

**CONSOLIDATED DECLARATION OF COVENANTS AND
RESTRICTIONS HIGHLAND OF PLANO PRESTON RIDGE**

All PHASES 1,2,4,5, and 6

CONSOLIDATED
DECLARATION OF COVENANTS AND RESTRICTIONS
HIGHLANDS OF PLANO PRESTON RIDGE

[CONSOLIDATES ALL DECLARATIONS FOR PHASES 1, 2, 4, 5 and 6]

STATE OF TEXAS

COUNTY OF COLLIN

This CONSOLIDATED DECLARATION OF COVENANTS AND RESTRICTIONS FOR HIGHLANDS OF PLANO PRESTON RIDGE is made by the Association as hereinafter defined.

WITNESSETH:

WHEREAS, on February 1, 1993, Developer filed that certain Declaration of Covenants and Restrictions for Highlands of Preston Ridge Phase I & II, which is recorded as Instrument No. 93-0007537 in the Official Public Records of Collin County, Texas (the "Phase I & II Restrictions");

WHEREAS, on February 8, 1994, Developer filed that certain Declaration of Covenants and Restrictions for Highlands of Preston Ridge Phase V, which is recorded as Instrument No. 94-0013110 of the Official Public Records of Collin County, Texas (the "Phase V Restrictions");

WHEREAS, on September 9, 1994, Developer filed that certain Declaration of Covenants and Restrictions for Highlands of Preston Ridge Phase IV, which is recorded as Instrument No. 94-0074557 of the Official Public Records of Collin County, Texas (the "Phase IV Restrictions");

WHEREAS, on June 12, 1996, Developer filed that certain Declaration of Covenants and Restrictions for Highlands of Preston Ridge Phase VI, which is recorded as Instrument No. 96-0048913 of the Official Public Records of Collin County, Texas (the "Phase VI Restrictions");

WHEREAS, the Phase I & II Restrictions, the Phase V Restrictions, the Phase IV Restrictions and the Phase VI Restrictions are hereinafter referred to, collectively, as the "Covenants," and whenever the term 'Covenants' is used throughout this Consolidated Declaration of Covenants and Restrictions for Highlands of Plano Preston Ridge, it is intended to mean and include the terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, limitations, liens and obligations applicable to a particular phase of Highlands of Preston Ridge which are set forth herein verbatim and constitutes a restatement of the original filing; and

WHEREAS, Developer established the Land as a residential subdivision consisting of Lots which are individually owned in fee simple;

WHEREAS, Developer established certain covenants, easements and restrictions within the Covenants for the mutual benefit and protection of the Owners;

WHEREAS, Developer, by filing the Covenants, published and declared that the following terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, limitations, liens and obligations were to run with the Land, and shall be a burden and benefit to the Developer, the Owners and their respective heirs, legal representatives, successors and assigns;

WHEREAS, this Consolidated Declaration of Covenants and Restrictions for Highlands of Plano Preston Ridge does not constitute an amendment to the Covenants but simply restates and consolidates the terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, limitations, liens and obligations contained in the Covenants as defined above, and was prepared for the benefit of the Owners of Lots within the Land and for ease of reference; and

NOW, THEREFORE, the terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, limitations, liens and obligations contained in the Phase I & II Restrictions, the Phase V Restrictions, the Phase IV Restrictions and the Phase VI Restrictions are hereby declared to be in full force and effect from the date each such instrument was filed of record in the Official Public Records of Collin County, Texas with respect to the phase of Highlands of Preston Ridge affected thereby.

ARTICLE I

DEFINITIONS

SECTION 1.01 As used in these Covenants, the following terms shall have the meaning set forth below:

(a) "Addition" shall mean HIGHLANDS OF PRESTON RIDGE - an Addition to the City of Plano, Collin County, Texas according to the Plats thereof recorded in

PHASE I & II, Cabinet H, Slide 459 and Cabinet H, Slide 603

PHASE IV Recorded in Cabinet I, slide 312

PHASE V Recorded in Cabinet I, slide 136

PHASE VI Recorded in Cabinet J, slide 251 and 252

of the Plat Records of Collin County, Texas as the same may be amended from time to time.

(b) "Association" shall mean HIGHLANDS OF PRESTON RIDGE HOMEOWNERS' ASSOCIATION, INC., a Texas non-profit corporation, created for the purposes and possessing the rights, powers and authority set forth herein and in the Charter.

(c) "Board of Directors" shall mean the Board of Directors of the Association named in the Charter and their successors as duly elected and qualified from time to time.

(d) "Buildings" shall mean any vertical structure located on the Land.

(e) "Bylaws" shall mean the Bylaws of the Association initially adopted by the Board of Directors, as duly amended from time to time.

(f) "Charter" shall mean the Articles of Incorporation of the Association filed with the Secretary of State of Texas as duly amended from time to time.

(g) "City" shall mean the City of Plano, Texas or its assignees.

(h) "Common Area" means all the Property designated as a Common Area on the Plat.

(i) "Common Expenses" shall mean all costs and expenses payable by the Association pursuant to the provisions of these Covenants, the Bylaws or a resolution duly adopted by the Board of Directors or the Owners.

(j) "Covenants" shall mean the covenants, conditions, easements, charges, servitudes, liens, reservations and assessments set forth herein.

(k) "Deed shall mean a deed or other instrument conveying the fee simple title to a Lot.

(l) "Developer" shall mean PARKER ROAD LIMITED PARTNERSHIP, a Limited Partnership, and any party to whom it shall expressly assign in writing its rights, powers privileges or prerogatives hereunder.

(m) "First Lien Indebtedness" shall mean any indebtedness secured by a first and prior lien or encumbrance upon a Lot.

(n) "First Mortgagee" shall mean any bank, insurance company, savings and loan association, mortgage company, agency or instrumentality of the United States Government or other institutional holder of First Lien Indebtedness.

(o) "Land" shall mean that certain tract of land located in Collin County, Texas, and more particularly described in Exhibit "A" attached hereto and made a part hereof, together with all and singular the rights and appurtenances pertaining thereto.

(p) "Lot" or lots shall mean, individually or collectively:

those Certain Lots designated as Lots 1 through 5, inclusive, of Block A, those Certain Lots designated as Lots 1 through 10, inclusive, of Block B; those Certain Lots designated as Lots 1 through 15, inclusive, of Block C; those Certain Lots designated as Lots 1 through 16, inclusive, of Block D; those Certain Lots designated as Lots 1 through 27, inclusive, of Block E; those Certain Lots designated as Lots 1 through 20, inclusive, of Block J; those Certain Lots designated as Lots 1 through 23, inclusive, of Block K; those Certain Lots designated as Lots 1 through 22, inclusive, of Block L; all of HIGHLANDS OF PRESTON RIDGE - PHASE I, and II, an addition to the City of Plano, Texas according to the Plats thereof recorded in Cabinet H, Slide 459 and Cabinet H, Slide 532 & 533 of the Plat Records of Collin County, Texas.

those Certain Lots designated as Lots 1 through 7, inclusive, of Block A those Certain Lots designated as Lots 1 through 7, inclusive, of Block B; those Certain Lots designated as Lots 1 through 24, inclusive, of Block C; those Certain Lots designated as Lots 1 through 24, inclusive, of Block D; those Certain Lots designated as Lots 1 through 12, inclusive, of Block E; those Certain Lots designated as Lots 1 through 11, inclusive, of Block F; all of HIGHLANDS OF PRESTON RIDGE - PHASE IV, an addition to the City of Plano, Texas according to the Plats thereof recorded in Cabinet I, Slide 312 of the Plat Records of Collin County, Texas.

those Certain Lots designated as Lots 1 through 11, inclusive, of Block A those Certain Lots designated as Lots 1 through 10, inclusive, of Block B; all of HIGHLANDS OF PRESTON RIDGE - PHASE V, an addition to the City of Plano, Texas according to the Plats thereof recorded in Cabinet I, Slide 136 of the Plat Records of Collin County, Texas.

those Certain Lots designated as Lots 1 through 26, inclusive, of Block A those Certain Lots designated as Lots 1 through 14, inclusive, of Block B; those Certain Lots designated as Lots 1 through 8, inclusive, of Block C; all of HIGHLANDS OF PRESTON RIDGE - PHASE VI, an addition to the City of Plano, Texas according to the Plats thereof recorded in Cabinet J, Slide 251 & 252 of the Plat Records of Collin County, Texas.

(q) "Owner" shall mean and refer to the person or persons, entity or entities, who own of record free simple title to a Lot. The term "Owner" to exclude any person or persons, entity or entities, having an interest in a Lot merely as security for the performance of an obligation and the term "Owner" to include Developer if Developer is a record Owner of fee simple title to a Lot.

(r) "Plat" shall mean that certain Plat depicting the Addition, as recorded in:

PHASE I and II, Cabinet H, Slide 459 and Cabinet H, Slide 532 & 533
PHASE IV, Cabinet I, Slide 312
PHASE V, Cabinet I, Slide 136
PHASE VI, Cabinet J, Slide 251 and 252

of the Plat Records of Collin County, Texas.

(s) "Property" means the real Property described above.

(t) "Residence" shall mean that portion of a Building which is located wholly on a Lot and which is designed as a single-family dwelling unit.

ARTICLE II

GENERAL PROVISIONS

Section 2.01 As of the date the Covenants are filed of record in the Deed Records of Collin County, Texas, the Land shall be subject to the Covenants and said Covenants shall run with, be for the benefit of, and bind and burden the Land.

Section 2.02 As of the date the Covenants are filed of record in the Deed Records of Collin County, Texas, the Covenants shall be binding upon and for the benefit of each Owner and his heirs, executors, administrations, trustees, personal representatives, successors and assigns, whether or not so provided or otherwise mentioned in the Deed.

ARTICLE III

USE RESTRICTIONS

Section 3.01 All Lots within the Land are hereby restricted as follows:

(a) All Lots shall be used for single-family residential purposes only. No Building or structure shall be erected, altered, placed or permitted to remain on any Lot other than a single-family dwelling and, if any, its customary and usual accessory structures (unless prohibited herein). No building or structure intended for or adapted to business purposes shall be erected, placed, permitted or maintained on such premises, or any part thereof, save and except those related to development, construction and sales purposes of Developer and/or any home builder. This covenant shall be construed as prohibiting the engaging in or practice of any commerce, industry, business, trade or profession on any Lot. The restrictions on use therein contained shall be cumulative of, and in addition to, such restrictions on usage as may from time to time be applicable under and pursuant to the statutes, rules, regulations and ordinances of the City of Plano, Texas or any other governmental authority having jurisdiction over, any Lot.

(b) No Residence constructed, on the Land shall contain less than 2,000 square feet of fully enclosed floor area devoted to living purposes measured from exterior wall to exterior wall. In case of a Residence with one and one-half stories or two stories in height, not less than 1,500 square feet of fully enclosed floor area will be allowed on the ground floor of the Residence (measured from exterior wall to exterior wall). Such living area shall be calculated exclusive of any areas contained in garages, porches, breezeways, servant quarters, outbuildings, terraces, etc.

(c) No exterior television, radio or other antenna of any type shall be placed, allowed or maintained upon any Lot or Building without prior written approval and authorization of the Architectural Control Committee, as hereinafter defined. An owner may install a satellite dish only if: (1) the dish is visually screened so that it cannot be seen from an adjacent Lot or street and (2) the Architectural Control Committee gives prior written approval and authorization for the installation of such satellite dish and the screening thereof.

(d) No exterior storage of any items of any kind such as storage buildings, greenhouses and workshops shall be permitted except with prior written approval and authorization of the Architectural Control Committee. Any such storage as is approved and authorized shall be in areas attractively screened or, concealed (subject to all required approvals as to architectural control) from view from neighboring property, pathways and streets. This provision shall apply without limitation, to wood piles, camping trailers, boat trailers, travel trailers boats, mobile homes and unmounted pickup camper units. None of the foregoing vehicles shall at any time be used as a residence or office on any Lot, temporarily or permanently. Also without limitation, no automobile, truck or other vehicle, regardless of ownership, age, condition or appearance shall remain on any Lot in any manner which could be construed as "being stored, neglected, abandoned or otherwise not in frequent use except pursuant to, written approval and authorization of the Architectural Control Committee.

(e) No garbage, or trash will be placed about the exterior of any Building, except in receptacles meeting the specifications of the City of Plano, Texas, and the Architectural Control Committee; and the placement, maintenance and appearance of all such receptacles shall be subject to reasonable rules and regulations Of the Architectural Control Committee. All rubbish, trash and garbage shall be regularly removed from each Lot and shall not be allowed to accumulate thereon. Grass, weeds and vegetation on each Lot must be kept mowed at regular intervals so as to maintain the Property in a neat and attractive manner upon failure to maintain any Lot, the Developer or the Architectural Control Committee may, at its option, have the grass, weeds and vegetation cut as often as reasonably necessary in its judgment, and the Owner of such Property shall be obligated, when presented with an itemized statement, to reimburse said Developer or Committee for the cost of such work. This provision, however, shall in no manner be construed to create a lien in favor of any party on any piece of Property for the cost or charge of such work or the reimbursement for such work.

(f) No radio, stereo, broadcast or loud speaker units and no amplifiers of any kind shall be placed upon or outside, or be directed to the Outside of any Building without the prior written approval and authorization of the Architectural Control Committee.

(g) No outside lighting (other than porch lighting, patio lighting and indirect lighting) shall be placed, allowed or maintained on any Lot without prior written approval and authorization of the Architectural Control Committee and no flag poles shall be permitted on any Residence.

(h) No animals, reptiles, fish or birds of any kind shall be raised, bred or kept on any Lot except pursuant to prior written approval of the Architectural Control Committee, provided, however, that dogs, cats, birds or fish may be kept therein as household pets so long as, in the discretion of the Architectural Control Committee, such pet is not, or does not become, a nuisance, threat, or otherwise objectionable to other Owners.

(i) No Lot shall be further subdivided and no portion less than all of any such Lot, or any easement or any other interest therein, shall be conveyed by any Owner.

(j) No Owner shall permit anything or condition to exist upon any Lot which shall, induce, breed or harbor plant disease or noxious insects.

(k) No machinery, fixtures or equipment of any type, including heating, air conditioning, refrigeration equipment and clotheslines, shall be placed on any lot, except with the prior written approval and authorization of the Architectural Control Committee and then only in areas attractively screened or concealed.

(l) No Open fires or burning shall be permitted on any Lot at any time and no incinerators or like equipment shall be placed, allowed or maintained upon any Lot. The foregoing shall not be deemed to preclude the use, in customary fashion, of outdoor residential barbecues or grills.

(m) Except with respect to signs and advertisements placed and maintained by the Developer prior to the conveyance by it of all of the Lots, no exterior signs or advertisements of any type may be placed; allowed or maintained on any Lot without prior written approval and authorization of the Architectural Control Committee, except a signified "for sale" sign (of not more than six (6) square feet in size) may be utilized by the Owner of the respective Lot for any proposed sale thereof. Model Home signs and all other signs to be placed upon any Lot must first be submitted to and approved by the Architectural Control Committee prior to being displayed on any Lot.

(n) All mail boxes shall be of masonry construction of like kind to the main building structure and shall be located in conformance with rules set by local postal authority. Any other mail receptacle design shall require approval by the Architectural Control Committee.

(o) No oil exploration, drilling, development or refining operation and no quarrying or mining operations of any kind, including oil wells, service tanks, tunnels, or mineral excavations or shafts shall be permitted upon or under any Lot and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any Lot.

(p) No vehicle of any size which transports inflammatory or explosive cargo may be allowed in the Addition at any time.

(q) No Lot shall be maintained or utilized in such a manner as {in the discretionary judgment of the Architectural Control Committee to present an unsightly appearance (including but not limited to clothes drying within public view), or as to unreasonably offend the morale of or as to constitute a nuisance or unreasonable annoyance to, or as to endanger the health of, other Owner or residents of the Land; and no noxious or otherwise offensive condition or activity shall be allowed to exist or be conducted thereon.

(r) No Lot shall be maintained or utilized in such manner as to violate any applicable statute, ordinance, or regulation of the United States of America, the State of

Texas, the County of Collin, the City of Plano; or any other governmental agency or subdivision having jurisdiction in the premises.

(s) No Lot shall be maintained or utilized in violation of the Covenants.

(t) Trucks having a carrying capability in excess of 3/4 ton and any vehicles with printed advertisements shall not be permitted to park overnight on the streets, driveways or otherwise within the Addition at any time, except those utilized by a builder during the construction of the Residences.

(u) No Building shall be permitted to fall into disrepair and any such Building shall at all times be kept in good condition and repair adequately painted or otherwise finished.

(v) All utility lines from each Residence to the common utility lines (i.e., water, gas, sewer, power, etc., utility lines which carry any utility to or sewage from such Residence) shall be maintained by the Owner of such Residence at his own cost and expense.

(w) The Owners of any Lot shall have the right to lease or rent all, but not less than all, of such Lot with the Residence and appurtenances thereon. Any such lease or tenancy is and shall be subject to all of the provisions of this Declaration.

(x) No individual water supply system shall be permitted on any Lot unless such system is designated, located and constructed in accordance with the requirements, standards and recommendations of state, city or local public health authorities and the approval of such system, as installed, shall be obtained from such governmental authorities.

(y) Retaining Walls may be employed only to achieve even grades for pools, driveways or house foundations. Retaining walls in front of the front building line or behind the front building line and not screened by approved fencing material, as well as all side yard retaining walls on corner Lots, must be constructed of brick or masonry consistent with the overall appearance of the Residence. Cross ties may only be used in back or side of the Residence and must not be visible from the street. In the event that the owners of adjacent Lots or Residences disagree on the necessity of the construction of a retaining wall the Architectural Control Committee shall be the final arbitrator for such issue.

(z) No dwelling shall be constructed or permitted to exist on any Lot unless at least seventy-five (75%) of the exterior is stone or other masonry materials approved in writing by the Architectural Control Committee. The exterior walls of any improvement or structure placed or erected on any Lot or tract shall likewise conform to the City of Plano Building Code. Only the upper floor of one and one-half (1.5) story and two (2) story residences may be of frame or siding exterior. Servant quarters, carports, garages or other outbuildings which may be detached from main dwellings are specifically required to conform with this construction requirement. Written approval of the Architectural Control Committee must be obtained for any roofing material except for the following: 240 1b. "Prestique II" or approved equal, variegated pitch, "weathered wood" color. All roofs shall be constructed at a minimum pitch of 8/12 unless otherwise approved by the Architectural Control Committee.

All chimneys and fireplaces on front or side exterior walls shall have a brick or other masonry material finish except as specifically approved by the Architectural Control Committee. The side of chimney which faces the roof, which is not visible from the street, need not have masonry. Variances need to be approved by Architectural Control Committee.

There shall not be erected on any Lot a Residence whose quality of structure and finish does not meet minimum property standards established by the Building Code of the City of Plano, nor shall any alteration or addition to any Residence be made which does not meet the same minimum property standards.

(aa) No garage within this Property shall be permitted to open directly to an abutting public street. All garages must be side entry or rear entry only. The side entry garage must be at a 90 degree angle to the street or side Lot line. Written approval of the Architectural Control Committee must be obtained for any variation to this garage entrance location requirement but in no case may the entrance open to the front of the main dwelling, Building. Garages shall provide space for a minimum of two conventional automobiles. Porte-cochere must also have approval of the Architectural Control Committee.

(bb) No Building on any Lot shall be higher than 2 stories in height.

(cc) No fence or wall shall be permitted to extend nearer to any street than the minimum set-back line of any Residence. No fence shall exceed eight (8) feet in height. All fences shall be constructed of wood or masonry or a combination of same. No fence may be made of chain link material.

PHASE 1 and 2- The Builder of Lots 1 & 10 in Block B, and Lots 1 & 15 in Block C, shall build an 8' high fence with columns on the east side of, Browning Drive that are 16" X 16" and 10' apart of material similar to masonry used on the house built on the specific Lots. It will be the responsibility of this Lot Owner to maintain this fencing as part of their Property.

No fence may be built on the west side of Lot 1, Block A in Phase I, that extends south of the masonry wall put there by the Developer.

PHASE 5- The Builder of Lot 1 in Block B, shall build an 8' high fence with columns on the west side of Browning Drive that at 16" x 16" and 10' apart of material similar to masonry used on the house built on the specific lots. It will be the responsibility of this Lot Owner to maintain this fencing as part of their Property.

PHASE 6- The Builder of Lots 1 & 21 in Block A, Lots 1 & 14 in Block B shall build an 8' high fence with columns along the east side of Preston Meadow Drive, and Lot 1, Block C shall build an 8" high fence with columns along the south side of Briar Hollow Drive that are 16" x 16" and 10' apart of material similar to masonry used on the house built on the specific lots. It will be the responsibility of this Lot Owner to maintain this fencing as part of their Property.

(dd) Each owner of a Lot shall share in maintenance of entries, walls, fences and landscaping that are placed surrounding the Addition in the locations shown on the Plat through an assessment from the Association.

(ee) The main Building shall not be located on any Property nearer to the Property line than the building line indicated on the recorded Plat unless otherwise approved by the city of Plano. The main Building on all Properties shall be erected no nearer a side property line than 10% of the width of the Lot measured at that point or six (6) feet, whichever is less. On corner Lots the main Building shall be constructed to conform to the building lines as indicated on the record plat, except as may be otherwise specifically approved by the City of Plano. Detached garages, servant quarters' and outbuildings not attached to the main Building shall be erected in accordance with the setback requirements for the main Building, except as may be otherwise specifically approved by the City Of Plano. For the purpose of these Restrictive Covenants, eaves and steps shall not be

construed to permit any portion of a Building to encroach upon another property. Easements for drainage facilities and easements for the installation and maintenance of utilities are reserved as shown on the recorded Plat Easements are reserved for the benefit of General Telephone Company, Texas Utilities Company, Lone Star Gas company, and their respective successors in their installation, operation, maintenance and ownership of service lines from the Property lines to the Residence in the Addition. Neither the Developer nor any utility company, nor the City of Plano, Texas, using such easements shall be liable for any damages done to shrubbery, trees, flowers, swimming pools or any other Property and/or improvements of the Owner which are located within the area covered by said easements.

(ff) All front yards must be landscaped and have a grass or other similar groundcover within sixty (60) days of the completion of the dwelling unit.

(gg) The location and design of any proposed' swimming pool, including fencing, pumps, backwash, and any other related paraphernalia must be approved in writing by the Architectural Control Committee.

ARTICLE IV

ASSOCIATION, ORGANIZATION AND MANAGEMENT

Section 4.01 The Board of Directors of the Association shall consist of not less than three (3) nor more than nine (9) members, the exact number to be fixed in accordance with the provisions of the Bylaws.

Section 4.02 The Association shall have two classes of voting memberships

(a) Class A Class A members shall be all Owners with the exception of the Developer. Class A member shall be entitled to one (1) vote for each Lot which they own. When more than one person holds record title to a Lot, all such persons shall be members of the Association, however, the vote for such Lot shall be exercised as they, among themselves determine, but in no event shall more than one vote be cast; with respect: to any such Lot.

(b) Class B The Class B member shall be the Developer. The Class B member shall have a total number of votes equal to one (1) more than the total number of votes of the Class A members combined, provided, however, at the time that the total number of Lots owned by the Class A members first equals or exceeds three (3) times the total number of Lots owned by the Class B member, the Class B member shall at all times thereafter be entitled to only one (1) vote for every Lot owned by it.

Section 4.03 Each Owner of a Lot shall be a member of the Association, and such membership shall continue so long as such person or entity continues to be an Owner. The membership of an Owner in the Association shall be appurtenant to and may not be separated from record ownership of any Lot, and the transfer of any membership in the Association which is not made as a part of a transfer of a Lot shall be null and void. Ownership of a lot shall be the sole qualification of being a member of the Association. Each Owner shall comply with all rules and regulations as established by the Association from time to time.

Section 4.04 The Association shall have the duty to maintain all common areas on the land and shall have the right, power and authority to do any act which is consistent with or required by the provisions of these Covenants or the Bylaws, whether the same be expressed or implied, including but not limited to the following:

(a) The power to levy and collect Assessments (of whatever nature) for the maintenance, repair or replacement of the Common areas existing on the Land and for such other purposes as are herein provided for:

(b) The power to keep accounting records with respect to all activities and operation of the Association:

(c) The power to contact with and employ others for maintenance and repair, and

(d) The power to adopt rules and regulations concerning the operation of the Association.

Section 4.05 The Association, through the Board of Directors, shall have the right to enforce these Covenants, except and to the extent that the right to enforce certain provisions hereof has been granted to the Architectural Control Committee, whether expressly or by implication. If the Board of Directors shall fail or refuse to enforce these Covenants for an unreasonable period of time after written request to do so, then any aggrieved Owner may enforce these Covenants on his own behalf by appropriate action, whether in law or in equity.

ARTICLE V

ASSESSMENTS, MAINTENANCE FUND AND ASSESSMENT LIENS

Section 5.01 The Association shall possess the right, power, authority and obligation to establish an annual assessment sufficient in the judgment of the Board of Directors to pay when due all charges and expenses related to the operations of the Association. The annual assessment shall be One Hundred Dollars (\$100.00) per Lot and shall not exceed Two Hundred Dollars (\$200.00) in first three (3) years. The annual assessments so established shall be payable by the Owners on or before the fifteenth (15th) day of January of each year during the term of these Covenants. They shall be applied to the payment of charges for which the Association is responsible, including, without limitation, charges relating to the maintenance of the common areas depicted on the Plat, public liability and other insurance coverage which is required or permitted to be maintained by the Association, taxes, assessments and other governmental impositions not separately levied and assessed, utilities not separately assessed, professional services (such as accounting and legal), and such other costs and expenses as may reasonably relate to the proper operation, management and administration of the Association. No consent or approval of the Owners shall be required for the establishment of the annual assessments contemplated by this section.

Section 5.02 Prior to the commencement of each calendar year, the Association, through the Board of Directors, shall prepare and deliver to each of the Owners a budget setting forth the anticipated expenses for the ensuing year. Such budget shall be in sufficient detail so as to inform each Owner of the nature and extent of the expenses anticipated to be incurred, and shall be accompanied by a statement setting forth each Owner's annual pro rata share thereof. No further communication shall be necessary to establish the amount of each Owner's obligation regarding the annual assessment payable hereunder, and the failure of the Board of Directors to timely deliver the budget provided for herein shall in no event excuse or relieve an Owner from the payment of the annual assessments contemplated hereby. Any budget prepared and delivered to the Owners as hereby contemplated may be amended as and to the extent reasonably necessary, and the amount of an Owner's annual assessment changed, to correspond therewith.

Section 5.03 In addition to the annual assessments contemplated hereunder, the Association shall possess the right, power and authority to establish special assessments from time to time as may be necessary or appropriate in the judgment of the Board of Directors to pay (i) non-recurring expenses relating to the proper operation, management and the administration of the Association, or (ii) non-recurring expenses, relating to the proper maintenance, care, alteration, improvement, or reconstruction of specific Lots (including the Buildings thereon) in the manner hereafter specified.

Section 5.04 Each Owner shall be personally obligated to pay his pro rata share of all assessments established pursuant to these Covenants. Each Owner's pro rata share shall be equal to a percentage of the total amount of the assessments established pursuant to these Covenants determined by dividing one by the total number of Lots. Any unpaid assessments shall constitute the personal obligation of the Owner of such Lot at the time such assessment is due. No Owner shall be entitled to exempt himself from the liability of such Owner's obligation to pay such assessments by an abandonment of his Lot or by any other action whatsoever. Any such assessment not paid within fifteen (15) days of the date due shall bear interest at the rate of eighteen percent (18%) per annum, and shall be recoverable by the Association, together with interest as aforesaid and all costs and expenses of collection of suit, including reasonable attorney's fees, in a court of competent jurisdiction sitting in Collin County, Texas. It shall be the responsibility of the Board of Directors to collect any such delinquent assessments, the existence of which shall be made known by written notice delivered to the defaulting Owner and such Owner's First Mortgagee.

Section 5.05 An Owner's pro rata share of all assessments established pursuant to these Covenants shall be secured by a lien upon such Owner's Lot and the Residence located thereon in favor of the Association, which lien shall be prior and superior to all of the liens and encumbrances upon such Lot and Residence, regardless of how created, evidenced or perfected, other than the liens securing the payment of First Lien indebtedness and the lien for unpaid taxes, assessments and other governmental impositions. Such lien and encumbrance may be enforced by and means available at law or in equity, including, without limitation, a non-judicial foreclosure sale of the Lot of a defaulting Owner conducted in accordance with the provisions of V.T.C.A. Property Code Section 51.002 with the Board of Directors having the power to appoint a trustee to conduct such sale. The Association or any other Owner may be the purchaser at such foreclosure sale.

Section 5.06 The Association shall promptly transmit to an Owner, such Owner's First Mortgagee, or any other interested party requesting such information, a statement setting forth the amount of any delinquent assessments payable by an Owner, as well as the amount of the annual assessment payable at the time of such request.

ARTICLE VI

IMPROPER MAINTENANCE BY OWNER

Section 6.01 In the event any Lot including any Building or Residence located thereon is, in the judgment of the Architectural Control Committee or of the Association, through the Board of Directors, so maintained by its Owner as to not comply with these Covenants or so as to present a public or private nuisance or so as to substantially detract from the appearance or quality of the neighboring Lots or other areas of the Land which are substantially affected thereby or related thereto, the Architectural Control Committee or the Association, through the Board of Directors, may, by resolution, make a finding to that effect specifying the particular condition or conditions which exist, and pursuant thereto deliver notice thereof to the offending Owner that unless corrective action is taken within ten (10) days, the Association will cause such action to be taken

at such Owner's cost. If at the expiration of said ten (10) day period of time the requisite corrective action has not been taken, the Board of Directors shall be authorized and empowered, on behalf of the Association, to cause such action to be taken and the cost (the "Maintenance Cost") thereof shall be assessed against the Lot of the offending Owner and shall be secured by the Maintenance Lien as hereinafter provided. Written notice of such assessment shall be delivered to the offending Owner which notice shall specify the amount of such Maintenance Cost and shall demand payment thereof within thirty (30) days after the date of said notice.

Section 6.02 The Board of Directors shall have the right at any time there are unpaid Maintenance Costs outstanding with respect to a Lot to file with the County Clerk of Collin County, Texas, a statement describing such Lot and declaring the amount of unpaid Maintenance Costs relating thereto in which event, upon such filing, there shall automatically be imposed upon such Lot a Lien (the "Maintenance Lien") in favor of the Association for the amount of such unpaid Maintenance costs relating to any such Lot. Upon payment of the Maintenance Costs secured by such Maintenance Lien by or on behalf of the Lot against which the Maintenance Lien is imposed, the Board of Directors shall file of record with the County Clerk of Collin County, Texas an appropriate release of such Maintenance Lien previously filed against the Lot thereof for such Maintenance Costs. The Maintenance Lien shall be for the sole benefit of the Association.

Section 6.03 Each Owner, for himself, his heirs, executors, administrators, trustee, personal representatives, successors and assigns, covenants and agrees:

(a) That he will pay to the Association within fifteen (15) days after the date of written notice thereof any Maintenance Costs assessed against his Lot, and

(b) That by accepting any Deed to his Lot, he shall be and remain personally liable for any and all Maintenance Costs assessed against his Lot while he is (or was) the Owner thereof, regardless of whether such Covenants or agreements are expressed in such Deed and regardless of whether he signed the Deed.

Section 6.04 If the Owner of any Lot fails to pay the Maintenance Cost when due, the Board of Directors may enforce the payment of the Maintenance Cost and/or the Maintenance Lien by taking either or both of the following actions, concurrently or separately (and by exercising either of the remedies hereinafter set forth the Board of Directors does not preclude or waive its rights to exercise the other remedy):

(a) Bring an action at law and recover judgment against the Owner personally obligated to pay Maintenance cost.

(b) Foreclose the Maintenance Lien against the Lot in accordance with the prevailing Texas law relating to the foreclosure of realty mortgages and liens (including the power of conducting a non-judicial sale in accordance with the provisions of V.T.C.A. Property Code Section 51.002 and the right to recover a deficiency). The Board of Directors shall have the power to appoint a trustee to conduct such sale.

The sale or transfer of any Lot shall not affect the Maintenance Lien.

Section 6.05 In any action taken pursuant to Section 6.04 of this Article, the Owner shall be personally liable for, and the Maintenance Lien shall be deemed to secure the amount of, the Maintenance Cost together with interest thereon at the rate of eighteen percent (18%) per annum, and reasonable attorney's fees.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 7.01 The Developer hereby appoints an Architectural Control Committee (herein so called) which shall consist of three (3) members, who shall be Warren Clark, Dale Clark and Jack Semones. All matters before the Architectural Control Committee shall be decided by majority vote of its members. After the Developer conveys the last Lot owned by the Developer, the Association shall assume all of the rights and powers of the Architectural control Committee and shall exercise same, through the Board of Directors, in the manner herein provided. In the event of the death, incapacity or resignation of a member of the Architectural Control Committee, the successor for such member shall be appointed by the majority of the remaining members of the Architectural Control Committee if such death, incapacity or resignation occurs on or before the Developer conveys the last Lot owned by the Developer, and by Association if such death, incapacity or resignation occurs thereafter.

Section 7.02 No Building, fence, wall, sign, exterior light, or other structure or other apparatus, either permanent or temporary shall be commenced, erected, placed or maintained upon the Land (or any Lot constituting a part thereof), nor shall alteration, excavation, subdivision or resubdivision thereof, including without limitation changes in or alterations of grade, roadways and walkways, be made until the plans and Specifications showing the nature, kind, shape, height, materials, color, and location and other material attributes of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Control Committee. All plans and specifications submitted to the Architectural Control Committee shall include a plot plan showing the location of the Improvements, the plan for drainage and the construction plans giving the dimensions of all improvements and shall specify in addition to construction diagrams and specifications, all materials to be used and color schemes for all improvements. Plans must be submitted ten (10) days prior to any construction, and plans will be kept on file until house is completed. If the Architectural Control Committee fails to approve or disapprove such design and location within fifteen (15) days after such plans and specifications have been submitted to it, approval of the Architectural Control Committee will be deemed to have been given, and this Article will be deemed to have been fully complied with. A set of master plans may be submitted to Architectural Control Committee to facilitate plan approval - only plat plan and plan number need be submitted for approval in such instances. The Architectural Control Committee shall have the right, all in the sole discretion of the Architectural Control Committee, to disapprove any plans and specifications submitted to it for My of the following reasons:

(a) If such plans and specifications are not in accordance with any of the provisions of these Covenants or the codes, ordinances and regulations of the City of Plano, Texas:

(b) If the external design, elevation, appearance, location or color scheme for the proposed improvements are not in harmony with the general surroundings of the Land or with the adjacent dwellings or structures or with the topography,

(c) If the plans and specifications submitted are incomplete:

(d) If the design, appearance or location of any landscaping is not in harmony with the general surroundings or topography:

(e) If the plans do not provide for adequate structural integrity or structural support for the improvements: or

(f) If the Architectural Control Committee deems the plans and specifications, or any part thereof, to be contrary to the interest, welfare or rights of any or all parts of the Land.

The Architectural Control Committee is authorized to accept whatever drawings, plans or specifications as it deems desirable within its sole discretion to be in satisfaction of the foregoing. The decision of the Architectural Control Committee shall be final, conclusive and binding upon all Owners. Neither the Architectural Control Committee nor Developer shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance, with the foregoing, nor for any structural or other defects in any work done according to such plans and specifications. The signature of any two members of the Architectural Control Committee on any such plans and specifications with "approved" or "disapproved" written or stamped thereon shall be prima facie evidence as to such approval or disapproval being the act of the full Architectural Control Committee.

Section 7.03 The Architectural Control Committee shall have the right, but not the obligation, to enforce the provisions of these Covenants. If the Architectural Control Committee shall fail or refuse to enforce these Covenants for an unreasonable period of time after written request to do so by any aggrieved Owner then such aggrieved Owner may enforce these Covenants on his own behalf by appropriate action, whether in law or in equity.

ARTICLE VIII

VARIANCES

Section 8.01 The Architectural Control Committee may allow reasonable variances and adjustments of these conditions and restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the regulations contained herein: provided, however, that such is done in conformity to the intent and purposes hereof and provided also that in every instance such variance or adjustment will not be materially detrimental or injurious to other Lots or improvements on the Land.

ARTICLE IX

LAND SUBJECT TO THIS DECLARATION

Section 9.01 All of the Property and any right, title or interest therein shall be owned, held, leased, sold and/or conveyed by Developer, and any subsequent owner of all or any part thereof, subject to these Covenants and the covenants, restrictions, charges and liens set forth herein.

ARTICLE X

MISCELLANEOUS

Section 10.01 These Covenants may be revoked or amended in the following manner:

(a) Until August 18, 2037, seventy-five percent (75%) of the owners may from time to time, revoke or amend these Covenants for any purpose by instrument bearing the signatures of seventy-five (75%) of the Owners, duly acknowledged and recorded in the Deed Records of the Office of the County Clerk of Collin County, Texas.

(b) On or after August 19, 2037, fifty-five percent (55%) of the Owners may from time to time, revoke or amend these Covenants for any purpose by instrument bearing the signatures of fifty-five percent (55%) of the owners, duly acknowledged and recorded in the Deed Records of the Office of the County Clerk of Collin County, Texas.

(c) The Plano City Council, after recommendation by the Planning and Zoning Commission, may, by resolution filed in the Real Property Records of Collin County, Texas, terminate this Declaration if the Plano City Council finds that the physical conditions of the property and its surrounding area have substantially changed to warrant the termination of this Declaration. The Director of Planning of the City of Plano shall give notice to each Owner not less than ten (10) days before the date set for the planning and Zoning commission hearing and the Plano City Council hearing by depositing the notice, postage prepaid, in the United States Post Office and property addressed to each owner as the ownership appears on the last approved City Tax Roll.

Section 10.02 The Covenants have been effective upon the date of recordation thereof, and as amended from time to time, shall continue in full force and effect to and including August 18, 2037. From and after said date, these Covenants, as amended, shall be automatically extended for successive periods of ten (10) years, unless a written instrument vacating or modifying this Declaration is signed by (1) the Director of Planning of the City of Plano, and (2) the then Owners of fifty-five percent (55%) of the Lots and filed, at the Association's expense, in the Real Property Records of Collin county, Texas.

Section 10.03 If any provisions of these Covenants shall be held invalid or unenforceable the same shall not affect the validity or enforceability of any of the other provisions hereof.

Section 10.04 Whenever notices are required to be sent hereunder, the same shall be sent to the owner who is the intended recipient, by certified or registered mail, return receipt requested and postage prepaid at the address of such Owner's Lot and further provided that any such notice may be delivered in person. Notices shall be deemed received when actually received and whether or not received when deposited in a regularly maintained receptacle of the United States Postal Service in accordance with the provisions hereof. Notices sent to the Architectural Control Committee or the Association shall be sent by certified or registered mail, return receipt requested and postage prepaid, only at such address as has previously been specified by the Architectural Control Committee to the owners or by the Board of Directors to the Owners, respectively. The Architectural Control Committee and the Association may, from time to time; change such specified addresses by giving the owners notice of such change in the manner herein provided.

Section 10.05 Whenever the context so requires, the use of any gender shall be deemed to include all genders, the use of the plural shall include the singular and the singular shall include the plural.

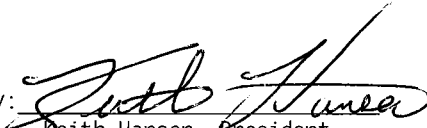
Section 10.06 All captions, titles or headings of the Articles and Sections in these Covenants are for the purpose of reference and convenience only, and are not to be deemed to limit, modify or otherwise affect any other provisions hereof, or be used in determining the intent or context hereof.

Section 10.07 If any interest purported to be created by these Covenants is challenged under the Rule Against Perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the

challenged interest: the "lives in being" for Computing the period of perpetuities shall be those which would be used in determining the validity of the challenged interest.

EXECUTED to be effective, with respect to each phase of Highland of Preston Ridge affected thereby, on the date on which each of the following were filed with the Office of the Collin County Clerk: the Phase I & II Restrictions, the Phase V Restrictions, the Phase IV Restrictions and the Phase VI Restrictions.

HIGHLANDS OF PLANO PRESTON
RIDGE HOMEOWNERS ASSOCIATION

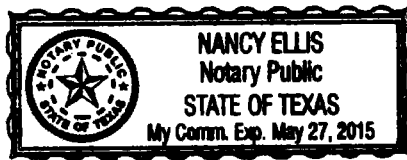
By: 
Keith Hansen, President


STATE OF TEXAS §

COUNTY OF COLLIN §

BEFORE ME, the undersigned Notary Public, on this day personally appeared Keith Hansen, President of the Highlands of Plano Preston Ridge Homeowners Association, known to me to be the person whose name is subscribed on the foregoing instrument and acknowledged to me that he executed the same for the purposes therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND AFFIRMED SEAL OF OFFICE on this 10th day of July, 2013.




Notary Public, State of Texas

CERTIFICATION OF CONSOLIDATION

I, Barbara Rice, the duly-elected Secretary of the Highlands of Plano Preston Ridge Homeowners Association, hereby certify:

That this Consolidated Declaration of Covenants and Restrictions for Highlands of Plano Preston Ridge does not constitute an amendment to the Covenants, is intended merely to consolidate the Phase I & II Restrictions, the Phase V Restrictions, the Phase IV Restrictions and the Phase VI Restrictions into a single instrument, and has been approved by the Board of Directors. In the event of any conflict between the terms and conditions contained herein and the terms and conditions of the Covenants as they apply to a particular phase of Highlands Preston Ridge when originally recorded, the terms and conditions of the originally recorded instrument will control.

IN WITNESS WHEREOF, I heretofore subscribe my hand on this 10th day of July, 2013.

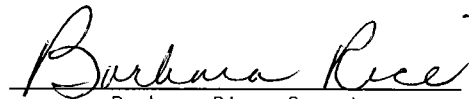

Barbara Rice, Secretary

EXHIBIT A

Those tracts and parcels of real property located in the City of Plano, Collin County, Texas and more particularly described as follows:

- (a) All lots and tracts of land situated in HIGHLANDS OF PRESTON RIDGE - PHASE I, an Addition to the City of Plano, Collin County, Texas according to the plat thereof recorded in Cabinet H, Slide 459 of the Plat Records of Collin County, Texas; and
- (b) All lots and tracts of land situated in HIGHLANDS OF PRESTON RIDGE - PHASE II, an Addition to the City of Plano, Collin County, Texas according to the amended plat thereof recorded in Cabinet H, Slide 603 of the Plat Records of Collin County, Texas; and
- (c) All lots and tracts of land situated in HIGHLANDS OF PRESTON RIDGE - PHASE IV, an Addition to the City of Plano, Collin County, Texas according to the Plat thereof recorded in Cabinet I, Slide 312 of the Plat Records of Collin County, Texas; and
- (d) All lots and tracts of land situated in HIGHLANDS OF PRESTON RIDGE - PHASE V, an Addition to the City of Plano, Collin County, Texas according to the Plat thereof recorded in Cabinet I, Slide 136 of the Plat Records of Collin County, Texas; and
- (e) All lots and tracts of land situated in HIGHLANDS OF PRESTON RIDGE - PHASE VI, an Addition to the City of Plano, Collin County, Texas according to the Plat thereof recorded in Cabinet J, Slide 251 & 252 of the Plat Records of Collin County, Texas.



Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
07/18/2013 02:31:53 PM
\$88.00 CLUNA
20130718001007220

Stacey Kemp