

Valley Creek No. 1 *Homeowners Association*

Governing Documents
And New Owner Information Packet

Provided by:



Village Association Management, LLC

P.O. 460057

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Congratulations on the purchase of your new home. This Governing Documents and HOA Information Packet contains valuable information on your HOA community.

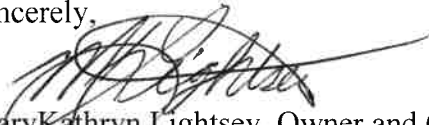
On behalf of the Association, I would like to take this opportunity to welcome you and tell you a little about your management company. Under the direction of your Board of Directors, we are the custodian of the records, as well as the party responsible for overseeing maintenance of the common areas, enforcement of the Covenants by regular lot inspections and notifications, and for accepting payment of your dues.

Should you have any problems regarding your account or questions about the neighborhood, please call (214) 552-1629. Phone calls are handled from 9:00 A.M. to 6:00 P.M. Tuesday through Friday and Saturday until noon. Messages reporting emergency repair needs in the common areas are responded to twenty-four hours a day.

In accordance with the governing documents, assessment statements will be mailed out 30 to 45 days in advance of the due date. However, due to circumstances beyond the control of the management company, you may not receive the statement. **It is the homeowner's responsibility to remit payment or call for a statement if one is not received. If you do not receive "Notice of Assessment" at least thirty (30) days before each assessment, call the management company to request a statement. Review your document packet for information on methods of payment.**

We hope to have the privilege of serving you as a member of your Homeowners Association for many years to come.

Sincerely,


Mary Kathryn Lightsey, Owner and Community Manager
Village Association Management, L.L.C.
Managing Agent for the Association

FREQUENTLY ASKED QUESTIONS ABOUT THE H.O.A.

What is a Homeowner's Association? It is a nonprofit corporation registered with the State and managed by a duly elected Board of Directors. Its purpose is to maintain all common areas and to oversee the neighborhood with regard to the **Covenants, Restrictions and Conditions (CC&Rs) and Bylaws.**

What are the CC&Rs? The recorded Declaration of Covenants, Restrictions and Conditions Villages of Valley Creek No. 1 commonly referred to, as CC&RS are the guidelines established in order for the Common Interest Community to enhance and protect the value of the neighborhood. These guidelines usually cannot be changed without a specified majority vote. This change then becomes an amendment and is recorded with the County Recorder's office. Failure to abide by the CC&Rs can result in judicial action if the Board of Directors determines a violation has occurred and goes uncorrected after notification. You should carefully review the CC&Rs for Valley Creek No. 1 HOA.

What are the Bylaws? The Bylaws are the adopted guidelines and rules established for the operation of the Homeowners Association. These Bylaws aid in the election of the Board of Directors, define duties and responsibilities of the Board and Officers and set other specifics, which are necessary to properly operate the Association. Again, you should carefully review the Association's Bylaws.

What is my Assessment? The assessment is the semiannual installment of the amount due from each property. The assessment is used to operate and maintain the property that is commonly owned or controlled by the Association. The annual assessment is based upon the estimated expenses required to operate the Association. Major expenses are lawn maintenance, insurance, professional fees, management and utilities. Other expenses are outlined in the Budget. A current budget was included in your welcome notebook.

~~\$120.00~~ ^{\$150.00}

The current assessment amount is ~~\$120.00~~ ^{\$150.00} due on March 1st and on September 1st for a total of ~~\$240.00~~ ^{\$300.00} per year. In the Villages of Valley Creek #1, the assessment has not increased in several years. Please be aware that the owner is responsible for payment of the assessment regardless of whether or not he receives the assessment notice. Assessment notices are mailed four to six weeks in advance of the due date. But, occasionally, due to circumstances beyond the control of the management company, an owner may not receive that notice.

Will my Assessment go up? The assessments may increase over the years due to changes in the operations and cost increases for utilities and services. Your Board of Directors will approve a new budget each year to reflect changes and cost increases or decreases.

What happens if I don't pay my assessment? Not paying the

assessment is not going to help solve problems. In fact, the CC&Rs state that not paying the bi-annual (every six months) assessment caused the homeowner to be subject to late penalties. The 30 Day Late Fee is \$25.00 and the 60 Day Late Fee is on

ARTICLES OF INCORPORATION
OF
VALLEY CREEK NO. 1 HOMEOWNERS ASSOCIATION

FILED
In the Office of the
Secretary of State of Texas
NOV 19 1985

Clerk I-C
Corporations Section

We, the undersigned, natural persons of the age of twenty-one years or more, at least two of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for a non-stock, non-profit corporation:

ARTICLE ONE

Definitions

The following words when used in these Articles of Incorporation shall have the following meanings:

- a. "Board of Directors" shall mean and refer to the Board of Directors of the Valley Creek No. 1 Homeowners Association, as composed from time to time.
- b. "Declarant" shall mean and refer to Fox & Jacobs, Inc. ("F&J").
- c. "Board of Coordinators" shall mean and refer to the Valley Creek Board of Coordinators, a Texas non-profit corporation, its successors and assigns.
- d. "Neighborhood Declaration" shall mean and refer to each document hereafter recorded in the Homeowners Deed Records of Dallas County including but not limited to the Declaration of Covenants, Restrictions and Conditions of the Villages of Valley Creek No. 1 providing for the establishment of a Homeowners Association, and such related documents as are pertinent in establishing the duties, power, rights and obligations of the Homeowners Association and the membership thereof.
- e. "Owner" shall mean and refer to the owner of any lot or tract within the Property from time to time. "Owner" shall not refer to any person whose interest in a portion of the Property is held as security for the performance of an obligation.
- f. "Property" shall mean and refer to that one certain tract composed of the Zoning Tract No. 10, as more particularly described on Exhibit A attached hereto and incorporated herein by reference for all purposes.
- g. "Zoning Ordinance" shall mean and refer to the City of Garland ordinance no. 3678, as the same is amended from time to time.

ARTICLE TWO

The name of the Corporation is Valley Creek No. 1 Homeowners Association.



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ARTICLE THREE

This corporation is a non-profit corporation. The general purpose for which it is formed is to provide for the maintenance of the Common Ownership Area of the Property and all such other purposes set forth in the Neighborhood Declaration.

ARTICLE FOUR

The address of the initial registered office of the Corporation is 2800 Surveyor, Carrollton, Texas 75006, and the name of its initial registered agent at such address is Bruce Kleinschmidt.

ARTICLE FIVE

The period of duration of the Corporation is perpetual.

ARTICLE SIX

The business and affairs of the Corporation shall be managed by a Board of three (3) Directors, who shall be Members of the Corporation. The number of Directors may be changed by amendment of the Bylaws of the Corporation, but shall in no event be less than three (3) nor more than five (5). The names and addresses of the persons who are to act initially in the capacity of Directors until the selection of their successors are:

Bruce Lee Kleinschmidt	2800 Surveyor Blvd. Carrollton, TX 75006
Joeseeph Luciani	Same as above
Calvin Bankes	Same as above

ARTICLE EIGHT

Every person or entity who is now or hereafter becomes an Owner shall automatically be a Member of the Corporation.

ARTICLE NINE

The Corporation shall have two classes voting membership and each Member shall have voting rights as set forth in the Declaration of Covenants, Restrictions and Conditions of Valley Creek No. 1

ARTICLE TEN

The Corporation shall have no stock or shares.

ARTICLE ELEVEN

Upon dissolution of the Corporation, other than incident to a merger or consolidation, any assets required to be distributed pursuant to the terms of Article 1396-6.02(1), (2), or (3) of the Texas Revised Civil Statutes shall be so distributed, and any remaining assets both real and personal of the Corporation shall be dedicated (or



contributed, in the case of reserve funds or other cash sums) to any non-profit corporation, association, trust or organization engaged in activities substantially similar to those of the Corporation and which are qualified as exempt organizations under the Internal Revenue Code of 1954 or the corresponding provisions of any United States Internal Revenue law, or as may be otherwise provided by a plan of dissolution adopted by the Board of Directors.

IN WITNESS WHEREOF, we have hereunder set our hand this 14th day of November, 1985.

Bruce Lee Kleinschmidt

Bruce Lee Kleinschmidt

Joseph Luciani

Joseph Luciani

Calvin Banks

Calvin Banks

STATE OF TEXAS)
COUNTY OF DALLAS)

I, Victoria M. Tamm, a Notary Public in and for said state and county do hereby certify that on this 14th day of November, 1985, personally appeared before me Bruce Lee Kleinschmidt, Joseph Luciani and Calvin Banks, who each being by me duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators and that the statements therein contained are true.

Victoria M. Tamm
Name: Victoria M. Tamm

My commission expires: 11-87



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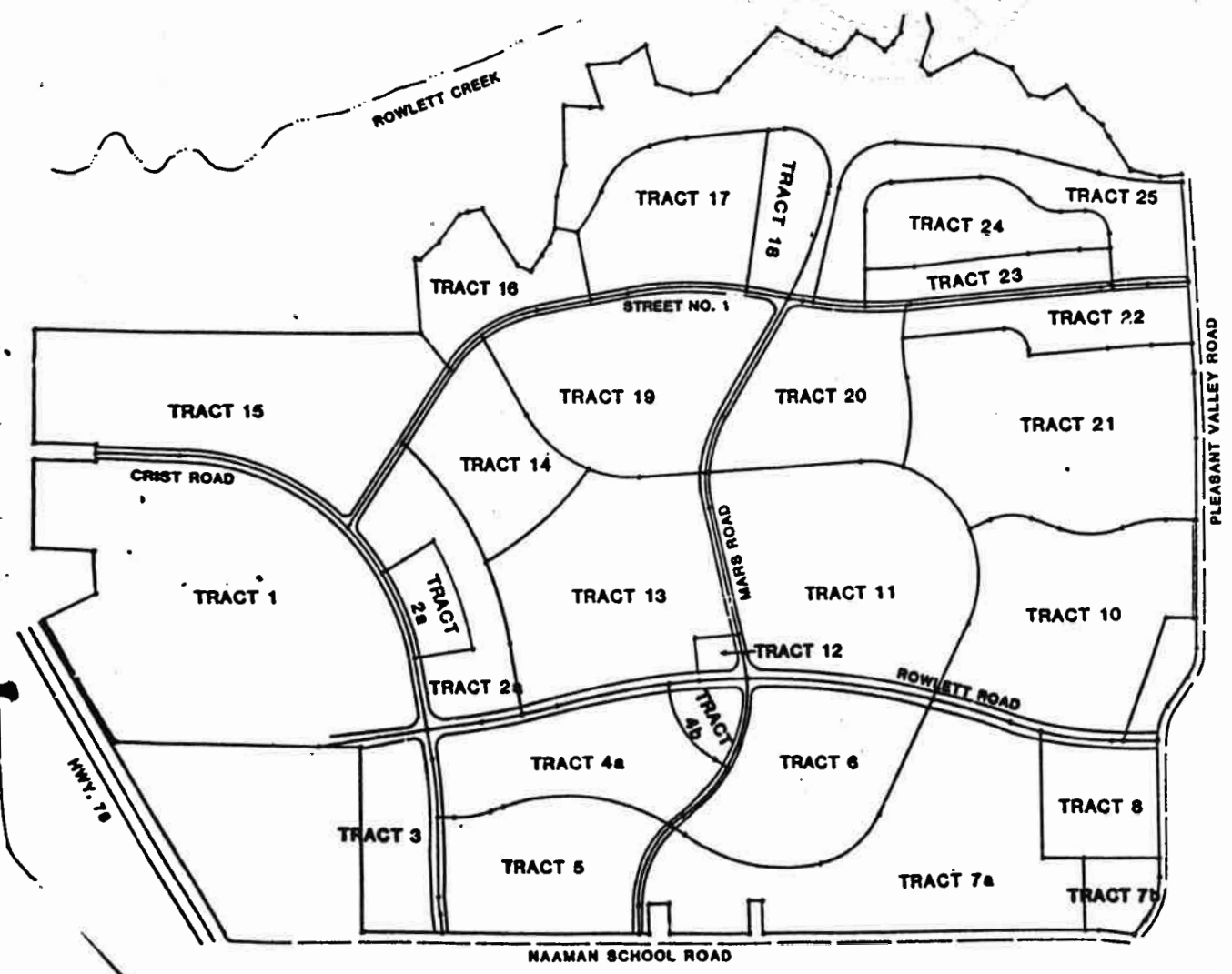
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VILLAGES OF VALLEY CREEK ZONING TRACTS

EXHIBIT A

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STATE OF TEXAS)
COUNTY OF DALLAS)

DECLARATION OF
COVENANTS, RESTRICTIONS AND CONDITIONS
THE VILLAGES OF VALLEY CREEK NO. 1

Garland, Texas

9135

65.00 DEED
0 1 07/29/86

This Declaration is made on the date hereinafter set forth by Fox & Jacobs, Inc., a Nevada corporation, hereinafter called "Declarant".

R E C I T A L S:

The following facts exist:

A. Declarant is the owner of that certain property known as The Villages of Valley Creek No. 1, an addition to the City of Garland, Dallas County, Texas, according to the plat thereof, recorded in Volume 25102, Page 4609, Map and Plat Records, Dallas County, Texas.

B. Declarant desires to restrict the above-described property as more particularly provided in these Covenants, Restrictions and Conditions in order to establish a uniform plan for the development, improvement and sale of the lots in the above-described property, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of such lots.

NOW, THEREFORE, Declarant does hereby adopt, establish and impose the following restrictions, reservations, covenants and conditions upon the above-described property, which shall constitute covenants running with the title of such property and be binding upon and inure to the benefit of Declarant, its successors, assigns and each and all of such beneficiaries.

ARTICLE I

DEFINITIONS

Section 1. "Properties" shall mean and refer to all land described in Recital A., above, which is subject to the reservations set forth herein, and "Subdivision" shall mean and refer to the Properties as depicted on the Subdivision Plat, as hereinafter defined.

Section 2. "Affected Lot" or "Affected Lots" shall mean and refer to the individual lots of land shown upon the Subdivision Plat, with the exception of any portion of the land shown on the Subdivision Plat which may be designated or described on the Subdivision Plat as "Not Platted" or "Reserve" or with words of similar meaning as shown on the Subdivision Plat.

Section 3. "Declarant" shall mean and refer to Fox & Jacobs, Inc. or its successors and assigns, including, but not limited to, any person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, which acquires all or substantially all of the properties then owned by Fox & Jacobs, Inc. (or subsequent successors in interest), together with its rights hereunder, by conveyance or assignment from Fox & Jacobs, Inc., or by judicial or non-judicial foreclosure, for the purpose of development and/or construction on the Properties.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Affected Lot but excluding those whose interest is held merely as security for the performance of an obligation.

Section 5. "Association" shall mean and refer to the Valley Creek No. 1 Homeowners Association, a Texas nonprofit corporation, its successors or assigns.



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EXHIBIT "B"

Section 6. "City" shall mean and refer to the City of Garland. "County" shall mean and refer to Dallas County.

Section 7. "Subdivision Plat" shall mean and refer to the map or plat of the Subdivision recorded in Volume 65102, Page 4609, of the Map and Plat Records of Dallas County, Texas, as amended from time to time.

Section 8. "Unit" shall mean and refer to a structure constructed on an Affected Lot for occupancy by one person or one family.

Section 9. "Common Areas" shall mean and refer collectively to "Common Maintenance Areas" and "Common Ownership Areas."

Section 10. "Common Ownership Areas" are those areas within the Subdivision, if any, title to which is or will be held by the Association. The Common Ownership Areas title to which shall be deeded by the Declarant to the Association are described as Block 4 through 12, inclusive, on the Subdivision Plat.

Section 11. "Common Maintenance Areas" are those areas shown and described as Area A, Area B and Area C on Exhibit A attached hereto and incorporated herein by reference for all purposes, the responsibility for maintenance of which shall be borne by the Association, but title to which shall be held by some other person, municipality or entity.

Section 12. "HUD" shall mean and refer to the U.S. Department of Housing and Urban Development, acting through the Area Office having jurisdiction over the Association.

ARTICLE II

RESERVATIONS, EXCEPTIONS AND DECLARATIONS

Section 1. Easements. Declarant reserves the easements and rights-of-way as shown on the Subdivision Plat for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers, cable television or any other utility Declarant sees fit to install in, across or under the Properties. Declarant reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements. Neither Declarant nor any utility company nor any authorized political subdivision using the easements herein referred to shall be liable for any damages done by them or their assigns, their agents, employees or servants, to fences, shrubbery, trees or flowers or any other property of the Owner on the land covered by said easements. All easements, as filed on record, are reserved for the mutual use and accommodation of garbage collectors and all public utilities desiring to use same. Any public utility shall have the right to remove and keep all or part of any buildings, fences, trees, shrubs, or other improvements or growths which in any way endanger or interfere with the construction, maintenance, or efficiency of its utility system on any easement strips, and any public utility shall, at all times, have the right of egress and ingress to and from and upon said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining, and adding to or removing all or any part of its utility system without the necessity at any time of procuring the permission of anyone.

Section 2. Installation of Paving. Declarant reserves the right, during installation of paving of the streets as shown on the Subdivision Plat, to enter onto any of the Properties for the purpose of street excavation, including the removal of any trees, if necessary, whether or not the Properties have been conveyed to or contracted for sale to any other Owner.

Section 3. Water, Sewer and Drainage. Declarant hereby reserves for itself the right to place connecting lines for all utility and sewer systems, including water, gas (if any) and sewer main connections, and drainage facilities on or under any Affected Lot for service to and drainage of such lot and other Affected Lots. An easement shall exist on any Affected Lot for such connecting lines and drainage facilities as the same are installed and Declarant hereby reserves an easement on any Affected Lot on which connecting lines are installed for their use and maintenance in favor of the Owner of any property which is served by or drains



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into such lines, provided that any entry upon the property on which the connecting lines are located shall be made with as little inconvenience to the Owner thereof as practical.

Section 4. Title Subject to Easements. It is expressly agreed and understood that the title conveyed by Declarant to any of the Properties shall be subject to any easement affecting same for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph, telephone, or cable television purposes as pictured on the Subdivision Plat or as installed, and shall convey no interest in any pipes, lines, poles or conduits, or in any utility facility or appurtenances thereto constructed by or under Declarant or any easement owner or any agents through, along, or upon the premises affected thereby, or any part thereof, to serve said land or any other portion of the Properties. The right to maintain, repair, sell or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved.

Section 5. Access to Common Sidewalks. A portion of the sidewalks in the Subdivision which serve individual Units (as opposed to those located within public rights of way) provide access to two or more adjacent or grouped Units (such portion of such sidewalks being herein referred to as "Common Sidewalks"). Each Owner of a Unit served by a Common Sidewalk shall have a nonexclusive easement (which is hereby reserved by Declarant in his behalf) for the purposes described in this Section upon, over and across the Common Sidewalk serving the Unit in which such Owner resides. Such nonexclusive easement shall be for the purpose of access by foot to and from such Owner's property to and from a dedicated street. It is specifically provided that each Owner's entry upon the property affected by the easement herein reserved shall be made with due consideration for other Owners of Units served by such Common Sidewalk and without obstruction to the passage of others over the Common Sidewalk.

Section 6. Access to Common Ownership Areas. All Owners shall have a nonexclusive right and easement (which is hereby reserved by Declarant in their behalf) of enjoyment in and to the Common Ownership Areas, except that the Association shall have the authority to regulate the use of Common Ownership Areas by promulgation of rules and regulations therefor.

Section 7. Encroachments; Overhang Easement.

(a) Declarant hereby reserves for itself and each Owner an easement and right to overhang the adjacent Affected Lot with the roof of any Unit as any such roof is originally constructed or substantially repaired by necessity, but not otherwise.

(b) If any portion of any Unit or any carport now encroaches upon any other Affected Lot or the property of any Owner other than the Owner of such Unit, or if any Unit hereafter constructed by Declarant encroaches upon any other Affected Lot or the property of any Owner other than the Owner of such Unit, or if any such encroachment shall occur hereafter as a result of settling or shifting of the building, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the building shall stand. In the event any Unit shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and then rebuilt, encroachment easements due to such rebuilding shall exist for such encroachments and maintenance thereof for so long as the building shall stand to the same extent and degree as such initial encroachments.

(c) It is expressly provided that this Section shall not be deemed to abrogate any building set-back requirements or building lines established herein, on the Subdivision Plat or in applicable zoning ordinances.

Section 8. Easements in Favor of Association. The Association, and its duly authorized agents, shall have (a) the right to enter onto any of the Common Areas from time to time to the extent reasonably necessary for the performance of its obligations and the exercise of its rights hereunder, and (b) the additional right to enter onto any of the Affected Lots for the limited purposes of (i) abating nuisances prohibited by Article III, Section 6 hereof and (ii) performing obligations imposed on Owners hereunder which an Owner has failed to timely perform.



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Section 9. Common Area Landscaping. No Owner shall alter in any manner the landscaping of, or the drainage onto, away from, or across, any Common Area, whether or not part of the Affected Lot of such Owner.

ARTICLE III

USE RESTRICTIONS

Section 1. Land Use and Building Type. All Affected Lots shall be known, described and used for residential purposes only and no structure shall be erected, altered, placed, or permitted to remain on any Affected Lot other than one single family residence. No Affected Lot shall be used for business or professional purposes of any kind or for any commercial or manufacturing purpose. No building of any kind or character shall ever be moved onto any Affected Lot, it being the intention that only new construction shall be placed and erected thereon.

Section 2. Dwelling Size. The main residential portion of each Unit shall have a minimum floor area equal to or greater than the applicable zoning requirements of the City.

Section 3. Type of Construction, Materials, and Landscape.

(a) No Unit shall be erected on an Affected Lot of materials other than materials meeting applicable zoning requirements of the City.

(b) No fence or wall shall be erected, placed, or altered on any Affected Lot between the front lot lines established on the Subdivision Plat and the front building line of the main structure, and no fence or wall shall exceed seven (7) feet in height above ground level. "Front building lines" and "front lot lines" shall be those parallel or approximately parallel to the dedicated street on which a Unit is located. With respect to Units the orientation of which on an Affected Lot results in building lines, none of which are approximately parallel to the abutting right-of-way, the "front building line" and "front lot line" shall be determined by the Architectural Control Committee, upon request of the Owner.

Section 4. Building Location. The Subdivision Plat shall comply with applicable zoning requirements of the City and Units will be located not less than each of the required distances from the front, side and rear property lines to building line established by applicable zoning requirements (if the zoning laws establish any such minimum set-back requirement). Units shall in no event be constructed so as to interfere with any access or utility easement described herein.

Section 5. Minimum Lot Area. No Owner's Property shall be resubdivided.

Section 6. Annoyance or Nuisances. No noxious or offensive activity shall be carried on upon any portion of the Properties. Nothing shall be done upon any Affected Lot which may be or become an annoyance or a nuisance to the neighborhood or an unreasonable interference with the privacy of any Owner.

Section 7. Temporary Structures.

(a) No structure of a temporary character, whether trailer, basement, tent, shack, garage, barn or other outbuilding shall be maintained or used on any Affected Lot at any time as a residence, either temporarily or permanently; provided, however,

(i) Declarant reserves the exclusive right to erect, place and maintain such facilities in or upon any portions of the Properties as in its sole discretion may be necessary or convenient while selling Affected Lots or portions thereof, selling or constructing Units and constructing other improvements upon the Properties. Such facilities include, but are not limited to, sales and construction offices, storage areas, model units, signs, and portable toilet facilities.

(ii) Anything contained in these restrictions to the contrary notwithstanding, there shall be permitted on Affected Lots the use of a dog house, so long as said dog house is not of unreasonable size and is so placed on an Affected Lot so as not to be visible from the front street side of the buildings.



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(b) Except as otherwise provided below, no truck, camper, motor home, trailer or vehicle of any type (whether or not operable) or boat (whether powered, sail or otherwise) may be parked, kept or stored on any Affected Lot (except in a garage) or in any street for more than thirty-six (36) hours during any seventy-two (72) hour period; provided, that trailer, camper, operable vehicle, motor home or boat may be parked, kept or stored on any Affected Lot behind the back building line of the Unit and out of the line of sight from the property line(s) of such Affected Lot fronting on any abutting public street. An "operable vehicle" shall be one in usable, running condition.

Section 8. Signs and Billboards. No signs, billboards, posters, or advertising devices of any character shall be erected, permitted, or maintained on any Affected Lot or Unit except one sign of not more than ten (10) square feet in surface area advertising the particular Owner's Property on which the sign is situated for sale or rent. The right is reserved by Declarant so long as Declarant owns any Affected Lot to construct and maintain such signs, billboards or advertising devices on the Common Areas or Affected Lots owned by Declarant as are customary in connection with the general sale of residential property.

Section 9. Oil and Mining Operations. No oil drilling or development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Affected Lot nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Affected Lot. No derrick or other structure designed for use in boring for oil or natural gas or other minerals shall be erected, maintained or permitted upon any Affected Lot.

Section 10. Storage and Disposal of Garbage and Refuse. Owners shall abide by all rules promulgated by the Association and all the rules, regulations and ordinances duly enacted by the City including all such ordinances as they relate to storage and disposal of garbage, rubbish, trash or refuse which ordinances, as and when enacted, are incorporated herein by reference. No Affected Lot shall be used or maintained as a dumping ground for rubbish or garbage. Trash, garbage or other waste materials shall be kept in sanitary receptacles constructed of metal, plastic or masonry materials with sanitary covers or lids or as otherwise required by the City. All equipment for the storage or disposal of such waste materials shall be kept in clean and sanitary condition. No Affected Lot shall be used for the open storage of any materials whatsoever which materials are visible from the street, except that new building materials used in the construction of improvements erected upon any Affected Lot may be placed upon such lot at the time construction is commenced and may be maintained thereon for a reasonable time, until the completion of the improvements, after which these materials shall either be removed from the Affected Lot or stored in a suitable enclosure on the Affected Lot.

Section 11. Visual Obstructions at the Intersections of Public Streets. No object, including vegetation, shall be permitted on any corner lot which either (i) obstructs reasonably safe and clear visibility of pedestrian or vehicular traffic through sight lines parallel to the ground surface at elevations between two feet (2') and six feet (6') above the roadways, or (ii) lies within a triangular area on any corner lot described by three points, two such points being at the edge of the paving abutting said corner lot and at the end of twenty-five feet (25') back along the curb on the two intersecting streets abutting said corner lot, and the third point being the center of the corner curb abutting said lot.

Section 12. Antennae. No radio or television aerial wires or antennae shall be maintained on any portion of any Affected Lot forward of the front building line of said lot nor shall any free-standing antennae of any style be permitted to extend more than twenty (20) feet above the roof of the main residential structure on said lot. No Owner shall install or maintain radio or television aerial wires or antennae in airspace over an adjoining Affected Lot.

Section 13. Animals. No person owning any Affected Lot shall keep domestic animals of a kind ordinarily used for commercial purposes on his Property, and no person owning any Affected Lot shall keep any animals in numbers in excess of that which he may use for the purpose of companionship of the private family, it being the purpose and intention hereof to restrict the use of said property so that no person shall quarter on the premises horses, cows, hogs, sheep, goats, guinea fowls, ducks, chickens, turkeys, skunks or any other animals that interfere with the quietude, health or safety of the community.



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Section 14. Burning and Burned Houses. No person shall be permitted to burn anything on any Affected Lot outside the main residential building. In the event that any Unit is substantially damaged by fire or otherwise, the Owner of such Unit shall commence either rebuilding of a new Unit or clearing of the Affected Lot within sixty (60) days and shall diligently pursue such rebuilding or clearing to completion. If any Owner fails to commence rebuilding or clearing within sixty (60) days or to diligently pursue such to completion, as determined in the sole discretion of the Association, the Association shall have the right (but no obligation whatsoever), after ten (10) days written notice to the Owner of the residence, to cause the damaged Unit to be removed and the remains cleared, the expense of such removal and clearing to be charged to and paid by the Owner, and payment of such expense shall be secured by the liens against such Affected Lot described in Article V, Section 6 hereof. In the event of such removal and clearing by the Association, the Association shall not be liable in trespass or for damages, expenses, costs or otherwise to Owner for such removal and clearing.

ARTICLE IV

MAINTENANCE, REPAIRS AND IMPROVEMENTS OF UNITS AND AFFECTED LOTS

Section 1. Unit Exterior and Lot Maintenance. Each Owner shall maintain his Affected Lot, any fences bounding such Lot, and the exterior of his Unit in an attractive manner and shall not permit the paint, roof, rain gutters, downspouts, exterior walls, windows, doors, walks, driveways, parking areas and other exterior portions of his Unit to deteriorate in an unattractive manner. The drying of clothes on front yards is prohibited and the Owner of any Affected Lot at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the Affected Lot is visible to full public view shall construct and maintain a drying yard or other suitable enclosure to screen from public view the drying of clothes, yard equipment, and woodpiles or storage piles which are incident to the normal residential requirements of a typical family. In the event of default on the part of any Owner in observing the above requirements or any one of them, and the continuance of such default after ten (10) days' written notice thereof, the Association shall, without liability to such Owner in trespass or otherwise, have the right (but no obligation whatsoever) to enter upon said Affected Lot or cause to be cut such weeds and grass and remove or cause to be removed such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions so as to place the said Affected Lot in a neat, attractive, healthful and sanitary condition and may render a statement of charge to the Owner of such Affected Lot for the cost of such work, and payment of such statement shall be secured by the lien against such Affected Lot described in Article V, Section 6 hereof. Each Owner agrees by the purchase or occupation of his property to pay such statement immediately upon receipt thereof.

Section 2. Common Sidewalks. All necessary costs of maintenance, repair, restoration and replacement of Common Sidewalks shall be borne by the Owner on whose Affected Lot such Common Sidewalk is located, provided that such Owner shall at all times have the right to seek contribution from Owners of adjacent Units utilizing the Common Sidewalk, based on the negligence or willful misconduct of such adjacent Unit Owners in regard to the Common Sidewalk.

Section 3. Additions and Exterior Improvements. No Owner shall make any addition to, modification of or alteration of the exterior of his Unit, substantial change of the landscaping of his Affected Lot or any change in the color of any part of the exterior of his Unit, rebuild a Unit after substantial casualty damage other than as originally constructed, or construct a new Unit or other structure on his Affected Lot unless such addition, rebuilding, or change has been approved in writing by the Architectural Control Committee.



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ARTICLE V

VALLEY CREEK NO. 1 HOMEOWNERS ASSOCIATION

Section 1. Membership. Every Owner of an Affected Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and shall not be separated from ownership of any Affected Lot which is subject to assessment. Every member shall have the right at all reasonable times during business hours to inspect the books of the Association.

Section 2. Funding. Subject to the terms of this Article V, the Declarant for each Affected Lot owned within the Properties hereby covenants, and each Owner of any Affected Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. Such assessments will remain effective for the full term (and extended term, if applicable) of the within covenants. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 3. Annual Assessment or Charge.

(a) **Units Owned by Parties Other Than Declarant.** Subject to the terms of this Article, each Affected Lot in the Subdivision on which a completed Unit is now or hereafter constructed is hereby subjected to an annual maintenance charge and assessment not to exceed \$40.00 per month or \$480.00 per annum (unless such maximum shall be increased as provided in the Bylaws of the Association), for the purpose of creating a fund to be designated and known as the "maintenance fund," which maintenance charge and assessment will be paid by the Owner or Owners of each such Unit within said Subdivision (and of each such Unit within any area annexed under the jurisdiction of the Association) in advance in monthly, quarterly or annual installments, commencing as to all Affected Lots on which a completed Unit is then located on the conveyance of the first Affected Lot by Declarant to an Owner and as to all other Affected Lots as of the completion of a Unit thereon. The rate at which each Affected Lot on which a Unit is located will be assessed, and whether such assessment shall be payable monthly, quarterly or annually, will be determined annually by the Board of Directors of the Association at least thirty (30) days in advance of each affected assessment. Said rate and when same is payable may be adjusted from year to year by said Board of Directors (or more often than annually, if the Board of Directors so requires) as the needs of the Subdivision may in the judgment of the Directors require. The assessment for each Affected Lot on which a completed Unit is located shall be uniform except as provided in subsection (b) of this paragraph. The due dates shall be established by the Board of Directors. The Association shall upon written demand and for a reasonable charge furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Affected Lot have been paid. Monthly, quarterly, or annual assessments will be prorated by days for the first partial assessment period in the case of assessments commencing on other than the first day of a normal assessment period and shall be due on the commencement of the assessment.

(b) **Units Owned by Declarant.** Notwithstanding any term or provision of this Declaration to the contrary, the Board of Directors in its discretion may elect to charge and collect a fraction of assessments levied on each Affected Lot on which a completed Unit is located owned by Declarant until the conveyance of such Affected Lot to an Owner, such fractional charge to be temporarily imposed for a period of sixty (60) days following the conveyance (the "First Sale") of the first Unit in the Subdivision to an Owner, provided that:

(i) no such temporary fractional charge shall be less than fifty percent (50%) of the assessment levied against other Affected Lots on which Units have been completed;



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(ii) If the Board of Directors temporarily assesses Declarant a reduced assessment, the Declarant may at any time thereafter (so long as it owns any Affected Lot) elect by notice in writing to the Board of Directors either to pay the full assessment for each of its Affected Lots on which a Unit is located, commencing sixty (60) days after the First Sale or, alternatively, to reimburse the Association for deficits, if any, arising out of operating costs exceeding the total operating funds available to the Association. Declarant's election may be made at any time, retroactively or prospectively, for any operating period of the Association. An election for a given operating period shall not bind Declarant for subsequent operating periods, provided that Declarant shall be bound to elect one of the alternative assessment methods set forth above for all operating periods after sixty (60) days after the First Sale. Declarant's election shall be a valid and legally binding obligation of Declarant for the period stated in its notice.

(c) Vacant Affected Lots. No assessments shall be imposed on Affected Lots on which no Unit has been completed.

(d) Purposes of Maintenance Fund. The Association shall establish a maintenance fund composed of Owners' regular assessments and Declarant's elected contributions and shall use the proceeds of such fund in providing for normal, recurring maintenance charges for the Common Areas for the use and benefit of all residents of the Subdivision. Such uses and benefits to be provided by the Association may include, by way of clarification and not limitation, any and all of the following: normal, recurring maintenance of the Common Maintenance Areas and Common Ownership Areas (including, but not limited to, mowing, edging, watering, clipping, sweeping, pruning, raking, and otherwise caring for existing landscaping) and the improvements to such Common Areas, such as sprinkler systems, provided that the Association shall have no obligation (except as expressly provided hereinafter) to make capital improvements to the Common Areas; payment of all legal and other expenses incurred in connection with the enforcement of all recorded covenants, restrictions and conditions affecting the property to which the maintenance fund applies; payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment; employment of policemen and watchmen; caring for vacant lots; and doing any other thing or things necessary or desirable in the opinion of the Association to keep the Properties neat and in good order, or which is considered of general benefit to the Owners or occupants of the Properties, it being understood that the judgment of the Association in the expenditure of said funds and the determination of what constitutes normal, recurring maintenance shall be final and conclusive so long as such judgment is exercised in good faith. The Association shall, in addition, establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area. The fund shall be established and maintained out of regular annual assessments.

Section 4. Special Assessments for Working Capital Fund, Nonrecurring Maintenance and Capital Improvements. In addition to the annual assessments authorized above, the Association may levy:

(a) upon sale of the first Affected Lot by Declarant, a special assessment equal to two (2) months' estimated regular assessment which shall be due and payable within sixty (60) days after the date of the conveyance of the first Affected Lot by Declarant. The aggregate fund established by such special assessment shall be maintained in a segregated account, and shall be available for all necessary expenditures of the Association; and

(b) 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 nonrecurring maintenance, or the acquisition, construction, reconstruction, repair or replacement of a capital improvement upon any Common Area, including fixtures and personal property related thereto. The Association shall not commingle the proceeds of such special assessments with the maintenance fund. Such proceeds shall be used solely and exclusively to fund the nonrecurring maintenance or improvements in question.



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Section 5. Non-payment of Assessments; Remedies of the Association. Any assessment not paid within ten (10) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum, or at such other rate as may be established from time to time by the Association, but in no event to exceed the maximum rate permitted by applicable law and the Association shall have the authority to impose late charges to compensate for the administrative and processing costs of late payments on such terms as it may establish by duly adopted resolutions. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his property.

Section 6. Subordinated Lien to Secure Payment. To secure the payment of the maintenance charge and assessment established hereby and to be levied on individual Affected Lots as above provided, there shall be reserved in each deed by which the Owner (the present and any subsequent owners) shall convey such property, or any part thereof, a Vendor's Lien for the benefit of the Association, said lien to be enforceable through appropriate proceedings at law by such beneficiary; provided, however, that each such lien shall be specifically made secondary, subordinate and inferior to all liens, present and future, given, granted, and created by or at the instance and request of the Owner of any such Affected Lot to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the improvement of any such Affected Lot; and further provided that as a condition precedent to any proceeding to enforce such lien upon any Affected Lot upon which there is an outstanding valid and subsisting first mortgage lien, said beneficiary shall give the holder of such first mortgage lien sixty (60) days' written notice of such proposed action, such notice, which shall be sent to the nearest office of such first mortgage lienholder by prepaid U. S. Registered Mail, to contain the statement of the delinquent maintenance charges upon which the proposed action is based. Upon the request of any such first mortgage lienholder, said beneficiary shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular property covered by such first mortgage lien to the holder thereof. Sale or transfer of an Affected Lot shall not affect the assessment lien. However, the sale or transfer of any Affected Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Affected Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 7. Voting Rights. The Association shall have two (2) classes of voting membership:

(a) **Class A.** Class A members shall be all Owners with the exception of Declarant and shall be entitled to one (1) vote for each Affected Lot owned. When more than one person holds an interest in any Affected Lot, all such persons shall be members, but the vote for such Affected Lot shall be exercised as they among themselves determine, and in no event shall more than one (1) vote be cast with respect to any Affected Lot.

(b) **Class B.** Class B members shall be Declarant who shall be entitled to three (3) votes for each Lot owned by it. The Class B membership shall cease and be converted to Class A membership one hundred twenty (120) days after the conveyance of the Affected Lot which causes the total votes outstanding in the Class A membership to equal the total votes outstanding in the Class B membership, or three (3) years after conveyance of the first Affected Lot by Declarant, whichever occurs earlier.

(c) **Suspension.** All voting rights of an Owner shall be suspended during any period in which such Owner is delinquent in the payment of any assessment duly established pursuant to Article V, Section 6 hereof, or is otherwise in default hereunder or under the Bylaws or Rules and Regulations of the Association.

Section 8. Notice and Quorum. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all members, or delivered to their residences, not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all



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the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

ARTICLE VI

GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS OF THE ASSOCIATION

Section 1. Purpose of Maintenance Fund. The Board, for the benefit of the Owners, shall provide and shall pay for out of the maintenance fund provided for in Article V above the following:

(a) Taxes and assessments and other liens and encumbrances which shall properly be assessed or charged against the Common Ownership Areas rather than against the individual Owners.

(b) Care and preservation of the Common Areas, and the furnishing and upkeep of any desired personal property for use in the Common Ownership Areas.

(c) The services of a professional person or management firm to manage the Association or any separate portion thereof to the extent deemed advisable by the Board, provided that any contract for management of the Association shall be terminable by the Association, with no penalty, upon ninety (90) days prior written notice to the managing party, 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.

(d) Legal and accounting services.

(e) A policy or policies of insurance insuring the Association against any liability to the public or to the Owners (and/or invitees or tenants) incident to the operation of the Association in any amount or amounts as determined by the Board of Directors, including a policy or policies of insurance as provided herein in Article VIII.

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

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

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

Section 2. Powers and Duties of Board. The Board, for the benefit of the Owners, shall have the following general powers and duties, in addition to the specific powers and duties provided for herein and in the bylaws of the Association:

(a) To execute all declarations of ownership for tax assessment purposes with regard to the Common Ownership Areas on behalf of all Owners.

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

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

(d) To protect or defend the Common Ownership Areas from loss or damage by suit or otherwise and to provide adequate reserves for replacements.



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(e) To make reasonable rules and regulations for the operation of the Common Areas and to amend them from time to time; provided that, any rule or regulation may be amended or repealed by an instrument in writing signed by a majority of the Owners, or with respect to a rule applicable to less than all of the Common Areas, by the Owners in the portions affected (without limiting the generality of the foregoing language, the rules and regulations may provide for limitations on use of common recreational areas during certain periods by youthful persons, visitors or otherwise).

(f) To make available for inspection by Owners within sixty (60) days after the end of each year an annual report and to make all books and records of the Association available for inspection by Owners at reasonable times and intervals.

(g) 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 Owners in proportionate amounts to cover the deficiency.

(h) 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.

(i) To delegate the duty to collect assessments provided for herein to pay for such service.

Section 3. Board Powers, Exclusive. The Board shall have the exclusive right to contract for all goods, services and insurance, payment for which is to be made from the maintenance fund and the exclusive right and obligation to perform the functions of the Board except as otherwise provided herein.

Section 4. Maintenance Contracts. The Board, on behalf of the Association, shall have full power and authority to contract with any Owner for the performance by the Association of services which the Board 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 in the best interest of the Association.

ARTICLE VII

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Establishment. There is hereby established an Architectural Control Committee for the Subdivision for the purposes set forth in this Declaration.

Section 2. Composition. Declarant shall have the right to designate the members of the Architectural Control Committee (the "Committee") so long as it owns any portion of the Properties. There shall be three (3) members of the Committee. After Declarant no longer owns any portion of the Properties, it shall no longer have any right to appoint members to the Committee. Thereafter, in the event of the resignation, continued absence, failure to function or death of any single member, the two members of the Committee remaining from time to time shall have full authority to designate the third member, or if there are fewer than two members remaining at any time (or if any two remaining members cannot agree on the appointment of the third member), the Committee vacancies shall be filled by popular vote of the Owners of the Affected Lots on persons nominated by any such Owner.

Section 3. Functions. No building, fence, wall, or other structure shall be commenced, erected, or maintained upon any Affected Lot, nor shall any exterior addition to, or change or alteration therein, be made, nor shall any landscaping of any Affected Lot be undertaken, until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to, and approved in writing by, the Committee as to harmony of external design and location in relation to surrounding structures and topography. In the event that any plans and specifications are submitted to the Committee as provided herein, and the Committee shall fail either to approve or reject such plans



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and specifications for a period of thirty (30) days following such submission, such failure shall be deemed to be an approval by the Committee for all purposes.

ARTICLE VIII

TITLE TO COMMON OWNERSHIP AREAS

Section 1. Association to Hold. The Association shall assume all maintenance obligations with respect to any Common Ownership Areas which may be hereafter established.

Section 2. Liability Insurance. From and after the date on which title to any Common Ownership Areas vests in the Association, the Association shall purchase and carry a general comprehensive public liability insurance policy for the benefit of the Association and its members, covering occurrences on the Common Ownership Areas. The policy limits shall be as determined by the Board of Directors of the Association, but in no event shall the face amount of such policy for a single incident be less than \$1,000,000.00. The Association shall use its best efforts to see that such policy shall contain, if available, cross-liability endorsements or other appropriate provisions for the benefit of members, Directors and the management company retained by the Association (if any), insuring each against liability to each other insured as well as third parties. Any proceeds of insurance policies owned by the Association shall be received, held in a segregated account and distributed to the Association's general operating account, members, directors, the management company and other insureds, as their interests may appear.

Section 3. Condemnation. In the event of condemnation or a sale in lieu thereof of all or any portion of the Common Ownership Areas, the funds payable with respect thereto shall be payable to the Association and shall be used by the Association to purchase additional Common Ownership Areas to replace that which has been condemned or to take whatever steps it deems reasonably necessary to repair or correct any damage suffered as a result of the condemnation. In the event that the Board of Directors of the Association determines that the funds cannot be used in such a manner due to the lack of available land for additional Common Ownership Areas or for whatever reason, any remaining funds shall be distributed to each Owner on a pro rata basis.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Term. Unless earlier terminated in accordance with this instrument, the foregoing building and use restrictions which are hereby made conditions subsequent running with the land shall remain in force and effect for thirty (30) years from the date of this instrument at which time the same shall be automatically extended for successive periods of ten (10) years unless a majority vote of the then property owners of the Affected Lots shall agree in writing to change said conditions and covenants in whole or in part.

Section 2. Adjacent Property.

(a) No obligation is created hereby with respect to property adjacent to or adjoining the Properties and which is part of the Subdivision or of any larger tract of land owned by Declarant. While Declarant may subdivide other portions of its property, or may subject same to a declaration such as this Declaration, the Declarant shall have no obligation to do so. Any Subdivision Plat or Declaration executed by Declarant with respect to any of its other property may be the same or similar or dissimilar to the Subdivision Plat covering the Properties or any part thereof, or to this Declaration.

(b) Lands adjacent to the Subdivision may hereafter be annexed into the jurisdiction of the Association in the manner hereinafter described. The Owners of Affected Lots in each future section so annexed as well as all Owners subject to



the jurisdiction of the Association shall be entitled to the use and benefit of any Common Ownership Areas as are or may become subject to the jurisdiction of the Association as a result of such annexation and the facilities thereon, and shall be entitled to the use and benefit of the maintenance fund herein set forth, provided that each future section must be annexed subject to an annual maintenance charge and assessment on a uniform, per Unit basis equivalent to the maintenance charge imposed hereby. Such sections shall by recorded restrictions be made subject to the jurisdiction of the Association, and shall have been accepted by resolution of the Board of Directors of the Association. While a Class B membership exists, approval of a proposed annexation of property by either (i) HUD, or (ii) the vote of a two-thirds (2/3) majority of the Owners (but not both) shall be required to effect the annexation. After expiration of the Class B membership, approval by the vote of a two-thirds (2/3) majority of the Owners shall be required.

Section 3. Enforcement. If any person shall violate or attempt to violate any of the covenants herein or any provision of the Bylaws or Rules and Regulations of the Association, it shall be lawful for any Owner situated in said Properties, including Declarant, to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from so doing or to recover damages for such violation.

Section 4. Severability. Invalidity of any one of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

Section 5. Existing Liens. Violation or failure to comply with the foregoing restrictions, covenants, and conditions shall in no way affect the validity of any mortgage, loan or bona fide lien which may, in good faith, be then existing on any affected lot.

Section 6. Amendment by Declarant. Declarant reserves the right in its sole discretion and without joinder of any Owner at any time so long as it maintains voting control of the Association, to amend, revise, or abolish any one or more of the foregoing restrictions by instrument duly executed and acknowledged by it as the developer and filed in the Deed Records of the County, provided that such instrument has been approved by HUD. Declarant reserves the further right, without joinder of any Owner at any time, to amend, revise or abolish any one or more of the foregoing restrictions on behalf of the Association and the Owners by instrument duly executed and acknowledged by it as the developer and filed in the Deed Records of the County, so long as such action is for the purpose of complying with the reasonable requests of the Federal National Mortgage Association and/or HUD. Notwithstanding any term hereof to the contrary, no easements or other interests in any Owner's Affected Lot shall be created, amended, abolished or otherwise affected without the prior written consent of such Owner.

Section 7. Amendment by Association. The Association shall have the right at any time to amend the terms of these restrictions by a 75% vote of its members, determined by allocating votes as provided in Article V, Section 2 hereof. So long as Class B membership in the Association exists, however, no such Amendment shall become effective without the approval of HUD. No such Amendment shall become effective in any event unless contained in a duly executed and acknowledged instrument filed in the Dallas County Deed Records.

Section 8. Exclusions. These restrictions shall not extend to or cover any portion of the Properties which is or may hereafter be designated or described on the Subdivision Plat with the terms "Not Platted" or "Reserve", or with words or terms of similar meaning. Moreover, these restrictions shall not extend to or cover any portion of the Properties upon which no private dwelling is constructed within five (5) years of the date hereof and which property is hereafter, at any time, rezoned by any city government in which the property is or may be located with a classification other than single family residential.

Section 9. Conflict. In the event of any actual or perceived conflict between the provisions hereof and the provision of the Bylaws or Rules and Regulations of the Association, the provisions hereof shall control.



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Section 10. Prior Declaration.

(a) No Amendments. Declarant hereby acknowledges that the Properties have previously been made subject to that one certain Declaration of Covenants, Restrictions and Conditions For The Villages of Valley Creek (the "Prior Declaration"), dated March 17, 1986, recorded in Volume 86136, Page 1146, of the County Deed Records. Nothing contained in this Declaration shall be deemed to amend, modify, revoke or terminate in whole or in part the Prior Declaration. This Declaration is intended to supplement the provisions of the Prior Declaration.

(b) Board of Coordinators under Prior Declaration. The parties to the Prior Declaration agreed upon the establishment of the Valley Creek Board of Coordinators (the "Board of Coordinators") for the purposes set forth in the Prior Declaration. Among such purposes is the establishment of an association with the power, right and authority to assume and enforce the powers and perform the duties of the Association (and other associations formed representing homeowners in the vicinity of the Subdivision) during the continuance of default by the Association in exercising such powers and/or performing such duties. Subject to the provisions of the Prior Declaration, the Declarant on behalf of the Association hereby acknowledges the right of the Board of Coordinators to assume the powers of the Association herein and perform the duties of the Association in place of the Association. The undersigned duly appointed agent of the Board of Coordinators has executed this Declaration to evidence the approval of the Board of Coordinators of the provisions hereof.

EXECUTED this the 14th day of November, 1985.

FOX & JACOBS, INC.
a Nevada corporation

By: [Signature]
Name: James B. Anderson
Title: Director

APPROVED:

Valley Creek Board of Coordinators,
a Texas nonprofit corporation

By: [Signature]
Name: JOSEPH LUCIAN
Member, Board of Directors

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me on November 14, 1985 by James B. Anderson, Director of Fox & Jacobs, Inc., a Nevada corporation, on behalf of said corporation.



[Signature]
Name: Victoria M. Charron
Notary Public in and for
the State of Texas

My Commission Expires:

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BYLAWS OF
VALLEY CREEK NO. 1 HOMEOWNERS ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the corporation is Valley Creek No. 1 Homeowners Association, hereinafter referred to as the "Corporation." The principal office of the Corporation shall be located at 2800 Surveyor Boulevard, Carrollton, Texas 75006 in Dallas County, but meetings of Members and Directors may be held at such places within the State of Texas as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

The following words when used in these Bylaws, unless a different meaning or intent clearly appears from the context, shall have the following meanings:

Section 1. "Corporation" shall mean and refer to Valley Creek No. 1 Homeowners Association, a Texas non-profit corporation, its successors and assigns.

Section 2. "Articles" shall mean and refer to the Articles of Incorporation of the Corporation.

Section 3. "Properties" shall mean and refer to the land and premises subject to the Declaration as situated in the County being more particularly described on the map or plat as Zoning Tract 10 of Valley Creek recorded in the County Map and Plat Records.

Section 4. "Common Areas" shall mean and refer to those areas of land designated as the Common Areas in the Declaration and intended to be devoted to

the common use and enjoyment of the Members of the Corporation as provided in the Declaration, together with any and all improvements that are now or may hereafter be constructed thereon.

Section 5. "Affected Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision plat of the Properties, as amended from time to time, with the exception of any portion of such Properties which may be designated or described on such plat as "Not Platted" or "Reserve" or with words of similar meaning.

Section 6. "Owner" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any Affected Lot, but excluding those whose interest is held as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Fox & Jacobs, Inc. or its successors and assigns, including, but not limited to, any person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, which acquires all or substantially all of the properties then owned by Fox & Jacobs, Inc. (or subsequent successors in interest), together with its rights hereunder, by conveyance or assignment from Fox & Jacobs, Inc., or by judicial or non-judicial foreclosure, for the purpose of development and/or construction on the Properties.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Restrictions and Conditions applicable to the Properties and recorded in the office of the County Clerk as the same may be amended or supplemented from time to time as therein provided.

Section 9. "Member" shall mean and refer to each Owner as provided in Article III.

Section 10. "County" shall mean and refer to Dallas County, Texas.

Section 11. Other words and phrases used herein shall have the same meaning and definition as used and provided in the Declaration.

ARTICLE III

MEMBERSHIP

Section 1. Every person or entity who is now or hereafter becomes an Owner shall automatically be a Member of the Corporation.

Section 2. The Corporation shall have two classes of voting membership:

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

CLASS B. Class B members shall be Declarant who shall be entitled to three (3) votes for each Affected Lot owned by it. The Class B membership shall cease and be converted to Class A membership one hundred twenty (120) days after the conveyance of the Affected Lot which causes the total votes outstanding in the Class A membership to equal the total votes outstanding in the Class B membership, or three (3) years after conveyance of the first Affected Lot by Declarant, whichever occurs earlier.

Section 3. The rights of membership are subject to the payment of annual assessments (which shall not exceed _____ per Affected Lot within the Properties per annum unless such maximum shall be increased by the vote of sixty seven

percent (67%) or more of each class of Members), special assessments and individual special assessments levied by the Corporation, the obligation of which assessments is imposed against the Owner of and becomes a lien upon each Affected Lot against which such assessments are made as provided by Article V of the Declaration which is hereby incorporated herein and made a part hereof for all purposes.

Section 4. The membership rights of any person whose interest in a Lot is subject to the assessments referred to hereinabove in Article III, Section 3, whether or not he be personally obligated to pay such assessments, may be suspended by action of the directors during the period when such assessments remain unpaid, but upon payment of such assessments, his rights and privileges shall be automatically restored. If at any time the directors shall have adopted and published rules and regulations governing the use of the Common Areas and the personal conduct of Members, their families and their guests thereon, they may, in their discretion, for violation of such rules and regulations by a Member or by his family or guests suspend the rights of such Member and/or the person committing the violation, such suspension to continue for a period not to exceed sixty (60) days.

ARTICLE IV

PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF THE COMMON AREAS

Section 1. Each Member shall be entitled to the use and enjoyment of the Common Areas in accordance with and subject to the terms and conditions set forth in the Declaration.

Section 2. Any Member may delegate his rights of enjoyment in the Common Areas to the members of his family who reside upon the Properties. Such

Member shall notify the Secretary of the Corporation in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 4 hereof, to the same extent as those of the Member. Any Member may also delegate the aforementioned rights of enjoyment to his guests, subject to any applicable rules and regulations that may be adopted from time to time by the board of directors of the Corporation.

ARTICLE V

DIRECTORS

Section 1. The number of directors of the Corporation shall be three (3). All the directors shall be elected at the annual meeting of the Members, except as provided in Section 2 of this Article. Each director elected shall hold office until his successor is elected and qualified. Directors need not be residents of the State of Texas or Members of the Corporation.

Section 2. Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled at an annual meeting of the Members or at a special meeting of the Members entitled to vote called for that purpose. Any director may be removed from the board of directors, with or without cause, by a majority of the vote of those who are voting in person or by proxy at an annual meeting of the Members or at a special meeting of the Members entitled to vote called for that purpose.

Section 3. The business and affairs of the Corporation shall be managed by its board of directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Articles or by these Bylaws or by the Declaration directed or required to be exercised and done by the Members. The power and authority of the board of directors shall include, but shall not be limited to, the power and authority:

a. to establish, levy and assess and collect the assessments referred to in the Declaration;

b. to adopt and publish or cause to be published rules and regulations governing the use of the Common Areas and the personal conduct of the Members, their families and their guests thereon;

c. to declare the office of a member of the board of directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the board of directors;

d. to employ managers, independent contractors or such other employees of the Corporation as it may deem necessary and to prescribe their duties; and

e. to do and perform such other acts on behalf of the Corporation as are set forth in the Declaration.

Section 4. It shall be the duty of the board of directors:

a. to cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when such statement is requested in writing by Members entitled to cast one-fourth (1/4) of the

outstanding votes in the Corporation or by one-fourth (1/4) of the Class A Members who are entitled to vote;

b. to supervise all officers, agents and employees of this Corporation and to see that their duties are properly performed;

c. as more fully provided herein and in the Declaration:

(1) to fix the amount of the annual assessment against each Affected Lot at least thirty (30) days in advance of each annual assessment period; and

(2) to cause written notice of each assessment to be sent to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

d. to issue or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the board for the issuance of these certificates. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid;

e. to procure and maintain adequate liability and hazard insurance on property owned by the Corporation in accordance with standards of the Department of Housing and Urban Development and/or Federal National Mortgage Corporation which are applicable to the Corporation.

f. to cause the assessment proceeds to be expended for maintenance of the Common Areas and related activities consistent with the purposes of the assessments as described in the Declaration;

g. to cause all officers or employees of the Corporation having fiscal responsibilities to be bonded as it may deem appropriate;

- h. to cause the Common Areas to be maintained;
- i. to collect all fees and assessments from Owners; and
- j. to fulfill the duties of the Association as are set forth in the Declaration.

ARTICLE VI

MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Meetings of the board of directors, regular or special, may be held either within or without the State of Texas.

Section 2. The first meeting of each newly elected board of directors shall be held at such time and place as shall be fixed by the vote of the Members at the annual meeting of the Members, and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, providing a quorum shall be present. In the event of the failure of the Members to fix the time and place of such first meeting of the newly elected board of directors, or in the event such meeting is not held at the time and place so fixed by the Members, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the board of directors, or as shall be specified in a written waiver signed by all of the directors.

Section 3. Regular meetings of the board of directors shall be held quarterly without notice at such place and hour as may be fixed from time to time by resolution of the board. Should the meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 4. Special meetings of the board of directors shall be held when called by the president or by any two (2) directors. Written notice of special

meetings of the board of directors shall be given to each director at least three (3) days before the date of the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

Section 5. A majority of the directors shall constitute a quorum for the transaction of business and the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors unless a greater number is required by the Articles. If a quorum shall not be present at any meeting of the board of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present.

Section 6. Any action required by the Bylaws or the Declaration to be taken at a meeting of the board of directors of the Corporation or any action which may be taken at a meeting of the directors or of any committee appointed by the directors may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the directors or all of the members of the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote by the board of directors or the members of the committee, as the case may be.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination for election to the board of directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman and two or

more Members of the Corporation. The Nominating Committee shall be appointed by the board of directors prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the board of directors as it shall in its discretion determine but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

Section 2. Election to the board of directors shall be by secret written ballot. At such election, the Members or their proxies may cast in respect to each vacancy as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII COMMITTEES

Section 1. The board of directors, by resolution adopted by a majority of the whole board shall appoint a Nominating Committee as provided in these Bylaws. In addition, the board of directors may appoint other committees whose members need not be directors as deemed appropriate in carrying out its purposes, such as a maintenance committee which shall advise the board of directors on all matters pertaining to the maintenance or repair of the Common Areas and shall perform such other functions as the board in its discretion determines.

Section 2. Vacancies in the membership of any committee appointed by the board of directors shall be filled by the board of directors at a regular or special

meeting of the board of directors. Each committee shall keep regular minutes of its proceedings and report the same to the board when required. The designation of an executive committee, if any, and the delegation thereto of authority shall not operate to relieve the board of directors or any member thereof of any responsibility imposed upon it or him by law.

Section 3. Members of committees shall hold office until their successors are chosen and qualify. Any officer or agent or member of any committee elected or appointed by the board of directors may be removed by the board of directors with or without notice, whenever in its judgment the best interest of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person removed.

ARTICLE IX

COMPENSATION OF DIRECTORS

The directors of the Corporation and committee members shall serve without compensation. However, any director may be reimbursed for actual expenses incurred in the performance of his duties.

ARTICLE X

NOTICES

Section 1. Notices to directors and Members shall be in writing and delivered personally or mailed to the directors or Members at their addresses appearing on the books of the Corporation. Notice by mail shall be deemed to be given at the time when deposited in the United States mail addressed to the Member or director at his address as it appears on the books of the Corporation

with postage prepaid thereon. Notice to directors may also be given by telegram and shall be deemed to be given when given to the telegraph company.

Section 2. Whenever any notice is required to be given to any Member or director or other person under the provisions of the Declaration, any statute or the Articles or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 3. Attendance of any Member or director at a meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE XI

OFFICERS

Section 1. The officers of the Corporation shall consist of a president who shall at all times be a member of the board of directors, a vice president and a secretary-treasurer, all of whom shall be elected by the board of directors.

Section 2. The board of directors at its first meeting after each annual meeting of Members shall elect the officers of the Corporation.

Section 3. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the board of directors.

Section 4. All officers of the Corporation shall serve without compensation.

Section 5. The officers of the Corporation shall hold office for one (1) year unless they shall sooner resign or shall be removed or otherwise disqualified to serve. Any officer elected or appointed by the board of directors may be removed

by the board of directors with or without notice whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any of the person so removed. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise shall be filled by the board of directors.

THE PRESIDENT

Section 6. The president shall be the chief executive officer of the Corporation, shall preside at all meetings of the Members and the board of directors, shall have general and active management of the business of the Corporation, and shall see that all orders and resolutions of the board of directors are carried into effect.

Section 7. He shall execute all leases, bonds, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes, except where required by law to be otherwise signed and executed.

THE SECRETARY AND ASSISTANT SECRETARY

Section 8. The secretary shall attend all meetings of the board of directors and all meetings of the Members and record all the votes and proceedings of the meetings of the Members of the Corporation and of the board of directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give or cause to be given notice of all meetings of the Members and special meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or president under whose supervision he shall be.

Section 9. The assistant secretaries in the order of their seniority, unless otherwise determined by the board of directors, shall in the absence or disability of

the secretary perform the duties and exercise the powers of the secretary. They shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

THE VICE PRESIDENT

Section 10. The vice president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president. He or she shall perform such other duties and have such other powers as the board of directors shall prescribe.

THE TREASURER AND ASSISTANT TREASURERS

Section 11. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall receive and deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the board of directors.

Section 12. He shall disburse the funds of the Corporation as may be authorized by the board of directors, making proper vouchers for such disbursements, and shall render to the president and the board of directors at its regular meetings or when the board of directors so requires an account of all his transactions as treasurer and of the financial condition of the Corporation.

Section 13. He shall sign all checks and promissory notes of the Corporation and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the Members. He shall cause an annual audit of the Corporation's books to be made by a public accountant at the completion of each fiscal year. The Corporation's fiscal year shall begin on January 1 and extend through December 31.

Section 14. If required by the board of directors, he shall, at the expense of the Corporation, give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of his office and for the restoration to the Corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Corporation.

Section 15. The assistant treasurers in the order of their seniority, unless otherwise determined by the board of directors, shall in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer. They shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

DELEGATION OF DUTIES

Section 16. If in carrying out the duties of the Corporation hereunder and under the Declaration, the directors contract for the services of a professional person or management firm to manage the Association, the officers shall have the power to delegate to such person or firm, or an employee thereof, the authority to sign and indorse checks on behalf of the Corporation, subject to such reasonable limitations as the officers may in their discretion deem necessary or appropriate.

ARTICLE XII

MEETINGS OF MEMBERS

Section 1. Meetings of the Members for the election of directors shall be held at the offices of the Corporation in the County of Dallas, State of Texas, or at such other location within the State of Texas, as shall be stated in the notice

thereof. Meetings of Members for any other purpose may be held at such place within or without the State of Texas and at such time as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 2. Annual meetings of Members commencing with the year following the calendar year in which these Bylaws are adopted shall be held on the first Thursday of November if not a legal holiday, and if a legal holiday, then on the next secular day following at 7:30 o'clock P.M., at which they shall elect by a plurality vote, which shall be by secret written ballot, a board of directors, and transact such other business as may properly be brought before the meeting.

Amended in
October, 2004.
New meeting date:
First Thursday
in May.

Section 3. Special meetings of the Members may be called by the president or the board of directors and shall be called by the secretary upon written request of Members entitled to cast one-fourth (1/4) of all of the votes of the entire membership or who are entitled to cast one-fourth (1/4) of the votes of the Class A membership.

Section 4. Written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than thirty (30) nor more than sixty (60) days before the day of meeting, either personally or by mail, by or at the direction of the president, the secretary or the officer or person calling the meeting, to each Member entitled to vote at such meeting.

Section 5. Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

Section 6. The presence at any meeting of Members entitled to cast sixty percent (60%) of the votes of each class of membership, represented in person or

by proxy, shall constitute a quorum at meetings of Members except as otherwise provided in the Declaration, the Articles or these Bylaws. If, however, a quorum shall not be present or represented at any meeting of the Members, the Members present in person or represented by proxy shall have power to adjourn the meeting and immediately after such adjournment (without necessity for additional notices to Members) to reconvene a meeting of Members, at which a quorum shall consist of fifty percent (50%) of the quorum required at the prior meeting, and if a quorum is present, any business may be transacted which might have been transacted at the meeting as originally notified; provided that, no such second meeting shall be held more than sixty (60) days following the first meeting.

Section 7. Other than for the election of directors, the vote of Members entitled to cast a majority of the votes thus represented at a meeting at which a quorum is present shall be the act of the Members meeting, unless the vote of a greater number is required by law, the Declaration, the Articles or other provisions of these Bylaws.

Section 8. Each Member may cast as many votes as he is entitled to exercise under the terms and provisions of the Articles or the Declaration on each matter submitted to a vote at a meeting of Members except to the extent that the voting rights of any Member have been suspended in accordance with these Bylaws or the Declaration. At each election for directors, every Member entitled to vote at such election shall have the right to cast as many votes as he is entitled to exercise under the terms and provisions of the Articles or the Declaration, in person or by proxy, for as many persons as there are directors to be elected and for whose election he has a right to vote, and Members of the Corporation are

expressly prohibited from cumulating their votes in any election for directors of the Corporation.

Section 9. A Member may vote in person or by proxy executed in writing by the Member or by his duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and in no event shall it remain irrevocable for a period of more than eleven (11) months from the date of its execution.

Section 10. The officer or agent having charge of the corporate books shall make at least ten (10) days before each meeting of Members a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the principal office of the Corporation and shall be subject to inspection by any Member at any time during the usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Member during the whole time of the meeting.

Section 11. The board of directors may fix in advance a date not exceeding fifty (50) days preceding the date of any meeting of Members as a record date for the determination of the Members entitled to notice of and to vote at any such meeting and any adjournment thereof, and in such case, such Members and only such Members as shall be Members of record on the date so fixed shall be entitled to such notice of and to vote at such meeting and any adjournment thereof, notwithstanding any change of membership on the books of the Corporation after any such record date fixed as aforesaid.

Section 12. Any action required by the statutes to be taken at a meeting of the Members or any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Members required to vote affirmatively with respect to the subject matter thereof, and such consent shall have the same force and effect as the required affirmative vote of Members.

Section 13. Any conflict between one or more provisions of these Bylaws and one or more provisions of the Articles shall be resolved in favor of the provision(s) set forth in the Articles. Any conflict between one or more provisions of these Bylaws and one or more provisions of the Declaration shall be resolved in favor of the provision(s) set forth in the Declaration.

ARTICLE XIII

GENERAL PROVISIONS .

REPORT TO SHAREHOLDERS

Section 1. The board of directors must, when requested by Members entitled to cast at least one-third (1/3) of all of the votes of the entire membership or who are entitled to cast one-third (1/3) of the votes of the Class A Members, present written reports of the business and condition of the Corporation.

FISCAL YEAR

Section 2. The fiscal year of the Corporation shall be fixed by the resolution of the board of directors.

ARTICLE XIV

ASSESSMENTS

The rights of membership in the Corporation are subject to the payment of

annual and special assessments levied by the Corporation, the obligation of which assessments is imposed against the Owner of and becomes a lien upon each Affected Lot against which such assessments are made as provided in the Declaration, which is incorporated herein by reference and made a part hereof for all purposes.

ARTICLE XV

BOOKS AND RECORDS

Section 1. The Declaration, Articles, these Bylaws, and other books, records and papers of the Corporation shall at all times during reasonable business hours be subject to inspection by any Member. The Declaration, the Articles and the Bylaws of the Corporation shall be available for inspection by any Member at the principal office of the Corporation where copies may be purchased at reasonable cost.

Section 2. If more than fifty (50) Affected Lots are built on in the Subdivision, the Association shall upon written request provide each holder, insurer or guarantor of any first mortgage secured by an Affected Lot an annual audited financial statement for the fiscal year preceding the year of the request therefor reflecting the financial condition of the Corporation. If less than fifty (50) Affected Lots are built on in the Subdivision and no audited statement is available, any such mortgage holder, insurer or guarantor will be allowed access to the Corporation's books during normal business upon not less than five (5) days' written notice for purposes of preparing an audited statement at its own expense.

ARTICLE XVI

INDEMNIFICATION

Section 1. The Corporation shall have the power to indemnify any director

or officer or former director or officer of the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection with any claim asserted against him, by action in court or otherwise, by reason of his being or having been such director or officer, except in relation to matters as to which he shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

Section 2. If the Corporation has not fully indemnified him, the court in the proceeding in which any claim against such director or officer has been asserted or any court having the requisite jurisdiction of an action instituted by such director or officer on his claim for indemnity may assess indemnity against the Corporation, its receiver or trustee for the amount paid by such director or officer in satisfaction of any judgment or in compromise of any such claim (exclusive in either case of any amount paid to the Corporation) and any expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection therewith to the extent that the court shall deem reasonable and equitable; provided, nevertheless, that indemnity may be assessed under this section only if the court finds that the person indemnified was not guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE XVII

AMENDMENTS

Section 1. These Bylaws may be altered, amended or repealed at any regular meeting of the Members or at any special meeting of the Members if notice of such proposed action be contained in the notice of such special meeting. All such alterations, amendments or repeals of any Bylaw shall be subject to disapproval by

the U.S. Department of Housing and Urban Development ("HUD"), acting through the Area Office having jurisdiction over the Subdivision, prior to Members' approval thereof. Such right of disapproval shall be deemed to have been waived, and the Members' action with respect to the Bylaws approved for all purposes, if HUD is given written notice of the proposed action and fails to give written notice to the Association of its disapproval thereof within fifteen (15) business days after its receipt of notice of the proposed action.

Section 2. Notwithstanding any term or provision hereof to the contrary, any amendment to the Declaration, Articles or to these Bylaws causing a material Change (hereinafter defined) in Member's rights under such instrument shall not become effective unless approval of such amendment shall have been voted by at least:

a. Sixty seven percent (67%) of the total number of Members entitled to vote thereon, and

b. Fifty one percent (51%) of the holders ("Eligible Holders") of valid and subsisting first mortgage liens on Affected Lots who have made written requests of the Association for notification of proposed Material Changes by the Corporation (sixty seven percent where the Material Change in question is dissolution of the Corporation for a reason other than destruction or condemnation of the Common Areas).

Section 3. For purposes hereof, a "Material Change" in a Member's rights shall mean:

a. a reduction, impairment or elimination of such Member's voting rights hereafter;

b. an increase in assessments, reduction in the amount of any capital reserve or working fund held by the Corporation or change in the Corporation's lien rights under the Declaration;

c. a reduction of the maintenance responsibilities of the Corporation with respect to the Common Areas;

d. any expansion or contraction of the number of Affected Lots subject to the jurisdiction of the Corporation, by withdrawal, annexation or otherwise;

e. impairment of Members' rights to lease, transfer, sell or mortgage their Affected Lots, or to use the Common Areas as provided in the Declaration;

f. dissolution of the Corporation;

g. reduction of casualty and liability insurance coverage carried by the Corporation, or amendment or elimination of the requirement that such coverage be carried;

h. amendment of any provision in the Declaration, Articles or these Bylaws expressly intended for the benefit of the holders of valid and subsisting first mortgage liens on Affected Lots;

i. establishment of self-management by the Corporation at any time after professional management has been required by any Eligible Holder.

Section 3. The consent of a majority of Eligible Holders shall be required for any amendment to the Declaration, the Articles or these Bylaws effecting a change which is not a Material Change, provided that an Eligible Holder shall be deemed to have given its consent to any such amendment if it fails to express its disapproval to the Corporation in writing within thirty (30) days after the Corporation notifies it of the proposed amendment.

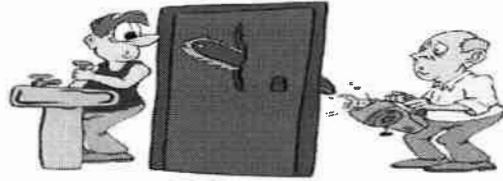
Executed and approved as to form this _____ day of July, 1986 by
the undersigned, constituting all Directors of this Corporation.

Rich Alberque

Calvin Bankes

Joseph Luciani

Ask Before You Alter



The deed restrictions for your community require written permission from the Architectural Control Committee or Board of Directors before any changes; alterations or additions are made by an owner/-resident to the exterior of a home. Changes include but are not limited to painting, remodeling, adding storage buildings, carports, fences and landscaping.

In response to these legal requirements, we have developed an **application form** that protects both the owner and the association. The procedure for obtaining the Application is as follows:

- 1) When you have finalized your plans for the change, alteration or addition (such as a patio cover, security light, or patio deck), use the Modification Request Form on the next page or download one from your Association's website.
 - 2) Complete the form, providing all data including the address of your home and attaching a photograph, sketch or drawing of the proposed alteration. Include in your attachments a description of materials and method of construction or installation, including construction plans if applicable, of the proposed change;
 - 3) Send the form to your association manager (if possible, scan it and send it by email);
 - 4) Your association manager will forward copies of your application to the proper committee or Board member from your association;
 - 5) Your Board or Architectural Control Committee representative will contact you to review the application;
 - 6) Within the time parameters provided in your legal documents, you will be advised of the Board/Committee decision, or recommendations for change;
 - 7) You must obtain all city building permits and licenses necessary to legally complete the work;
 - 8) The Application is maintained with your association's archival records but it is always wise to keep a copy.
-

ARCHITECTURAL REVIEW COMMITTEE

NOVEMBER 17, 1990

The Architectural Review Committee has spent most of its time trying to determine what the Articles of Incorporation mean to this committee. The limits of what this committee can review are quite broad and general in the Articles. We came up with a list, slightly less general, of what the committee feels that it should review. It is not an exclusive list - if it isn't listed, it doesn't mean it shouldn't be reviewed. Nor is the list written in stone. It is merely a first shot at narrowing down the very general Articles to more specific items.

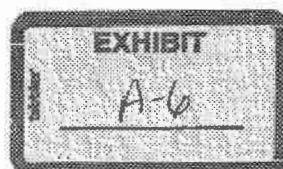
In general, any of the following changes will need written permission of the Architectural Review Committee:

- (1) Any free-standing structure in back yard above 6' high.
- (2) Any free-standing structure on front or side yard (except for seasonal decorations)
- (3) Any attached structures (such as patio covers, sheds, sun-rooms, etc).
- (4) Retaining walls.
- (5) Any poured concrete work in front yard (sidewalks, edging for beds, etc).
- (6) Changing the house or trim color from the current colors, including roof color.
- (7) Adding siding to the house.
- (8) Any landscaping in back yard over 6' high (except for trees).
- (9) Any landscaping in front covering more than 50% of the surface area of the front yard.
- (10) Woodpiles, other than in back yard (or over 6' high in back yard).

NOTE: All structures must meet any City of Garland building codes, and have current city permit.

If you have changes which you would like to make to your house or yard, please fill out the attached form and send it to the address below for review by the Architectural Review Committee. Again, the list above is not either a final or an exhaustive list, so if you have any doubt, please call to talk about it.

Any pre-existing conditions prior to January 1, 1991, will be "grandfathered". Any changes made to these conditions after this date will need to be approved. Please remember that you will still need to check with the City of Garland for any permits that may be required for your modifications.



Homeowners Association Architectural Control Committee Modification Request Form

Date: _____ Homeowner's Name(s): _____

Address: _____

Telephone: home _____ cell _____ work: _____

Email address: _____ Fax #: _____

Project duration dates (estimate): start: _____ end: _____

<input checked="" type="checkbox"/> Modification Requested	Information / Support Documents Required
<input type="checkbox"/> Fence <input type="checkbox"/> Replace existing fence w/ different height, style or materials. <input type="checkbox"/> Build a new fence.	<i>Submit location, type of material, width of pickets, single or board on board, height, and stain/color sample</i> Comments: _____
<input type="checkbox"/> Deck <input type="checkbox"/> attached to house <input type="checkbox"/> detached from house	<i>Submit diagram, type of material, specific measurements, and stain color sample</i> _____ _____
<input type="checkbox"/> Landscaping <input type="checkbox"/> Add a planter/flower bed/tree well <input type="checkbox"/> Add statuary or other semi-permanent addition <input type="checkbox"/> Retaining wall <input type="checkbox"/> Other: _____	<i>Submit a diagram, and list of materials</i> Comments: _____ _____ _____
<input type="checkbox"/> Exterior Paint (choose all that apply) <input type="checkbox"/> Siding <input type="checkbox"/> Trim <input type="checkbox"/> Shutters <input type="checkbox"/> Front Door <input type="checkbox"/> Garage Door <input type="checkbox"/> Fence City of Garland neighborhood code only allows two colors on your house: the siding one color and all the trim another color. All portions of painted fence must match. Color must be approved by the ACC.	paint sample(s) <i>This request will not be processed without paint sample(s)</i> _____ _____ _____ _____ _____
<input type="checkbox"/> Outbuilding <input type="checkbox"/> Add a covered for the patio <input type="checkbox"/> Add a storage shed <input type="checkbox"/> Add a carport or additional garage	<i>Submit location, diagram or photo, paint/stain samples, material samples for siding or roofing visible from street or alley.</i> Comments: _____ _____ _____
<input type="checkbox"/> Other: provide specifics: _____ _____	Comments: _____ _____

HOMEOWNERS AGREEMENT

I have completed this modification request in good faith and it accurately represents the alteration I propose to make.

I understand that approval of this application does not authorize me to violate any provisions of the Declaration of Covenants, Conditions, and Restrictions (DCCRs) for my Homeowners Association.

I certify that all information and all materials submitted with this request are complete, true and correct.

I understand and agree that no work may be performed prior to or in deviation from the terms of the written approval letter provided by the Architectural Control Committee (ACC).

Homeowner's Signature _____ Date _____

Mail completed form and all required attachments (documents, paint sample) to:

Homeowner Association c/o Village Association Management

P.O. Box 460057 Garland, TX 75040

If paint sample is not required, you may fill out this form, scan it along with any support documents and email them to: mks@villagemgmt.com or fax to: 1-866-735-7082

This section for Architectural Control Committee (Board of Directors) use only

Committee Member Name:	<i>Date Received</i>	<i>Approved</i>	<i>Denied</i>
Comments / Stipulations / Additional Information Required:			
ACC Member Signature:		Date	
Committee Member Name:	<i>Date Received</i>	<i>Approved</i>	<i>Denied</i>
Comments / Stipulations / Additional Information Required:			
ACC Member Signature:		Date	
Committee Member Name:	<i>Date Received</i>	<i>Approved</i>	<i>Denied</i>
Comments / Stipulations / Additional Information Required:			
ACC Member Signature:		Date	

Final on-site review: Inspected by _____ Date _____

**The Board of Directors of
The Villages of Valley Creek Homeowners Association**

Violations Enforcement Policy and Procedure

Pursuant to Texas Law the Association has adopted the following resolution, at a regular meeting of the Board of Directors on 23 May 2005.

WHEREAS, the Declaration of Covenants, Restrictions and Conditions in Article IV, Section 1. Unit Exterior and Lot Maintenance sets forth standards for individual property maintenance, allowable corrective action by the Association, and assigns responsibility to the property owner to immediately remit payment for such services after billing (referencing Article V, Section 6 to secure payment of such), and

WHEREAS, the Declaration of Covenants, Restrictions and Conditions in Article III, Section 10, Storage and Disposal of Garbage and Refuse requires all owners to abide by all rules, regulation and ordinances duly enacted by the City, and

WHEREAS, the Declaration of Covenants, Restrictions and Conditions in Article V, Section 6. Non-payment of Assessments: Remedies of the Association, sets forth time frames for re-payment of costs associated with the Association bringing a violation into compliance by performing corrective actions as well as provisions for law suit and foreclosure to re-coup these costs, and

WHEREAS, the Declaration of Covenants, Restrictions and Conditions in Article VI, Section 2, Powers and Duties of the Board, Item (h.) charges the Board with the responsibility of enforcing the provisions of the Declaration and any rules made thereunder, and

WHEREAS, the Declaration of Covenants, Restrictions and Conditions in Article VI, Section 1, Purpose of the Maintenance Fund, Item (c.) allows the Board to delegate the enforcement process, and

WHEREAS, Article V, Section 3., Item d. of the Bylaws allows for employment of managers,

WHEREAS there is a need to determine a procedure for enforcement of the Declaration as related to unit exterior and lot maintenance.

NOW, THEREFORE, BE IT RESOLVED that the ASSOCIATION does hereby adopt the following procedures and policies for the enforcement of Unit Exterior and Lot Maintenance.

1. **Physical Inspection.** The Board shall insure that any Management Agreement shall contain provisions that specify periodic physical inspection of the properties from the street view and the alley view. When a management agreement is in place, these physical inspections may in no case occur less often than every 10 days.

2. **Notification to City Code Compliance.** In order to avoid unnecessary duplication of Notices and enforcement proceedings, the Association instructs the management company to make note of common City Ordinance Violations and communicate those to the appropriate officer by e-mail. Common Ordinance Violations include but are not limited to: fence deterioration, peeling paint, junk vehicles, parking on unimproved surfaces, storage piles, trash and rubbish, graffiti, weeds and grass over 12" tall.

3. **Tracking of Violation Status, Notices and Repeat Notices.** The manager shall maintain a means of tracking the violations to determine if corrections are being made in a timely manner and notify the property owner and board as follows:

- Unit Exterior Violation
 - Send a Violation Notice three (3) months after notification of Code and Compliance if the violation is not yet corrected.
 - Perform physical inspection ten (10) days later to determine if violation is corrected and the exterior is in compliance with the Declaration.
 - Send a Second Notice within 24 hours of the follow-up physical inspection if it is determined that the unit exterior or lot is not in compliance with the Declaration. This notice will:
 - Inform of the Association's intent to take corrective action
 - Offer the Owner an opportunity to respond in writing or before the board if such response or request for a board hearing is received within ten (10) days of such "Second Notice."
 - Notify the board if the violation is not in compliance with the Declaration.
- Lot Maintenance Violation
 - Send a Violation Notice within 24 hours of the physical inspection for lawn violations.
 - Perform a physical inspection ten (10) days later to determine if violation is corrected and the lot is in compliance with the Declaration.
 - Notify the board if the violation continues.

4. **Corrective Action.** In the event that an owner fails to bring the unit exterior or lot into compliance with the Declaration, the Board shall:

- Offer the owner, in writing, an opportunity to respond to the Violation Notice in writing or by a hearing before the board. The Owner must respond in writing or in person at the specified time. In case of failure to respond, the Owner agrees to abide by the decision of the Board regarding the corrective action.
- Give the owner prior written notice of the Association's intent to enter upon the property to provide such necessary maintenance, repair or replacement at the Owner's sole cost and expense. And, in so doing, shall not be liable in trespass or otherwise.
- To the extent not otherwise required by State law, the notice shall set forth with reasonable particularity the maintenance, repairs or replacement deemed necessary. Such repairs, replacements and/or maintenance are usually cosmetic in nature and include but are not limited to: scrapping and painting, replacing trim, removing dead foliage, mowing, edging, removing deteriorated fences, removing debris or safety hazards.

5. **Lien.** If the Board fines the Owner, and/or if the Board causes such maintenance, repair or replacement to be performed, the fines, and/or all costs, including reasonable attorney's fees and costs, shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Lot as stated in the Declaration, Article V, Section 6.

IN WITNESS WHEREOF, the undersigned, all being Directors, have executed this Resolution the 23rd day of May, in the year 2005.

Elisabeth Murphy

Sandra Blackmon

Bill Bradford

Original Signatures being on file in the 2005 Minutes Notebook – Board Resolutions

Villages of Valley Creek No. 1 Rules for Use of the Common Areas
Resolutions Adopted by Unanimous Consent of the Directors
May 9, 2005 - Meeting of the Board of Directors

Rules for use of the Common Areas And Enforcement of Rules

Pursuant to the provisions of the Covenants, Restrictions, and Conditions (C,C&Rs) and the Bylaws of Valley Creek No. 1 Homeowners Association, the undersigned, being all the Directors of the Villages of Valley Creek No. 1 Homeowner Association, Inc. (the "Association") hereby agree to the actions set forth below upon the unanimous written consent of the Directors.

Whereas, Article III, Section 6 of the C,C&Rs of the Villages of Valley Creek No. 1 states that "No noxious or offensive activity shall be carried on upon any portion of the Properties".

Whereas, Article III, Section 10 of the C,C&Rs of the Villages of Valley Creek No. 1, states that "owners shall abide by all rules promulgated by the Association and all rules, regulations and ordinances duly enacted by the City including all such ordinances as they relate to storage and disposal of garbage, rubbish, trash, or refuse which ordinances, as and when enacted, are incorporated herein by reference.

Whereas, Article III, Section 4 of the Bylaws provides that "The membership rights of any person whose interest in a Lot is subject to the assessment referred to hereinabove in Article III, Section 3, whether or not he be personally obligated to pay such assessment, may be suspended by action of the directors during the period when such assessments remain unpaid, but upon payment of such assessments, his rights and privileges shall be automatically restored. If at any time the directors shall have adopted and published rules and regulation governing the use of the common Areas and the personal conduct of Members, their families and their guests thereon, they may, in their discretion, for violation of such rules and regulation by a Member or by his family or guests suspend the rights of such Member and/or the person committing the violation, such suspension to continue for a period not to exceed sixty (60) days.

Whereas, Article IV, Section 2 of the Bylaws allow "Any Member may delegate his rights of enjoyment in the Common Areas to the members of his family who reside upon the Properties. Such Member shall notify the Secretary of the Corporation in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 4 hereof, to the same extent as those of the Member. Any Member may also delegate the aforementioned rights of enjoyment to his guests, subject to any applicable rules and regulations that may be adopted from time to time by the Board of Directors of the Corporation.

Whereas, Article V, Section 3., (b.) of the Bylaws provides the Board to "adopt and publish or cause to be published rules and regulations governing the use of the Common Areas and the personal conduct of Members, their families and their guests thereon.

Whereas, Article VI, Section 2., (d.) of the C,C&Rs states that the board shall have the general power and duty to "protect or defend the Common Ownership Areas from loss or damage by suit or otherwise and provide adequate reserves for replacements.

Whereas, Article VI, Section 2., (e.) of the C,C&Rs grants the Board power "To make reasonable rules and regulation for the operation of the Common Areas and to amend them from time to time..."

Whereas, Article IX, Section 3 of the C,C&Rs of the Villages of Valley Creek No. 1 provides that "If any person shall violate or attempt to violate any of the covenants herein or any provision of the Bylaws or Rules and Regulations of the Association, it shall be lawful for any Owner situated in said Properties to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them so doing or to recover damages for such violation.

Whereas, there is a need to provide a sound guidelines for the protection of common area assets.

Whereas, there is a need to define offensive behavior in the common areas and other portions of the properties;

Now Therefore, Be it Resolved that the Board does hereby this date adopt the following rules for use of the common areas and other portions of the properties.

1. Profanity, lewdness, crudeness, or rude behavior will not be tolerated.
2. Noise in the Common Areas is restricted between the hours of 10:00 P.M. and 7:00 A.M. Conversations may not be audible to owners inside their properties between these hours. Audible conversations out-of-doors are considered a Nuisance between these hours.
3. No destructive action, or action which may lead to destruction, shall occur to the common property or fixtures upon the common property. Destructive action includes but is not limited to:
 - a. Littering or action that results in litter or debris.
 - b. Striking of fixtures (mailboxes, light poles, signs, etc.) or landscaping with toys or other implements.
 - c. Breaking limbs off trees or bushes or pulling up plants or flowers.
 - d. Digging.
 - e. Vandalizing or Graffiti.
 - f. Trenching the grass or dirt with vehicles or bicycles.
 - g. Throwing rocks or other hard items that may cause damage to cars or structures.
 - h. Tampering with sprinkler heads or control boxes.

Villages of Valley Creek No. 1 Rules for Use of the Common Areas
Resolutions Adopted by Unanimous Consent of the Directors
May 9, 2005 - Meeting of the Board of Directors

4. Curbside parking is allowed only on the right-hand side of the roads adjoining the cul-de-sacs. No curbside parking is permitted at the left-hand side of road adjoining the cul-de-sac where signs are present that state "No Parking this Side". Violators will be towed at the vehicle owner's expense without further warning.
5. Owners, their guests and tenants must obey City Ordinances relating to Pet Leash Laws and cleaning up after their pets.
6. Use of inflatable play structures (bounce houses) that use water as a play element will not be allowed in common areas. Dry inflatable structures are allowed.
7. Owners who are delinquent in payment of assessments may not use the common areas or delegate their right to use the common areas to their family, guests or tenants.
8. Owners are responsible to remove, or cause to be removed, litter and debris in the streets or sidewalks in the front of their property adjacent to the common areas.
9. The Occupant of a property is responsible to reimburse the Association for all costs associated with repair of damages or clean up of litter and debris caused by the occupants, or their guests. If the occupant (tenant) does not remit within 15 days, the Owners are responsible to reimburse the Association for the costs. Payment of such statement shall be secured by the lien against the Owner's lot described in Article V, Section 6 of the Declaration.
10. No person may perform landscape activities or corrective action to common areas without contractual approval from the board of directors.

Now Therefore, Be it resolved that the Board does hereby this date adopt the following means of enforcement of these rules.

1. Any owner has the authority to inform users of rule violations, demand that the violation cease and to report violators to the management company and/or the board of directors.
2. Any owner has authority to request that users identify themselves and disclose their relationship to a property owner who has delegated user rights to them. If user rights cannot be established, any owner may request that the user immediately vacate the premises.
3. Any owner may make formal complaint, in writing or by e-mail, to the Board regarding any perceived infraction of these rules by an Owner or any person to whom an owner has delegated his membership rights.

4. The Owner bringing forth the complaint must
 - a. Notify the Police in the case of personally witnessed property damage.
 - b. Specify the name of the violator and/or the address of the member who delegated his rights to the violator.
 - c. The specific violation with date and time of the infraction.
 - d. Specific information of any property compromised, lost or destroyed.
5. The Board of Directors will consider the complaint and offer the owner, in writing, an opportunity to respond to the complaint in writing or by a hearing before the board. The Owner must respond in writing or in person at the specified time. In case of failure to respond, the Owner agrees to abide by the decision of the Board regarding the complaint.

Violation of any rule may result in suspension of rights to use common areas for up to sixty (60) days and/or payment to correct damages. Owner's failure to comply with suspension may lead to prosecution at law for trespassing and/or fines if allowed by Covenants or Amendments. (Payment of such fines shall be secured by the lien against the Owner's lot described in Article V, Section 6 of the Declaration.)

In Witness Whereof, the undersigned have subscribed their names as all the Directors of the Association, effective as of the date first above written.

Directors: Sandra Blackmon Bill Bradford Elisabeth Murphy
Original Signatures being on file in the 2005 Meeting Minutes Notebook

NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
THE VILLAGES OF VALLEY CREEK NO. 1
PURSUANT TO SECTION 202.006 OF THE TEXAS PROPERTY CODE

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

THIS NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR THE VILLAGES OF VALLEY CREEK NO. 1 PURSUANT TO SECTION 202.006 OF THE TEXAS PROPERTY CODE (this "Notice") is made this 21st day of December, 2011, by Valley Creek No. 1 Homeowners Association (the "Association").

WITNESSETH:

WHEREAS, Fox & Jacobs, Inc., a Nevada corporation ("Declarant") prepared and recorded an instrument entitled "Declaration of Covenants, Restrictions and Conditions, the Villages of Valley Creek No. 1" on or about July 29, 1986, at Volume 86146, Page No. 3730 *et seq.*, of the Real Property Records of Dallas County, Texas (the "Declaration"); and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development subject to the Declaration, which development is more particularly described in the Declaration; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners association must file each dedicatory instrument governing the association that has not been previously recorded in the real property records of the county in which the development is located; and

WHEREAS, Section 202.006(b) of the Texas Property Code, effective January 1, 2012, provides that a dedicatory instrument has no effect until the instrument is filed in accordance with this section; and

WHEREAS, the Association desires to record the dedicatory instruments attached as Exhibit "A" in the Real Property Records of Dallas County, Texas, pursuant to and in accordance with Section 202.006 of the Texas Property Code.


NOW, THEREFORE, the dedicatory instruments attached hereto as Exhibit "A" are true and correct copies of the originals and are hereby filed of record in the Real Property Records of Dallas County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

IN WITNESS WHEREOF, the Association has caused this Notice of Filing of Dedicatory Instruments for Valley Creek No. 1 Homcowners Association to be executed by its duly authorized agent as of the date first above written.

**VALLEY CREEK NO. 1 HOMEOWNERS
ASSOCIATION**
a Texas non-profit corporation

By:

Its:

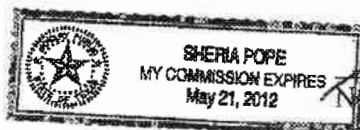

Secretary/Treasurer

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Ed Ross, Treasurer of Valley Creek No. 1 Homeowners Association, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed on behalf of said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this 2nd day of December 2011.



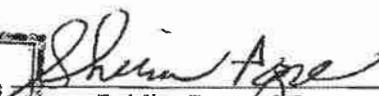

Notary Public, State of Texas
May 21, 2012
My Commission Expires

Exhibit "A"

Dedictory Instruments

- A-1 Document Retention Policy
- A-2 Document Inspection and Copying Policy
- A-3 Alternative Payment Plan Policy
- A-4 Email Registration Policy
- A-5 The Villages of Valley Creek No. 1 Homeowners Association Procedures and Penalties for Collection of Delinquent Dues, Revised September 25, 1993
- A-6 Architectural Review Committee November 17, 1990

VALLEY CREEK NO. 1 HOMEOWNERS ASSOCIATION

DOCUMENT RETENTION POLICY

WHEREAS, pursuant to Section 209.005(m) of the Texas Property Code, the Board of Directors of Valley Creek No. 1 Homeowners Association (the "Association") is required to adopt a document retention policy for the Association's books and records.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with the procedures set forth by Chapter 209 of the Texas Residential Property Owners Protection Act, that the following procedures and practices are established for the maintenance and retention of the Association's books, records and related documents, and the same are to be known as the "Document Retention Policy" of the Association.

1. Purpose. The purpose of this Document Retention Policy is to ensure that the necessary records and documents of the Association are adequately protected and maintained.

2. Administration. The Association is in charge of the administration of this Document Retention Policy and the implementation of processes and procedures to ensure that the Records Retention Schedule attached as Exhibit "A" is followed. The Board is authorized to make modifications to this Records Retention Schedule from time to time to ensure that it is in compliance with local, state and federal laws and that the schedule includes the appropriate document and record categories for the Association.

3. Suspension of Record Disposal in Event of Litigation or Claims. In the event the Association is served with any subpoena or request for documents or the Association becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, all documents relating or pertaining to such investigation, claim or litigation shall be retained indefinitely, and any further disposal of documents shall be suspended and shall not be reinstated until conclusion of the investigation or lawsuit, or until such time as the Board, with the advice of legal counsel, determines otherwise.

4. Applicability. This Document Retention Policy applies to all physical records generated in the course of the Association's operation, including both original documents and reproductions. It also applies to electronic copies of documents. Any electronic files that fall under the scope of one of the document types on the Records Retention Schedule below will be maintained for the appropriate amount of time. Documents that are not listed on Exhibit "A", but are substantially similar to those listed in the Records Retention Schedule, should be retained for a similar length of time.

5. Definitions. The definitions contained in the governing documents of Valley Creek No. 1 Homeowners Association are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Document Retention Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.



This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on December 8, 2011, and has not been modified, rescinded or revoked.

DATE: 12-2-11

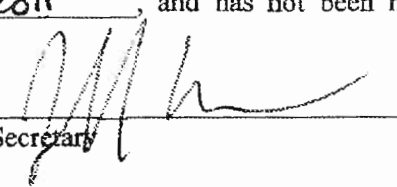

Secretary

EXHIBIT A – RECORD RETENTION SCHEDULE

A. GOVERNING DOCUMENTS

All copies of governing documents including but not limited to the Declaration of Covenants, Restrictions and Conditions, the Villages of Valley Creek No. 1 (the "Declaration"), the Bylaws of Valley Creek No. 1 Homeowners Association (the "Bylaws"), the Articles of Incorporation of Valley Creek No. 1 Homeowners Association (the "Articles"), Design Guidelines, any rules, regulations or resolutions of the Board of Directors, and any amendments and supplements thereto	Permanently
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B. FINANCIAL RECORDS

Financial records, including each year's budget, tax returns, audits of the Association's financial books and records, copies of all bills paid by the Association or to be paid, the Association's checkbooks and check registers	7 years
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C. RECORDS OF OWNERS' ACCOUNTS

Owners' account records, including assessment account ledgers, architectural review records, violation records, records of fines and any disputes from the owner	5 years
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D. CONTRACTS

Copies of the final, executed contracts with a term of 1 year or more entered into by the Association (and any related correspondence, including any proposal that resulted in the contract and all other supportive documentation)	4 years after expiration or termination
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E. MEETING MINUTES

Minutes of Annual and Special Meetings of the Members, minutes of Board meetings, and minutes of committee meetings (if any)	7 years
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VALLEY CREEK NO. 1 HOMEOWNERS ASSOCIATION

DOCUMENT INSPECTION AND COPYING POLICY

WHEREAS, pursuant to Section 209.005(i) of the Texas Property Code, the Board of Directors of Valley Creek No. 1 Homeowners Association (the "Association") is required to adopt a records production and copying policy that prescribes the costs the Association will charge for the compilation, production and reproduction of the Association's books and records.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with the procedures set forth by Chapter 209 of the Texas Residential Property Owners Protection Act, that the following procedures and practices are established for the compilation, production and reproduction of the Association's books and records, and the same are to be known as the "Document Inspection and Copying Policy" of the Association (hereinafter the "Policy").

1. Purpose. The purpose of this Policy is to establish orderly procedures for the levying of fees and to notify owners of the costs to be incurred associated with the compilation, production and reproduction of the Association's books and records in response to an owner's request to inspect the Association's records.

2. Records Defined. The Association's books and records available for inspection and copying by owners are those records designated by Section 209.005 of the Texas Property Code. Pursuant to Section 209.005(d) of the Texas Property Code, an attorney's files relating to the Association, excluding invoices, are not records of the Association, are not subject to inspection by owners, or production in a legal proceeding. Further, pursuant to Section 209.005(k), the Association is not required to release or allow inspection of any books and records relating to an employee of the Association, or any books and records that identify the violation history, contact information (other than the address and/or financial information of an individual owner) absent the express written approval of the owner whose information is the subject of the request or a court order requiring disclosure of such information.

3. Individuals Authorized to Inspect Association's Records. Every owner of a lot in the Association is entitled to inspect and copy the Association's books and records in compliance with the procedures set forth in this Policy. An owner may submit a designation in writing, signed by the owner, specifying such other individuals who are authorized to inspect the Association's books and records as the owner's agent, attorney, or certified public accountant. The owner and/or the owner's designated representative are referred to herein as the "Requesting Party."

4. Requests for Inspection or Copying. The Requesting Party seeking to inspect or copy the Association's books and records must submit a written request via certified mail to the Association at the mailing address of the Association or its managing agent as reflected on the Association's current management certificate. This address is subject to change upon notice to the owners, but the Association's current mailing address as of the adoption of this policy is:

Valley Creek No. 1 Homeowners Association



c/o
P.O.
Garland, Texas 75046-0057

Village

Association
Box

Management,

LLC
460057

The request must contain sufficient detail describing the requested Association's books and records, including pertinent dates, time periods or subjects sought to be inspected. The request must also specify whether the Requesting Party seeks to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records to the Requesting Party.

5. Inspection Response. If the Requesting Party elects to inspect the Association's books and records, the Association shall notify the Requesting Party within ten (10) business days after receiving the Requesting Party's request of the dates during normal business hours that the Requesting Party may inspect the requested books and records (the "Inspection Notice").

If the Association is unable to produce the requested books and records by the 10th business day after the date the Association receives the request, the Association must provide written notice to the Requesting Party (the "Inspection Delay Letter") that (1) the Association is unable to produce the information by the 10th business day after the date the Association received the request, and (2) state a date by which the information will be either sent or available for inspection that is not later than fifteen (15) days after the date of the Inspection Delay Letter.

6. Inspection Procedure. Any inspection shall take place at a mutually-agreed upon time during normal business hours. All inspections shall take place at the office of the Association's management company or such other location as the Association designates. No Requesting Party or other individual shall remove original records from the location where the inspection is taking place, nor alter the records in any way. All individuals inspecting or requesting copies of records shall conduct themselves in a businesslike manner and shall not interfere with the operation of the Association's or management company's office or the operation of any other office where the inspection or copying is taking place.

At such inspection, the Requesting Party may identify such books and records for the Association to copy and forward to the Requesting Party. The Association may produce all requested books and records in hard copy, electronic, or other format reasonably available to the Association.

7. Costs Associated with Compilation, Production and Reproduction. The costs associated with compiling, producing and reproducing the Association's books and records in response to a request to inspect or copy documents shall be as follows:

(a) Copy charges.

(1) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$0.10 per page or part of a page. Each side that contains recorded information is considered a page.

(2) Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:

- (A) Diskette--\$ 1.00;
- (B) Magnetic tape--actual cost
- (C) Data cartridge--actual cost;
- (D) Tape cartridge--actual cost;
- (E) Rewritable CD (CD-RW)--\$ 1.00;
- (F) Non-rewritable CD (CD-R)--\$ 1.00;
- (G) Digital video disc (DVD)--\$ 3.00;
- (H) JAZ drive--actual cost;
- (I) Other electronic media--actual cost;
- (J) VHS video cassette--\$ 2.50;
- (K) Audio cassette--\$ 1.00;
- (L) Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper)--\$0.50;
- (M) Specialty paper (e.g.: Mylar, blueprint, blue-line, map, photographic)--actual cost.

(b) Labor charge for locating, compiling, manipulating data, and reproducing information.

(1) The charge for labor costs incurred in processing a request for information is \$15.00 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

(2) When confidential information is mixed with non-confidential information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the information. A labor charge shall not be made for redacting confidential information for requests of fifty (50) or fewer pages.

(3) If the charge for providing a copy of information includes costs of labor, the Requesting Party may require that the Association provide a written statement as to the amount of time that was required to produce and provide the copy, signed by an officer of the Association. A charge may not be imposed for providing the written statement to the requestor.

(c) Overhead charge.

(1) Whenever any labor charge is applicable to a request, the Association may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an

exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges.

(2) An overhead charge shall not be made for requests for copies of fifty (50) or fewer pages of standard paper records.

(3) The overhead charge shall be computed at twenty percent (20%) of the charge made to cover any labor costs associated with a particular request (example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, \$15.00 x .20 = \$ 3.00).

(d) Postal and shipping charges. The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the Requesting Party.

8. Payment. Upon receipt of a request to inspect and/or copy documents, the Association may require the Requesting Party to pay the estimated costs associated with production and copying in advance. If the estimated cost of compilation, production and reproduction is different from the actual cost, the Association shall submit a final invoice to the owner on or before the 30th business day after the Association has produced and/or delivered the requested information. If the actual cost is greater than the estimated amount, the owner must pay the difference to the Association within thirty (30) business days after the date the invoice is sent to the owner, or the Association will add such additional charges as an assessment against the owner's property in the Association. If the actual cost is less than the estimated amount, the Association shall issue a refund to the owner within thirty (30) business days after the date the invoice is sent to the owner.

9. Definitions. The definitions contained in the Declaration of Covenants, Restrictions and Conditions, The Villages of Valley Creek No. 1 and the Bylaws of Valley Creek No. 1 Homeowners Association are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Document Inspection and Copying Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on December 8, 2011, and has not been modified, rescinded or revoked.

DATE: 12-21-11


Secretary

VALLEY CREEK NO. 1 HOMEOWNERS ASSOCIATION

ALTERNATIVE PAYMENT PLAN POLICY

WHEREAS, pursuant to Section 209.0062 of the Texas Property Code, the Board of Directors of Valley Creek No. 1 Homeowners Association (the "Association") is required to adopt reasonable guidelines regarding an alternate payment schedule in which an owner may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with the procedures set forth by Chapter 209 of the Texas Residential Property Owners Protection Act, that the following guidelines and procedures are established for the establishment of an alternate payment schedule, and the same are to be known as the "Alternate Payment Plan Policy" of the Association (hereinafter the "Policy").

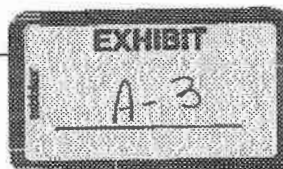
1. Purpose. The purpose of this Policy is to assist Owners in remedying delinquencies and remaining current on the payment of amounts owed to the Association by establishing orderly procedures by which Owners may make partial payments to the Association for amounts owed without accruing additional penalties.

2. Eligibility. To be eligible for a payment plan pursuant to the Association's alternate payment plan schedule, an Owner must meet the following criteria:

- a) The owner must currently be delinquent in the payment of regular assessments, special assessments, or any other amounts owed to the Association;
- b) The Owner must not have defaulted on a prior payment plan within the prior two year period; and
- c) The Owner must submit a signed payment plan as defined below, along with the Owner's initial payment to the address designated by the Association for correspondence.

3. Payment Plan Schedule/Guidelines. The Association hereby adopts the following alternate payment guidelines and makes the following payment plan schedule available to owners in order to make partial payments for delinquent amounts owed:

- a) Requirements of Payment Plan Request. Within 30 days of the date of the initial letter which informs the owner of the availability of a payment plan, an owner must submit a signed acceptance of the payment plan schedule described below to the Association's management company.
- b) Term. The Association has chosen to offer three different payment plan options for owners—a four (4) month plan, a nine (9) month plan, and for owners with a total amount owed of more than \$1,000.00, a twelve (12) month plan.



For the four (4) month plan, the Owner must make an initial payment of twenty-five percent (25%) of the total amount owed and remaining payments in equal monthly installments, and the administrative fee is \$25.00. For the nine (9) month plan, the Owner must make an initial payment of twenty-five percent (25%) of the total amount owed and remaining payments in equal monthly installments, and the administrative fee is \$45.00. For the twelve (12) month plan, the Owner must make an initial payment of twenty percent (20%) of the total amount owed and remaining payments in equal monthly installments, and the administrative fee is \$65.00. All administrative fees must be paid at the same time as the initial payment.

- c) Date of Partial Payments under Plan. The Owner must submit the first monthly installment payment under the plan contemporaneously with submission of the Owner's payment plan agreement which must be signed by the Owner. The Owner must make all additional monthly installments under the payment plan so that the payments are received by the Association no later than the first (1st) day of each month. The Owner may pay off, in full, the balance under the payment plan at any time. All payments must be received by the Association at the Association's designated mailing address or lock box for all payments. Payments may be made through auto draft bill payment, in check or certified funds, or by credit card (to the extent the Association is set up to receive payment by credit card).
- d) Correspondence. Any correspondence to the Association regarding the amount owed, the payment plan, or such similar correspondence must be sent to the address designated by the Association for correspondence. Such correspondence shall not be included with an Owner's payment.
- e) Amounts Coming Due During Plan. Owners are responsible for remaining current on all assessments and other charges coming due during the duration of the Owner's payment plan and must, therefore, timely submit payment to the Association for any amounts coming due during the duration of the Owner's payment plan.
- f) Additional Charges. An Owner's balance owed to the Association shall not accrue late fees or other monetary penalties (except interest) while such Owner is in compliance with a payment plan under the Association's alternate payment plan schedule. Owners in a payment plan are responsible for reasonable costs associated with administering the plan, and for interest on the unpaid balance, calculated at the highest rate allowed by the governing documents or by law. The costs of administering the plan and interest shall be included in calculating the total amount owed under the payment plan and will be included in the payment obligation. The costs of administering the payment plan may include a reasonable charge for preparation and creation of the plan, as well as a monthly monitoring fee of no less than \$5.00 per month.
- g) Other Payment Arrangements. At the discretion of the Board of Directors, and only for good cause demonstrated by an owner, the Association may accept payment arrangements offered by owners which are different from the above-cited guidelines, provided that the term of payments is no less than three (3) months nor larger than eighteen (18) months. The Association's acceptance of payment arrangements that are different from the approved payment plan

schedule/guidelines hereunder shall not be construed as a waiver of these guidelines nor authorize an owner to be granted a payment plan which differs from the one herein provided.

4. Default. If an Owner fails to timely submit payment in full of any installment payment (which installment payment must include the principal owed, the administration fees assessed to the plan and interest charges), or fails to timely pay any amount coming due during the duration of the plan, the Owner will be in default. If an Owner defaults under a payment plan, the Association may proceed with collection activity without further notice. If the Association elects to provide a notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. In addition, the Owner is hereby on notice that he/she will be responsible for any and all costs, including attorney's fees, of any additional collection action which the Association pursues.

5. Board Discretion. Any Owner who is not eligible for a payment plan under the Association's alternate payment plan schedule may submit a written request to the Board for the Association to grant the Owner an alternate payment plan. Any such request must be directed to the person or entity currently handling the collection of the Owner's debt (i.e. the Association's management company or the Association's attorney). The decision to grant or deny an alternate payment plan, and the terms and conditions for any such plan, will be at the sole discretion of the Association's Board of Directors.

6. Definitions. The definitions contained in the Declaration of Covenants, Restrictions and Conditions, The Villages of Valley Creek No. 1 and the Bylaws of Valley Creek No. 1 Homeowners Association are hereby incorporated herein by reference.

7. Severability and Legal Interpretation. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Policy shall be enforced as if such provision did not exist. Furthermore, the purpose of this policy is to satisfy the legal requirements of Section 209.0062 of the Texas Property Code. In the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law.

IT IS FURTHER RESOLVED that this Alternate Payment Plan Policy is effective on January 1, 2012, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on December 8th, 2011, and has not been modified, rescinded or revoked.

DATE: 12-21-11


Secretary

VALLEY CREEK NO. 1 HOMEOWNERS ASSOCIATION

EMAIL REGISTRATION POLICY

WHEREAS, pursuant to Section 209.0051(e) of the Texas Property Code, the Board of Directors of Valley Creek No. 1 Homeowners Association (the "Association") is permitted to send notice of Board meetings to the members via e-mail to each owner who has registered an e-mail address with the Association; and

WHEREAS, pursuant to Section 209.0051(f) of the Texas Property Code, it is an owner's duty to keep an updated e-mail address registered with the Association.

NOW, THEREFORE, IT IS RESOLVED, the following procedures and practices are established for the registration of e-mail addresses with the Association, and the same are to be known as the "Email Registration Policy" of the Association.

1. Purpose. The purpose of this Email Registration Policy is to ensure that each owner receives proper notice of regular and special Board meetings of the Association pursuant to Section 209.0051(e) of the Texas Property Code. This Email Registration Policy is also intended to provide the Association with a method to verify the identity of owners who cast electronic ballots in elections via e-mail.

2. Registration. Each owner is responsible to register his or her e-mail address with the Association if he/she desires to receive email notifications of meetings, and it is the owner's responsibility to keep his or her registered e-mail address up-to-date and accurate. An owner may register his or her e-mail address by submitting a request to register or change his or her e-mail address to the Association's property manager via e-mail, mail, or facsimile. Alternatively, the Association may allow an owner to register his or her e-mail address through a form on the Association's website, if any. Please allow seven (7) business days from submission of an e-mail address for the Association to update its records. Please note, correspondence to the Association and/or its property manager from an email address for any other purpose other than an express statement to register an email address is not sufficient to register such email address with the Association.

3. Failure to Register. In the event an owner fails to register an accurate e-mail address with the Association, the owner may not receive e-mail notification of regular and special Board meetings. Also, the Association may use an owner's registered e-mail address for purposes of verifying the owner's identity for electronic voting. If an owner fails to register an e-mail address with the Association or submits an electronic ballot from an e-mail address other than the e-mail address registered with the Association, such owner's electronic ballot may not be counted. The Association has no obligation to actively seek out a current e-mail address for each owner. In addition, the Association has no obligation to investigate or obtain an updated e-mail address for owners whose current registered e-mail address is returning an e-mail delivery failure message/ undeliverable message.

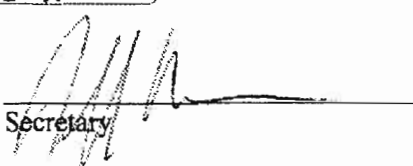


4. Definitions. The definitions contained in the Association's dedicatory instruments are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Email Registration Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on December 8th, 2011, and has not been modified, rescinded or revoked.

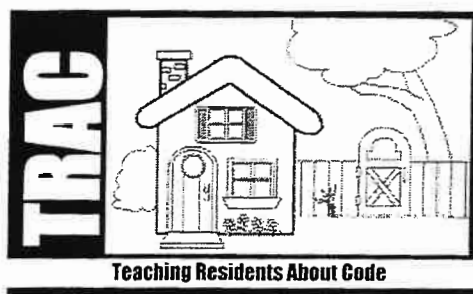
DATE: 12-21-11


Secretary

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Filed and Recorded
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
01/05/2012 04:11:11 PM
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T.R.A.C.

Teaching Residents About Code

972-485-6400

Code Compliance

Contents

Common Code Compliance Violations

Address Numbers
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Important Phone Numbers

Utilities, Inspections, Public Safety,
Neighborhood Vitality and others.

Note: These are samples of the Neighborhood Health and Sanitation code violations. For a complete listing of City of Garland Code of Ordinances, please go to www.garlandtx.gov and click on City Hall then Code of Ordinances.

Address Numbers

Each property must display address numbers that are at least 3 inches tall in the front and back of the building—whether on the building itself, on an adjacent fence, or on an appropriate detached sign. The address numbers must be installed and maintained so that they are visible and legible from streets, alleys, private drives, and fire lanes. Individual tenant suites should be numbered in the same manner. Street address numbers are not required in the back of a multi-unit structure if no access is provided for that unit by a street, alley, private drive, or fire lane.

Encroachments and Obstructions

When vehicles are parked so that they extend over the sidewalk, they can become a hazard for pedestrians and other vehicles. At no time should vehicles be parked so as to extend over the sidewalk or off of the property. When tree limbs and bushes are allowed to grow over the street, alley, or sidewalk, they too can become a hazard for pedestrians and vehicles. Tree limbs, basketball goals, and other items that block the street, alley, or sidewalk should be removed. Limbs should be trimmed so that there is 14 feet of clearance from the ground (street) to the lowest limb. This clearance standard should be applied not only within your property limits but to the center of the street or alley. This is important because many of the city's fire trucks, service vehicles, and school buses require a clearance of up to 14 feet. It is just as important that sidewalks be free of bushes, vehicles, basketball goals, skateboard ramps, and other objects that interfere with pedestrian traffic. The city's ordinance specifies that the sidewalk should be free of obstructions to a height of 8 feet.

Fences

It is your responsibility as a resident or property owner in Garland to keep your fence in good repair. The fence should not contain broken or missing slats, lean more than 10 degrees vertically, or contain badly deteriorated material. Fences must not be constructed of prohibited materials, which include barbed wire, razor wire, and welded or woven wire, such as chicken wire, hog wire, stockade panels, and similar agricultural wires. Galvanized sheet metal, corrugated fiberglass, and materials not approved for exterior exposure are also prohibited. Electric fences must meet the requirements of the Building Inspection Department. If it is not financially possible for you to repair or replace a fence that is in violation, it may be removed, provided there is no pool in the yard.

Swimming pool fences: The following requirements must be met whether the pool in the yard is in-ground or above-ground:

- The fence must be at least 4 feet tall.
- The slats cannot be further than 4 inches apart.
- All gates must be self-closing and self-latching.
- The latch must be located in the top third of the gate.

A permit from the Building Inspection Department is required to build a fence. That department can be reached at 972-205-2300.

Garage Sales

A permit is required for all garage sales and yard sales. There is no fee for this permit. Sales may last only three consecutive days, and only three garage sales or yard sales are allowed each year. Directions for sign placement will be given at the time the permit is issued.

Graffiti

The City of Garland's ordinance is intended not to punish property owners but to work with them to cooperatively wipe out graffiti. If your property is marked with graffiti, you can remove it yourself or call the Code Compliance Department at 972-485-6400 and report the location so that a city contractor can remove the graffiti at no cost to you. Written permission to remove the graffiti is the only requirement.

Grass and Vegetation

As a resident or property owner in Garland, it is your responsibility to keep the lawn on your property maintained. Maintaining the alley or utility easement to the midpoint and the entire parkway (the area from the curb to the sidewalk) is also your responsibility. Violations occur when the grass and/or weeds reach over 12 inches. When they are allowed to grow taller than 12 inches, grass and weeds harbor insects, rodents, and snakes. During extended dry weather, high grass presents a fire hazard as well. In addition, property owners and residents must not allow unmanaged landscape and/or vegetation on any developed property. All brush, shrubs, and trees must be cut back so as not to block the sidewalk, the approach to the house, or the driveway and so as not to cover any windows.

Home Businesses

Several rules apply to businesses that are conducted from the home:

- The business can be operated only by a person living in the home.
- Signs cannot be placed on the property advertising the business.
- Nothing can be sold from the home. (No money can be exchanged.)
- No equipment can be present that would not normally be found at a residence.
- The business cannot create noise, odor, increased traffic, light, or smoke.
- No materials can be stored outside.
- All business must be conducted indoors.

If you are not sure whether your business will be in violation of the ordinance, please call 972-485-6400.

Improper Storage

For the health and safety of your neighborhood, your yard must be kept neat and clean. Items that can deteriorate when left outside should not be kept outside. These include indoor furniture, appliances, boxes, car parts, and paper products. Bags of trash should be placed in your green trash container and not beside it. Lumber should be neatly stacked on a rack at least 6 inches off the ground to avoid becoming harborage to insects and rodents.

Junk Vehicles

Allowing a junk vehicle to remain on your property is dangerous to the public. Such vehicles tend to reduce property values and invite vandalism. They are also a nuisance and present a health hazard to minors.

A vehicle is considered a junk vehicle if it does not have a current license plate and a current state inspection sticker (BOTH MUST BE CURRENT). If one or both are expired AND the vehicle is either wrecked, dismantled, and discarded, it

is considered a junk vehicle. If it not wrecked, but has an expired registration or an expired inspection AND has remained inoperable for more than 48 hours if parked on public property or more than 30 consecutive days if parked on private property, it is then also considered a junk vehicle. These stipulations apply even if the vehicle is covered with a tarp or car cover, unless the vehicle is deemed a special interest or antique vehicle. Your options are to remove the vehicle from public view or to ensure that it is licensed, inspected, and operable.

Lawn Waste

Yard waste cannot be dumped in a street, alley, or storm sewer system. In addition, residents should not allow others to dump waste in these areas.

Overcrowding

Every dwelling unit shall have at least 150 square feet of habitable floor area for the first occupant and 100 square feet of habitable floor area for each additional occupant. Except for kitchens, habitable rooms shall have an area of not less than 70 square feet. Where more than two persons occupy a room used for sleeping purposes the required floor area of 70 square feet shall be increased at the rate of fifty square feet for each occupant in excess of two. A dwelling should not be occupied by more than three individuals who are not related by blood, marriage, or adoption to the owner of the property, or if a rental property, to the first signatory on the lease.

Oversized Vehicles

Oversized vehicles are restricted in residential areas. Examples of oversized vehicles are a truck tractor, road tractor, semi-trailer, tow truck, passenger motor vehicle designed to carry more than 16 persons (including the driver), or any other modified vehicle with a manufacturer's rating of 9,000 pounds gross vehicle weight or higher. The oversized vehicle is allowed in a residential area only if it is actively being used in the loading or delivery of passengers or goods. Recreational vehicles (motor homes, travel trailers, boats, and utility trailers less than 18 feet in length) must be parked on private property and not on the street.

Parking on Unimproved Surfaces

City ordinance sets strict rules on allowable parking surfaces in front, side, and back yards in residential areas. In general, the city's rules are as follows:

- It is illegal to park any kind of vehicle (car, truck, boat, motorcycle, utility trailer, or recreational vehicle) on the grass or dirt.
- In a front yard, parking surfaces must either be concrete (5 inches thick) or interlocking concrete paving tiles on an approved sub-base.
- In a side or back yard, citizens may construct parking areas made of concrete, asphalt, or gravel (white rock or pea gravel 6 inches deep) held in place by an approved border such as treated lumber.

Due to the highly specific requirements, all residents and owners planning to construct a parking surface should contact the Building Inspection Department and obtain a permit before construction.

Pet Registration

"No owner shall possess, keep or maintain within the city any dog or cat over four (4) months of age unless such dog or cat is currently registered with Animal Services." A current metal registration tag, issued by Animal Services or a veterinarian authorized by Animal Services to issue the tag must be affixed to a collar or harness that must be worn by the dog or cat at all times. Contact Animal Services for more information at (972) 205-3570.

Poison Ivy

There should be no active poison ivy within 50 feet of a residence.

Refrigerators

Storing or keeping refrigerators or freezers outside is dangerous and unsightly. They are a nuisance to small children, who may become trapped inside. If a refrigerator or freezer is being placed at the curbside for pick up, you must ensure that the doors are secured and cannot be opened or have been removed.

Rental Property Registration

Every property owner who rents or leases to another person must register the home with the City of Garland. The owner/manager must submit an application for each single-family rental home to the Code Compliance Department. Rental properties are inspected at each change in occupancy or if a complaint is filed with the Code Compliance Department.

Signs

The City of Garland prohibits the placement of signs or flyers on public property, including telephone poles, utility poles, traffic signal poles, rights-of-way, medians, trees, and public fences and buildings. In addition, garage sale signs that are on private property must be removed at the end of the sale. No sign should block the view of vehicles or pedestrians. If you are not sure if a sign complies with city ordinances, please call 972-485-6400.

Trash and Refuse

Trash that is left outdoors is an eyesore and a health hazard. The City of Garland prohibits loose trash and refuse at a residence. Trash that will fit should be placed in the green trash container. When not placed at the curb for service, green containers must be placed in a manner as to be behind the front door of the front of the home. Waste that is too large for the green container—such as large boxes, furniture, appliances, or bags of leaves and grass—should be placed at the front curb no earlier than 6:00 pm the day before scheduled pickup. The exception is yard waste, such as tree limbs, which may be placed at the front curb any day of the week. For a list of items eligible for pickup, please contact the Environmental Waste Services Department at 972-205-3500.

Animal Services 972-205-3570
Animal Control, Pet Adoption

Bldg. Inspections 972-205-2300
Construction permits (new & add-ons, pools, fences, garage conversions, etc.), storage shed permits

Code Compliance 972-485-6400
High grass, garage sale permits, overcrowded housing, graffiti removal, parking on unimproved surfaces, junk vehicles

City Secretary	972-205-2404
Meeting agendas/minutes/solicitor permits	
City Tax Office	972-205-2410
Employment Opportunities	972-205-2475
Engineering	972-205-2170
Alley paving, sidewalk repair/replacement, right-of-way mgmt.	
Environmental Services	
Trash can/recycling bin replacement, trash/recycling/bulky waste	
Pickup.....	972-205-3500
Storm water run-off.....	972-205-2180
Hazardous Waste.....	972-205-3460
Firewheel Golf	972-205-2795
Garland Municipal Courts	972-205-2330
Granville Arts Centers	
Theater/Banquet Hall	
Rental	972-205-2780
Box Office	972-205-2790
Health Department	972-205-3460
Mosquito control, food safety	
Public Health Immunizations	972-205-3370
Libraries	972-205-2500
Mayor's Office	972-205-2400
Neighborhood Services	972-205-3310
Homebuyer/Home repair assistance programs	
Neighborhood Vitality	972-205-3864
Neighborhood organization, grant information, block parties, GNMA	
Parks & Recreation	972-205-2750
Carver Sr. Center.....	972-205-3305
Downtown Sr. Center	972-205-2769
Planning Department	972-205-2445
Comprehensive & Neighborhood planning, zoning, development	
Public Safety	
Police non-emergency	972-485-4840
Solicitor Permits.....	972-205-1658
Crimestoppers.....	972-272-TIPS
Fire non-emergency.....	972-781-7100
Fire Marshal's office	972-781-7148
Transportation	
Traffic issues	972-205-2430
Traffic signal malfunction	972-205-3250
Utility Services Customer Service	972-205-2671
Establish utility service, billing, pay by phone, credit, disconnects/reconnects	
Emergency Power Outage	972-205-3000
Streetlight Repair	972-205-3483
Line Location	1-800-344-8377
Water Department	972-205-3210
Emergency Numbers – of other utility outages	
Atmos Gas 1-866-322-8667 TXU	1-800-233-2133

GARLAND

CODE COMPLIANCE

"Helping Garland Citizens Maintain and Improve the Neighborhoods They Call Home."

972-485-6400 - codencf@ci.garland.tx.us

Did you know?

Common Code Violations



Oversized Vehicles

Oversized vehicles are prohibited in residential areas. Examples of oversized vehicles are any vehicle exceeding 9000 gross vehicle weight, a truck tractor, road tractor, semi-trailer, any trailer greater than 18 feet in length, tow truck and passenger motor vehicles designed to carry more than 16 persons (including the driver). Oversized vehicles parked on public property can be **towed** without notice.



Parking on Unimproved Surfaces

It is illegal to park any kind of vehicle (car, truck, boat, motorcycle, utility trailer, or recreational vehicle) on the grass or dirt in a residential area. This applies to the front, back and side yards of a house, as well as vacant lots.



Junk Vehicles

A vehicle on private property is considered a junk vehicle by City ordinance if the vehicle has an expired registration or inspection and is wrecked, dismantled, on flat tires or not moved within the last 30 days. Vehicles parked on the street must have current registration and inspection stickers and must move every 48 hours.



Vehicle Encroachment

When vehicles are parked so that they extend over the sidewalk, they can become a hazard for pedestrians and other vehicles. At no time should vehicles be parked so as to extend over the sidewalk or off of the property.



Limb Encroachment

When tree limbs and bushes are allowed to grow over the street, alley, or sidewalk, they too can become a hazard for pedestrians and vehicles. This is important because many of the city's fire trucks, service vehicles, and school buses are very large and require a clearance of 14 feet over the street and alley. Sidewalks must have a clearance of 8 feet.



High Grass

As a resident or property owner in Garland, it is your responsibility to keep the lawn on your property maintained. Maintaining the alley or utility easement to the midpoint and the entire parkway (the area from the curb to the sidewalk) is also your responsibility. Violations occur when the grass and/or weeds reach over 12 inches in height.