

THE STATE OF TEXAS

COUNTY OF COLLIN

AMENDED AND REVISED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

STONE CREEK

LOTS 1 THROUGH 50, BLOCK A

LOTS 1 THROUGH 31, BLOCK B

THIS DECLARATION OF COVENANTS AND RESTRICTIONS FOR STONE CREEK (hereinafter referred to as "Declaration") is made this 20 day of April, 2001, by Jobs Properties, Ltd., a Texas limited partnership (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property referred to in Article II and described within Exhibit "A" of this Declaration which represents a development known as "Stone Creek". Declarant proposes to establish and implement common properties throughout the residential portion of this community, and to better provide for the preservation of the values and amenities in the community and for the maintenance of the common properties, Declarant desires to subject the real property described herein (together with such additions as may hereinafter be made) to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the community and the owners of property thereon;

WHEREAS, Declarant desires to amend and revise this Declaration to reflect changes in the Texas Property Code, and correct or modify certain restrictions contained in Paragraphs 8.03, 8.07, and 8.19;

NOW, THEREFORE, the real property referred to in Article II and described within Exhibit "A", and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes collectively referred to as the "Covenants and Restrictions") hereinafter set forth:

ARTICLE I

CONCEPTS AND DEFINITIONS

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

1.01 "Association" shall mean and refer to the entity, initially an unincorporated association and thereafter, a Texas not-for-profit corporation, established for the purposes set forth herein, its successors and assigns, which will have the power, duty and responsibility of maintaining and administering the Common Properties, and collecting the disbursements and charges hereinafter prescribed, and have the right of administering and enforcing the Covenants and Restrictions.

1.02 "Properties" shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplemental Declaration prepared and filed of record pursuant to the provisions of Article II hereof.

1.03 "Common Properties" shall mean and refer to (i) those certain platted areas, depicted on the recorded subdivision plat(s) which are intended to be devoted to common use for purposes such as main entrances, screening walls, and planting areas; and (ii) any other areas of land within the Properties which are known, described or designated as Common Properties, recreational easements, greenbelts or open spaces, intended for or devoted to the common use and enjoyment of the Members of the Association, together with any and all improvements that are now or may hereafter be constructed thereon. The Declarant proposes to hold record title to the Common Properties, consistent with the objectives envisioned herein and subject to the easement rights herein of the Members to use and enjoy the Common Properties, for an indefinite period of time and at a point in time (deemed appropriate and reasonable by the Declarant) after the Association has been incorporated, record title to the Common Properties will be transferred from the Declarant to the Association.

1.04 "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map(s) or plat(s) of the Properties, as amended from time to time, which is

designated as a Lot therein and which is or will be improved with a residential dwelling; while some portions of the Common Properties may be platted as a "lot" on the subdivision plat(s), these lots shall be excluded from the concept and definition of "Lot" as used herein.

1.05 "Owner" shall mean and refer to each and every person or business entity who is a record owner of a fee or undivided fee interest in any Lot subject to these Covenants and Restrictions; however, the word "Owner" shall not include person(s) or entity(ies) who hold a bona fide lien or interest in a Lot as security for the performance of an obligation.

1.06 "Member" shall mean and refer to each Owner of a Lot.

1.07 "Declarant" shall mean and refer to Jobe Properties, Ltd., a Texas limited partnership. No person or entity purchasing one or more Lots from Declarant shall be considered as "Declarant".

1.08 "Existing Property" shall mean and refer to the real property which is described within Exhibit "A", attached hereto and made a part hereof for all purposes, pursuant to the provisions of Article II hereof.

1.09 "Board" shall mean the Board of Directors of the Association.

1.10 "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions for Stone Creek.

1.11 "City" shall mean the City of Prosper, Texas.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

2.01 Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration (hereinafter defined as the "Existing Property") is located in Prosper, Collin County, State of Texas, and is more particularly described within Exhibit "A" attached hereto, but the existing properties shall exclude the tract of land designated as "Lot C" on the recorded subdivision plat(s) of the real property to be improved as commercial property (the "Commercial Parcel").

2.02 Additions to Existing Property. Additional land(s) may become subject to this Declaration in any of the following matters:

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

(b) In the event any person or entity other than the Declarant desires to add or annex additional residential and/or common properties to the scheme of this Declaration, such annexation proposed must have the prior written consent and approval of the majority of the outstanding votes of the Association.

(c) Any additions made pursuant to Paragraphs (a) and (b) of this Section 2.02 when made, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added.

(d) The Declarant shall have the right and option (without the joinder, approval or consent of any person(s) or entity(ies) to cause the Association to merge or consolidate with any similar association then having jurisdiction over real property located (in whole or in part) within one-half (1/2) mile of any real property then subject to the jurisdiction of this Association. Upon a merger or consolidation of the Association with another association, its Properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated Association may administer the covenants and restrictions established by the Declaration within the Existing Property together with the covenants and restrictions established upon any other properties as one scheme.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

3.01 Establishment of Association. The formal establishment of the Association as a not-for-profit corporation will be accomplished by the Declarant's filing of the Articles of Incorporation of the Association with the Secretary of State for the State of Texas and the subsequent issuance by the Secretary of State of the Certificate of Incorporation of the Association.

3.02 Adoption of Bylaws. Bylaws for the Association will be established and adopted by the Board of Directors of the Association.

3.03 Membership. Every Owner of a Lot, including any successive buyer(s), shall automatically and mandatorily become a Member of the Association.

3.04 Voting Rights. During the period of time that the Association is unincorporated, the Declarant shall have the sole right and option to prescribe reasonable procedures for the meetings (if any) of the Members, provided, however, that prior to incorporation, without the approval of the Declarant, no Member (other than Declarant) shall have a right to vote on any matter, or to call any meetings of the Members of the Association. Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any such Lot. Notwithstanding the voting rights within the Association, until the Declarant no longer owns record title to any Lot, or the tenth (10th) anniversary of the recording date for this Declaration, whichever occurs first in time, the Association shall take no action or inaction with respect to any matter whatsoever without the consent and approval of the Declarant and the Declarant reserves the right and option (without the joinder, approval or consent of any persons or Members) to take any action deemed necessary by the Declarant relating to the Declaration or the Association, including but not limited to provisions of Article II herein.

3.05 Quorum, Notice and Voting Requirements.

(a) Subject to the provisions of Section 3.02 and Paragraph (c) of this Section, any action authorized by Sections 5.03 and 5.04 of Article V shall require the assent of the majority of the vote of those who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be given to all Members not less than ten (10) days nor more than sixty (60) days in advance and shall set forth the purpose of such meeting.

(b) The quorum required for any action referred to in Paragraph (a) of this Section shall be as follows:

At any meeting called, the presence at the meeting of Members, or of proxies, entitled to cast more than fifty percent (50%) of all of the votes of each voting class of Members shall constitute a quorum.

(c) As an alternative to the procedure set forth above, any action referred to in Paragraph (a) of this Section may be taken with the assent given in writing and signed by the Members who hold more than fifty percent (50%) of the outstanding votes.

(d) Except as specifically set forth in this Declaration, notice, voting and quorum requirements for all action to be taken by the Association (as an incorporated entity) shall be consistent with its Articles of Incorporation and Bylaws, as same may be amended from time to time. Notwithstanding the voting rights within the Association, until the Declarant no longer owns record title to any Lot, or the tenth (10th) anniversary of the recording date of this Declaration, whichever occurs first in time, the Association shall take no action or inaction with respect to any matter whatsoever without the consent and approval of the Declarant.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON PROPERTIES

4.01 Members' Easements of Enjoyment. Subject to the provisions of Section 4.03 of this Article, every Member and every tenant of every Member, who resides on a Lot, and each individual who resides with either of them, respectively, on such Lot shall have a right and easement of use, recreation and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot, provided, however, such easement shall not give such person the right to make alterations, additions or improvements to the Common Properties.

4.02 Title to the Common Properties. The Declarant will hold record title to the Common

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Properties for an indefinite period of time, subject to the easements set forth in Section 4.01 above. The Declarant shall have the right and option (without the joinder and consent of any person or entity) to encumber, mortgage, alter improve, landscape and maintain the Common Properties. At such time as Declarant shall deem reasonable and appropriate after the Association has been incorporated, the Declarant will convey title to the Common Properties to the Association for the purposes herein envisioned.

4.03 Extent of Members' Easements. The rights and easements of use, recreation and enjoyment created hereby shall be subject to the following:

- (a) the right of the Declarant (during the time the Association is unincorporated) or Association (as an incorporated entity) to prescribe reasonable regulations governing the use, operation and maintenance of the Common Properties;
- (b) liens or mortgages placed against all or any portion of the Common Properties with respect to monies borrowed by the Declarant to develop and improve the Properties or by the Association (as an incorporated entity) to improve or maintain the Common Properties;
- (c) the right of the Association to enter into and execute contracts with any party (including the Declarant) for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association;
- (d) the right of the Declarant or the Association (as an incorporated entity) to take such steps as are reasonably necessary to protect the Common Properties against foreclosure;
- (e) the right of the Declarant or the Association (as an incorporated entity) to suspend the voting rights of any Member and to suspend the right of any individual to use or enjoy any of the Common Properties for any period during which any assessment against a Lot resided upon by such Member remains unpaid, and for any period not to exceed sixty (60) days for an infraction of the then-existing rules and regulations; and
- (f) subject to approval by written consent by the Members having a majority of the outstanding votes of each voting class of the Association, to dedicate or transfer all or any part of the Common Properties to any municipal corporation, public agency, authority, or utility company for such purposes and upon such conditions as may be agreed to by such Members.

ARTICLE V

COVENANTS FOR ASSESSMENTS

5.01 Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned by it within the Properties, hereby covenants and agrees, and each purchaser or Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree (and such covenant and agreement shall be deemed to constitute a portion of the purchase money and consideration for acquisition of the Lot), to pay to the Association (or to an entity or agency which may be designated by the Association to receive such monies): (1) annual assessments or charges for maintenance, taxes and insurance on the Common Properties; (2) special assessments for capital improvements, such assessments to be fixed established and collected from time to time as hereinafter provided; and (3) individual special assessments levied against individual Owners to reimburse the Association (a) for extra cost for maintenance and repairs caused by the willful or negligent acts of the individual Owner and not caused by ordinary wear and tear; (b) for an administrative fee the Association may elect to impose, from time to time, upon owners making requests for resale certifications, pursuant to the provisions of Title 11 of the Texas Property Code, with respect to the administration of such certification process and the liability of the Association associates therewith; and (c) for any transfer fee the Association may elect to impose, from time to time, upon Owners transferring their membership in the Association, all such assessments to be fixed, established, and collected from time to time as hereinafter provided. All such assessments specified in clauses (1), (2) and (3)(a), above, shall constitute maintenance and reserve funds for the purpose specifically levied and all such assessments shall be for the purposes as set forth in Section 5.02 below or as otherwise provided in this Declaration. The annual, special capital, tax and insurance, and special individual assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made and shall also be the continuing personal obligation of the Owner of such Lot at the time when the assessment fell due.

5.02 Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, recreation, safety and welfare of the residents of the Properties, and it is particular to the improvement and maintenance of private walkways, sidewalks,

main entrances, recreational areas, or other properties, services and facilities devoted to this purpose and directly related to the use and enjoyment of the Common Properties, including but not limited to, the payment of taxes on the Common Properties and insurance (if any) in connection with the Common Properties and the repair, replacement and additions thereto; and for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of, the Common Properties; for carrying out the duties of the Board of Directors of the Association as set forth in Article VI hereafter; and for carrying out the various matters set forth or envisioned herein, including those matters for which individual special assessments may be imposed pursuant to the provisions of Section 5.01(c), above, or in any Supplemental Declaration related hereto. The purpose of the reserve fund is to ensure the continuous and perpetual use, operation, maintenance, and/or supervision of all facilities, structures, improvements, systems, areas or grounds that are the Association's responsibility.

5.03 Basis and Amount of Annual Maintenance Assessments.

(a) Until January 1 of the year immediately following the conveyance of all or any part of the Common Properties from the Declarant to the Association (as an incorporated entity), the maximum annual assessment shall be established as follows:

(i) the initial maximum annual assessment shall be \$300.00 per year;

(ii) in the event that at least ninety (90) days advance notice is provided to an Owner, the then-existing maximum annual assessment may be increased by an amount up to twenty-five percent (25%); provided, however, there shall not be more than one (1) increase per year on a non-cumulative basis, unless otherwise approved by the Association's Members as provided in Section 3.05 of Article III.

(b) From and after January 1 of the year immediately following the conveyance of all or any part of the Common Properties from the Declarant to the Association (as an incorporated entity), the Association's Board of Directors may establish the maximum annual assessment for each Lot, provided that the maximum annual assessment may not be increased more than twenty-five percent (25%) above the maximum annual assessment for the previous year unless approved by the Association's Members as provided in Section 3.05 of Article III.

(c) The Association's Board of Directors may fix the actual annual assessment at an amount equal to or less than the then-existing maximum annual assessment.

(d) Each Lot, with respect to which a building permit has been issued, shall be charged with one hundred percent (100%) of the established per Lot assessment, while each undeveloped Lot, with respect to which no building permit shall have been issued, may be charged with fifty percent (50%) of the established per Lot assessment.

5.04 Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 5.03 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 cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including any 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 3.05, Article III.

5.05 Uniform Rate of Annual and Special Assessments. Subject to the provisions of Section 5.03(d), both annual and special capital assessments must be fixed at a uniform rate for all Lots.

5.06 Date of Commencement of Assessments: Due Dates. The annual maintenance assessments provided for herein shall commence on the date fixed by the Board of Directors of the Association to be the date of commencement, and as may be prescribed by the Board of Directors, shall be payable annually or monthly, in advance, on the first day of each year or month, as the case may be. The first annual maintenance assessment shall be made for the balance of the calendar year in which it is levied. The amount of the annual maintenance assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual maintenance assessment provided for in Section 5.03 hereof as the remaining number of months in that year bear to twelve; provided, however, that if the date of commencement falls on other than the first day of a month, the maintenance assessment for such month shall be prorated by the number of days remaining in the month. The due date or dates, if it is to be paid in installments, of any other assessment or special assessment under Sections 5.03 and 5.04 hereof, shall be fixed in the respective resolution authorizing such assessment.

5.07 Duties of the Board of Directors with Respect to Assessments.

(a) The Board of Directors of the Association shall fix the date of

commencement and the amount of the assessment against each Lot for each assessment period at least ninety (90) days in advance of such date or 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.

(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 of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificate.

5.08 Effect of Non-Payment of Assessment: The Personal Obligation of the Owner: the Lien: Remedies of Association.

(a) If any assessment or any part thereof is not paid on the date(s) when due, then the unpaid amount of such assessment shall become delinquent and shall, together with interest thereon at the highest permitted lawful rate per annum and costs of collection thereof, thereupon become a continuing debt secured by a lien on the Lot of the non-paying Owner which shall bind such Lot in the hands of the Owner, his heirs, executors, devisees, personal representatives and assigns. The Association shall have the right to reject partial payments of an assessment and demand the full payment thereof. The personal obligation of the then-existing Owner to pay such assessment, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. However, the lien for unpaid assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the assessment provided herein by non-use of the Common Properties or abandonment of his Lot.

(b) The Association may also give written notification to the holder(s) of the mortgage on the Lot of the non-paying Owner of such Owner's default in paying any assessment when such default has not been cured within thirty (30) days, provided that the Association has theretofore been furnished in writing with the correct name and address of the holder(s) of such mortgage.

(c) If any assessment or part thereof is not paid when due, the unpaid amount of such assessment shall bear interest from and after the date when due at the highest permitted lawful rate per annum, and the Association may, at its election, retain the services of an attorney for collection and there shall also be added to the amount of such unpaid assessment any and all collection costs incurred hereunder by the Association, including reasonable attorney's fees.

5.09 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate and inferior to the lien of any first mortgage or deed of trust now or hereafter placed upon the Lots subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the foreclosure sale, whether public or private, of such property pursuant to the terms and conditions of any such mortgagor deed of trust. Such sale shall not relieve such Lots from liability for the amount of any assessments thereafter becoming due nor from the lien of any such subsequent assessment.

5.10 Exempt Property. The following property otherwise subject to this Declaration shall be exempted from the assessment, charge and lien created herein:

- (a) All properties dedicated and accepted by the local public authority and devoted to public use.
- (b) All Common Properties as defined in Article I hereof.
- (c) The Commercial Property.
- (d) Any and all areas which may be reserved by the Declarant on the recorded plat(s) of the Properties.

ARTICLE VI

**GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS
OF THE ASSOCIATION**

6.01 Powers and Duties. The affairs of the Association shall be conducted by its Board of

Directors. Prior to the incorporation of the Association, the Declarant shall select and appoint the Board of Directors, each of whom shall be a Member, or an officer, employee, representative or agent of a Member. From and after the effective date of the Association's incorporation, the Board of Directors shall be selected in accordance with the Articles of Incorporation and Bylaws of the Association. The Board, for the benefit of the Common Properties and the Owners, shall provide, and shall pay for out of the maintenance fund(s) provided for in Article V above, the following:

- (a) care and preservation of the Common Properties and the furnishing and upkeep of any desired personal property for use in the Common Properties;
- (b) the services of a person or firm to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by the manager;
- (c) legal and accounting services; and
- (d) any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alteration, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration 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 shall have the following additional rights, powers and duties:

- (e) To execute all declarations of ownership for tax assessment purposes with regard to any of the Common Properties owned by it.
- (f) To enter into agreements or contracts with insurance companies, taxing authorities and the holders of first mortgage liens on the individual Lots with respect to: (i) taxes on the Common Properties, and (ii) insurance coverage (if any) on Common Properties, as they relate to the assessment, collection and disbursement process envisioned by Article V herein above.
- (g) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit.
- (h) 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.
- (i) To protect or defend the Common Properties from loss or damage by suit or otherwise, to sue or defend in any court of law on behalf of the Association and to provide adequate reserves for repairs and replacements.
- (j) To make reasonable rules and regulations for the operation of the Common Properties and to amend them from time to time.
- (k) Subsequent to incorporation, to make available to each Owner within ninety (90) days after the end of each year an annual report.
- (l) Pursuant to Article VII herein, to adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property; and if proceeds are insufficient to repair damage or replace lost property, to assess the Members in proportionate amounts to cover the deficiency.
- (m) 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.

6.02 Board Powers, Exclusive. The Board shall have the exclusive right to contract for all goods, services, and insurance, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

6.03 Maintenance Contracts. The Board, on behalf of the Association, shall have full power and authority to contract with any Owner (including without limitation the Declarant) for the performance by the Association of services which the Board is not otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable and to the best interest of the Association.

ARTICLE VII

INSURANCE, REPAIR AND RESTORATION

7.01 Right to Purchase Insurance. The Association shall have the right and option to purchase, carry and maintain in force insurance covering any or all portions of the Common Properties, any improvements thereon or appurtenant thereto, for the interest of the Association and of all Members thereof, in such amounts and with such endorsements and coverage as shall be considered good sound insurance coverage for properties similar in construction, location, and use to the subject property. Such insurance may include, but need not be limited to:

- (a) Insurance against loss or damage by fire and hazards covered by a standard extended coverage endorsement in an amount which shall be equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the insurance carrier.
- (b) Public liability and property damage insurance on a broad form basis.
- (c) Fidelity bond for all officers and employees of the Association having control over the receipt or disbursement of funds.
- (d) Officers' and directors' liability insurance.

7.02 Insurance Proceeds. The Association and Members shall use the net insurance proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of insurance paid to the Association, as required in this Article VII, remaining after satisfactory completion of repair and replacement, shall be retained by the Association as part of a general reserve fund for repair and replacement of the Common Properties.

7.03 Insufficient Proceeds. If the insurance proceeds are insufficient to repair or replace any loss or damage, the Association may levy a special assessment as provided for in Article V of this Declaration to cover the deficiency.

ARTICLE VIII

USE OF LOTS AND PROPERTIES - PROTECTIVE COVENANTS

The Properties (and each Lot situated therein) shall be occupied and used as follows:

8.01 Residential Lots. All Lots (excluding, however, the Commercial Property and those lots on which certain Common Properties will be located) shall be used for residential purposes only. No building or structure shall be erected, altered, placed or permitted to remain on any residential Lot other than a single-family dwelling and its customary and usual accessory structures (unless prohibited or restricted herein). Prohibited structures, uses and operations shall include, but not be limited to, duplex houses, apartment houses, commercial and professional uses (except for the initial construction and sale of single-family dwellings by builders, in which event the builder shall not maintain an office in said dwelling or use a dwelling as a model home without Architectural Committee approval) or drilling for oil, gas or other minerals, quarrying or mining, placing or maintaining on the premises any tanks, wells, shafts, mineral excavations, derricks, or structures of any kind incident to any such oil, gas or other mineral operation.

8.02 Minimum Floor Space. The main structure on each Lot shall contain a minimum square footage (exclusive of porches, garages, patios, terraces, breeze ways, and other outbuildings) not less than 2,400 square feet with a minimum of 1,200 square feet on the ground floor.

8.03 Garages. Each single-family residential dwelling erected on any Lot shall provide a garage with space for a minimum of two (2) conventional automobiles.

8.04 Roofs. All buildings constructed on said property must have a composition roof (minimum of 240 lbs. and color must appear to be weathered wood shingles), slate or tile as approved by the Architectural Committee. The roof pitch shall not be less than 6/12 unless otherwise approved by the Architectural Committee.

8.05 Building Lines. All residences or dwellings erected or placed on any Lot shall face the road or street adjacent to the Lot as shown on the recorded plat of the Property or as prescribed in the deed from Declarant conveying the Lot. No portion of such dwelling or residence shall be nearer to the front property line of said Lot than as designated on the recorded plat of the Property. No structure or improvement of any kind shall be nearer to the side property line of any Lot than a minimum of 10% of lot width as measured at the building line or a maximum of ten feet (10') except as otherwise designated on the recorded plat of the Property. The minimum depth of the rear yard shall be ten feet (10'). No structure or improvement of any kind shall be constructed or placed upon any Lot outside any perimeter fencing upon such Lot unless otherwise approved by the Architectural Committee.

8.06 Sidewalks. A four (4) foot wide sidewalk is required across the front of all Lots. Exact location subject to Architectural Committee approval.

8.07 Fences. No chain link fences or other wire type fences shall be erected or located on any Lot so as to be visible from the front, side or rear of the Lot. If open type fencing is desired, it must be of the type material construction and color used at the entry of the development or wrought Iron, subject to Architectural Committee approval. No fence, wall or hedge shall be erected, placed or altered on any Lot nearer to any street than the minimum building setback line as set forth in Section 8.05 of this Article. No fence, wall or hedge shall exceed six (6) feet in height unless approved by the Architectural Committee. Spruce and cedar wood will be acceptable for fence construction. Wooden fences must be of a flat top design and shall not be painted or stained. However, fences are permitted to be sealed with a product known as "Ready Products, OS-005, Light Brown." To insure uniformity within the community, this is the only color that is permitted to be used. No fence, wall, hedge, shrub plating or other obstructions to view in excess of two feet (2') in height, except trees pruned high enough to permit unobstructed vision to automobile drivers, shall be placed within the triangular areas at the intersection of streets and driveways.

8.08 Signs. All signs placed on any Lot shall comply with all provisions of the Code of Ordinances of the City, except that, all Model Homes and Information Centers shall require the prior written approval of the Architectural Committee in addition to compliance with all provisions of the Code of Ordinances of the City of Prosper.

8.09 Easements: Utilities. All streets and easements shown on the recorded plat of the Property have been reserved for the purposes indicated. No Owner may erect any structure of any type whatsoever, excluding fences, in these easement areas, nor may an Owner use the surface of an easement area for any private use. With respect to these easement areas, as well as any other areas described within recorded easement documents, any and all bona fide public utility service companies (including but not limited to, Southwestern Bell Telephone Company, Lone Star Gas Company and TU Electric) shall have the right to access, ingress, egress, regrade and use of the service estate for the installation and maintenance of utility facilities.

Except as to special street lighting or other aerial facilities which may be required by the City or may be required by the franchise of any utility company, no aerial utility facilities of any type (except meters, risers, service pedestals and other surface installations necessary to maintain or operate appropriate underground facilities) shall be erected or installed within the Property, whether upon Lots, easements, streets, or rights-of-way of any type, either by the utility company or any other person or entity, (including but not limited to any person owning or acquiring any part of the Property) and all utility service facilities (including but not limited to water, sewer, gas, electricity and telephone) shall be buried underground, under recreational easements, streets, or utility easement areas for the purpose of serving any structure located on any part of the Property.

8.10 Temporary Structures. Except as expressly approved by the Architectural Committee, no temporary structure of any kind shall be erected or placed on any of said property and in no instance shall more than one dwelling or residence and the necessary accessory structures to accommodate the owner or occupant thereof, be erected or placed on any one Lot as shown on the above described plat. Construction trailers and temporary sales offices will be permitted subject to Architectural Committee approval and approval by the City.

8.11 Vehicles. No truck, bus, boat, boat trailer, trailer, mobile home, motor home, campmobile, camper, motorcycle or any motorized vehicle other than a conventional automobile shall be stored, placed or parked on any Lot of an Owner so as to be visible from any residential street.

Trucks with tonnage in excess of three-quarters (3/4) ton shall not be permitted to park overnight on the streets, driveways or otherwise within the Property. No vehicle of any size which transports inflammatory or explosive cargo may be parked or stored within the Property at any time.

8.12 Garbage: Weeds. No Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Garbage containers shall be placed on the street in front of their dwelling on the day of collection, and shall otherwise be in compliance with applicable ordinances of the City. If, at any time, an Owner shall fail to control weeds, erosion, grass and/or other unsightly growth on his Lot or on the frontage of his Lot, Declarant shall have the authority and right to go onto said Lot for the purpose of controlling such weeds, grass or unsightly growth and shall have the authority and right to assess and collect from the Owner of such Lot for controlling such unsightly growth on each respective occasion of such maintenance. The assessments, together with interest (at the highest permitted lawful rate per annum) thereon and any costs of collection thereof, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment, together with interest thereon and costs of collection thereof, shall also be the continuing personal obligation of the Owner of such Lot at the time when the assessment occurred. The lien securing any such assessment shall be subordinate and inferior to the lien of any mortgage and any renewals or extensions thereof existing prior to the assessment date.

8.13 Construction Completion Time. In the event that a residence is partially or totally damaged by fire or other causes, construction or reconstruction of the damage residence, or portion thereof, must commence within one-hundred twenty (120) days after the occurrence causing the damage. No construction or reconstruction shall commence until plans and specifications have been submitted to the Architectural Committee and are subsequently approved subject to applicable City approvals being obtained.

8.14 Offensive Activities. No noxious or offensive activity shall be conducted on any Lot nor shall anything be done thereon which is or may become an annoyance or nuisance within the Property or any portion thereof. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept; provided that they are not kept, bred or maintained for commercial purposes and further provided that all Owners shall comply with the applicable ordinances of the City.

8.15 Exterior Surfaces. Unless otherwise approved by the Architectural Committee, the exterior surface of all residential dwellings shall be constructed of brick, brick veneer, stone or stone veneer, stucco or stucco veneer, wood siding, or any combination thereof and shall consist of a minimum of 75% masonry on each story, with no single wall face of any resident containing less than 50% of its exposed surface of masonry construction. The installation of solar panels on any roof or other portion of a residence which is visible from any street, alley or adjoining Lot is expressly prohibited. All tin foil and newspaper window coverings are expressly prohibited.

8.16 Antennas and Aerials. Unless otherwise approved by the Architectural Committee, all television antennas and other antennas and aerials shall be located inside the attic or under the roof. No towers or satellite dishes shall be permitted, unless approved by the Architectural Committee. Satellite dishes eighteen inches (18") or less will be permitted if they are not visible from any street.

8.17 Landscaping & Drainage. Landscaping of a Lot must be completed within sixty (60) days after the date on which the main structure is 95% complete. There shall be a minimum of two (2) trees with a caliper of two and one-half inches (2-1/2"), installed per Lot. These trees shall be installed by the builder or Owner. No dams shall be constructed nor any other alteration or change shall be made in the course or flow of any creek crossing or abutting Lot, without the approval of the Architectural Committee. All Lots shall be graded so that surface water will flow in accordance with the Master Drainage Plan.

8.18 Retaining Walls. Retaining walls which are visible from the street will be constructed of concrete faced with brick or stone of the same type as that used on the dwelling, milsap stone, or other materials as approved by the Architectural Committee.

8.19 Tennis Courts. Tennis courts shall not be permitted upon any Lot.

8.20 Mailboxes. All mailboxes must be of a "country type" approved by the Architectural Committee and the local postal authority.

8.21 Gazebos, Greenhouses, Storage Sheds and Clotheslines. No gazebo, greenhouse, storage shed, clothesline or other similar structure shall be erected, constructed or placed upon any Lot without prior written approval by the Architectural Committee.

8.22 Pool Equipment. Above-ground pools are expressly prohibited. All pool service equipment shall be fenced and located in either (a) a side yard between the front and rear boundaries of the dwelling, or (b) in the rear yard adjacent to the dwelling; and shall not be visible from any residential street.

8.23 Utility Meters and Air-Conditioning Compressors. All utility meters, equipment, air-conditioning compressors, evaporative coolers and similar items must be screened from view.

8.24 Erosion Control. During construction of improvements and prior to landscaping, reasonable measures will be taken to prevent excessive erosion of Lots causing silt to be deposited in the streets and alleys and in the storm drainage system. Protection can be by retaining walls, berms, hay bales or other means suitable for each individual Lot.

8.25 Building Permits. The Building Inspector of the City of Prosper, Texas, or other municipal authority, is hereby authorized and empowered to revoke, as the case may be, any and all permits for construction of improvements of any kind or character to be erected or placed on any of the Property, if such improvements do not conform to and comply with the restrictions set out herein.

8.26 Waiver by Architectural Committee. The Architectural Committee may, at its discretion, approve construction of a structure lacking not more than 10% of the minimum square footage required by Paragraph 8.02 above, and may waive such other variations from these restrictions as said Architectural Committee deems, in its sole discretion, not to be inconsistent with the general tenor and purpose of these restrictions.

8.27 Architectural Committee. No building or other structure or other improvement shall be erected, placed, or altered on any building plot in this subdivision until two complete sets of the building plans and specifications, and two plot plans of the location showing drainage for Lot and location of such building or other structure or other improvement shall have been delivered to the Architectural Committee, designated as hereinafter provided, and until such building plans, specifications and plot plan shall have been approved in writing by the Architectural Committee as being in conformity and harmony with the external design and location of the existing structures and improvements of the subdivision and in compliance with the restrictions herein contained. One copy of such plans, specifications and plot plan shall be retained by the Architectural Committee and the second copy shall be redelivered to the Owner of the Lot with the approval of the Architectural Committee, appropriately endorsed therein. In the event the Architectural Committee, or its designated representative fails to approve or disapprove any building plans, specifications and plot plans within fifteen (15) days after the same are submitted to it, and if all terms contained in these restrictions have been complied with, the Architectural Committee is authorized and empowered to consider and review any and all aspects of dwelling construction, construction of other improvements and location, quality and quantity of landscaping on the Lots and may disapprove aspects thereof which may, in the opinion of the Architectural Committee, adversely affect the living enjoyment of one or more Owner(s) or general value of the Properties. As an example, and not by way of limitation, the Architectural Committee may impose limits upon the location of window areas of one residential dwelling which would overlook the enclosed yard area of an adjacent residential dwelling.

Builders owning more than five (5) Lots in the subdivision may submit a master set of plans to be approved initially. Additional plans will be submitted for approval if modifications are made to the master set after the initial approval has been received.

Declarant shall have the authority to appoint the Architectural Committee, and to fill any vacancies in the Architectural Committee until at least 90% of the residential Lots within the subdivision shall have completed residences constructed thereon and shall be occupied by the owners thereof, whereupon the owners of a majority of the Lots within the subdivision shall elect the Architectural Committee. The Architectural Committee shall consist of not less than two nor more than five members. The Architectural Committee is authorized to delegate to one or more representatives the authority to perform the duties of the Architectural Committee as set forth herein. The Architectural Committee shall in no event be liable in damages for any action or failure or refusal to act pursuant to the provisions hereof. The Architectural Committee shall receive no fees or compensation for its services.

The members of the Architectural Committee shall have no liability for decisions made by the Architectural Committee and the Architectural Committee shall have no liability for its decisions so long as such decisions are made in good faith and are not arbitrary or capricious. Any errors in or omissions from the plans or the site submitted shall be the responsibility of the Owner of the Lot to which the improvements relate, and the Architectural Committee shall have no obligation to check for errors in or omissions from any such plans or to check for such plans' compliance with the general provisions of this Declaration, City codes, state statutes or the common law, whether the same relate to lot lines, building lines, easements or any other matters.

Any notices or correspondence to an Owner of a Lot shall be addressed to the street address of the Lot. Any notice or plan submission to the Architectural Committee shall be made to the address set forth below. The Architectural Committee may change its address for notice and plan submission by recording in the land records of Collin County a notice of change of address.

ARTICLE IX

EASEMENTS

9.01 Utility Easements. Easements for installation, maintenance, repair and removal of utilities and drainage facilities over, under and across the Property are reserved, as set forth in Article VIII, Section 8.09, above. Full rights of ingress and egress shall be had by Declarant and any bona fide utility company at all times over the easement areas 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 that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility. The Owner of a Lot is responsible for the maintenance of all drainage and use easements platted as part of the respective Lot.

9.02 Ingress, Egress and Maintenance by the Association. Full rights of ingress and egress shall be had by the Association at all times over and upon the Common Properties for the purpose of maintaining the Common Properties as set forth herein. That portion of the landscape and screening wall easement along State Highway 289 that lies between the screen wall and the residential dwelling shall be maintained by the Owner of the Lot. This portion of the easement shall be for access only.

9.03 Police Power Easement. With respect to streets, easements and rights-of-way within the Property, the City and all other government agencies and authorities shall have full rights of ingress, egress, regress and access for personnel and emergency vehicles for maintenance, police and fire

protection, drainage and other lawful police powers designed to promote the health, safety and general welfare of the residents within the Property.

ARTICLE X

GENERAL PROVISIONS

10.01 Duration. The covenants and restrictions of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty-five (25) years from the date that this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless Members entitled to cast seventy percent (70%) of the votes of each voting class of the Association decide by means of a vote to rescind and abolish this Declaration and (i) an instrument evidencing such decision is filed for record in the Deed Records of Collin County, Texas, by an authorized officer of the Association at least one (1) year in advance of the effective date of such rescission and abolishment.

10.02 Amendments. Notwithstanding Section 10.01 of this Article, these Covenants and Restrictions may be amended and/or changed in part as follows:

- (a) during the ten (10) year period immediately following the date of recordation of the Covenants and Restrictions, the Declarant may amend or change these Covenants and Restrictions; or
- (b) in all other situations, these Covenants and Restrictions may be amended or changed upon the express written consent of at least seventy-five (75%) of the outstanding votes of each membership class of the Association.

Any and all amendments shall be recorded in the office of the County Clerk of Collin County, Texas.

10.03 Enforcement. Enforcement of these Covenants and Restrictions may be by any proceeding at law or in equity against any person or persons violating or attempting to violate them, whether the relief sought is an injunction or recovery of damages, or enforcement of any lien created by these Covenants and Restrictions; and failure by the Association or any Owner to enforce any Covenants or Restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. The City, is specifically authorized (but not obligated) to enforce these Covenants and Restrictions.

10.04 Severability. Invalidation of any one of these Covenants and Restrictions by judgement or court order shall in nowise affect any other provision which shall remain in full force and effect.

10.05 Proposals of Declarant. The proposals of the Declarant, as set forth in various provisions hereinabove to develop additional parcels of property for residential purposes, expand the recreational easements and Common Properties and items of a related nature, are proposals and shall not be deemed or construed as promises, contractual commitments or material representations by the Declarant. Each and every Owner waives the right to contest, object, challenge, dispute or in any manner disagree with the Declarant's development (including zoning or rezoning processes) of any real property within a one (1) mile radius of any portion of the Properties.

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

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

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

10.09 Disputes. Matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions of this Declaration or the Association Bylaws, shall be determined by the Declarant or Board of Directors, whose reasonable determination shall be final and binding upon all Owners.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed this 20 day of April, 2001.

JOBE PROPERTIES, LTD.
a Texas limited partnership

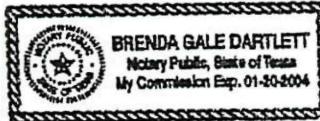
By: Jobe Company, Inc.,
a Texas corporation, general partner

By: Phil Jobe
Name: Phil Jobe
Title: President

THE STATE OF TEXAS \$
 \$
COUNTY OF COLLIN \$

BEFORE ME, the undersigned Notary Public in and for said County and State on this day personally appeared Phil Jobe, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Jobe Company, Inc., as general partner of Jobe Properties, Ltd., a Texas limited partnership and that he executed the same as the act of Jobe Company, Inc., as general partner of Jobe Properties, Ltd. 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 April, 2001.



Brenda Gale Dartlett
Notary Public

Upon Filing Return to:

JOBE PROPERTIES, LTD.
Attn: Phil Jobe
6142 Campbell Rd., Suite 201
Dallas, TX 75248

EXHIBIT "A"

OWNER'S CERTIFICATION

STATE OF TEXAS
COUNTY OF COLLIN

WHEREAS JOSE PROPERTIES, LTD. is the owner of a tract of land out of the COLLIN COUNTY SCHOOL LANDS SURVEY, Abstract No. 147, in the City of Prosper, Collin County, Texas, and being part of the 45.4180 acres tract of land described in deed to The Jobe Company, recorded in Collin County Clerk's File No. 96-0071994 in the Land Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at a 1/2" iron rod found for the southwest corner of a tract of land described in deed to Prosper Independent School District, recorded in Volume 605, Page 30 of the Land Records of Collin County, Texas and the northeast corner of a tract of land described in deed to Bobby D. James, recorded in Collin County Clerk's File No. 96-0063800 of the Land Records of Collin County, Texas and the northwest corner of a tract of land described in deed to Nahard Egg Farm, Inc., recorded in Volume 340 of the Land Records of Collin County, Texas;

THENCE with the said east line of the said Prosper Independent School District tract and a tract of land described in deed to Prosper Independent School District, recorded in Volume 605, Page 135 of the Land Records of Collin County, Texas, North 91°01'18" West, a distance of 1234.09 feet to a 1" iron rod set in concrete for corner, from which a 1" iron rod found in concrete for the southwest corner of a tract of land described in the Boundary Line Agreement between Dan D. Christie and The Jobe Company, recorded in Collin County Clerk's File No. 96-0068733 of the Land Records of Collin County, Texas bears North 89°02'02" East, 12.48 feet;

THENCE with the south line of the said Boundary Line Agreement, the following courses and distances to wit:

North 89°02'02" East, a distance of 427.41 feet to a 3/8" iron rod found for corner;
 South 71°00'00" East, a distance of 18.87 feet to a 1" iron rod set in concrete for corner;
 North 89°22'24" East, a distance of 205.49 feet to a 1" iron rod set in concrete for corner;
 North 89°03'30" East, a distance of 653.41 feet to a 1" iron rod set in concrete for corner;
 North 89°14'02" East, a distance of 200.44 feet to a 1" iron rod set in concrete for corner;
 South 89°22'02" East, a distance of 27.66 feet to a 1" iron rod set in concrete in the westerly right-of-way line of State Highway No. 269 (Preston Road, a variable width RDM) (red which a PK nail) found in a wooden highway marker (found for the northeast corner of the beforementioned 45.4180 acre tract bears North 19°38'58" East, 15.78 feet);

THENCE with the westerly right-of-way line of said State Highway No. 269, the following courses and distances to wit:

South 19°38'58" West, a distance of 496.80 feet to a PK nail found in the top of a wooden highway marker;
 South 17°42'55" West, a distance of 309.74 feet to a PK nail found in the top of a wooden highway marker;
 South 27°19'00" West, a distance of 302.04 feet to a PK nail found in the top of a wooden highway marker;
 South 20°01'30" West, a distance of 160.32 feet to a PK nail found in the top of a wooden highway marker;
 South 12°02'55" West, a distance of 200.83 feet to a 1/2" iron rod found for the northeast corner of said tract of land described in deed to Meredith F. Kawaguchi, recorded in Collin County Clerk's File No. 96-0023732 of the Land Records of Collin County, Texas;

THENCE with the north line of the said Kawaguchi tract, South 89°17'04" West, a distance of 338.15 feet to a 5/8" iron rod set for the northwest corner of said tract;

THENCE with the west line of the said Kawaguchi tract, South 19°38'58" East, a distance of 113.78 feet to a 5/8" iron rod set for corner in the north line of a tract of land described in deed to Charles J. & Bonnie M. Minikates, recorded in Volume 2928, Page 871 of the Land Records of Collin County, Texas;

THENCE with the north line of the said Minikates tract, South 89°10'43" West, a distance of 463.26 feet to a 5/8" iron rod found for the southwest corner of the said Nahard Egg Farm, Inc. tract;

THENCE with the east line of the said Nahard Egg Farm, Inc. tract, North 00°58'11" West, a distance of 200.02 feet to a 5/8" iron rod found for the northeast corner of said tract;

THENCE with the north line of the said Nahard Egg Farm, Inc. tract, South 89°09'38" West, a distance of 439.02 feet to the POINT OF MEETING and containing 45.1853 acres of land.

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE

DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND

UNENFORCEABLE UNDER FEDERAL LAW

(THE STATE OF TEXAS)

(COUNTY OF COLLIN)

I hereby certify that this instrument was FILED in the File Number Sequence on the date

and the sum named herein by me and was duly RECORDED, in the Official Public

Records of Real Property of Collin County, Texas on

APR 24 2001

Helen Starnes



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

On Apr 24 2001
 At 8:42am

Doc/Num : 2001- 0044320
 Recording/Type:RS 35.00
 Receipt #: 12633



Office of the Secretary of State

CERTIFICATE OF INCORPORATION OF

STONE CREEK PROSPER HOMEOWNERS' ASSOCIATION, INC.

Filing Number: 800062131

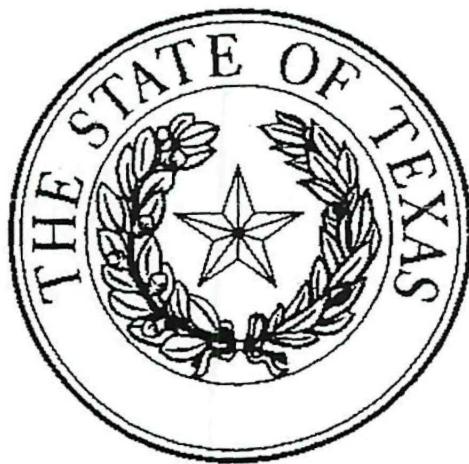
The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Incorporation for the above named corporation have been received in this office and have been found to conform to law.

Accordingly, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Incorporation.

Issuance of this Certificate of Incorporation does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 03/07/2002

Effective: 03/07/2002



A handwritten signature in black ink that reads "Gwyn Shea".

Gwyn Shea
Secretary of State

Come visit us on the internet at <http://www.sos.state.tx.us/>

PHONE(512) 463-5555
Prepared by: Mojica

FAX(512) 463-5709

TTY7-1-1