

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**FOR****HICKORY RIDGE****STATE OF TEXAS****COUNTY OF COLLIN****KNOW ALL MEN BY THESE PRESENTS:**

WHEREAS, MCA-Plano Investment II, Ltd., a Texas limited partnership (the "Declarant"), is the owner of a certain tract of land located in Plano, Collin County, Texas, commonly known as "Hickory Ridge" and more particularly described on Exhibit "A" attached hereto and made a part hereof for all purposes (referred to hereinafter as the "Property"). The Property is being subdivided into a residential subdivision according to the laws, rules and regulations as promulgated by the City of Plano, Collin County, Texas (referred to hereinafter as the "City") consisting of 239 single family residential lots (the "Lots") and two lots to be used as a private recreation center, both of which, together with any additional properties which may be added to this Declaration by Declarant, being collectively called (the "Properties"); and,

WHEREAS, Declarant has further deemed that, in order to provide for the efficient preservation of the values and amenities within the subdivision and to comply with the rules and regulations pertaining to the Properties, it is necessary and advisable to impose covenants upon the Property and to create a non-profit corporation to which would be delegated and assigned the powers of performing the maintenance on the Properties and the powers of collecting and disbursing the assessments and charges, as hereinafter provided; and,

NOW, THEREFORE, Declarant hereby declares that all of the Properties shall be held, sold and conveyed subject to the following covenants, easements, reservations, restrictions and conditions, which are for the purpose of enhancing and protecting the value, attractiveness and desirability of the Properties and which shall run with the Properties and be binding on all parties having or acquiring any right of interest in the Property or any part thereof, and which shall inure to the benefit of each owner thereof.

ARTICLE I**DEFINITIONS**

(a) "**ASSOCIATION**" shall mean the HR Homeowners Association, Inc. (or such other similar name as may be authorized by the State of Texas), a Texas non-profit corporation.

(b) "**CITY**" shall mean the City of Plano, Collin County, Texas.

(c) "**LANDSCAPED AREAS**" shall mean (i) all entrances to the Properties from McDermott Road, Coit Road or Ridgeview Drive, (ii) those certain corners of the Properties located at the intersection of McDermott Road and Coit Road and the intersection of Coit Road and Ridgeview Drive and (iii) any other areas as designated and defined by the Declarant in its sole discretion.

(d) "**LOT**" shall mean each of the tracts or plots of land lying within the Properties as described on the final plat.

(e) "**MEMBER**" shall mean each Owner as provided in Article III hereof.

(f) "**OWNER**" shall mean every person or entity that is the record owner of a fee or undivided fee interest in any Lot within the Property. The foregoing is not intended to include persons or entities which hold an interest in any Lot merely as security for the performance of an obligation.

(g) "**SCREENING WALLS**" shall mean the stone and wrought iron fences and the stone columns and stone entry features constructed by Declarant on those portions of the Property that abut McDermott Road, Coit Road and Ridgeview Drive.

(h) "**PRIVATE RECREATION CENTER**" shall mean those certain two Lots of land located within the Property as may be designated by the Declarant, together with all improvements placed thereon.

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. Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment.

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

CLASS A MEMBERS shall be all Members with the exception of the Declarant and each Member shall be entitled to one vote for each Lot in which they hold the interest required for membership. When more than one person or entity holds such interest 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 such Lot.

CLASS B MEMBERS shall consist solely of the Declarant. The Class B Member shall be entitled to four (4) votes for each Lot in which it holds the interest required for membership. At such time as the Class A Members become the owners of 75% of the Lots included within the Properties, the Class B Member shall be entitled to one (1) vote for each Lot in which it holds the interest required for membership.

Section 2.3 Quorum and Notice Requirements. All meetings of the Association shall be called by giving notice to the Members at least fifteen (15) days in advance of such meeting. Presence at the meeting of Members, or of proxies, entitled to cast 51% of the votes for both classes of Members, combined, shall constitute a quorum. The Board of Directors of the Association may set regular monthly or quarterly meetings and, having once notified the Members of such meetings as set forth herein, shall not be required to give any additional notice unless the regular meeting dates are subsequently changed.

Notwithstanding the provisions dealing with a quorum, the following actions by the Association shall require an affirmative vote of seventy-five percent (75%) of the total votes of both classes of Members:

- (1) The levy of a Special Assessment against the members as set forth in Section 4.5 or increasing the Annual Assessment by more than the amount specified in Section 4.4.
- (2) The amendment, change (in whole or in part) or the abolishment of this Declaration of Covenants, Conditions and Restrictions.

ARTICLE III

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 3.1 Creation of the Lien and Personal Obligation for Assessments. Declarant, for each Lot owned by it within the Property, hereby covenants and agrees, and each purchaser of any Lot within the Property as such purchase shall be evidenced by the acceptance of a deed or other conveyance therefore, whether or not it shall be so expressed in such deed or other conveyance, 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) the following assessments or charges:

- (1) Annual assessments or charges for normal maintenance of the Landscaped Areas, Screening Walls (if any) and the Private Recreation Center as set forth herein; and,
- (2) Special assessments for capital improvements to the Landscaped Areas, the Screening Walls and the Private Recreation Center such assessments to be fixed, established and collected from time to time as hereafter provided; and,
- (3) Individual special assessments levied against individual Owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner, his family, agents, guests and invitees, such assessments to be fixed, established and collected from time to time as hereinafter provided.

The regular annual assessments thus collected by the Association shall constitute the maintenance fund of the Association. The annual, special capital and special individual assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the Properties and shall be a continuing contractual lien upon each Lot against which each such assessment is made. Each such assessment together with such interest thereon is a personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The annual assessments shall be payable in quarterly installments as provided in Section 4 of this Article IV.

Section 3.2 Purpose of Assessments. The assessments levied by the Association shall be used for the purpose (i) paying the cost of labor, equipment (including the expense of leasing any equipment and materials required therefore), and management and supervision of the Landscaped Areas, the Screening Walls and the Private Recreation Center (ii) carrying out the duties of the Board of Directors of the Association as set forth in Article V hereof and (iii) and for carrying out the purposes of the Association as stated in its Articles of Incorporation.

Section 3.3 Basis and Amount of Annual Assessments.

(a) Until the year beginning January 1, 2003, the Board of Directors may not set the annual assessment in excess of **Five Hundred Dollars (\$500.00)** per year on each Lot upon which a dwelling unit is constructed. The Declarant shall not be obligated to pay the annual assessment on any lot owned by the Declarant unless a dwelling unit is constructed on such lot in which case the Declarant shall be obligated to pay the standard annual assessment.

(b) Commencing with the year beginning January 1, 2003 and each year thereafter, the Board of Directors may set the amount of the maximum annual assessment for the following year for each Lot, provided that the maximum annual assessment may not be increased more than ten percent (10%) above the annual assessment for the previous year

without a vote of the membership taken in accordance with the provisions of Section 3.3 hereof.

Section 3.4 Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3.1 hereof, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the costs of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Landscaped Areas, the Screening Walls or the Private Recreation Center including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the affirmative approval of the Association's members, as provided in Section 2.3 hereof.

Section 3.5 Uniform Assessments. Except as provided in Section 4.4 hereof, both annual and special assessments (excepting there from special individual assessments) must be fixed at a uniform rate for all Lots.

Section 3.6 Date of Commencement of Assessment Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the year beginning with January 1, 2002 in the amount of **FIVE HUNDRED DOLLARS (\$500.00)** annually and shall be payable in two installments the first installment being due on or before the first day of January of each year and the second installment being due on the first day of July of each year.

- (a) **New Home Purchasers:** Purchasers of a Lot upon which a new home has been constructed (meaning a home which has never been occupied by a resident and such purchase is made from the contractor or homebuilder who constructed the dwelling unit) shall, at closing, **pay 100% of the current annual assessment.** The actual assessment due from such purchaser shall be determined by prorating the annual assessment from the date of the closing to December 31. In the event that the Purchaser's payment exceeds such proration, the excess will be credited to future assessments by the Association.
- (b) **Used Home Purchasers:** Purchaser's of a Lot upon which a used home exists (meaning a home previously occupied by a resident), shall, at closing, be obligated to pay **(i) the current annual assessment and (ii) a transfer fee of \$100.** The actual assessment due from such purchaser shall be determined by prorating the annual assessment from the date of the closing to December 31. In the event that the Purchaser's payment exceeds such proration, the excess will be credited to future assessments by the Association. In no event shall such purchaser receive any credit for amounts paid by the previous Owner.

The contractor or homebuilder of the first structure to be erected on each Lot shall not be required to pay any dues for three months past the date of completion of construction of such dwelling. In the event that such contractor or homebuilder has not sold such dwelling to a bona fide resident on or before the expiration of such three-month

period, then such contractor or homebuilder shall be obligated to pay 1/12 of the current annual assessment each month until the dwelling unit has been sold.

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

(a) The Board of Directors of the Association shall fix the amount of the assessment against each Lot at least thirty (30) days in advance of each annual assessment period and shall, at that time, 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.

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

(c) The Board of Directors shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer or agent of the association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment herein stated to have been paid. A reasonable charge may be made by the Board of Directors for the issuance of such certificates.

Section 3.8 Contractual Lien to Secure Charges and Assessments. All regular and special maintenance charges or assessments, as herein above provided for, shall constitute and be secured by a separate and valid and subsisting contractual lien, hereby created, fixed and reserved by Declarant, which shall exist upon and against each Lot and all improvements thereon, for the benefit of the Association of which the Owner of each such Lot shall be deemed a Member. Subject to the condition that the Association be made a party to any court proceeding to enforce any lien hereinafter deemed to be superior, the lien hereby created shall be subordinate and inferior to:

(a) all liens for taxes or special assessments levied by the city, county and state governments, or any political subdivision or special district thereof, and,

(b) all liens securing amounts due or to become due under any mortgage, vendor's lien, or deed of trust filed for record prior to the date payment of any such charges or assessments becomes due and payable; and,

(c) all liens, including, but not limited to, vendor's liens, deeds of trust and other security instruments, which secure any loan made by any lender to an Owner (i) for any part of the purchase price of any Lot when the same is purchased from a builder or any Owner, or (ii) for any part of the cost of constructing, repairing, adding to or remodeling the residence and appurtenances situated on any Lot to be utilized for residential purposes.

Notwithstanding any other provision hereof to the contrary, the lien to secure the payment of assessments and any other lien or other charges becoming payable on or after

the date of recordation of the first mortgage or deed of trust on any Lot, or any fees, late charges, fines or interest that may be levied by the Association in connection with unpaid assessments shall be subordinated to the lien or equivalent security interest of any first lien mortgage or deed of trust on any Lot. Any foreclosure of any such superior lien under the power of sale of any mortgage, deed of trust or other security instrument, or through court proceeding in which the Association has been made a party, shall extinguish the liens securing maintenance charges or assessments which became due and payable prior to such foreclosure date, but no such foreclosure shall free any Lot from the liens securing assessments thereafter becoming due and payable, nor shall the liability of any Member personally obligated to pay maintenance charges or assessments which become due prior to such foreclosure be extinguished by any foreclosure, nor shall the lien for future assessments or charges be affected in any manner. Any such maintenance charges or assessments which are extinguished pursuant to the foregoing provision shall be reallocated and assessed to all Lots as a common expense.

Section 3.9 Effect of Nonpayment of Assessment. If any regular or special charge or assessment is not paid within thirty (30) days from the due date thereof, the same shall bear interest from the due date until paid at the highest non usurious rate allowed under the laws of the State of Texas, or other applicable law, or if no such limitation is imposed then at the rate of eighteen percent (18%) per annum, and if placed in the hands of an attorney for collection or if collected through probate or other judicial proceedings, there shall be paid to the Association an additional reasonable amount, but not less than seventy-five percent (75%) of the amount owing, as attorney's fees.

Section 3.10 Collection and Enforcement. The Association shall have a contractual lien on each Lot against the Owner of said Lot, securing payment of any regular or special charge or assessment, together with interest thereon as provided herein and reasonable attorney's fees incurred in the collection of same and the enforcement of said lien. The Board of Directors shall take such action as it deems necessary to collect assessments and may settle and compromise the same if it is in the best interest of the Association. Such liens shall be effective as and in the manner provided for herein and shall have the priorities established in the covenants, conditions and restrictions contained herein. The Board of Directors may bring an action at law against any Owner personally obligated to pay an assessment or foreclose the lien against such Owner's Lot, or both, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Board of Directors of the Association or its agent the right and power to bring all actions against such Owner personally for the collection of such assessments as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including, but not limited to, non-judicial foreclosure pursuant to Texas Property Code Section 51.002 in force and effect on the date of this Declaration, or in accordance with the prescribed manner for foreclosure of deed of trust liens provided by any future amendment to such Section 51.002 or any other statute or article enacted in substitution therefore, and such Owner hereby expressly grants to the Board of Directors a power of sale in connection with said lien. The Board of Directors shall designate a trustee to post the required notices as provided by law and conduct such

foreclosure sale. The lien provided for in this Section shall be in favor of the Association and shall be for the common benefit of all Owners and shall have the same effect as though each Owner had expressly granted a contractual lien as well as a security interest in said lot to secure the payment of the assessments provided for herein. In addition to such notices as required by the aforesaid statute, the trustee designated by the Board of Directors shall mail to the Owner or Owners, and mortgage of a Lot for which the assessment has not been paid, a copy of the notice of sale at or before the time of posting same by U.S. Postal Service, postage prepaid, certified, return receipt requested, at the Lot or such other address as the Board of Directors has been advised in writing for receipt of notices under this Declaration. At any foreclosure, judicial or non-judicial, the Association shall be entitled to bid up to the amount of its lien, together with costs and attorney's fees, and to apply as a cash credit against its bid all sums due the Association covered by the lien foreclosed. From and after any such foreclosure, the former Owner or Owners, their heirs and assigns, shall forthwith upon the making of such sale surrender and deliver possession of the property so sold to the purchaser at such sale, and in the event of their failure to surrender possession of said property upon demand, the purchaser, his heirs or assigns, shall be entitled to institute and maintain an action for forcible detainer of said property in the Justice of the Peace Court in the Justice Precinct in which such Lot, or any part hereof, is situated. The Board of Directors in any event is hereby authorized to appoint a substitute trustee, or a successor trustee, to act in the place of the trustee who posted the original notices without any formality other than the designation in writing of a substitute or successor trustee; and the authority hereby conferred by the Board of Directors shall extend the appointment of other successor and substitute trustees successively until the delinquent assessment or assessments have been paid in full, or until said property is sold, and each substitute and successor trustee shall succeed to all the rights and powers of the original trustee appointed by the Board of Directors or its agents. In addition to all other remedies, the Board of Directors shall have the right to accelerate and demand payment of all assessments for the balance of the then current year upon ten (10) days written notice.

Section 3.11 Omission of Assessments. The omission of the Board of Directors, before the expiration of any year, to fix the assessments hereunder for that or the next year, shall not be deemed a waiver or modification in any respect of the provisions of the declaration, or a release of any Owner from the obligation to pay the assessments, or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is filed.

Section 3.12 Capital Assessments. Should the Board of Directors determine the need to levy a special assessment and such special assessment receives approval of the Members as required herein, then such special capital assessment shall be a charge against each Owner and his Lot. Such charge shall be assessed equally to each Owner according to the number of Lots owned by such Owner. Upon collection, such special assessment shall be placed in a separate account segregated from other funds of the Association and designated for the specific purposes set forth in the resolution or other document evidencing the approval of such special assessment.

ARTICLE IV

GENERAL POWERS OF THE BOARD OF DIRECTORS

Section 4.1 Powers and Duties. The Board of Directors, for the benefit of the Property and the Owners, shall provide, and shall pay for out of the maintenance fund provided for in Section 4 of Article IV above, the following:

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

(b) Legal and accounting services.

(c) A policy or policies of 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 \$500,000.00 to indemnify against the claim of one person, \$1,000,000.00 against the claims of two or more persons in any one occurrence, and property damage insurance in an amount not less than \$100,000.00 per occurrence or a combined limit to be not less than \$500,000.00); 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; provided, that under no circumstances shall the Board of Directors be authorized to provide or pay for fire, casualty or other insurance insuring the interest of any Owner in his Lot.

(d) Worker's Compensation insurance to the extent necessary to comply with any applicable laws.

(e) Such fidelity bonds as may be required by the Bylaws or as the Board of Directors may determine to be advisable.

(f) Any materials, supplies, labor, services, maintenance, repairs, structural alterations, legal fees, taxes or assessments (including taxes or assessments assessed against an individual Owner) which the Board of Directors 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.

The Board of Directors shall have the following additional rights, powers and duties:

(i) To enter into contracts, maintain one or more bank accounts, and, generally, to have all the powers necessary or incidental to the operation and management of the Association, expressly including the power to enter into management and maintenance contracts.

(ii) To make available to each Owner within sixty (60) days after the end of each year an annual report of the operations and finances of the Association.

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

(iv) 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 of Directors Power Exclusive. The Board of Directors shall have the exclusive right to contract for all goods, services, and insurance, payment for which is to be made from the maintenance fund, and the exclusive right and obligation to perform the functions of the Board of Directors, except as otherwise provided herein.

Section 4.3 Owner's Obligation to Repair. Each Owner shall, at his sole cost and expense, maintain and repair his Lot and the improvements situated thereon, keeping the same in good condition and repair. In the event that any Owner shall fail to maintain and repair his Lot and such improvements as required hereunder, the Association, in addition to all other remedies available to it hereunder or by law, and without waiving any of said alternative remedies, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon; and each Owner (by acceptance of a deed for his Lot) hereby covenants and agrees to repay to the Association the cost thereof immediately upon demand, and the failure of any such Owner to pay the same shall carry with it the same consequences as the failure to pay any assessment hereunder when due.

Section 4.4 Maintenance Contracts. The Board of Directors, on behalf of the Association, shall have full power and authority to contract with any Owner for the performance by the Association of services which the Board of Directors is not otherwise required to perform pursuant to the terms hereof (including, but not limited to, the maintenance and repair of fences owned by any such Owner), such contracts to be upon such terms and conditions and for such consideration as the Board of Directors may deem proper, advisable and to the best interest of the Association.

ARTICLE V

CONSTRUCTION OF IMPROVEMENTS AND USE OF THE LOTS

Section 5.1 Residential Use. All Lots (except for the Private Recreation Center and the park shall be used for the construction of single-family, detached residential dwellings units. Structures built on the Lots shall be limited to one single-family residence per Lot.

Section 5.2 Restriction on Re-Subdividing. No Lot shall, at any time, be re-subdivided into additional Lots.

Section 5.3 Restrictions on Improvements. All improvements or structures constructed on the Lots must comply in all respects with the zoning ordinances, building codes, rules and regulations as promulgated by the City.

Section 5.4 Prohibited Uses. No Lot shall be used and no building shall be erected or converted for any use other than as specified pursuant to zoning ordinances, rules and regulations promulgated by the City. The following uses are also prohibited within the Property:

1. Any illegal, noxious or offensive activity of any kind and nothing may be done thereon which may be or become an annoyance or nuisance in the neighborhood.

2. Any use which is offensive by reason of odor, fumes, vibrations, dust, smoke, radiation, noise, or pollution or that is hazardous by reason of excessive danger of fire or explosion.

3. No animals, livestock or poultry of any kind shall be raised, bred or kept except common household pets that are not kept, bred or maintained for commercial purposes.

4. No open or exterior storage of goods or materials.

5. No storage of oil, gasoline or other flammable liquid in bulk of more than ten (10) gallons gross capacity in a U.L. approved container.

6. No overnight parking of large trucks (one ton or larger), except by the builders during construction, and no parking at any time of motor vehicles of any type which are in obvious disrepair or are used to transport flammable or explosive cargo.

7. No Lot shall be used as dumping grounds for rubbish of any kind and all trash shall be kept in sanitary containers.

8. No temporary or portable dwelling, shop, trailer, shed, storage facility, metal building or mobile home of any kind or any improvement of a temporary structure of any

kind shall be permitted, except for those used in the marketing and construction of homes on the Lots.

9. No individual water and/or sewer systems may be installed on any Lot.

10. No air conditioning and/or heating apparatus may be installed on the ground in front of a dwelling unit or shall be attached to any front wall or window of a dwelling unit.

11. No antennas shall be permitted other than those commonly used for AM or FM radio reception, UHF or VHF television reception or satellite dishes installed in the rear yards of Lots with fences. No antenna or support structure shall rise more than five (5) feet above the highest point of the roof of any building. No satellite dish in excess of two (2) feet in diameter or support structure may rise higher than the rear yard fence, and shall be screened by either fence or landscaping so that it is not visible from the street.

12. The erection of signs or advertising structures of any kind is prohibited, except that one (1) sign advertising the sale of a dwelling unit or Lot is permitted, provided that it does not exceed ten (10) square feet in size. During the construction and marketing of homes and the Lots, builders, Lot owners and Declarant may erect larger and more numerous signs.

13. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted. No derrick or other structure designed for use in quarrying for oil, natural gas or any minerals shall be permitted.

14. Neither a motorboat, houseboat or other similar water-borne vehicle nor any "camper" vehicle or motor home may be maintained, stored or kept on any parcel of property covered by these covenants, except in areas specifically designated by the Board of Directors.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 6.1 Architectural Control. No structures, buildings, fences or walls will be erected, placed or altered on any Lot until the building plans, specifications and plat showing the location of such improvements have been approved in writing as to conformity and harmony of external design with existing improvements in the Property by the Architectural Review Committee (the "Committee"). The Committee shall consist of two (2) members selected by the Board of Directors. Persons desiring to construct or alter homes, buildings, fences or walls shall submit the plans and specifications to the Committee for approval. If within thirty (30) days of submittal of the plans and specifications, the Committee has not approved or disapproved such plans and specifications in writing, or, in any event, if no suit to enjoin the construction has been

commenced prior to completion thereof approval will be deemed given and the related covenants shall be deemed to have been complied with. The powers and duties of the Committee shall cease on and after the date construction has begun on the last Lot.

ARTICLE VII

GENERAL PROVISIONS

Section 7.1 Maintenance Responsibilities of Owners. All Owners and occupants of any Lot shall have the responsibility, at their sole cost and expense, to keep that part of the Property so owned or occupied, including all easements and other rights of way which abut such Lot, in a well maintained and attractive condition at all times. Grass, weeds and other vegetation shall be mowed by the Owner of each Lot at regular intervals so as to maintain the Lot in a neat and attractive manner. Upon the failure of any Owner to maintain a Lot in a neat and attractive manner, the Association may, at its option, perform such maintenance on such Lot and, upon presentation of an itemized statement of the cost of such maintenance, the Owner of such Lot shall be obligated to reimburse the Association for the cost of such maintenance. This provision, however, shall in no manner be construed to create a lien of any kind in favor of any party on any Lot for the cost of such maintenance.

Section 7.2 Easements. Easements for installation, maintenance, repair and removal of utilities (including, but not limited to sewer, water, telephone, power, gas, street lighting and television cable and drainage facilities and floodway easements over, under and across the Lots) are reserved by Declarant for itself and its successors and assigns. Declarant shall have the right to grant easements for such purposes over, under and across the Lots. Full rights of ingress and egress shall be had by Declarant and its successors and assigns at all times over the Lots for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction that may be placed in such easement. Notwithstanding the foregoing, however, Declarant covenants that at any such time as the utilities referred to in this Section shall have been installed or otherwise located on the Lots, Declarant will by written instrument recorded in the Deed Records of Collin County, Texas define the exact location of each such easement and will release the remainder of the Lots from the provisions of this Section. Any such instrument when executed and filed of record by Declarant shall be effective to limit the location of the easement provided for therein in accordance with its terms and conditions, notwithstanding that the utility company affected may not have executed such instrument.

Section 7.3 Ingress and Egress by the Association. Full rights of ingress and egress shall belong to the Association at all times over and upon each Lot for the maintenance and repair of each Lot in accordance with the provisions hereof and for the carrying out by the Association of its functions, duties and obligations hereunder; provided, that any such entry by the Association upon any Lot shall be made with a minimum of inconvenience to the Owner as is practical, and any damage caused shall be repaired by the Association at its expense.

Section 7.4 Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate them, or to recover damages, or to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 7.5 Amendment. Except as provided in Section 2.3 hereof, the covenants, conditions and restrictions of this declaration may not be abolished, amended or changed, in whole or in part.

Section 7.6 Mortgages. It is expressly provided that the breach of any of the conditions, covenants, restrictions or agreements contained herein, or of any reentry by reason of such breach shall not defeat or render invalid the lien of any mortgage or deed of trust, made in good faith and for value, as to the premises, or any part thereof, encumbered by such mortgage or deed of trust, but said conditions, covenants, restrictions and agreements shall be binding thereto as required by foreclosure, trustee's sales, or otherwise, as to any breach occurring after such acquirement of title.

Section 7.7 Severability. If any condition, covenant, restriction or agreement herein contained shall be invalid, which invalidity shall not be presumed until the same is determined by the judgment or order of a court of competent jurisdiction, such invalidity shall in no way effect any other condition, covenant, restriction or agreement contained herein, each of which shall remain in full force and effect.

Section 7.8 Binding Effect. Each of the conditions, covenants, restrictions and agreements herein contained is made for the mutual benefit of (and is binding upon) each and every person acquiring any Lot or other part of the Property, since it is intended that the Subdivision shall be developed for residential purposes only, it being further understood that such conditions, covenants, restrictions and agreements are not for the benefit of the owner of any land except land in the Subdivision. This declaration, when executed, shall be filed of record in the Deed Records of Collin County, Texas, so that each and every owner or purchaser of any portion of the Property is on notice of the conditions, covenants, restrictions and agreements herein contained.

Section 7.9 Duration. The covenants, conditions and restrictions of this declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association and the Owner of any land subject to this declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date that this declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the Members entitled to cast seventy-five percent (75%) of the votes of the Association has been recorded, agreeing to abolish said covenants, conditions and restrictions in whole or in part. Provided, however, that no such agreement to change the

covenants, conditions or restrictions shall be effective unless made and recorded ninety (90) days in advance of the effective date of such change.

Section 7.10 Address of Declarant. The mailing address of Declarant is:

MCA-Plano Investment II, Ltd.
12160 Abrams Road
Suite 509, LB-30
Dallas, Texas 75243
(972) 479-0014
(972) 690-1299 fax

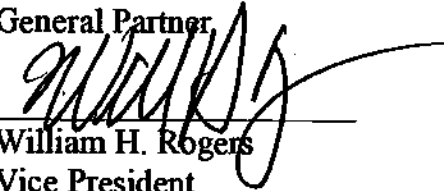
Section 7.11 Assignment. Declarant shall have the right to assign and/or delegate its rights, privileges, duties and obligations hereunder.

Section 7.12 Compliance with Ordinances. Notwithstanding any provision contained herein to the contrary, this declaration shall comply with the applicable zoning ordinances and other rules, codes and regulations of the City of Plano, Collin County, Texas.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be executed by its duly authorized representative as of the 8th day of January, 2002.

MCA-PLANO INVESTMENT II, LTD.

By: MCA-BR, Inc.
General Partner

BY: 
William H. Rogers
Vice President

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me on the 8th day of January, 2002, by William H. Rogers, Vice President of MCA-BR, Inc., A Texas corporation, on behalf of said corporation.



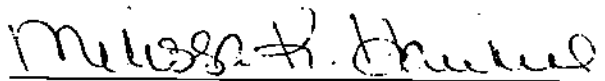

Notary Public in and for the State of Texas
My commission expires 6/16/04

Exhibit A

Property Description

Block A, Lots 1-7; Block B, Lots 1-8; Block C, Lots 1-16; Block D, Lots 1-12; Block E, Lots 1-16, Block F, Lots 1-12; Block G, Lots 1-14; Block H, Lots 1-15, Block J, Lots 1-9, Block K, Lots 1-14; Block L, Lots 1-42, Block M, Lots 1-14; Block N, Lots 1-46; Block P, Lots 1-11; Block Q, Lots 1-6 of Hickory Ridge, an Addition to the City of Plano, Collin County, Texas, according to the Plat thereof recorded in Volume N, Pages 540-541, Map Records, Collin County, Texas.

Return To:

MCA DEVELOPMENT
12160 ABRAMS
SUITE 509
DALLAS, TX. 75243

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

JAN 08 2002

Helen Starnes



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

On Jan 08 2002
At 10:26am

Doc/Num : 2002- 0003699

Recording/Type:RS 39.00
Receipt #: 785