

Declaration and Master Deed
For
Del Paseo Town Homes (A Condominium)
And
Condominium By-laws
Dated February 8, 1978

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DECLARATION AND MASTER DEED
DEL PASEO TOWN HOMES
(A Condominium)

This Declaration and Master Deed is made and executed as of this 8th day of February, 1978, by DEL PASEO INVESTORS, a California general partnership (hereinafter referred to as "Declarant"), pursuant to the provisions of the Texas Condominium Act, Article 1301a of the Texas Revised Civil Statutes (hereinafter referred to as the "Act"), for the purposes of submitting the hereinafter described real property and the improvements located thereon to a condominium regime.

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain real property in the City of Irving, County of Dallas, State of Texas, consisting of twelve (12) residential buildings containing a total of sixty (60) units therein and certain other improvements located thereon (being hereinafter sometimes referred to as "Del Paseo Town Homes") more particularly described on Exhibit B attached hereto and made a part hereof for all purposes;

WHEREAS, Declarant desires by recording this Declaration and Master Deed, together with the condominium by-laws attached hereto as Exhibit A and the condominium subdivision plan attached hereto as Exhibit B (both of which are hereby incorporated by reference and made a part hereof), to establish a condominium project known as Del Paseo Town Homes under the provisions of the Act.

NOW, THEREFORE, Declarant does upon the recording hereof, establish Del Paseo Town Homes as a condominium project under the Act and does declare that Del Paseo Town Homes shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved and in any other manner utilized, subject to the provisions of the Act and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Declaration and Master Deed and Exhibits A and B hereto, all of which shall be deemed to run with all or any portion of Del Paseo Town Homes and shall be a burden and a benefit to Declarant, Del Paseo Town Homes, and any persons acquiring or owning any interest in Del Paseo Town Homes, their grantees, heirs, executors, administrators, successors and assigns. In furtherance of the establishment of this condominium project, it is provided as follows:

ARTICLE I

DEFINITIONS

1.1. Unless the context otherwise specifies or requires, the following words and phrases when used herein shall have the following meanings:

(A) "Unit" shall mean and refer to an enclosed space consisting of one or more rooms occupying all of two (2) floors in a two (2) story townhome building in the Condominium Project, including attached two (2) car parking garages and patios and overhanging balconies, as such space may be further described and delimited in Article IV hereof.

(B) "Condominium" shall mean and refer to the separate ownership of a Unit, together with an undivided ownership interest in the limited and general common elements as set forth and defined herein.

(C) "Condominium Project" shall mean and refer to Del Paseo Town Homes as a condominium project established in conformance with the provisions of the Act.

(D) "Owner" shall mean and refer to a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who or which is the record owner of fee simple title to one or more Units in the Condominium Project.

(E) "Association" shall mean and refer to the Del Paseo Town Homes Association, its successors and assigns, a non-profit corporation organized pursuant to the Texas Non-Profit Corporation Act, of which all Owners shall be members, which corporation shall administer the operation and management of the Condominium Project.

(F) "Common Elements" shall mean and refer to both the general and limited common elements described in Section 2.2 hereof.

ARTICLE II

DESCRIPTION OF THE CONDOMINIUM PROJECT

2.1. The major improvements of the Condominium Project consist of twelve (12) residential buildings and attached two (2) car garages and guest parking facilities, one (1) swimming pool and pool house. The Condominium Project and the foregoing improvements are described by building letter, Unit number, boundary, dimension and area on the condominium subdivision plan attached hereto as Exhibit B. The individual Units, more particularly described in Article IV hereof, are to be used for residential purposes, and each Unit has its own entrance from and exit to interior streets within the Condominium Project. Each Owner of a Unit within the Condominium Project shall have an exclusive right to his Unit and shall have the right to share with other Owners the Common Elements as hereinafter set forth.

2.2. The general and limited common elements of the Condominium Project are as follows:

(A) The general common elements consist of:

(1) The land in the Condominium Project, as more particularly described on Exhibit B hereto;

(2) The private interior streets located within the Condominium Project and which have not been dedicated for public use (e.g. Mohave Place, Navajo Place and Pueblo Place), as described on Exhibit B hereto;

(3) The foundations, bearing walls and columns (including any windows and doors therein), roofs, attics, ceilings and floors, halls, or thoroughfares such as entrances, exits or communication ways and any other portion of the buildings located on the land described above not included within any Unit;

(4) The premises and facilities used for the operation, maintenance or repair of the Condominium Project, including without limitation the manager's office, if any;

(5) All common recreational facilities, including without limitation the swimming pool and the landscaping, grounds, yards and walkways; and

(6) All other elements desirable or rationally of common use or necessary to the existence, upkeep and safety of the Condominium Project.

(B) The limited common elements, being those common elements reserved for the use of specified Units to the exclusion of others, consist of:

(1) Compartments or installations of utility services (whether central services or separately metered services) such as power, light, electricity, telephone, gas, cold and hot water facilities, plumbing, reservoirs, water tanks and pumps, incinerators, and all similar devices and installations;

(2) All heating, ventilating and air conditioning systems for each Unit;

(3) Entrances for each Unit as described on the condominium subdivision plan attached hereto as Exhibit B.

ARTICLE III

MAINTENANCE OF UNITS AND COMMON ELEMENTS

3.1. Each Owner shall bear the cost of maintenance, repair and replacement of the following items within such Owner's Unit (including such Owner's patio, balconies and parking garage): interior surfaces of all perimeter walls and interior supporting walls, ceilings and floors (including carpeting, tile, wall paper, paint or other covering); interior construction, interior non-supporting walls, dividing walls and partitions; garbage disposals, ranges, dishwashers and any and all other appliances of any nature whatsoever; hot water heaters; heating, ventilating and air conditioning systems; interior and exterior doors (including the garage door); garage door openers; window panes, light bulbs and light fixtures; plumbing and other fixtures of any nature whatsoever; "built-in" features; any decorative features; and, any furniture and furnishings.

3.2. The cost of maintenance, repair and replacement of both general and limited common elements (except to the extent such costs are borne by each Owner as set forth above) shall be an expense of administration of the Condominium Project to be assessed in accordance with the condominium by-laws attached hereto as Exhibit A. In addition to, and not in limitation of the foregoing, the Association shall be obligated and responsible to perform, keep and observe all of the covenants and agreements of the "Permittee" under that certain Bond, Release and Indemnity Agreement for Space License dated October 8, 1975, executed by Jefferson Properties, Inc. for the benefit of the City of Irving, Texas, pursuant to City of Irving Council Resolution No. 9-25-75-273 in connection with the issuance of a permit by the City of Irving, Texas, for the placement of sanitary containers in the

publicly-dedicated alley known as Portales Lane, which abuts the Condominium Project on the south side thereof, and all costs and expenses of complying with and observing all of said covenants and agreements contained therein shall be an expense of administration of the Condominium Project to be assessed in accordance with the condominium by-laws attached hereto as Exhibit A. Upon the expiration of the aforesaid Bond, Release and Indemnity Agreement for Space License, the Association shall have the responsibility to execute such other agreements of a similar nature which may be required by the City of Irving, Texas, relative to the renewal of the permit described therein, and all costs incurred by the Association in connection therewith shall be an expense of administration of the Condominium Project to be assessed as aforesaid.

3.3. Each Owner shall have the following easements to, through and over the general and limited common elements to the extent necessary for such Owner's maintenance, repair and replacement:

(A) to paint, remove and replace any finish on the interior surface of any general or limited common element appurtenant to his Unit;

(B) to install, repair, maintain, remove and/or replace any plumbing, heating, cooling, lighting, cooking or other fixtures or equipment which are a part of his Unit or which would become a part thereof when installed in any bearing wall, floor, ceiling or roof; provided, however, such installation, repair, maintenance, removal and/or replacement shall not impair the structural integrity of the building in which his Unit is located, nor shall it create (in the sole opinion of the Association) any fire hazard or other unsafe condition, nor shall it adversely affect any adjacent Unit, nor shall it alter the external appearance of the building in which his Unit is located (unless the Association consents thereto).

3.4. Public utilities (or private companies) furnishing services to the Condominium Project for common use such as water, electricity, gas, telephone and community television services shall have access to the general and limited common elements and each Unit as may be necessary or desirable for the installation, repair or maintenance of such services, and any costs incurred in opening and repairing any wall of the Condominium Project to install, repair or maintain such services shall be an expense of the administration of the Condominium Project to be assessed in accordance with the condominium by-laws attached hereto as Exhibit A.

ARTICLE IV

DESCRIPTION OF UNITS

4.1. In the condominium subdivision plan attached hereto as Exhibit B, the residential buildings in the Condominium Project are lettered A, B, C, D, E, F, G, H, I, J, K and L and the Units located therein are numbered by Unit number as set forth below. In determining dimensions and area, each enclosed space in a Unit shall be measured from interior finished, unpainted surfaces of the bearing walls and the exterior surfaces of patios, if any. Each Unit contains an attached two (2) car garage, a heating, ventilating and air conditioning system, an electric stove, a dishwasher, a garbage disposal, garage door openers, built-in cabinet work, and carpeting; and some Units contain fireplaces, as depicted in the condominium subdivision plan attached hereto as Exhibit B.

4.2. Each Unit shall consist of the following portions of the building in which it is located: (i) the interior surface of each bearing wall; (ii) the interior surface of the ceiling; (iii) the upper surface of the concrete sub-floor; (iv) the interior surface (including all glass or glass substitute) of the windows and doors set in bearing walls; (v) the air space enclosed within the area described and delimited in (i) through (iv) above; (vi) any and all walls, ceilings, floors, partitions and dividers wholly within such air space (but excluding any pipes, ducts, wires, cables, conduits, bearing beams or supports contained within such walls, ceilings, floors, partitions and dividers or within such air space); and (vii) all plumbing, heating, ventilating, air-conditioning, lighting, cooking and other fixtures and equipment (exclusive of pipes, ducts, wires, cables or conduits) located wholly or partly within such air space.

4.3. The percentage of value assigned to each Unit in the Condominium Project is set forth below and shall be determinative of the proportionate share of each respective Owner in the proceeds and expenses of administration and the value of such Owner's vote at meetings of the Association. The total value of the Condominium Project is 100%. Set forth below are:

- (A) The letter of each Unit building and Unit number as it appears on the condominium subdivision plan attached hereto as Exhibit B; and
- (B) The percentage of value assigned to each Unit.

<u>Unit Building Letter and Unit Number</u>	<u>Percentage of Value Assigned</u>
<u>Building A</u>	
1100	1-2/3%
1102	1-2/3%
1104	1-2/3%
<u>Building B</u>	
1801	1-2/3%
1803	1-2/3%
1805	1-2/3%
1807	1-2/3%
1809	1-2/3%
<u>Building C</u>	
1809	1-2/3%
1811	1-2/3%
1813	1-2/3%
1815	1-2/3%
1817	1-2/3%
<u>Building D</u>	
1801	1-2/3%
1803	1-2/3%
1805	1-2/3%
1807	1-2/3%

Building E

1108	1-2/3%
1110	1-2/3%
1112	1-2/3%
1114	1-2/3%
1116	1-2/3%
1118	1-2/3%

Building F

1101	1-2/3%
1103	1-2/3%
1105	1-2/3%
1107	1-2/3%

Building G

1808	1-2/3%
1810	1-2/3%
1812	1-2/3%
1814	1-2/3%
1816	1-2/3%

Building H

1109	1-2/3%
1111	1-2/3%
1113	1-2/3%
1115	1-2/3%
1117	1-2/3%
1119	1-2/3%

Building I

1200	1-2/3%
1202	1-2/3%
1204	1-2/3%
1206	1-2/3%
1208	1-2/3%

Building J

1800	1-2/3%
1802	1-2/3%
1804	1-2/3%
1806	1-2/3%

Building K

1802	1-2/3%
1804	1-2/3%
1806	1-2/3%
1808	1-2/3%
1810	1-2/3%
1812	1-2/3%
1814	1-2/3%

Building L

1201	1-2/3%
1203	1-2/3%
1205	1-2/3%
1207	1-2/3%
1209	1-2/3%

ARTICLE V

OWNERSHIP BY DECLARANT

5.1. So long as Declarant owns one or more Units in the Condominium Project, Declarant shall be subject to the provisions of this Declaration and Master Deed and Exhibits A and B attached hereto.

ARTICLE VI

MORTGAGES

6.1. No amendment to this Declaration and Master Deed shall affect the rights of the mortgagee of any such mortgage which is made in good faith and for value; provided that any such mortgage is recorded prior to the recordation of such amendment and written notice of delivery and recordation of said mortgage is given to the Association pursuant to Article VII, Exhibit A; provided further that the benefit of this Section shall not apply to the mortgagee of any such mortgage unless such mortgagee shall either join in the execution of such amendment or shall approve said amendment in writing as a part of said amendment.

6.2. No breach of any provision of this Declaration and Master Deed shall impair or invalidate any lien of any duly recorded mortgage made in good faith and for value encumbering one or more Units; provided, however, that all the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges and equitable servitudes contained in this Declaration and Master Deed shall be binding upon and effective against any person who acquires title to or any beneficial interest in any Unit by way of foreclosure, or otherwise.

ARTICLE VII

DAMAGE, DESTRUCTION OR
CONDEMNATION OF CONDOMINIUM PROJECT

7.1. If the Condominium Project is totally or partially damaged or destroyed, or totally or partially taken by eminent domain, the repair, reconstruction or disposition thereof shall be in accordance with the condominium by-laws attached hereto as Exhibit A.

ARTICLE VIII

BOUNDARIES OF UNITS

8.1. In the event that any portion of a Unit or a general or limited common element changes boundaries and thereby encroaches upon another Unit or such common element due to the shifting, settling or moving of a building or buildings in the Condominium Project, such changed boundaries shall be deemed to constitute the boundaries of the Units and the general or limited common elements so affected in accordance with Section 9 of the Act.

ARTICLE IX

ABANDONMENT, TERMINATION, AMENDMENT, ETC.

9.1. The regime established for the Condominium Project hereby shall not be vacated, waived, revoked, abandoned or terminated, nor shall the percentage of value assigned to or the

obligations of any Unit be changed for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards or determining the pro rata share of ownership of each Unit in the Common Elements, nor shall the dimensions of any Unit be changed, nor shall the Common Elements be abandoned, partitioned, subdivided, encumbered, sold, transferred (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium Project shall not be deemed a transfer within the meaning of this clause), or encroached upon, nor shall hazard insurance proceeds for losses to the Condominium Project (whether to Units or to the Common Elements) be used for other than the repair, replacement or reconstruction of the Condominium Project (except as provided by the Act in the case of substantial loss to the Units and/or Common Elements of the Condominium Project), nor shall any other provisions of this Declaration and Master Deed be amended (with the express exception of the provisions of the condominium by-laws attached hereto as Exhibit A, which may be amended in accordance therewith) unless Declarant (if Declarant is the then owner of one or more Units) and seventy-five percent (75%) of the Owners (other than Declarant) of Units and a like percent of the first mortgagees (based upon one vote for each first mortgage) of all the mortgages covering Units agree to such vacation, waiver, revocation, abandonment, termination, change, partition, subdivision, encumbrance, sale, transfer, encroachment or amendment by an instrument to such effect duly recorded in the Condominium Records of Dallas County, Texas; provided, however, unanimity of each Owner and each mortgagee shall be required to the extent set forth in the Act. Notwithstanding the generality of the foregoing, and notwithstanding anything in Section 6.1 to the contrary, Declarant may amend this Declaration and Master Deed in order to: (i) correct survey or other errors made herein prior to the first annual meeting of the Association; (ii) change the percentages of value assigned to and the dimensions of Units owned by Declarant so long as such changes do not affect the percentages of value assigned to other Units in the Condominium Project not owned by Declarant; and (iii) conform with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or any similar duly constituted governmental authority, with respect to Condominium documentation, each by written instrument to such effect executed by Declarant only and duly recorded in the Condominium Records of Dallas County, Texas.

ARTICLE X

MISCELLANEOUS

10.1. It is expressly stipulated and provided that no governmental or municipal agency or instrumentality, including the City of Irving, Texas, shall have any obligation or responsibility to maintain any of the Common Elements (other than any portion or portions thereof which have been or which shall hereafter be dedicated to the public use and expressly accepted for maintenance by the City of Irving or other governmental or municipal agency or instrumentality), including, but not limited to, the maintenance of any and all private roads and streets within the Condominium Project, the maintenance of those portions of on-site water and sewer lines which extend beyond water meters located within the Condominium Project and the maintenance and mowing of any of the Common Elements, it being stipulated that the Association (or the Owners, in the case of certain limited common elements set forth above) shall have the full responsibility and obligation for the maintenance thereof.

10.2. All present and future Owners, tenants, visitors, servants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration and Master Deed, the Unit Deed, Articles of Incorporation, by-laws and rules and regulations of the Association, as they may be amended from time to time, and the items affecting the title to the property set forth on Exhibit B attached hereto. The acceptance of the Unit Deed or the entering into occupancy of a Unit shall constitute an agreement that: (i) this Declaration and Master Deed, the Unit Deed, Articles of Incorporation, by-laws and rules and regulations of the Association, as they may be amended from time to time, and the items affecting title to the property set forth on Exhibit B attached hereto, are accepted and ratified by each such Owner, tenant, visitor, servant or occupant, and all of such provisions shall be deemed to be covenants running with the land to bind any person having at any time any interest or estate in such Unit, as though such provision were cited and stipulated in each and every Unit Deed, and (ii) violations of this Declaration and Master Deed, the Unit Deed, Articles of Incorporation, by-laws or rules and regulations of the Association by any such person shall be deemed to be a substantial violation of the duties of the Owner.

10.3. The invalidity of any provision of this Declaration and Master Deed shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and Master Deed and, in such event, all the provisions of this Declaration and Master Deed shall continue in full force and effect as if such invalid provision had never been included herein.

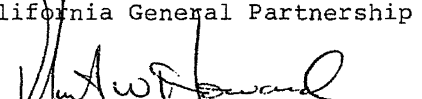
10.4. No provision contained in this Declaration and Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

IN WITNESS WHEREOF, Declarant has caused this Declaration and Master Deed to be executed as of the day and year first written above.

D E C L A R A N T:

DEL PASO INVESTORS,
A California General Partnership

By


Partner

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Robert A. Howard, known to me to be the person whose name is subscribed to the foregoing instrument and known to me to be a general partner in DEL PASEO INVESTORS, a California general partnership, and acknowledged to me that he executed the same as the act of said partnership for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 24 day of February, 1978.

James F. Widen
Notary Public in and for
Dallas County, Texas

My commission expires:
5-31-77

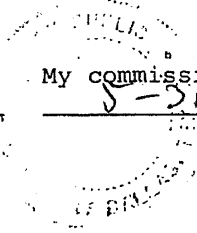


EXHIBIT A

TO DECLARATION AND MASTER DEED

CONDOMINIUM BY-LAWS
OF
DEL PASEO TOWN HOMES
(A Condominium)

ARTICLE I

DEL PASEO TOWN HOMES ASSOCIATION

Section 1. Del Paseo Town Homes shall be administered by a non-profit corporation incorporated under the laws of the State of Texas under the name of "Del Paseo Town Homes Association" (herein referred to as the "Association"). The Association shall be responsible for the management, maintenance, operation and administration of the Condominium Project, the Common Elements and easements appurtenant thereto in accordance with the Declaration and Master Deed, these by-laws, the Articles of Incorporation, by-laws and duly adopted rules and regulations of the Association and the laws of the State of Texas.

Section 2. The Association may provide for independent management of the Condominium Project. Such independent management may jointly manage the Condominium Project and other property. In such event, the Association shall not be required to bear in excess of its pro rata share (based on the ratio that the number of Units in the Condominium Project bears to the number of total units of whatever type so jointly managed) of such independent management expense. Any agreement for the independent professional management of the Condominium Project shall provide that the management contract may be terminated by either party without cause or payment of a termination fee on no longer than ninety (90) days' written notice and the term of any such contract shall not exceed three (3) years.

Section 3. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:

A. Each Owner shall be a member of the Association and no other person or entity shall be entitled to membership. No Owner shall be required to pay any consideration whatsoever solely for his membership in the Association.

B. The share of an Owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit in the Condominium Project.

C. Each Owner shall be entitled to a vote, the value of which shall equal the total of the percentages of value assigned to the Units owned by such Owner as set forth in this Declaration and Master Deed.

D. No Owner, other than Declarant, shall be entitled to vote at any meeting of the Association until such Owner has presented evidence of ownership of a Unit in the Condominium Project to the Association. The vote of each Owner may only be cast by such Owner

or by a proxy given by such Owner to his duly authorized representative. If title to a Unit shall be in the name of two or more Owners, any one of such Owners may vote as the Owner of the Unit at any meeting of the Association and such vote shall be binding on such other Owners who are not present at such meeting until written notice to the contrary has been received by the Association in which case the unanimous action of all such Owners (in person or by proxy) shall be required to cast their vote as Owners. If two or more of such Owners are present at any meeting of the Association their unanimous actions shall also be required to cast their vote as Owners.

E. There shall be an annual meeting of the members of the Association, and other meetings may be provided for in the by-laws of the Association. Notice of time, place and subject matter of all meetings, as provided in the by-laws of the Association, shall be personally delivered to each Owner or shall be mailed to such Owner or to the individual representative designated by such Owner at the address given by such Owner to the Association. If any Owner shall fail to give an address to the Association for the mailing of notices, all notices shall be sent to the Unit of such Owner, and such Owner shall be deemed to have been given notice of any such meeting irrespective of the actual receipt of the same.

F. Except as otherwise provided by statute, or these by-laws, the presence in person or by proxy of sixty percent (60%) of the percentage of values of the Owners qualified to vote shall constitute a quorum for holding any meeting of the members of the Association. If, however, such quorum shall not be present or represented at any meeting of the Owners, the Owners present in person or represented by proxy, shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present or represented. If a quorum shall be present or represented by proxy at such meeting held in lieu of the adjourned meeting(s), any business may be transacted at such meeting as originally notified.

G. At any meeting of the members of the Association, votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association.

H. When a quorum is present at any meetings of the Association, the vote of fifty-one percent (51%) or more of the percentage of values of those Owners qualified to vote and present in person or proxy at such meeting shall decide any question brought before such meeting, unless the question is one upon which by express provision of any statute, the Declaration and Master Deed, the Articles of Incorporation of the Association or these by-laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. The Owners present in person or by proxy at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough Owners to leave less than a quorum.

I. At all meetings of the Owners cumulative voting shall not be permitted.

Section 4. The Association shall keep or cause to be kept detailed books of account showing all expenditures and receipts of the administration of the Condominium Project which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Owners. Such books shall be open for inspection by the Owners and their mortgagees during reasonable working hours on weekdays and shall be audited annually by independent qualified accountants. The cost of such audit shall be an expense of administration of the Condominium Project.

Section 5. All costs incurred by the Association, including but not limited to any costs incurred in satisfaction of any liability arising within, caused by or in connection with the Association's operation, maintenance or use of the Condominium Project, shall be Association expenses. All sums received by the Association, including but not limited to all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association, shall be Association receipts.

Section 6. Each member of the Board of Directors of the Association must be a member of the Association with the exception of the first Board of Directors (and any replacement directors selected by Declarant prior to the first meeting of the Association) designated in the Articles of Incorporation of the Association.

Section 7. The first meeting of the members of the Association shall be held within ninety (90) days after conveyance by Declarant of more than seventy percent (70%) in number of the Units in the Condominium Project, or such earlier date as Declarant elects. Until the first meeting of members, the affairs of the Association shall be managed by the first Board of Directors named in the Articles of Incorporation of the Association, or their replacements.

ARTICLE II

ASSESSMENTS

Section 1. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium Project owned or possessed in common by the Owners, and personal property taxes based thereon shall be treated as expenses of administration of the Condominium Project.

Section 2.

A. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. Such reserves shall include without limitation an adequate reserve fund for the maintenance, repair and replacement of those Common Elements that must be replaced on a periodic basis, and shall be payable in regular installments rather than by special assessments. The assessment for such year shall be established by the adoption of such annual budget by the Board of Directors of the Association. Copies of such budget shall be delivered to each Owner, although the delivery of a copy of the budget

to each Owner shall not affect the liability of any Owner for any existing or future assessments. Should the Board of Directors at any time determine, in the sole discretion of said Board of Directors, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium Project in any fiscal year, then the Board of Directors shall have the authority at any time and from time to time to levy such additional assessment or assessments as it shall deem to be necessary for that purpose.

B. Special assessments, assessments other than those described in Subsection A above, may be made by the Board of Directors of the Association at any time, and from time to time, to meet other needs or requirements of the Association and the Condominium Project including, but not limited to, assessments for costs described in Section 5 of Article I hereof and for each capital improvement in excess of Five Thousand and No/100 Dollars (\$5,000). However, any such special assessment shall not be levied without the prior approval of at least seventy-five percent (75%) of the percentage of values of all of the Owners.

Section 3. All assessments levied against the Owners to cover expenses of the Association and the Condominium Project shall be apportioned among and paid by the Owners in accordance with the percentage of value assigned to each Unit according to this Declaration and Master Deed without increase or decrease for the existence of any rights with respect to the use of limited common elements appurtenant to such Unit; provided, however, each Owner shall bear any increased utility charge (as determined by the Association in the reasonable exercise of its discretion) occasioned by the abnormal or extraordinary use of any utility services with respect to such Owner's Unit and which are not separately metered or billed to the Owner of such Unit. Assessments shall be due and payable on the first day of each month, commencing on the first day of the first month next following the date of delivery of a deed to a Unit and continuing on a like day of each succeeding month. Prior to such conveyance, Declarant shall bear all assessments levied against Units owned by Declarant in accordance with the aggregate percentage of value assigned thereto. The payment of an assessment shall be delinquent if such assessment, or any part thereof, is not paid to the Association in full within five (5) days after the due date for such payment. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full within ten (10) days after the due date for such payment. Assessments in default shall bear interest at the rate of ten percent (10%) per annum from the due date until paid. Each Owner shall be, and remain, personally liable for the payment of all assessments which may be levied against such Owner by the Association in accordance with these by-laws, and any unpaid assessments with accrued interest thereon owed with respect to a Unit may, at the option of the Association, be collected out of the sale proceeds of such Unit in accordance with Section 18 of the Act. In addition, to the extent permitted by law, unpaid assessments may become a lien against the Unit, subject only to: (i) assessments, liens and charges in favor of the state and any political subdivision thereof for taxes past due and unpaid on such Unit; and (ii) amounts due under any mortgage instruments duly recorded. Any first mortgagee who obtains title to a Unit pursuant to the remedies provided in its mortgage upon foreclosure of its lien on such Unit, or upon acceptance of a deed in lieu of foreclosure

thereon, shall not be required to pay any unpaid assessments owing on said Unit which accrue prior to the acquisition of title to said Unit by said mortgagee. Such lien for assessments may be recorded in the Condominium Records of Dallas County, Texas and may be enforced by foreclosure, either through judicial proceeding or in the manner provided for foreclosure of a contractual deed of trust lien on real property under Article 3810 of the Texas Revised Civil Statutes (as now existing or as hereafter amended or succeeded), and the expenses incurred therefor including interest, costs and attorneys' fees shall be chargeable to the Owner in default. The Association shall have the power to bid in the Unit foreclosed on at any such foreclosure sale, and to acquire, hold, lease, mortgage and convey the same on behalf of the Association. The purchaser acquiring title to such Unit at any such foreclosure sale, whoever he may be, and his heirs, legal representatives, successors and assigns, shall not be liable for the share of the unpaid common expenses or assessments by the Association chargeable to such Unit which became due prior to such acquisition of such title at such foreclosure sale, but such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all Owners, including such purchaser or acquirer (but excluding any first mortgagee as aforesaid), his heirs, legal representatives, successors and assigns, on a pro rata basis, to the extent not recovered from the proceeds of such foreclosure sale.

Section 4. No Owner may exempt himself from liability for his contribution toward the expenses of the Association and the Condominium Project by waiver of the use or enjoyment of any of the Common Elements, by the abandonment, sale or other disposition of his Unit, or by reason of any grievance against the Association, Declarant or any other Owner.

Section 5. The Association may, in addition to its rights under Section 3 hereof and Section 18 of the Act, enforce collection of delinquent assessments by suit at law for a money judgment, and the expenses incurred in collecting unpaid assessments including interest, costs and attorneys' fees shall be chargeable to the Owner in default. The Association may also discontinue the furnishing of any utilities or other services to an Owner in default of his obligations to the Association or other Owners as set forth herein upon seven (7) days written notice to such Owner of its intent to do so. An Owner in default of his obligations to the Association or other Owner as set forth herein shall not be entitled to vote at any meeting of the Association so long as such default is in existence.

ARTICLE III

OWNER ACTION

Section 1. Without limiting the other legal rights of any Owner or the Association, legal action may be brought by the Association in its sole discretion on behalf of two (2) or more Owners as their respective interests may appear with respect to any cause of action relating to the Common Elements of more than one (1) Unit.

ARTICLE IV

INSURANCE

Section 1. The Association shall carry a master policy of fire and extended coverage, vandalism and malicious mischief and

liability insurance, and, if required by law, workmen's compensation insurance (hereinafter referred to as the "Master Policy"), with respect to the Condominium Project and the Association's administration thereof in accordance with the following provisions:

A. The Master Policy shall be purchased by the Association for the benefit of the Association, the Owners and their mortgagees as their interests may appear (subject to the provisions of these by-laws, the Declaration and Master Deed and the Act), and provision shall be made for the issuance of appropriate mortgagee endorsements to the mortgagees of the Owners. The Owners shall obtain insurance coverage upon their personal property at their own expense. The Association and the Owners shall use their best efforts to see that all property and liability insurance carried by an Owner or the Association shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against the Owners or the Association and the respective tenants, servants, agents, and guests of the Owners or the Association, as the case may be.

B. All buildings, improvements, personal property and other Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement (with appropriate endorsement to cover fixtures, installations or additions comprising a part of the building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of individual Units initially installed, or replacements thereof, in accordance with the original plans and specifications for the Condominium Project), in an amount equal to the maximum insurable replacement value thereof, excluding the cost of excavations, foundations and footings, as determined annually by the Board of Directors of the Association; provided, however, such amount shall be not less than one hundred percent (100%) of the maximum insurable value (based upon replacement cost). The Association may, in its sole discretion, elect to carry insurance to cover such other perils as from time to time shall be customarily covered with respect to buildings and improvements similar in construction, location and use, including flood insurance and boiler explosion insurance. The liability insurance coverage maintained by the Association shall be for at least \$1,000,000 per occurrence, for personal injury and/or property damage. The Association shall use its best efforts to see that said liability insurance carried by the Association shall cover the Common Elements and shall contain, if available, cross-liability or "severability of interest" endorsements (which shall preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or other Owners) or appropriate provisions for the benefit of the Owners, individually and as a group, the members of the Board of Directors, and the management company, if any, insuring each insured against liability to each other insured. The Association shall also carry fidelity coverage against dishonest acts on the part of members of the Board of Directors, Owners, the management company, if any, and any other person (including volunteers, with an appropriate endorsement if required) handling funds belonging to or administered by the Association. Such

fidelity coverage shall be in an amount equal to one and one-half times the estimated annual expenses and reserves of the Association.

C. All premiums upon insurance purchased by the Association pursuant to these by-laws shall be included in the Association's budget in accordance with Sub-section 2A, Article II hereof, except that the amount of increase over such premiums occasioned by the use, misuse, occupancy or abandonment of a Unit or the Common Elements by an Owner shall be assessed only against such Owner.

D. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, the Owners and their mortgagees (subject to the provisions of these by-laws, the Declaration and Master Deed and the Act) as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium Project shall be required as provided in Article V of these by-laws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction under the Declaration and Master Deed and these by-laws shall be administered by the Association and shall be applied to such repair or reconstruction.

E. Each Owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of the Master Policy. Without limiting the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit the premiums therefor, to collect proceeds, to administer the distribution of such proceeds in connection with any reconstruction or repair and to distribute any remaining proceeds to the Owners and their mortgagees (subject to the provisions of these by-laws, the Declaration and Master Deed and the Act) as their interests may appear, to execute releases of liability and to execute all documents and to do all things on behalf of such Owner and the Condominium Project as shall be necessary or convenient to the accomplishment of the foregoing; and any insurer may deal exclusively with the Association in regard to such matters. The Association shall not be responsible for procurement or maintenance of any insurance covering the contents or the interior of any Unit (except to the extent available by enforcement as hereinafter provided), nor the liability of any Owner for occurrences therein not caused by or connected with the Association's operation, maintenance or use of the Condominium Project.

ARTICLE V

RECONSTRUCTION OR REPAIR

Section 1. If less than two-thirds (2/3rds) of the buildings in the Condominium Project (as determined by the vote or written consent of the majority of the percentage of value assigned to the Owners in the exercise of their sole discretion) shall be damaged by fire or any other casualty, then the buildings in the Condominium Project shall be rebuilt or repaired. If more than two-thirds (2/3rds) of the buildings in the Condominium Project (as determined by the vote or written consent of a majority of the percentage of value assigned to such Owners in the exercise

of such discretion) shall be damaged by fire or other casualty, then reconstruction shall not be compulsory without the unanimous consent of each Owner and each mortgagee. In the event that such Owners decide not to reconstruct the Condominium Project, the land (more particularly described on Exhibit B of this Declaration and Master Deed) shall be sold and such sale proceeds along with any insurance proceeds shall be distributed to each Owner and his mortgagee, as their interests may appear, in accordance with each Owner's percentage of value in the Condominium Project.

Section 2. Any reconstruction or repair of the buildings in the Condominium Project or any Unit located therein shall be substantially in accordance with the Declaration and Master Deed and the original plans and specifications for the buildings in the Condominium Project unless the Owners and their mortgagees shall unanimously decide otherwise.

Section 3. Each Owner shall be responsible for the reconstruction, repair or replacement of the interior of his Unit, including but not limited to, furniture, furnishings, and other items of personal property within the Unit; provided, however, each Unit Owner shall not be responsible for the reconstruction, repair or replacement of fixtures, installations or additions comprising a part of the building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of such Owner's Unit as initially installed, or replacements thereof, in accordance with the original plans and specifications for the Condominium Project to the extent covered by insurance maintained by the Association. Each Owner shall also be responsible for the costs not otherwise covered by insurance carried by the Association of any reconstruction, repair or replacement of any portion of the Condominium Project necessitated by his negligence or misuse, or the negligence or misuse by his family, tenants, guests, agents, servants, employees or contractors. In the event damage to all or any part of the interior of an Owner's Unit is covered by insurance held by the Association for the benefit of such Owner, then such Owner shall immediately begin reconstruction or repair of such damage upon receipt of the insurance proceeds or any portion thereof from the Association, subject to the rights of the Association to supervise, approve or disapprove such reconstruction or repair during the course thereof. In the event damage to all or any part of the interior of an Owner's Unit is not covered by insurance held by the Association for the benefit of such Owner, then such Owner shall begin reconstruction or repair of his Unit within sixty (60) days after the date of such damage, subject to the right of the Association to supervise, approve or disapprove such reconstruction or repair during the course thereof.

Section 4. As soon as possible after the occurrence of a casualty which causes damage to any part of the Condominium Project for which the Association has insurance coverage (hereinafter referred to as the "Casualty") the Association shall obtain reliable and detailed cost estimates of the following:

A. The cost of restoring all damage caused by the Casualty to the general and limited common elements (hereinafter referred to as the "Common Element Costs"); and

B. The cost of restoring that part of the damage caused by the Casualty to each Unit which is or would be covered by insurance held by the Association without regard to the policy limits of such insurance (hereinafter referred to as the "Unit Costs").

All insurance proceeds available to the Association with respect to the Casualty shall first be applied to the payment of the actual Common Element Costs and the balance thereof, if any, shall thereafter be applied to the payment of the actual Unit Costs. However, if such insurance proceeds are not sufficient to cover such estimated costs, then an assessment shall be made against the Owners by the Association in the following manner:

A. All Owners shall be assessed on the basis of their percentage of value in the Condominium Project for the payment of the estimated Common Element Costs not otherwise paid for by insurance held by the Association.

B. Each Owner of a damaged Unit shall be assessed an amount equal to the difference between his estimated Unit Costs less a sum calculated by multiplying the amount, if any, of the remaining insurance proceeds held by the Association with respect to the Casualty by a fraction, the numerator of which is his estimated Unit Costs and the denominator of which is the total of all of the estimated Unit Costs.

If actual costs exceed such estimated costs, then an additional assessment shall be made against the Owners by the Association in the above manner based upon actual costs.

Section 5. In the event of any taking of any Unit in the Condominium Project by eminent domain, or private purchase in lieu thereof, the Owner of such Unit and his mortgagee shall be entitled to receive the award for such taking and, after acceptance thereof, if such Owner shall vacate his Unit by virtue of such taking, he and his mortgagee shall be divested of all interest in the Condominium Project. If any repair or rebuilding of the remaining portions of the Condominium Project is required as a result of such taking, a majority of the percentage of value assigned to the remaining Owners shall determine by vote or written consent whether to rebuild or repair the Condominium Project or to take such other action as such remaining Owners deem appropriate. If no repair or rebuilding shall be required, or shall be undertaken, then the remaining portion of the Condominium Project shall be resurveyed and the Declaration and Master Deed and Exhibit B shall be amended to reflect such taking and to proportionately readjust the percentages of value assigned to the remaining Owners based upon a continuing value of the Condominium Project of one hundred percent (100%).

ARTICLE VI

RESTRICTIONS

Section 1. No Unit in the Condominium Project shall be used for other than single-family residence purposes and the Common Elements shall be used only for purposes consistent with the use of single-family residence; provided, however, a Unit selected by Declarant may be used as a sales and manager's office. No Unit or Common Elements shall be used for any commercial purpose.

Section 2. No Owner shall make structural alterations or modifications within such Owner's Unit or the Common Elements, including the erection of antennae, aeriels, awnings, the placement of any reflective material in the windows of the Unit or other exterior attachments without the prior written approval of the Association. All drapes or drape linings visible from the exterior of any Unit shall be of a good quality and shall be of

a neutral, white or off-white color. No Owner shall make any alteration or modification involving plumbing, electricity and/or heating, ventilating or air conditioning within such Owner's Unit or the Common Elements, without the prior written approval of the Association. No Owner shall make any alterations or modifications to any Common Elements, including without limitation any patio, without the prior written approval of the Association. The Association shall not approve any alterations, decorations or modifications which would jeopardize or impair the soundness, safety or appearance of the Condominium Project. Notwithstanding the foregoing, it is expressly stipulated that the foregoing prohibitions and restrictions regarding structural alterations or modifications shall not apply to those structural alterations or modifications made or to be made by Declarant or any partner, associate or affiliate of Declarant in connection with the sale of any Unit or Units owned by Declarant or any partner, associate or affiliate of Declarant.

Section 3. An Owner may lease his Unit for single-family residence purposes subject to the provisions of Section 12 hereof. No rooms in a Unit may be rented and no transient tenants accommodated.

Section 4. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the Owners. Each Owner shall exercise extreme care to avoid making or permitting to be made loud, disturbing or objectionable noises, and in using or playing or permitting to be used or played musical instruments, radios, phonographs, televisions, amplifiers and any other instruments or devices in such manner as may disturb or tend to disturb other Owners, tenants or occupants of other Units, it being understood that the Association may, through the adoption of regulations, establish reasonable hours for the operation of said instruments. No Owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium Project. No Owner shall store any dangerous explosive or inflammable liquids or other materials either in his Unit or upon the Common Elements.

Section 5. No signs or other advertising devices which are visible from the exterior of any Unit or upon the Common Elements shall be displayed, including "For Sale" signs, without the prior written permission from the Association.

Section 6. Each Owner shall exercise reasonable care and supervision with respect to any child or children of said Owner and said Owner's tenants, visitors, servants and occupants with respect to such Owner's Unit. Without limiting the generality of the foregoing, no such child or children shall be permitted to use any of the Common Elements for play or recreational areas, other than those portions which are specifically designated for such use, and such Owner shall not permit toys and other play or recreational equipment to obstruct any of the Common Elements or to be displayed from such Owner's Unit so as to cause an unsightly appearance. Each Owner shall be liable and responsible to the Association and to each other Owner for all damage to person and property which may be caused by such Owner's tenants, visitors, guests, servants and occupants (and their respective children), and any such damage to the Common Elements or to any personal property owned by the Association shall be repaired at the sole expense of such Owner.

Section 7. No animals shall be kept; provided, however, one (1) household pet may be kept with the prior written approval of the Association. Such pet, if any, so approved may not be kept

or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No savage or dangerous animal shall be kept. No pet may be permitted to run loose upon the Common Elements. Any Owner who causes any animal to be brought or kept upon the premises of the Condominium Project shall indemnify and hold harmless the Association for any loss, damage, cost or liability which the Association may sustain as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. Notwithstanding the generality of the foregoing, after (i) repeated violations of this provision, (ii) ten (10) days prior written notice to the Owner of such pet, and (iii) an opportunity for such Owner to have a hearing before the Board of Directors, such pet may be taken from such Owner and given to the Society for the Prevention of Cruelty to Animals, of Dallas County, Texas.

Section 8. The Common Elements shall not be used for storage of supplies, personal property, trash or refuse of any kind (except common trash receptacles, storage buildings or other similar structures which may from time to time be placed upon the Common Elements at the discretion of the Board of Directors of the Association), nor shall the Common Elements be used in any way for the drying, shaking or airing of clothing or other items. Stairs, entrances, hallways, sidewalks, yards, driveways and parking areas shall not be obstructed in any way nor shall unauthorized persons or pets play therein or thereon or use such areas for other than their intended purposes. No portion of the parking areas or the Common Elements shall be used for vehicular repairs or for the parking of motor homes, campers, boats, trailers or other recreational vehicles (regardless of whether the same are in operating condition) without the express prior written approval of the Association. In general, no activities shall be conducted nor condition maintained by any Owner either in his Unit or upon the Common Elements which despoils the appearance of the Condominium Project.

Section 9. Each Owner shall maintain his Unit and any limited common elements appurtenant thereto in clean, safe and sanitary condition. Each Owner shall also use due care to avoid damaging any of the Common Elements, including, but not limited to, telephone, water, gas, plumbing, power or other utility systems throughout the Condominium Project and each Owner shall be responsible for his negligence or misuse of any of the Common Elements or of his own facilities resulting in damage to the Common Elements.

Section 10. Non-discriminatory regulations concerning the use of the Condominium Project shall be promulgated by the first Board of Directors of the Association prior to the first annual meeting of the Association and such regulations, and subsequent regulations duly adopted from time to time, shall be binding on all members of the Association unless duly amended by a majority of the percentage of value assigned to the Owners.

Section 11. The Association or its agents shall have access to each Unit from time to time during reasonable working hours, upon notice to its Owner, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agent shall also have access to each Unit at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. If requested by the Association, each Owner shall furnish to the Board of Directors of the Association a duplicate key to the entrance door to his Unit and shall furnish a new duplicate key upon any change of locks thereto.

Section 12. Upon the sale, lease or other disposition of a Unit or any interest therein (including any transfer by gift,

devise or inheritance) by the Owner of such Unit, then the transferee of such Unit (or the Owner with respect to a lease transaction) shall notify the Association of such transaction and shall furnish the Association such information regarding such transaction or transfer as the Association may reasonably require, including, but not limited to, the name and address of such transferee or tenant and evidence of such transferee's ownership or tenant's occupancy of such Unit, as the case may be.

Section 13. Vehicles not in operating condition shall not be parked upon the premises of the Condominium Project. No parking area or attached garage shall be converted for living, recreational or business purposes, nor shall anything be stored in any parking space or area so as to prevent the parking of a vehicle therein.

Section 14. None of the restrictions contained in this Article VI shall apply to the sales and manager's office, sales models and other commercial activities or signs or billboards, if any, of Declarant during the sales period of the Condominium Project or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation and by-laws as the same may be amended from time to time, including without limitation the power of the Association to own a Unit for the use and enjoyment of the resident manager of the Condominium Project.

ARTICLE VII

MORTGAGES

Section 1. Any Owner who mortgages his interest in a Unit shall, within ten (10) days after the execution of such mortgage, give notice to the Association in writing of the name and address of his mortgagee and the amount secured by said mortgage, and the Association shall maintain such information in a book entitled "Mortgages of Units". Said written notice shall be separately maintained by the Association or by a person designated by the Association. Such Owner shall, in the same manner, notify the Association as to the release or discharge of any such mortgage.

Section 2. The Association shall, at the request of any mortgagee of any Unit, report to such mortgagee any unpaid assessments due from the Owner of such Unit to the Association.

Section 3. The Association shall notify each mortgagee appearing in the book described in Section 1 of this Article VII of the name of each company insuring the Condominium Project under the Master Policy and the amounts of the coverages thereunder.

Section 4. The Association shall notify each mortgagee appearing in the book described in Section 1 of this Article VII of any default by any Owner in the performance of such Owner's obligations hereunder which is not cured within sixty (60) days from the date of such default.

Section 5. In the event any loss to, or taking of, the Common Elements of the Condominium Project exceeds the sum of \$10,000.00, or in the event damage to a Unit covered by a mortgage purchased in whole or in part by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or any similar duly constituted governmental authority, exceeds the sum of \$1,000.00, then the Association shall give the Federal Home Loan Mortgage

Corporation, the Federal National Mortgage Association or such other similar duly constituted governmental authority written notice (at such address as may theretofore have been supplied to the Association, including the address of any servicing agent with respect to said mortgage) of such loss to, or taking of, the Common Elements of the Condominium Project or such damage to said Unit.

ARTICLE VIII

TAXATION

Section 1. Each Unit shall be assessed and taxed for all purposes as a separate parcel of real estate entirely independent of the building of which such Unit is a part, and independent of the Condominium Project or Common Elements thereof, and each Owner shall be solely responsible for the payment of all taxes, municipal claims, charges and assessments of any nature whatsoever assessed against such Unit. Such payment shall be made prior to the due date of such taxes, municipal claims, charges and assessments.

ARTICLE IX

AMENDMENT

Section 1. Subject to the provisions of Section 9.1 of the Master Deed and Declaration, these by-laws (as opposed to the Declaration and Master Deed of which they are a part) may be amended by the members of the Association from time to time by approval of a majority of the percentage of values assigned to the Owners unless otherwise provided herein, or in the Act. Any such amendment may be evidenced by an instrument in writing signed and acknowledged by the president and secretary of the Association certifying that such amendment has been approved by the vote or written consent of a majority of the percentage of values assigned to the Owners in the Condominium Project, and such amendment shall be effective upon its recordation in the Condominium Records of Dallas County, Texas. The procedure for proposing amendments hereto shall be the same as provided for proposing amendments to the by-laws of the Association.

ARTICLE X

DEFAULT

Section 1. Failure to comply with the Declaration and Master Deed, these by-laws, the Articles of Incorporation or by-laws or duly adopted rules and regulations of the Association shall constitute an event of default and shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages and injunctive relief, or any combination thereof.

Section 2. In any proceeding arising because of an alleged default by any Owner, the Association, if successful, shall be entitled to recover the costs of the proceeding, including without limitation reasonable attorneys' fees.

ARTICLE XI

INDEMNIFICATION OF DECLARANT

Section 1. The Association shall indemnify Declarant against all loss, cost and expense, including any attorneys' fees paid or incurred by it, in connection with any action, suit or proceeding to which Declarant may be made a party, arising in any manner by reason of or in connection with the preparation or filing of these by-laws and/or the Declaration and Master Deed of which they are a part, except as to matters as to which Declarant shall be finally adjudged therein to be liable for gross negligence or willful misconduct.

CONDOMINIUM SUBDIVISION PLAN

Description of the Land:

Situated in Dallas County, Texas, and being all of Lot 1, Block A of the Del Paseo Townhouse Addition to the City of Irving, Dallas County, Texas, according to the Map thereof recorded in Volume 792, Page 1879, Map Records of Dallas County, Texas.

SUBJECT, HOWEVER, TO THE FOLLOWING:

1. The lien for taxes for the year 1978 and subsequent years.
2. Any discrepancies, conflicts or shortages in area or boundary lines, or any encroachments or overlapping of improvements.
3. Any portion of the Land which lies within the bounds of any roadway, public or private.

* Public Street
 ** Private Street

DEL PASO TOWN HOMES - Irving, Texas

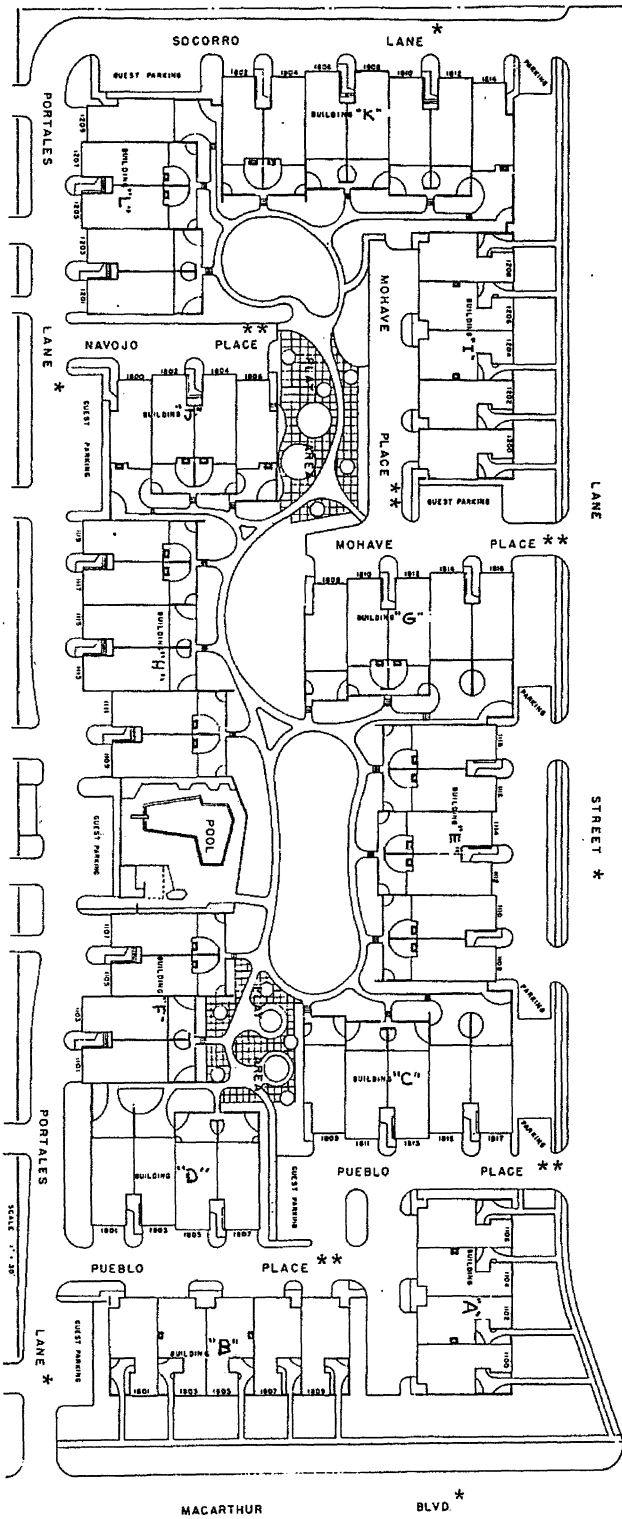
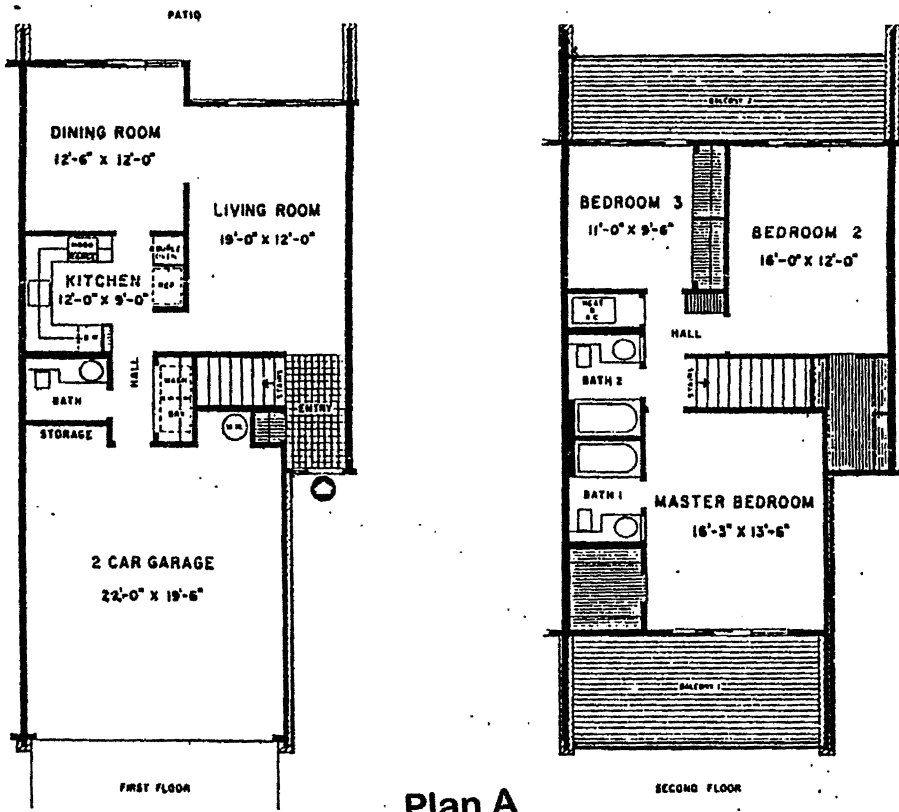


EXHIBIT "B"

Set forth below is a depiction of the following Units identified by building letter and Unit number:

<u>Building</u>	<u>Unit Number</u>
C	1809
C	1811
C	1815
D	1801
D	1805
F	1103
G	1808
G	1814
G	1816
H	1115
K	1808
K	1812
L	1203
L	1209

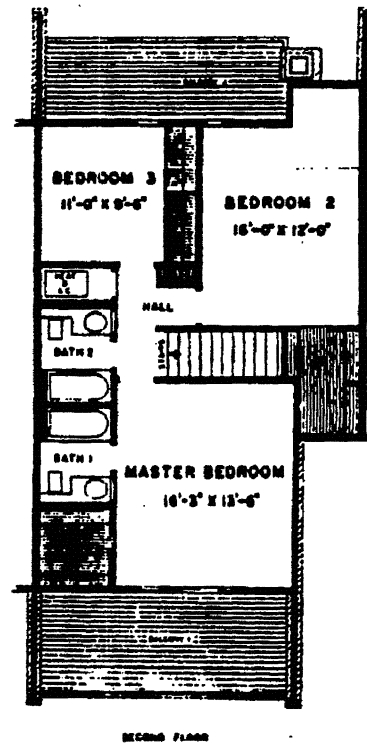
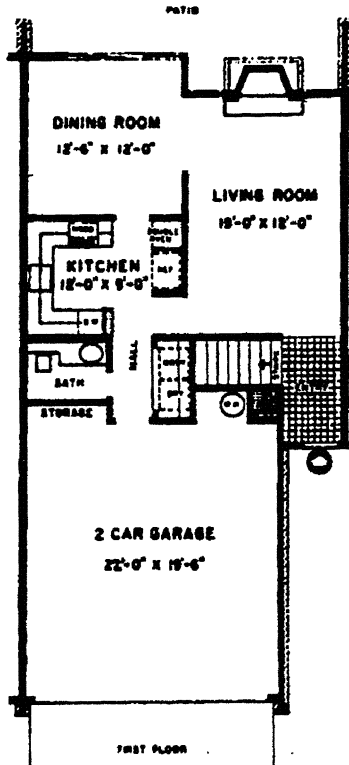


Area of Each Such Unit:

Balconies	333 sq. ft.
Garage	463 sq. ft.
Patio	500+sq. ft.
Living Area	1,540 sq. ft.
TOTAL	2,836 sq. ft.

Set forth below is a depiction of the following Units identified by building letter and Unit number:

<u>Building</u>	<u>Unit Number</u>
E	1108
E	1110
E	1112
E	1114
E	1116
E	1118
F	1105
F	1107
G	1810
G	1812
H	1109
H	1111
H	1117
H	1119
J	1800
J	1802
J	1804
J	1806
K	1802
K	1804
K	1814
L	1205
L	1207



Area of Each Such Unit:

Balconies	333 sq. ft.
Garage	463 sq. ft.
Patio	500+sq. ft.
Living Area	<u>1,557</u> sq. ft.

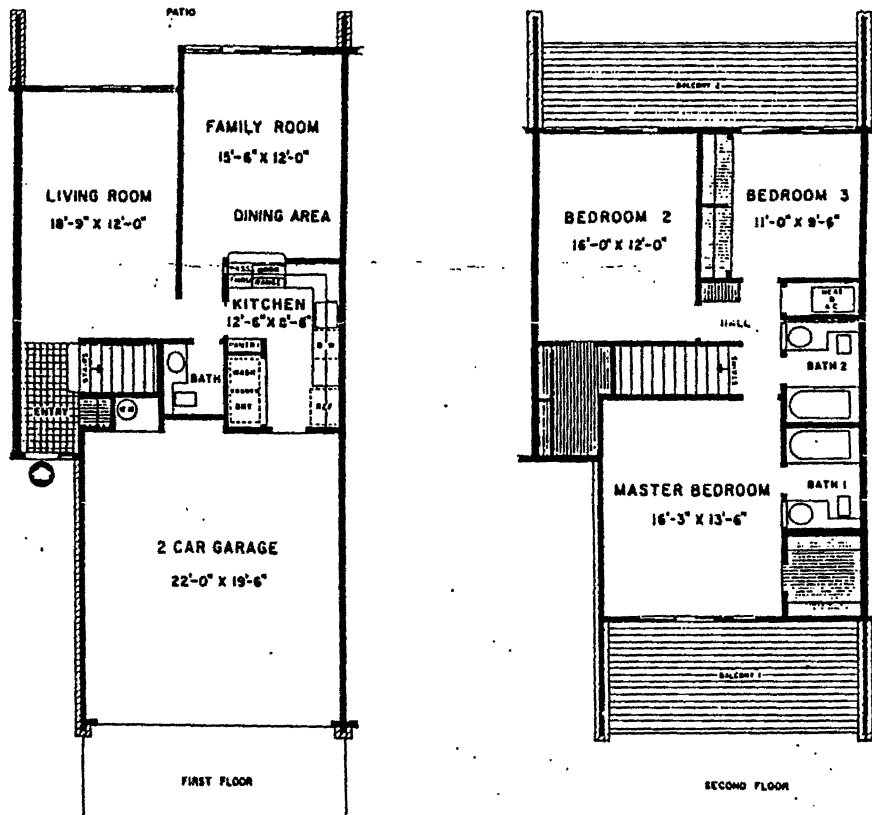
TOTAL 2,853 sq. ft.

Plan A with Fireplace

EXHIBIT B

Set forth below is a depiction of the following Units identified by building letter and Unit number:

<u>Building</u>	<u>Unit Number:</u>
C	1813
C	1817
D	1803
D	1807
F	1101
H	1113
K	1806
K	1810
L	1201



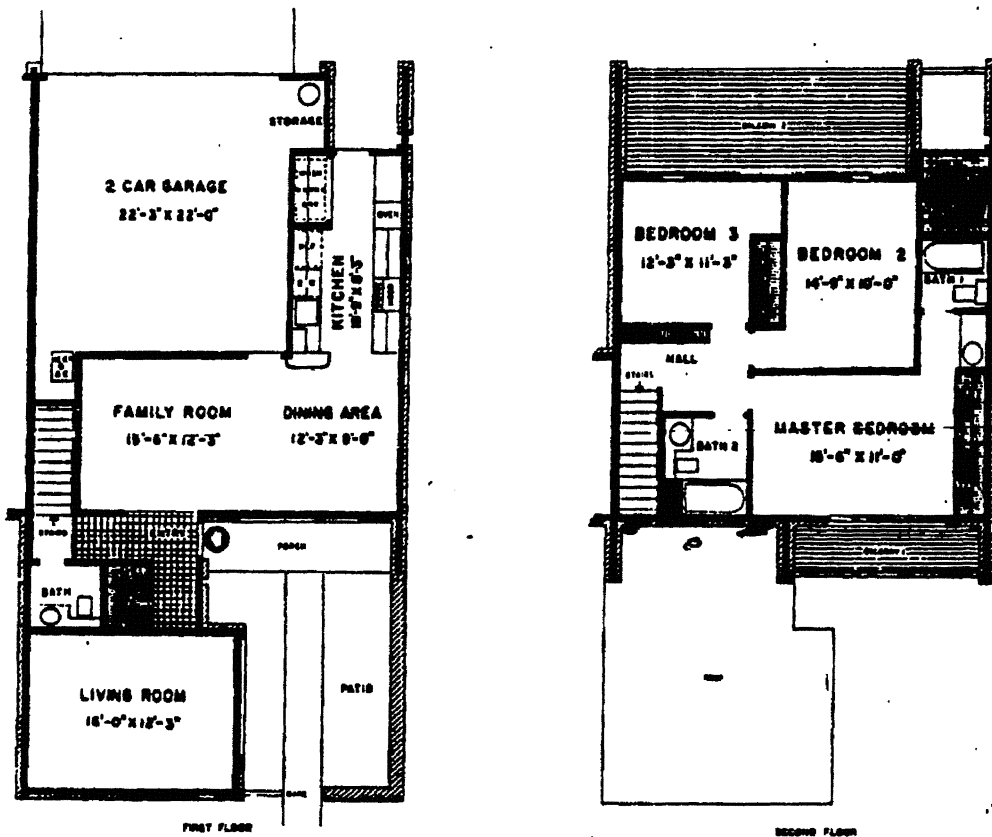
Plan B

Area of Each Such Unit:

Balconies	333 sq. ft.
Garage	462 sq. ft.
Patio	500+sq. ft.
Living Area	<u>1,545</u> sq. ft.
TOTAL	2,840 sq. ft.

Set forth below is a depiction of the following Units identified by building letter and Unit number:

<u>Building</u>	<u>Unit Number</u>
A	1100
A	1106
B	1801
B	1807
B	1809
I	1200
I	1202
I	1208



Plan C

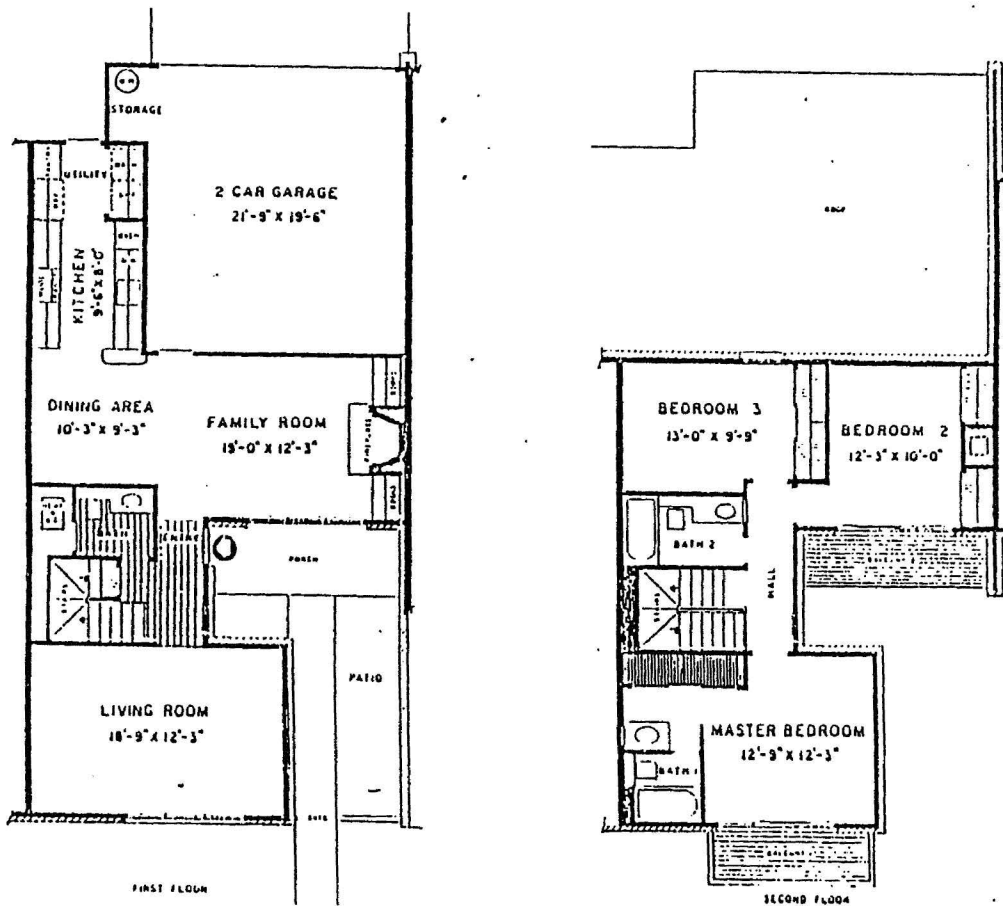
Area of Each Such Unit:

Balconies	273 sq. ft.
Garage	470 sq. ft.
Patio	298 sq. ft.
Living Area	<u>1,600</u> sq. ft.
TOTAL	2,641 sq. ft.

EXHIBIT B

Set forth below is a depiction of the following Units identified by building letter and Unit number:

<u>Building</u>	<u>Unit Number</u>
A	1102
A	1104
B	1803
B	1805
I	1204
I	1206



Plan D

Area of Each Such Unit:

Balconies	109 sq. ft. $\times \frac{1}{2} = 27$
Garage	458 sq. ft. $\times \frac{1}{2} = 229$
Patio	259 sq. ft. $\times \frac{1}{2} = 129.5$
Living Area	1,617 sq. ft.

TOTAL 2,443 sq. ft. $\frac{1757.5}{2} = 878.75$

VCL PAGE

JOINDER IN DECLARATION AND MASTER DEED
OF DEL PASEO TOWN HOMES (A CONDOMINIUM)

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

THAT the undersigned, IRVING BANK AND TRUST COMPANY, Irving, Texas (herein called "Mortgagee") is the owner and holder of that certain promissory note dated February 8, 1978 (the "Note") in the original principal amount of \$2,250,000.00 executed by Del Paseo Investors and payable to the order of Mortgagee as therein provided, said Note being secured by a deed of trust (the "Deed of Trust") of even date therewith from Del Paseo Investors to W. O. Parsons, Tim A. Loudermilk and/or Eddie Patton, Trustees, recorded in the Deed of Trust Records of Dallas County, Texas, which Deed of Trust covers all of the following property situated in the City of Irving, Dallas County, Texas, to-wit:

Situated in Dallas County, Texas and being all of Lot One (1) in Block "A" of the Del Paseo Townhouse Addition, an addition to the City of Irving, Dallas County, Texas, according to the Map thereof recorded in Volume 792, Page 1879, of the Map Records of Dallas County, Texas;

Mortgagee does hereby join in the making of the forgoing Declaration and Master Deed for the establishment of the condominium regime for Del Paseo Town Homes, Irving, Dallas County, Texas, as Mortgagee and lienholder only, and Mortgagee hereby agrees that the lien of the Deed of Trust and all liens, titles and equities held by Mortgagee in and to the above described property as security for the payment of the Note are and henceforth shall be in all things subject, subordinate and inferior to the terms and conditions of the Declaration and Master Deed and any and all amendments and modifications thereto.

EXECUTED as of the 8th day of February, 1978.

IRVING BANK AND TRUST COMPANY,
A State Banking Association

By [Signature]
Its [Signature]

ATTEST:
[Signature]
Title VICE-PRESIDENT

THE STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Terry Kelly of IRVING BANK AND TRUST COMPANY, a state banking association, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated as the act of said Association.



GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 8th day of February, 1978.

[Signature]
Notary Public in and for Dallas County, Texas

L. E. Murdoch
COUNTY CLERK
DALLAS COUNTY

78 FEB 9 AM 11:57

STATE OF TEXAS COUNTY OF DALLAS
I hereby certify that this instrument was
filed on the 8-12 and time stamped hereon
by me and was duly recorded in the volume
and page of the record books of Dallas
County, Texas as stamped hereon by me.

FEB 10 1978



L. E. Murdoch

COUNTY CLERK, Dallas County, Texas

Return to:
Mr. Glenn Koury
Attorney at Law
Mercantile Commerce Building
1712 Commerce Street
Dallas, Texas 75201

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