwood RLD, L.P., filed 12/21/2005, recorded in Volume 6070, Page 820, Real Property Records, Collin County, Texas. Affected by Partial Release of Easement filed 01/09/2007, recorded in cc# 20070109000039260, Real Property Records, Collin County, Texas.

TRACT 4:

BEING a tract of land situated in the D.E.W. BABB Survey, Abstract No. 33, City of Melissa, Collin County, Texas, and being a portion of a tract of land described in deed to HILLWOOD RLD, L.P. recorded in County Clerks File No. 2003-0136381 of the Deed Records Collin County, Texas, and being more particularly described by metes and bounds as follows;

BEGINNING at the northeast corner of said HILLWOOD RLD, L.P. tract, the south line of a called 14.450 acre tract of land described in deed to Melvin Letteer and Terry Letteer, recorded in County Clerk's File No. 20090318000308640 of the Official Public Records of Collin County, Texas, (O.P.R.C.C.T.) and the northwest corner of a called 71.428 acre tract of land described in deed to Shaddock Developers, Ltd., recorded in County Clerk's File No. 2004-0069263, O.P.R.C.C.T.;

THENCE, along the common line of said Hillwood tract and said Shaddock Developers, Ltd. tract, the following courses:

S 01°11'55" W, a distance of 990.93 feet to a 1/2 inch iron rod found for corner;

N 81°28'02" W, a distance of 438.50 feet to a 1/2 inch iron rod with yellow cap found for corner;

S 01°59'12" W, a distance of 870.17 feet to a Aluminum Disk in concrete found for corner at the northeast corner of Liberty Phase 2, Section 1, an addition to the City of Melissa as recorded in Inst. No. 2006-862, Official Public Records, Collin County, Texas;

THENCE, along a southerly line of said Hillwood tract and the north line of Liberty Phase 2, Section 1, the following courses:

N 88°00'48" W, a distance of 125.00 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 01°59'12" E, a distance of 24.46 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 88°00'48" W, a distance of 50.00 feet to a 5/8 inch iron rod with yellow cap found for corner;

S 01°59'12" W, a distance of 20.00 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 88°00'48" W, a distance of 130.39 feet to a 5/8 inch iron rod with yellow cap found for corner;

S 00°19'21" E, a distance of 133.88 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 52°15'46" W, a distance of 137.41 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 73°54'29" W, a distance of 37.46 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

Along a non-tangent curve to the left having a central angle of 06°22'10", a radius of 275.00 feet, a chord of N 13°35'17" E - 30.56 feet, an arc length of 30.57 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 79°35'48" W, a distance of 50.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

Along a non-tangent curve to the right having a central angle of 27°20'02", a radius of 225.00 feet, a chord of S 24°04'13" W - 106.32 feet, an arc length of 107.34 feet to a 5/8 inch iron rod with yellow cap found for corner;

S 37°44'14" W, a distance of 12.79 feet to a "X" cut in concrete found for corner;

N 52°15'46" W, a distance of 69.66 feet to a 5/8 inch iron rod found for corner;

Along a tangent curve to the right having a central angle of 11°04'53", a radius of 375.00 feet, a chord of N 46°43'20" W - 72.41 feet, an arc length of 72.53 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

Along a reverse curve to the left having a central angle of 24°09'40", a radius of 275.00 feet, a chord

of N 53°15'43" W - 115.11 feet, an arc length of 115.96 feet to a "X" cut in concrete found for corner;

N 00°14'20" E, a distance of 49.60 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 89°45'40" W, a distance of 50.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 00°14'20" W, a distance of 32.48 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

Along a non-tangent curve to the left having a central angle of 13°37'44", a radius of 275.00 feet, a chord of N 83°11'08" W - 65.26 feet, an arc length of 65.41 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 90°00'00" W, a distance of 15.17 feet to a "X" cut in concrete found for corner;

N 00°14'20" E, a distance of 28.56 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 89°45'40" W, a distance of 50.00 feet to a 5/8 inch iron rod with yellow cap found for corner;

S 00°14'20" W, a distance of 28.77 feet to a "X" cut in concrete found for corner;

N 90°00'00" W, a distance of 260.00 feet to a "X" cut in concrete found for corner;

N 00°14'20" E, a distance of 28.58 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 89°45'40" W, a distance of 60.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 00°14'20" W, a distance of 28.83 feet to a "X" cut in concrete found for corner;

N 90°00'00" W, a distance of 34.00 feet to a 5/8 inch iron rod with yellow cap found for corner;

S 00°00'00" E, a distance of 50.00 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 90°00'00" E, a distance of 31.85 feet to a "X" cut in concrete found for corner;

Along a non-tangent curve to the right having a central angle of 24°51'44", a radius of 270.00 feet, a chord of S 19°33'06" W - 116.24 feet, an arc length of 117.16 feet to a 5/8 inch iron rod with yellow cap found for corner;

Along a reverse curve to the left having a central angle of 31°52'58", a radius of 330.00 feet, a chord of S 16°02'29" W - 181.27 feet, an arc length of 183.63 feet to a "X" cut in concrete found for corner;

THENCE, along the north and west lines of Lot 1, Block 1 of Harry McKillop Elementary Subdivision, an addition to the City of Melissa as recorded in Instrument No. 2007, Page 236, O.P.R.C.C.T., the following courses:

N 67°56'53" W, a distance of 352.27 feet to a point for corner;

N 58°58'18" W, a distance of 165.16 feet to a point for corner;

N 58°51'56" W, a distance of 77.84 feet to a point for corner;

N 59°03'24" W, a distance of 58.32 feet to a 1/2 inch iron rod with yellow cap found for corner;

N 79°57'32" W, a distance of 53.32 feet to a 1/2 inch iron rod with yellow cap found for corner;

N 31°33'21" W, a distance of 53.05 feet to a 1/2 inch iron rod with yellow cap found for corner;

N 63°57'25" W, a distance of 54.99 feet to a point for corner;

N 59°28'16" W, a distance of 53.04 feet to a point for corner;

N 60°04'08" W, a distance of 57.43 feet to a point for corner;

N 62°28'02" W, a distance of 61.24 feet to a point for corner;

N 56°10'27" W, a distance of 61.11 feet to a point for corner;

N 57°34'36" W, a distance of 60.13 feet to a point for corner;

N 61°44'56" W, a distance of 60.96 feet to a 1/2 inch iron rod with yellow cap found for corner;

N 55°23'27" W, a distance of 64.16 feet to a 1/2 inch iron rod with yellow cap found for corner;

N 57°48'09" W, a distance of 4.79 feet to a 1/2 inch iron rod with yellow cap found for corner;

S 02°19'54" W, a distance of 701.28 feet to a 1/2 inch iron rod with yellow cap found for corner;

S 12°18'16" E, a distance of 53.95 feet to a 1/2 inch iron rod with yellow cap found for corner;

S 67°07'18" W, a distance of 118.75 feet to a 1/2 inch iron rod with yellow cap found for corner;

Along a non-tangent curve to the left having a central angle of 24°16'51", a radius of 275.00 feet, a chord of S 35°01'08" E - 115.67 feet, an arc length of 116.54 feet to a 1/2 inch iron rod with yellow cap found for corner;

Along a reverse curve to the right having a central angle of 36°46'16", a radius of 300.00 feet, a chord of S 28°46'28" E - 189.25 feet, an arc length of 192.53 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

THENCE, leaving the westerly line of said Lot 1, continuing across said Hillwood tract, the following courses:

N 88°21'18" W, a distance of 119.65 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°11'20" W, a distance of 2.07 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 47°19'54" W, a distance of 14.14 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 9.25 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 66.50 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 87°40'06" E, a distance of 19.25 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 18.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 790.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 595.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 87°40'06" E, a distance of 10.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 120.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 87°40'06" E, a distance of 110.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 120.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 7.50 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 50.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 87°40'06" E, a distance of 7.50 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 120.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner in the north line of Liberty Phase 2, Section 2, an addition to the City of Melissa as recorded in Inst. No. 2006-862, Plat Records, Collin County, Texas,

THENCE along the north line of said Liberty Phase 2, Section 2, the following courses:

N 87°40'06" W, a distance of 245.47 feet to a point for corner;

Along a tangent curve to the left having a central angle of 04°31'47", a radius of 260.00 feet, a chord of N 89°56'00" W - 20.55 feet, an arc length of 20.55 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 02°19'54" E, a distance of 20.81 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 50.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 02°19'54" W, a distance of 25.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 87°40'06" W, a distance of 62.79 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

Along a tangent curve to the right having a central angle of 19°21'21", a radius of 486.50 feet, a chord of N 77°59'25" W - 163.57 feet, an arc length of 164.35 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 68°18'45" W, a distance of 31.66 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

Along a tangent curve to the right having a central angle of 26°42'38", a radius of 400.00 feet, a chord of N 54°57'26" W - 184.79 feet, an arc length of 186.47 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 41°36'07" W, a distance of 10.60 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

Along a tangent curve to the right having a central angle of 26°29'30", a radius of 491.50 feet, a chord of N 28°21'20" W - 225.23 feet, an arc length of 227.25 feet to a point for corner;

S 74°53'23" W, a distance of 44.53 feet to an Aluminum Disk in concrete found for corner;

S 03°22'49" W, a distance of 317.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 19°07'23" W, a distance of 40.79 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 01°29'39" E, along a west line of said Hillwood tract, and the east line of Block 3 of Graves Addition, an addition to the City of Melissa, according to the plat thereof recorded in Volume 1, Page 61, of the Map and Plat Records of Collin County Deed Records, a distance of 356.01 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

THENCE, along the west and north line of said Hillwood tract, the following courses:

N 87°43'11" W, a distance of 79.01 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 02°15'49" E, a distance of 20.00 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 87°43'11" W, a distance of 263.40 feet to a 5/8 inch iron rod with yellow cap found for corner;

N 19°52'49" E, a distance of 100.00 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

N 70°07'11" W, a distance of 50.00 feet to a 5/8 inch iron rod with yellow cap found for corner in the easterly line of a Dallas Area Rapid Transit tract;

N 19°50'57" E, along the easterly line of said Dallas Area Rapid Transit tract, a distance of 2564.86 feet to a 5/8 inch iron rod with yellow cap found for the northwest corner of said Hillwood RLD, L.P. tract and being the southwest corner of a tract of land described in deed to Cemex Construction Materials, L.P. according to the deed recorded in County Clerks File No. 20070928001344130 of the O.P.R.C.C.T.;

S 88°21'18" E, a distance of 1213.84 feet to a 5/8 inch iron rod with yellow cap found for corner;

S 02°09'36" E, a distance of 21.51 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 89°45'40" E, a distance of 434.99 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set for corner;

S 85°23'26" E, a distance of 1496.05 feet to a 5/8 inch iron rod with orange cap stamped "Cotton Surveying" set at the southeast corner of a tract of land described in deed to GM Buckey, recorded in Volume 4970, Page 150, Deed Records of Collin County, Texas;

N 01°13'48" E, a distance of 868.86 feet to a 1/2 inch iron rod with yellow cap found for corner;

S 88°32'00" E, a distance of 920.75 feet to the PLACE OF BEGINNING with the subject tract containing 7,046,494 square feet or 161.765 acres of land

TRACT 5:

BEING a Non-Exclusive Easement granted to Hillwood RLD, L.P., by Owens Ranches, Inc., pursuant to Roadway and Landscape Easement Agreement dated as of 07/16/2003, filed 07/17/2003, recorded in Volume 5461, Page 3669, Real Property Records of Collin County, Texas, over, upon

and across the property described on Exhibit A attached thereto and made a part thereof for all purposes.

Exhibit B – Initial Bylaws of Liberty Homeowners Association, Inc.

EXHIBIT "B"**BYLAWS****OF****LIBERTY HOMEOWNERS ASSOCIATION, INC.**

These Bylaws (referred to as the "Bylaws") govern the affairs of Liberty Homeowners Association, Inc., a non-profit corporation (referred to as the "Association") organized under the Texas Non-Profit Corporation Act (referred to as the "Act").

ARTICLE I**OFFICES****Principal Office**

1.01 The principal office of the Association in the State of Texas shall be located at 5430 LBJ Freeway, Suite 800, Dallas, Texas 75240. The Association may have such other offices either in Texas or elsewhere, as the Board of Directors may determine. The Board of Directors may change the location of any office of the Association.

Registered Office and Registered Agent

1.02 The Association shall comply with the requirements of the Act and maintain a registered office and registered agent in Texas. The registered office shall be located in Dallas County, Collin County, or a contiguous county. The Board of Directors may change the registered office and the registered agent as provided in the Act.

ARTICLE 2**MEMBERS****Classes of Members**

2.01 The members of the Association shall consist of all lot owners in Liberty, including such additional phases of the Liberty community as may be added hereafter.

2.02 The Association shall have two (2) classes of members. Class A Members shall be all Members with the exception of Class B Members. Class A members shall have the voting rights provided in Section 2.2 of the Declaration of Covenants, Conditions, and Restrictions for Liberty, Melissa, Texas, recorded in the Real Property Records of Collin County, Texas (referred to herein as the "Declaration"). The Class B member shall be the Declarant and shall have the voting rights provided in Section 2.2 of the Declaration.

Conversion of Membership

2.03 Class B membership may cease and be converted to Class A membership at the option of the Class B member by written notice to the secretary of the Association and shall cease and be converted to Class A membership effective on the date set forth in said notice. If such option is not made, the Class B membership shall cease pursuant to the terms of Section 2.2 of the Declaration.

ARTICLE 3

ASSESSMENTS

Annual Assessment

3.01 The Board of Directors may set and charge annual assessments for the purpose of promoting the recreation, health, safety, enjoyment and welfare of the members in the properties and in particular, with the improvement and maintenance of the Common Areas and Common Facilities as such terms are defined by the Declaration.

(a) The maximum annual assessment may be increased each year not more than fifteen (15%) above the maximum assessment for the previous year without a vote of the membership as provided in Section 3.3(b) of the Declaration.

(b) The Board of Directors may fix the annual assessment at an amount less than or equal to the maximum. Annual assessments shall be due and payable on a date set by the Board of Directors. The Board may require the Annual Assessments to be paid in semi-annual payments.

Special Assessments

3.02 Pursuant to the provisions of Section 3.4 of the Declaration, and subject to the Member vote referenced therein if applicable, the Board of Directors may levy Special Assessments for Capital Improvements.

ARTICLE 4

MEMBERSHIP RIGHTS

Voting

4.01 Class A members shall have the voting rights provided in Section 2.2 of the Declaration. The Class B member shall have the voting rights provided in Section 2.2 of the Declaration.

When more than one (1) person holds a membership interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

Sanction, Suspension, or Termination of Members

4.02 The Board of Directors may suspend a member and all occupants of the member's residence from use of the common area in the event a member fails to pay any assessment levied pursuant to the powers herein and such failure continues thirty (30) days after written notice from the Board of Directors to the member of default. All voting rights of an owner shall also be suspended during any period in which such owner is delinquent in the payment of any assessment duly established pursuant to the Declaration or the Bylaws, as more fully provided in Section 12.2 of the Declaration. The remedies and procedures employed by the Board shall be consistent and in compliance with Chapter 2.09 of the Texas Property Code effective as of January 2, 2002, and such other laws and regulations as may be applicable.

Transfer of Membership

4.03 Membership in the Association automatically transfers upon the recordation of a deed conveying ownership of any lot.

Waiver of Interest in Association Property

4.04 All real and personal property, including all improvements located on the Property, acquired by the Association shall be owned by the Association. A member shall have no interest in specific property of the Association. Each member hereby expressly waives the right to require partition of all or part of the Association's property.

ARTICLE 5

MEETINGS OF MEMBERS

Annual Meeting

5.01 The first annual meeting of the Members shall be fixed at a date, time, and place determined by the Board of Directors. Notice shall be given as provided in Section 5.04 below. Subsequent annual meetings of the Members shall be held on the same date each year as fixed by the Board of Directors at the first annual meeting unless subsequently changed by the Board. If the day fixed for the annual meeting is a Saturday, Sunday, or legal holiday in the state of Texas, the meeting shall be held on the next business day. At the annual meeting, the members shall elect those directors whose terms have expired and transact any other business that may come before the meeting. If, in any year, the election of directors is not held on the day designated for the annual meeting, or at any adjournment of the annual meeting, the Board of Directors shall call a

special meeting of the members as soon thereafter as possible to conduct the election of directors.

Special Meetings

5.02 Special meetings of the members may be called by the president, the Board of Directors, or, after Class A members have voting control pursuant to the Declaration and these Bylaws, not less than fifteen percent (15%) of the voting members.

Place of Meeting

5.03 The Board of Directors may designate any place, in Collin County or a contiguous county, as the place of meeting for any annual meeting or for any special meeting of members called by the Board of Directors.

Notice of Meetings

5.04 Written or printed notice of any meeting of members, including the annual meeting, shall be delivered to each member entitled to vote at the meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting. The notice shall state the place, day, and time of the meeting, who called the meeting, and the general purpose or purposes for which the meeting is called. Notice shall be given by or at the direction of the president or secretary of the Association, or the officers or persons calling the meeting. If all of the members meet and consent to the holding of a meeting, any corporate action may be taken at the meeting regardless of a lack of proper notice. The provisions relating to notices contained in Section 11.8 of the Declaration are incorporated herein by reference.

Quorum

5.05 The quorum requirements for meetings of members shall be those provided in Section 2.3 of the Declaration. The members present may continue to transact business even if enough members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of members required to constitute a quorum. If a quorum is present at no time during a meeting, a majority of the members present may adjourn and reconvene the meeting with notice as above provided and with a lesser quorum requirement as provided in Section 2.3 of the Declaration.

Actions of Membership

5.06 The membership shall try to act by consensus. However, the vote of a majority of voting members in good standing, present and entitled to vote at a meeting at which a quorum is present, shall be sufficient to constitute the act of the membership unless the vote of a greater number is required by law, the Declaration, or these Bylaws. A member in good standing is one who has paid all required fees and dues and is not

suspended as of the date of the notice of the meeting, as more particularly defined in Section 12.2 of the Declaration. Voting shall be by ballot or voice, except that any election of directors shall be by ballot if demanded by any voting member at the meeting before the voting begins.

Proxies

5.07 A member entitled to vote may vote by proxy executed in writing by the member. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

Voting by Mail, Facsimile, or Electronic Mail

5.08 The Board of Directors may authorize members to vote by mail, facsimile, or electronic mail on the election of directors and officers or on any other matter that may be voted on by the members. Further, a consent to any proposition may be authorized by the Board to be circulated for signature by the Members. The written consent of the requisite number of Members to authorize the action shall be the same as a vote taken at a duly called meeting; provided that notice of the proposition for which a request for consent is made will be given to all Members and an opportunity given to consent or object to the matter.

ARTICLE 6

BOARD OF DIRECTORS

Management of the Association

6.01 The affairs of the Association shall be managed by the Board of Directors.

Number, Qualifications, and Tenure of Directors

6.02 The initial Board of Directors shall have three (3) members. The number of Directors can be increased by a majority vote of a quorum attending an annual meeting or special meeting of Members called for that purpose. Directors shall be residents of Texas. Directors appointed by the Declarant need not be members of the Association. After control of the Association passes to the Class A Members as provided in Section 2.2 each Director must be a member of the Association. The initial Directors shall serve for a term of one (1) year or until Declarant appoints a replacement for a Director. After control is passed to the Class A Members a Board shall be elected in which one Director will serve for one (1) year and two members will serve for two (2) years. Thereafter each Director will be elected for a two (2) year term. If the Board is increased to five (5) Directors then two (2) will initially be elected for one (1) year and three (3) will be elected for two (2) years and thereafter each will be elected for two (2) years.

Nomination of Directors

6.03 At any meeting at which the election of a director occurs, a voting member in good standing may nominate a person with the second of any other voting member in good standing. In addition to nominations made at meetings, a nominating committee shall consider possible nominees and make nominations for each election of directors. The secretary shall include the names nominated by the nominating committee, and any report of the committee, with the notice of the meeting at which the election occurs.

Election of Directors

6.04 A person who meets any qualification requirements to be a director and who has been duly nominated may be elected as a director. Directors shall be elected by the vote of the membership of the Association. In electing directors, members shall not be permitted to cumulate their votes by giving one candidate as many votes as the number of directors to be elected or by distributing the same number of votes among any number of candidates. Each director shall hold office until a successor is elected and qualified. A director may be elected to succeed himself or herself as director.

Vacancies

6.05 Any vacancy occurring in the Board of Directors, and any director position to be filled due to an increase in the number of directors, shall be filled by the Board of Directors. A vacancy is filled by the affirmative vote of a majority of the remaining directors, even if it is less than a quorum of the Board of Directors, or if it is a sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office.

Annual Meeting

6.06 The annual meeting of the members, after the initial annual meeting, may be held without notice provided it is held pursuant to Article 5.01, subject, however, to the provisions of Section 2.21 of the Declaration if applicable. The annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of members.

Regular Meetings

6.07 The Board of Directors may provide for regular meetings by resolution stating the time and place of such meetings. The meetings may be held either within or without the State of Texas and shall be held at the Association's registered office in Texas if the resolution does not specify the location of the meetings. No notice of regular meetings of the Board is required other than a resolution of the Board of Directors stating the time and place of the meetings.

Special Meetings

6.08 Special meetings of the Board of Directors may be called by or at the request of the president or any director. A person or persons authorized to call special meetings of the Board of Directors may fix any place within Collin County or contiguous counties as the place for holding a special meeting. The person or persons calling a special meeting shall notify the secretary of the information required to be included in the notice to the directors as required in the Bylaws. The secretary shall give notice to the directors as required in the Bylaws.

Notice

6.09 Written or printed notice of any special meeting of the Board of Directors shall be delivered to each director not less than three (3) nor more than thirty (30) days before the date of the meeting. The notice shall state the place, day, and time of the meeting, who called the meeting, and the purpose or purposes for which the meeting is called.

Quorum

6.10 A majority of the number of directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of directors required to constitute a quorum. If a quorum is present at no time during a meeting, a majority of the directors present may adjourn and reconvene the meeting one time without further notice.

Duties of Directors

6.11 Directors shall exercise ordinary business judgment in managing the affairs of the Association. In acting in their official capacity as directors of this Association, directors shall act in good faith and take actions they reasonably believe to be in the best interests of the Association and that are not unlawful. In all other instances, the Board of Directors shall not take any action that they should reasonably believe would be opposed to the Association's best interests or would be unlawful. A director shall not be liable if, in the exercise of ordinary care, the director acts in good faith relying on written financial statements and/or legal opinions provided by an accountant or attorney retained by the Association. General powers and duties of the Board are also provided in Article IV of the Declaration.

Actions of the Board of Directors

6.12 The Board of Directors shall try to act by consensus. However, the vote of a majority of directors present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Directors unless the act of a greater number is required by law or the Bylaws. A director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the decision of the Board of Directors. For the purpose of determining the decision of the Board of Directors, a director who is represented by proxy in a vote is considered present.

Proxies

6.13 A director may vote by proxy executed in writing by the director. No proxy shall be valid after three (3) months from the date of its execution.

Compensation

6.14 Directors shall not receive salaries for their services. The Board of Directors may adopt a resolution providing for payment to directors of a fixed sum and expenses of attendance, if any, for attendance at each meeting of the Board of Directors. A director may serve the Association in any other capacity and receive compensation for those services.

Removal of Directors

6.15 The Board of Directors may vote to remove a director at any time, with or without good cause. A Meeting to consider the removal of a director may be called and notices following the procedures provided in the Bylaws. The notice of the meeting shall state that the issue of possible removal of the director will be on the agenda. The director shall have the right to present evidence at the meeting as to why he or she should not be removed, and the director shall have the right to be represented by an attorney at and before the meeting. At the meeting, the Association shall consider possible arrangements for resolving the problems that are in the mutual interest of the Association and the director. A director may be removed by the affirmative vote of a majority of the Board of Directors.

Election by Class B Member

6.16 Notwithstanding the foregoing, as long as Class B membership exists, all directors shall be elected solely by the Class B member. The first meeting of Members to elect Directors shall be called within 120 days after Class B membership has ended as provided in Section 2.2 of the Declaration.

ARTICLE 7

OFFICES

Officer Positions

7.01 The officers of the Association shall be a president, a vice president, a secretary, and a treasurer. The Board of Directors may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. Any two or more offices may be held by the same person, except the offices of president and secretary.

Election and Term of Office

7.02 The officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers is not held at this meeting, the election shall be held as soon thereafter as conveniently possible. Each officer shall hold office until a successor is duly selected and qualified. An officer may be elected to succeed himself or herself in the same office.

Removal

7.03 Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors with or without good cause. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer.

Vacancies

7.04 A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the officer's term.

President

7.05 The president shall be the chief executive officer of the Association. The president shall supervise and control all of the business and affairs of the Association. The president shall preside at all meetings of the members and of the Board of Directors. The president may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board of Directors has authorized to be executed. However, the president may not execute instruments on behalf of the Association if this power is expressly delegated to another officer or agent of the Association by the Board of Directors, the Bylaws, or statute. The president shall perform other duties prescribed by the Board of Directors and all duties incident to the office of president.

Vice President

7.06 When the president is absent, is unable to act, or refuses to act, a vice president shall perform the duties of the president. When a vice president acts in place of the president, the vice president shall have all the powers of and be subject to all the restrictions upon the president. If there is more than one vice president, the vice presidents shall act in place of the president in the order of the votes received when elected. A vice president shall perform other duties as assigned by the president or Board of Directors.

Treasurer

7.07 The treasurer shall:

(a) Have charge and custody of and be responsible for all funds and securities of the Association.

(b) Receive and give receipts for funds due and payable to the Association from any source.

(c) Deposit all funds in the name of the Association in banks, trust companies, or other depositaries as provided in the Bylaws or as directed by the Board of Directors or president.

(d) Write checks and disburse funds to discharge obligations of the Association. Funds may not be drawn from the Association or its accounts for amounts greater than Five Hundred and No/100 Dollars (\$500.00) without the signature of the president or a vice president in addition to the signature of the treasurer. The Board may prescribe any further or different procedures and safeguards as it may from time to time deem appropriate.

(e) Maintain the financial books and records of the Association.

(f) Prepare financial reports at least annually.

(g) Perform other duties as assigned by the president or by the Board of Directors.

(h) If required by the Board of Directors, give a bond for the faithful discharge of his or her duties in a sum and with a surety as determined by the Board of Directors.

(i) Perform all the duties incident to the office of treasurer.

Secretary

7.08 The Secretary shall:

- (a) Give all notices as provided in the Bylaws or as required by law.
- (b) Take minutes of the meetings of the members and of the Board of Directors and keep the minutes as part of the Association records.
- (c) Maintain custody of the corporate records and of the seal of the Association.
- (d) Affix the seal of the Association to all documents as authorized.
- (e) Keep a register of the mailing address of each director, officer, and employee of the Association.
- (f) Perform duties as assigned by the president or by the Board of Directors.
- (g) Perform all duties incident to the office of secretary.

Delegation of Duties

The Board may delegate various duties of its officers to a professional management company subject to the Board's supervision.

ARTICLE 8

COMMITTEES

~~Establishment of Committee~~

8.01 The Board of Directors may, but is not required to, adopt a resolution establishing one or more committees delegating specified authority to a committee, and appointing or removing members of a committee. A committee shall include one or more directors and may include persons who are not directors. If the Board of Directors delegates any of its authority to a committee, the majority of the committee shall consist of directors. The Board of Directors may establish qualifications for membership on a committee. The Board of Directors may delegate to the president its power to appoint and remove members of a committee that has not been delegated any authority of the Board of Directors. The establishment of a committee or the delegation of authority to it shall not relieve the Board of Directors, or any individual director, of any responsibility imposed by the Bylaws or otherwise imposed by law. No committee shall have the authority of the Board of Directors to:

- (a) Amend the Articles of Incorporation.
- (b) Adopt a plan of merger or a plan of consolidation with another corporation.
- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Association.
- (d) Authorize the voluntary dissolution of the Association.
- (e) Revoke proceedings for the voluntary dissolution of the Association.
- (f) Adopt a plan for the distribution of the assets of the Association.
- (g) Amend, alter, or repeal the Bylaws.
- (h) Elect, appoint, or remove a member of a committee or a director or officer of the Association.
- (i) Approve any transaction to which the Association is a party and that involves a potential conflict of interest as defined in paragraph 9.04, below.
- (j) Take any action outside the scope of authority delegated to it by the Board of Directors.
- (k) Take final action on a matter that requires the approval of the members.

Architectural Control Committee

8.02 An Architectural Control Committee has been established by the Declaration and shall function according to said Declaration, and these Bylaws.

Term of Office

8.03 Each member of a committee shall continue to serve on the committee until the next annual meeting of the Directors of the Association and until a successor is appointed by the Board of Directors. However, the term of a committee member may terminate earlier if the committee is terminated, or if the member dies, ceases to qualify, resigns, is removed, or ceases to be, a member. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee shall serve for the unexpired portion of to the terminated committee member's term.

Chair and Vice-Chair

8.04 One member of each committee shall be designated as the chair of the committee and another member of each committee shall be designated as the vice-chair. The chair and vice-chair shall be appointed by the Board of Directors. The chair shall call and preside at all meetings of the committee. When the chair is absent, is unable to act, or refuses to act, the vice-chair shall perform the duties of the chair. When a vice-chair acts in place of the chair, the vice-chair shall have all the powers of and be subject to all the restrictions upon the chair.

Notice of Meetings

8.05 Written or printed notice of a committee meeting shall be delivered to each member of a committee not less than three (3) nor more than thirty (30) days before the date of the meeting. The notice shall state the place, day, and time of the meeting, and the purpose of purposes for which the meeting is called. The meeting shall be held in Collin or a contiguous county.

Quorum

8.06 One half (1/2) of the number of members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of committee members required to constitute a quorum. If a quorum is present at no time during a meeting, the chair may adjourn and reconvene the meeting one time without further notice.

Actions of Committee

8.07 A committee shall try to take action by consensus. However, the vote of a majority of committee members present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the committee unless the act of a greater number is required by law or the Bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

Proxies

8.08 A committee member may vote by proxy executed in writing by the committee member. No proxy shall be valid after eleven (11) months from the date of its execution.

Compensation

8.09 Committee members shall not receive salaries for their services. The Board of Directors may adopt a resolution providing for payment to committee members of a fixed sum and expenses of attendance, if any, for attendance at each meeting of the committee. A committee member may serve the Association in any other capacity and receive compensation for those services. Any compensation that the Association pays to a committee member shall be commensurate with the services performed and shall be reasonable in amount. Notwithstanding the foregoing, as provided in the Declaration, one or more members of the Architectural Control Committee may be professionals retained by the Board and such parties may be compensated as agreed by the Board.

Rules

8.10 Each committee may adopt rules for its own operation not inconsistent with the Bylaws or with rules adopted by the Board of Directors.

Subject to Board of Directors

8.11 All committees may be appointed by the Board, and are finally subject to the decision of the Board in event of a conflict between a committee decision and a Board decision.

ARTICLE 9

TRANSACTIONS OF THE ASSOCIATION

Contracts

9.01 The Board of Directors may authorize any officer or agent of the Association to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Association. This authority may be limited to a specific contract or instrument or it may extend to any number and type of possible contracts and instruments.

Deposits

9.02 All funds of the Association shall be deposited to the credit of the Association in such banks, trust companies, or other depositories as the Board may select.

Gifts

9.03 The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association. The Board of Directors may make gifts and give charitable

contributions that are not prohibited by the Bylaws, the Articles of Incorporation, state law, and any requirements for maintaining the Association's federal and state tax status.

Potential Conflicts of Interest

9.04 The Association shall not make any loan to a director, officer or member of the Association. A member, director, officer, or committee member of the Association may lend money to and otherwise transact business with the Association except as otherwise provided by the Bylaws, Articles of Incorporation, and all applicable laws. ~~Such a person transacting business with the Association has the same rights and obligations relating to those matters as other persons transacting business with the~~ Association. The Association shall not borrow money from or otherwise transact business with a member, director, officer, or committee member of the Association unless the transaction is described fully in a legally binding instrument and is in the best interests of the Association. The Association shall not borrow money from or otherwise transact business with a member, director, officer, or committee member of the Association without full disclosure of all relevant facts and without the approval of the Board of Directors. Nothing herein shall prohibit the Declarant, during the Class B control period, from advancing funds in behalf of the Association and being reimbursed by the Association for such advances.

Prohibited Acts

9.05 As long the Association is in existence, and except with the prior approval of the Board of Directors (to the extent the Directors have authority to so approve), no director, officer, or committee member of the Association shall:

- (a) Do any act in violation of the Bylaws or a binding obligation of the Association.
- (b) Do any act with the intention of harming the Association or any of its operations.
- (c) Do any act that would make it impossible or unnecessarily difficult to carry on the intended ordinary business of the Association.
- (d) Receive an improper personal benefit from the operation of the Association.
- (e) Use the assets of this Association, directly or indirectly, for any purpose other than carrying on the business of this Association.
- (f) Wrongfully transfer or dispose of Association property, including intangible property such as good will.

(g) Use the name of the Association (or any substantially similar name) or any trademark or trade name adopted by the Association, except on behalf of the Association in the ordinary course of the Association's business.

(h) Disclose any of the Association's business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE 10

BOOKS AND RECORDS

Required Books and Records

10.01 The Association shall keep correct and complete books and records of account. The Association's books and records shall include:

(a) A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Association, including, but not limited to, the Articles of Incorporation, and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent.

(b) A copy of the Bylaws, and any amended versions or amendments to the Bylaws.

(c) Minutes of the proceedings of the Board of Directors, and committees having any of the authority of the Board of Directors.

(d) A list of the names and addresses of the members, directors, officers, and any committee members of the Association.

(e) A financial statement showing the assets, liabilities, and net worth of the Association at the end of the most recent fiscal year.

(f) A financial statement showing the income and expenses of the Association for the most recent year.

(g) All rulings, letters, and other documents relating to the Association's federal, state, and local tax status.

(h) The Association's federal, state, and local information or income tax returns for each of the Association's three most recent tax years.

Inspection and Copying

10.02 Any member, director, officer, or committee member of the Association may inspect and receive copies of all books and records of the Association required to be kept by the Bylaws. Such a person may inspect or receive copies if the person has a proper purpose related to the person's interest in the Association and if the person submits a request in writing. Any person entitled to inspect and copy the Association's books and records may do so through his or her attorney or other duly authorized representative. A person entitled to inspect the Association's books and records may do so at a reasonable time no later than seven (7) working days after the Association's receipt of a proper written request. The Board of Directors may establish reasonable fees for copying the Association's books and records. The Association shall provide requested copies of books or records not later than seven (7) working days after the Association's receipt of a proper written request.

Audits

10.03 Any member shall have the right to have an audit conducted of the Association's books. The member requesting the audit shall bear the expense of the audit unless the members vote to authorize payment of audit expenses. The member requesting the audit may select the accounting firm to conduct the audit. A member may not exercise these rights to compel audits so as to subject the Association to an audit more than once in any fiscal year.

Delegation of Duties

10.04 The Board may delegate the maintenance of correct and complete books and records of account to a professional management company subject to the Board's supervision.

ARTICLE 11

FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end of the last day in December in each year.

ARTICLE 12

INDEMNIFICATION

When Indemnification is Required, Permitted, and Prohibited

12.01

(a) The Association shall indemnify a director, officer, committee member, employee, or agent of the Association who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Association. For the purposes of this article, an agent includes one who is or was serving at the request of the Association as a director, officer, partner, venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise. However, the Association shall indemnify a person only if he or she acted in good faith and reasonably believed that the conduct was in the Association's best interests. In a case of a criminal proceeding, the person ~~may be indemnified only if he or she had no reasonable cause to believe that the~~ conduct was unlawful. The Association shall not indemnify a person who is found liable to the Association or is found liable to another on the basis of improperly receiving a personal benefit. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if the person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted.

(b) The termination of a proceeding by judgment, order, settlement, conviction, or on a plea of *nole contendere* or its equivalent does not necessarily preclude indemnification by the Association.

(c) The Association shall pay or reimburse expenses incurred by a director, officer, committee member, employee, or agent of the Association in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Association when the person is not a named defendant or respondent in the proceeding.

(d) In addition to the situations otherwise described in this paragraph, the Association may indemnify a director, officer, committee member, employee, or agent of the Association to the extent permitted by law. However, the Association shall not indemnify any person in any situation in which indemnification is prohibited by the ~~terms of paragraph 12.01(a), above.~~

(e) Before the final disposition of a proceeding, the Association may pay indemnification expenses permitted by the Bylaws and authorized by the Association. However, the Association shall not pay indemnification expenses to a person before the final disposition of a proceeding if: the person is a named defendant or respondent in a proceeding brought by the Association or the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.

(f) If the Association may indemnify a person under the Bylaws, the person may be indemnified against judgments, penalties, including excise and similar taxes, fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. However, if the proceeding was brought by

or on behalf on the Association, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

Procedures Relating to Indemnification Payments

12.02

(a) Before the Association may pay any indemnification expenses (including attorney's fees), the Association shall specifically determine that indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable, ~~except as provided in paragraph 12.02(c) below.~~ The Association may make these determinations and decisions by any one of the following procedures:

(i) Majority vote of a quorum consisting of directors who, at the time of the vote, are not named defendants or respondents in the proceeding.

(ii) If such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all directors, consisting solely of two or more directors who at the time of the vote are not named defendants or respondents in the proceeding.

(iii) Determination by special legal counsel selected by the Board of Directors by vote as provided in paragraph 12.02(a)(i) or 12.02(a)(ii), or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors.

(iv) Majority vote of members, excluding directors who are named defendants or respondents in the proceeding.

(b) The Association shall authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether ~~indemnification is permissible.~~ If the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination of reasonableness of expenses shall be made in the same manner specified by paragraph 12.02(a)(iii), above, governing the selection of special legal counsel. A provision contained in the Articles of Incorporation, the Bylaws, or a resolution of members or the Board of Directors that requires the indemnification permitted by paragraph 12.01, above, constitutes sufficient authorization of indemnification even though the provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

(c) The Association shall pay indemnification expenses before final disposition of a proceeding only after the Association determines that the facts then known would not preclude indemnification and the Association receives a written affirmation and undertaking from the person to be indemnified. The determination that

the facts then known to those making the determination would not preclude indemnification and authorization of payment shall be made in the same manner as a determination that indemnification is permissible under paragraph 12.02(a), above. The person's written affirmation shall state that he or she has met the standard of conduct necessary for indemnification under the Bylaws. The written undertaking shall provide for repayment of the amount paid or reimbursed by the Association if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking shall be an unlimited general obligation of the person, but it need not be secured and it may be accepted without reference to financial ability to make repayment.

(d) ~~Any indemnification or advance of expenses shall be reported in~~ writing to the members of the Association. The report shall be made with or before the notice or waiver of notice of the next membership meeting, or with or before the next submission to members of a consent to action without a meeting. In any case, the report shall be sent within the 12-month period immediately following the date of the indemnification or advance.

ARTICLE 13

NOTICES

Mode of Delivery

13.01 Any notice required or permitted by the Bylaws to be given to a member, director, officer, or member of a committee of the Association may be given by mail, telecopy, courier, hand delivery, or telegram. If given by courier, hand delivery or telecopy, notice shall be deemed delivered upon receipt. If mailed, a notice shall be deemed to be delivered when deposited in the United States mail addressed to the person at his or her address as it appears on the records of the Association, with postage prepaid as provided in Section 11.8 of the Declaration. If given by telegram, a notice shall be deemed to be delivered when accepted by the telegraph company and addressed to the person at his or her address as it appears on the records of the Association.

Signed Waiver of Notice

13.02 Whenever any notice is required to be given under the provisions of the Act or under the provisions of the Articles of Incorporation, the Declaration, or the Bylaws, a waiver in writing signed by a person entitled to receive a notice shall be deemed equivalent to the giving of the notice. A waiver of notice shall be effective whether signed before or after the time stated in the notice being waived.

Waiver of Notice by Attendance

13.03 The attendance of a person at a meeting shall constitute a waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE 14

SPECIAL PROCEDURES CONCERNING MEETINGS

Meeting by Telephone Call

14.01 The Board of Directors, and any committee of the Association may hold a meeting by telephone conference-call procedures in which all persons participating in the ~~meeting can hear one another. The notice of a meeting by telephone conference must~~ state the fact that the meeting will be held by telephone as well as all other matters required to be included in the notice. Participation of a person in a conference-call meeting constitutes presence of that person at the meeting.

Decision Without Meeting

14.02 Any decision required or permitted to be made at a meeting of the Board of Directors, or any committee of the Association may be made without a meeting. A decision without a meeting may be made if a written consent to the decision is signed by the requisite number of persons entitled to vote on the matter required for passage. The original signed consents shall be placed in the Association minute books and kept with the Association's records. If less than all persons entitled to vote are represented in the written consent but a requisite number have joined to pass the measure then the Secretary must certify that all Members have received notice and have been given an opportunity to consent or object to the proposition submitted for written consent.

Voting by Proxy

14.03 A person who is authorized to exercise a proxy may not exercise the proxy unless the proxy is delivered to the officer presiding at the meeting before the business of the meeting begins. The secretary or other person taking the minutes of the meeting shall record in the minutes the name of the person who executed the proxy and the name of the person authorized to exercise the proxy. If a person who has duly executed a proxy personally attends a meeting, the proxy shall not be effective for that meeting. A proxy filed with the secretary or other designated officer shall remain in force and effect until the first of the following occurs:

- (a) An instrument revoking the proxy is delivered to the secretary of other designated officer.
- (b) The proxy authority expires under the terms of the proxy.
- (c) The proxy authority expires under the terms of the Bylaws.

ARTICLE 15

AMENDMENTS TO BYLAWS

The Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted by the Board of Directors. The notice of any meeting at which the Bylaws are proposed to be altered, amended, or repealed, or at which new Bylaws are proposed to be adopted shall include the text of the proposed bylaw provisions as well as the text of any existing provisions proposed to be altered, amended, or repealed. Alternatively, the notice may include a fair summary of those provisions.

ARTICLE 16

MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

16.01 The Bylaws shall be construed in accordance with the laws of the State of Texas. All reference in the Bylaws to statutes, regulation, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

Legal Construction

16.02 If any Bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws. Subject to the requirements of legality, the construction, interpretation, and application of the provisions of the Bylaws shall be vested in the Board of Directors whose decision shall be final and binding.

Headings

16.03 The headings used in the Bylaws are used for convenience and shall not be considered in construing the terms of the Bylaws.

Gender

16.04 Wherever the context requires, all words in the Bylaws in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

Power of Attorney

16.06 A person may execute any instrument related to the Association by means of a power of attorney if an original executed copy of the power of attorney is provided to the secretary of the Association to be kept with the Association records.

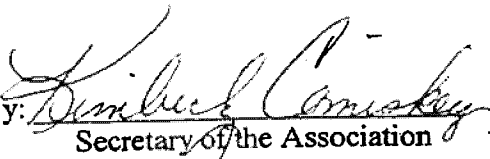
Parties Bound

16.07 The Bylaws shall be binding upon and inure to the benefit of the members, directors, officers, committee members, employees, and agents of the Association and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as otherwise provided in the Bylaws.

16.08 In the event of a conflict between these Bylaws and the Declaration the Declaration shall take precedence.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of LIBERTY HOMEOWNERS ASSOCIATION, INC., and that the foregoing Bylaws constitute the Bylaws of the Association. These Bylaws were duly adopted at a meeting of the Board of Directors held on March 5th, 2004.

By: 
Secretary of the Association

**Exhibit C – Initial Articles of Incorporation
of
Liberty Homeowners Association, Inc.**

(Articles OF Inc. were filed by Charles Spencer 8/5/2003 Filing Number 800235040. EE)

EXHIBIT "C"

ARTICLES OF INCORPORATION
OF
LIBERTY HOMEOWNERS ASSOCIATION, INC.

The undersigned natural person of the age of eighteen (18) years of more, acting as an incorporator of a corporation under the Texas Non-Profit Corporation Act, hereby adopts the following Articles of Incorporation for such corporation:

ARTICLE I

NAME

The name of the corporation is Liberty Homeowners Association, Inc. hereinafter called the "Association". [The defined terms in these Articles shall have the meanings set forth in the Declaration (hereinafter defined).]

ARTICLE II

NON-PROFIT STATUS

The Association is a non-profit corporation.

ARTICLE III

DURATION

The period of its duration is perpetual.

ARTICLE IV

PURPOSES AND POWERS

1. The Association is organized and shall be operated exclusively as a homeowners' association within the meaning of Section 528 of the Internal Revenue law or laws (the "Code"). The specific and primary purposes for which it is formed are to provide for maintenance, preservation of the Common Properties and architectural control of the residential Lots and Common Properties (the "Property") described in the Declaration, and

to promote the health, safety, and welfare of the residents within the Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS for LIBERTY, Collin County, Texas, as amended or supplemented from time to time, hereinafter called the "Declaration", applicable to the Property as recorded in the records of the Office of the County Clerk of Collin County, Texas, such declaration being incorporated herein; and

(b) have and to exercise any and all powers, rights and privileges, which a corporation organized under the Texas, Non-Profit Corporation Act by law may now or hereafter have or exercise.

ARTICLE V

REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Association is 17480 Dallas Parkway, Suite 200, Dallas, Texas 75287, and the name of its initial registered agent at such address is Angie Waddle.

ARTICLE VI

MEMBERSHIP

The Association shall have Members.

ARTICLE VII

INITIAL DIRECTORS

The number of directors constituting the initial Board of Directors is three (3) and the names and addresses of the persons who are to serve as directors until the first annual meeting of the shareholders, or until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
Angie Waddle	17480 Dallas Parkway Suite 200, Dallas, Texas 75287
Fred Balda	17480 Dallas Parkway Suite 200,

Dallas, Texas 75287

Elaine Esparza

17480 Dallas Parkway
Suite 200,
Dallas, Texas 75287

ARTICLE VIII

INCORPORATOR

The name and address of the incorporator is:

Charles W. Spencer
8111 LBJ Freeway
Suite 920
Dallas, Texas 75251

ARTICLE IX

INDEMNITY

The Association shall indemnify, defend and hold harmless the Declarant, the Board, the Architectural Control Committee, Management Company, and each director, officer, employee and agent of the Declarant, the Board, the Architectural Control Committee and the Management Company from all judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses (including attorneys' fees) incurred by such indemnified person under or in connection with the Declaration or the Properties to the fullest extent permitted by applicable law, such indemnity to include matters arising as a result of the sole or concurrent negligence of the indemnified party, to the extent permitted by applicable law.

ARTICLE X

LIABILITY OF DIRECTORS

A director of the Association shall not be liable to the Association or its Members for monetary damages resulting from an act or omission in his capacity as a director of the Association, except that this Article X does not authorize the elimination or limitation of the liability of a director to the extent the director is found liable for:

1. a breach of the director's duty of loyalty to the Association or its Members;

2. an act or omission not in good faith that constitutes a breach of duty of the director to the Association or an act or omission that involves intentional misconduct or a knowing violation of the law;

3. a transaction from which the director received an improper benefit (one to which he was not otherwise entitled in a capacity other than as director); or

4. an act or omission for which the liability of a director is expressly provided by an applicable statute.

The foregoing elimination of liability to the Association shall not be deemed exclusive of any other rights, limitations of liability or indemnity to which a director may be entitled under any other provision of these Articles of Incorporation, the bylaws of the Association, a contract or agreement, vote of directors, principle of law or otherwise. Any repeal or modification of this Article shall be prospective only, and shall not adversely affect any Association existing at the time of the repeal or modification. In addition to the circumstances in which a director of the Association is not liable to the full extent permitted by any amendment to the Texas Miscellaneous Corporation Laws Act or the Texas Non-Profit Corporation Act hereinafter enacted that further limits the liability of a director.

ARTICLE XI

CONSENT IN LIEU OF MEETING

Any action required by the statutes to be taken at any annual or special meeting of members or directors of the Association, or any action that may be taken at any annual or special meeting of the members or directors or of any committee, may be taken without a meeting, if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members, directors, or committee members as would be necessary to take that action at a meeting at which all of the members, directors, or members of the committee were present and voting.

Prompt notice of the taking of any action by members, directors, or a committee without a meeting by less than unanimous written consent shall be given to all members, directors or committee members who did not consent in writing to the action.

A telegram, telex, cablegram, or similar transmission, or a photographic, photostatic, facsimile, or similar reproduction of a writing signed by a director, member or committee member, shall be regarded as signed by such person for the purposes of this Article.

IN WITNESS WHEREOF, I have hereunto set my hand this the 31st day of July, 2003.

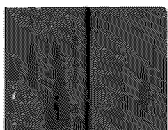
Charles W. Spencer
Charles W. Spencer, Incorporator

Exhibit D – Approved Fence Stain Colors

Liberty Approved Fence Stain Colors



OS-015B Pecan



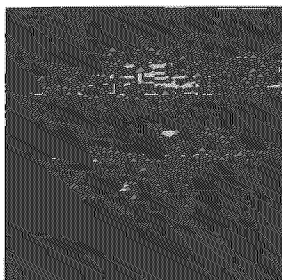
OS-012 Natural Cedar



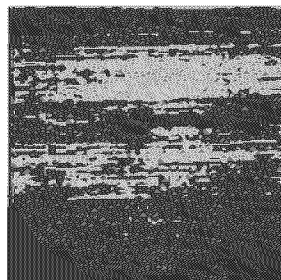
OS-125 Dark Walnut



SEMI-TRANSPARENT



Cedar Naturatone 716



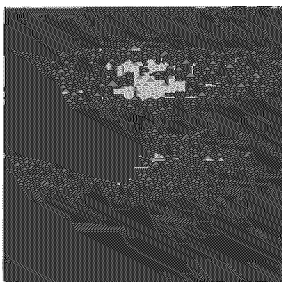
Sierra 700



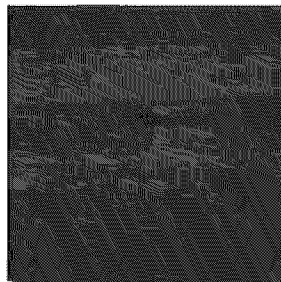
SEMI-TRANSPARENT



Semi-Transparent



Cedar Naturatone ST-533



Woodbridge ST-116



Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
03/31/2022 12:27:05 PM
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Stacey Kemp