

**SECOND AMENDED
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS FOR SHERWOOD
ESTATES III**

STATE OF TEXAS *
 * KNOW ALL MEN BY THESE PRESENTS
COUNTY OF DENTON *

Be it known that the First Amended Declaration of Covenants, Conditions, and Restrictions for the Sherwood Estates III Home Owners Association (HOA) dated 15 January 1996 is hereby rescinded and replaced by a Second amendment. Such action is authorized by the Board of Directors as identified in Article Six, Section Two (A) of the Sherwood Estates III HOA By Laws. By the execution and recording of this SECOND amended Declaration of Covenants, Conditions, and Restrictions for the Sherwood Estates III subdivision located in the town of Flower Mound, Denton County, Texas; the Board of Directors of the Home Owners Association (HOA) do hereby declare that all properties within the subdivision held or conveyed through sale or other legal proceedings are subject to this Declaration. This Declaration is binding on all parties having or acquiring any right, title, or interest in the Sherwood Estates III subdivision or any part thereof and which shall inure to the benefit of each owner thereof.

It is not the intent of the Sherwood Estates III Board of Directors to act in an autocratic fashion whereby individual property owner rights are ignored, arbitrarily restricted, or violated as related to any decision-making associated with any home owners desire to maintain or enhance the beauty or appearance of their property through modification to existing construction or landscaping.

It is the intent of the Sherwood Estates III Board of Directors and any Committees appointed by the Board to establish a set of general architectural construction and/or landscaping standards, which shall be fair, reasonably applied, and uniformly enforced with a focus toward protecting each home owner as it relates to enhancing the value of all homes within the subdivision by maintaining a uniform and aesthetically pleasing appearance throughout the area bounded by the Sherwood Estates III HOA.

**ARTICLE ONE
CONSTRUCTION AND USE**

SECTION 1.1. GENERAL.

Pursuant to the original and first amended Declaration of Covenants, Conditions, and Restrictions, Sherwood Estates III is comprised of detached single-family dwellings on each of the subdivision lots with no dwelling exceeding two stories in height and each having a private 2-car garage attached.

SECTION 1.2. DWELLING CONSTRUCTION.

Each dwelling within the Sherwood Estates III subdivision has been constructed to meet Federal Housing Authority (FHA) or Veteran's Administration standards. Any major additions or modifications to existing Sherwood Estates III structures must meet the same minimal standards as well as all construction codes required by the city of Flower Mound.

Section 1.2.1 Driveways.

All driveways shall be surfaced with concrete or similar substance that is approved by the HOA Architecture and Landscape Committee.

Section 1.2.2 Sidewalks.

According to the City of Flower Mound Ordinance No. 43-03, §§ 1, 2, 8-4-2003, Section 58-34, the following applies to responsibility for construction and repair; and the repair program of defective sidewalks by owners of property.

(a) All sidewalks in the town shall be constructed, reconstructed, and kept in good repair by the owners of property fronting upon the sidewalks, at their own expense. If any portion of a sidewalk is defective and does not meet the town's standards, the Director of Public Works or his designee may require that the owner of the sidewalk or property adjacent to the sidewalk repair or replace the non-complying portion to bring it into conformity with town standards.

(b) Any defective sidewalk or portions thereof shall be reconstructed or replaced where-

1. Any vertical displacement of the adjoining sidewalk section exceeds two inches;
2. Any lateral separation of adjoining sidewalk exceeds two and one-half inches;
3. The surface condition of the sidewalk has deteriorated, cracked, settled, chipped, and/or is spalling, so as to create or constitute a hazard or unsafe condition to the public; or
4. The transverse slope of the sidewalk exceeds eight percent or in which the combination of transverse or longitudinal slope is insufficient for adequate drainage of the sidewalk. Inadequate drainage would include the ponding of more than one-half inch of water in small areas for a period of time after the end of a rain event.

(c) Repair program.

If the Director determines that a sidewalk is defective and does not conform to town standards the director shall notify the property owner of the duty to repair or replace and that such owner has 30 days from the date of the notice to commence such repair or replacement and has 60 days from the date of notice to complete such repair or replacement. The Director may alter the time limit upon good cause shown by the owner. Notice shall be made by certified mail, return receipt requested, to the address of the known owner of the property on the records of the current town tax roll or hand-delivered to the owner of the property.

The director may include in the notice, as an alternative, an agreement whereby the town will make the repairs and the owner will pay to the town the amount specified in the agreement within 12 months of completion of the repairs. The agreement shall include

an interest rate equal to the rate payable by the town on its most recently issued general obligation bonds.

The Director may include in the notice to a homeowner's association or commercial property owner that owns, controls, or maintains a sidewalk, as an alternative, an agreement whereby the town will make the repairs and the homeowner's association or commercial property owner will pay to the town the town's costs to make such repairs. The amount to be paid by the homeowner's association or commercial property owner will be the town's estimate of the needed repairs, and payment will be made by the homeowner's association or commercial property owner prior to the town's beginning any work to make the repairs.

The town shall maintain sidewalks along arterial and collector roadways abutting a single-family residential structure.

SECTION 1.3. DWELLING USE.

Each Sherwood Estates III residence shall be occupied by:

- One family consisting of persons related by blood, adoption, or marriage including any household servants that may reside with the family.
- No more than two unrelated persons living together as a single housekeeping unit and/or any household servant residing with the occupants.

No residence shall be used for professional, commercial, or manufacturing purposes of any kind. Noxious or offensive activities by a home owner, family members, or his/her guests, that become an annoyance or nuisance to individual neighbors or the neighborhood as a whole will be reported to local authorities for correction. This does not prohibit or restrict a home owner from using his/her residence in a reasonable fashion for quiet, inoffensive activities such as: providing private tutoring, instruction of music or art, or running a home-related business as long as—

- Activities are in compliance with all governmental and zoning requirements and regulations.
- There is no material increase in the number of automobiles parked on the street.
- There is no interference with the adjoining home owner's use and enjoyment of his/her own residence and yard.

SECTION 1.4. DIVISION OF DWELLING LOTS.

Home owners purchasing property within the Sherwood Estates III subdivision are restricted from any further subdivision of the lot.

ARTICLE TWO

RESTRICTIONS

SECTION 2.1. GENERAL.

The following listed restrictions are related to common sense practices that when applied by every home owner of the Sherwood Estates III subdivision will facilitate a uniform and aesthetically pleasing appearance amongst all properties. Conformance with these restrictions will carry forward the HOA Board of Director's intent to preserve the integrity

of the Sherwood Estates III subdivision by establishing and following prudent practices that —

- Promote and protect all home owner rights.
- Enhance the desirability of living within the subdivision.
- Preserve the value of all properties within the subdivision.

SECTION 2.2. TEMPORARY IMPROVEMENTS.

For safety and appearance reasons, improvements of a temporary nature (i.e., not permanent) are prohibited.

SECTION 2.3. PERMANENT STRUCTURES.

Section 2.3.1. Storage units.

Storage units, while authorized, must be of permanent construction and shall be used for the storage of lawn maintenance equipment only. No storage unit shall be occupied as a residence or office. Additionally, home owners must exercise caution related to their placement on the property. If the storage unit is visible (i.e., can be seen from the (street the house is addressed on from any vantage point within the area bounded by: middle of the street, perpendicular extensions of the property lines to the middle of the street, and sidewalk on the property the house is addressed on) the home owner must—

- Obtain proper building permits as required by the City of Flower Mound.
- Locate the building behind a fence.
- Ensure the building does not exceed the height of any installed fencing by more than 1.5 feet.
- Ensure the roof of the building is shingled with wood or asphalt products.
- Paint the storage unit the trim color of the home, stained to match the brick of the home, or left in its natural wood state.
- Keep the building in good condition through consistent upkeep/care.

If the storage unit can be placed on the property where it is not visible in any of the instances cited above, no restrictions apply.

Section 2.3.2. Children's Playhouses and Swing Sets.

Children's Playhouses and Swing Sets or a combination thereof are authorized. Such sets may be constructed of wood, modular plastic/rubber, or metal. As specified in Section 2.3.1 above, home owners must exercise caution in the placement of the playhouse and/or swing set. If the playhouse or swing set is visible the home owner must—

- Locate the playhouse and/or swing set behind a fence.
- Ensure the playhouse/swing set does not exceed a height of 14 feet.
- Maintain, paint, or stain the equipment on an as needed basis.

Note: If painted, equipment should be painted in a “neutral” tone (e.g., white, tan, beige, or gray) or the color of the home trim.

If the playhouse and/or swing set can be placed on the property where it is not visible in any of the instances cited above, no restrictions apply.

Section 2.3.3. Outdoor Recreational Equipment.

For safety and appearance reasons skateboard ramps shall not be located or erected on a permanent basis in front of a home owner's lot.

While roller blade hockey equipment may be used, safety considerations of the user should be applied. When such devices are used, the normal flow of street traffic shall not be blocked. Following such use, these items must be removed and stored by the home owner or other family members.

Modular basket ball goals may be installed permanently. Caution should again be exercised by the home owner as to the goals placement to ensure the safety of all potential users. The ideal is to position goals where players do not have to frequently enter the street to retrieve balls or where play impairs the normal flow of street traffic.

Regardless of location, if the basketball goal is visible from the street, the home owner is accountable for the appearance and upkeep of a basketball goal when located on the owner's lot. If broken or in a poor state of repair, basketball goals shall be disassembled and removed.

If a basketball goal can be placed on the lot where it is not visible, no restrictions apply.

Section 2.3.4. Gazebos and Greenhouses.

Masonry or metal gazebos are prohibited. When located on home owner lots, gazebos shall be constructed of wood and shingled properly using either wood shake or asphalt tiles.

Masonry or metal Greenhouses are prohibited. Greenhouses shall be constructed of wood and enclosed using either fiberglass or Plexiglas panels. As specified in Section 2.3.1 above, home owners must exercise caution in the placement of either a gazebo or greenhouse.

If either the gazebo or greenhouse are visible the home owner must—

- Obtain proper building permits as required by the City of Flower Mound.
- Locate the gazebo/greenhouse behind a fence.
- Ensure the structure does not exceed a height of 14 feet.
- Maintain, paint, or stain the equipment on an as needed basis.
- Keep the building in good condition through consistent upkeep/care.

Note: If painted, equipment should be painted in a “neutral” tone (e.g., white, tan, beige, or gray) or the color of the home trim.

If the gazebo/greenhouse can be placed on the lot where it is not visible in any of the instances cited above, no restrictions apply.

Section 2.3.5. Swimming Pool/Patio Accessories

Umbrellas associated with patio furniture, portable canopies, or permanently installed awnings that provide shade are permitted for use by home owners with swimming pools. However, when umbrellas, canopies, or awnings that are visible to the public eye become unsightly or unserviceable; they shall be removed or replaced.

Section 2.3.6. Animal Shelters.

Animal shelters (i.e., dog houses) shall be enclosed behind a fence and positioned in the rear of the home owner's property.

Section 2.3.7. Mailboxes.

Mailboxes are constructed of brick and mortar which enclose the mailbox with the brick colored to match or compliment the brick used in the exterior of the lot owner home. Mailboxes requiring repair/replacement shall be constructed of these same materials.

SECTION 2.4. TEMPORARY STRUCTURES.

Structures such as shops, trailers, modular homes or other outbuildings like aluminum garage covers shall not be erected, located, or moved to any lot within the Sherwood Estates III subdivision.

No structure of a temporary character such as a trailer, tent, shack, barn, or any other similar out-building shall be used by a home owner as a place of dwelling.

SECTION 2.5 VEHICLES.

Section 2.5.1. Recreational and Aeronautical.

No marine craft including jet skis or any sort of aeronautical craft either powered or un-powered, fifth wheel travel trailers, motor homes and coaches, similar vehicles or equipment shall be permanently parked at any location either on, adjacent to, or on a public street near the home owners lot. Marine craft including jet skis may be parked temporarily in individual home owner drives for a period not to exceed 72 hours. In any given calendar week. Smaller watercraft such as ski boats, bass boats, jet skis, flat bottom fishing boats, and camper covers, may be stored to the side or rear of a home owners lot provided the watercraft or cover is behind a fence and concealed from view.

Due to their size, the permanent parking of fifth wheel travel trailers and large motor homes on a home owner's lot is prohibited. However, these vehicle types may be parked overnight in a lot owner's driveway, adjacent to, or on a public street near the home owner's lot to facilitate travel that takes place on the following day.

Section 2.5.2. Heavy Transport Vehicle.

Over-the-road tractors and tractors with trailer are prohibited from parking at any location within the Sherwood Estates III subdivision.

This restriction does not apply to any heavy transport or tractor trailer vehicle or the equipment or material hauled conducting official business on a property owner's, City, or the States behalf.

Section 2.5.3. Hazardous Cargo Carriers.

No vehicle of any size transporting inflammatory or explosive cargo, chemicals, or other forms of hazardous cargo shall be parked at any location within the Sherwood Estates III subdivision.

This restriction does not apply to pesticide or lawn care vehicles which may be temporarily parked while conducting official business on a property owner's behalf.

Section 2.5.4. Inoperative Vehicles.

Inoperative vehicles regardless of cause shall not be permanently parked at any location either on, adjacent to, or in a public street near the home owner's lot. Inoperative

vehicles shall be towed at the owner's expense. An inoperative vehicle includes motorcycles.

No major repairs (i.e., engine overhaul) shall be accomplished on any vehicle - operative or otherwise - in public view.

SECTION 2.6. ANIMALS.

Livestock (cows and horses), poultry (guineas, ducks, chickens, turkeys), bees, hogs, sheep, skunks, reptiles, or any variety of wild animal that pose a potential threat to the safety and/or well being of any or all Sherwood Estates III residents shall not be quartered by a home owner.

Animals that may be quartered in individual households are those kept for the purpose of human companionship such as dogs, cats, or various bird varieties. No more than four pets will be authorized per lot. Common courtesy dictates that each pet owner clean up after his/her animal during daily pet exercise periods. Excessive dog barking during the day or night can be an annoyance and a disturbance of peace to adjoining neighbors. Such barking shall be controlled by the pet owner. Left uncontrolled, the appropriate city officials shall be notified.

It is the home owner's responsibility to ensure that domesticated pets such as dogs and cats are—

- Properly tagged and vaccinated on an annual basis.
- Restricted from free movement in and about the subdivision.
- Confined behind a fence with movement restricted to the backyard of the home.

SECTION 2.7. DUMPING.

No Sherwood Estates III lot shall be used as a dumping ground for rubbish or a site for the accumulation of unsightly materials of any kind including but not limited to:

- Broken or discarded furniture.
- Car bodies or parts.
- Inoperative appliances.

Trash, garbage, and other waste materials shall be kept in sanitary waste containers provided by the city-contracted Waste Management Company. On other than scheduled trash pickup days, waste receptacles and/or recycle bins shall be positioned behind shrubs, air conditioning units, fence, or other wooden enclosure so as to reduce visibility to the public. Home owners shall call the Waste Management Company servicing the city of Flower Mound when waste containers are no longer serviceable and require replacement.

SECTION 2.8. AIR CONDITIONING EQUIPMENT.

No air conditioning, evaporative cooler or similar cooling equipment shall be installed or attached to any front wall or window of a residence. All air-conditioning apparatus will be installed and positioned at the side or rear of the residence.

SECTION 2.9. SIGNAL RECEIVING EQUIPMENT.

Section 2.9.1. Federal Communications Commission Satellite Law.

With passage of the Telecommunications Act of 1996, no Sherwood Estates III HOA Board of Director, Officer, or Committee member can prohibit installation, maintenance, or use of antennas to receive video programming. This rule prohibits most restrictions that: (1) unreasonably delay or prevent installation, maintenance, or use, (2) unreasonably increase the cost of installation, maintenance, or use, (3) preclude reception of an acceptable quality signal. This rule does not prohibit any safety restrictions that are applicable or may be applied to protect the public or lot owners. This rule means that, in most circumstances, home owners will be able to install, maintain, or use an antenna on their property if they directly own the property on which the antenna will be located.

Section 2.9.2. Antenna Types Covered.

1. Dish. Applies to most satellite antennas that are one meter (39") or less in diameter designed to receive direct broadcast satellite service, including direct-to-home service.
2. MMDS. Applies to an antenna that is one meter in diameter or diagonal measurement designed to receive video programming services from a wireless cable. Such antennas may be mast-mounted to reach the height necessary to establish line-of-sight with the transmitter. Masts higher than 12' may be subject to local permit requirements.
3. TV Antenna. An antenna designed to receive television broadcast signals. Masts higher than 12' may be subject to local permit requirements.

Section 2.9.3. Board of Director Actions Prior to Installation.

The Board of Directors, Officers, or Committee Persons are restricted from taking any of the following actions:

1. Requiring the home owner to submit an application or plan of installation which must be approved by the Architectural and Landscape Committee chair person.
2. Requiring that the antenna system be professionally installed. However, if installed by a professional contractor, the Board of Directors is empowered to require that the installer be properly licensed and bonded.
3. Enacting any local restriction or procedural requirement that prohibits the antenna from receiving reliable signals. Be it noted, that any local regulation requiring a person to obtain a permit (except as necessary to serve a safety purpose) will delay reception and will not be established. Additionally, requiring an antenna to be placed in a position where reception would be impossible or degraded is not permitted. However, the Board of Directors may, to the extent feasible, request the home owner to position the antenna in locations where they are not visible from the street if such placement still permits reception of an acceptable signal.
4. Enacting any rule or rules that appreciably increase the cost of the antenna system. Any requirement to pay a fee to the HOA to be allowed to install an antenna is considered prohibitive unless needed/required to serve a safety purpose or to install large antennas 12 feet or over.
5. Requiring the home owner to screen antennas by expensive landscaping is not permitted. However, the Board of Directors may require the home owner to paint a DBS antenna (so long as said painting will not interfere with reception) so that it blends into the background against which it is mounted is permissible.

6. Safety restrictions are permitted even if reception is impaired or would substantially degrade reception since local government bears primary responsibility for ensuring public safety. Examples of such safety restrictions that might be imposed include compliance with fire codes, installations within prescribed distances of existing power lines, proper grounding, and restrictions applied concerning mounting and securing of the antenna.

Section 2.9.4. Board of Director Actions Post Installation.

At least one of the Board of Directors and the Architectural Landscape Committee chair person or his designated representative shall walk around the home owner's property following the installation of antennas to determine the following and to direct any corrective action as warranted:

1. That the satellite dish, wiring, and all other apparatus used to install the dish do not encroach on any portions of property which are not within the owner's exclusive use or control. Should apparatus extend into or encroach on any portions of property not within the owner's exclusive use or control the owner shall be notified in writing of such encroachments and the apparatus shall be removed at owner's expense.
2. Ensure that the satellite dish is installed and secured in a safe and proper manner.
3. Require that the home owner installing the dish on property over which he/she has exclusive use has executed a Hold Harmless Agreement that requires the home owner to indemnify and defend the Sherwood Estates HOA in the event there is any harm to persons or property resulting from the installation, maintenance, or use of the satellite dish.
4. Ensure the satellite dish meets and complies with all FCC regulations and/or installation requirements.

Section 2.9.5. Restriction Enforceability.

When a conflict arises about whether or not a restriction is valid, the Board of Directors of the HOA is responsible for proving that the restriction is valid and therefore enforceable. This means that no matter who questions the validity of the restriction, the burden will always be on the Board of Directors of the HOA to prove that the restriction imposed is permitted under the FCC rule or that it qualifies for a waiver.

Section 2.9.6. Enforcement of Invalid Restrictions.

Any Sherwood Estates homeowner may call the FCC at (202) 418-0163 if they require assistance related to questions concerning what may be perceived as an invalid restriction.

SECTION 2.10. OBSTRUCTION OF ROADWAY SIGHT LINES.

No fence, wall, hedge, shrub, or other form of planting shall obstruct the sight line of a vehicle operator at elevations between three and six feet above the roadway or remain on any corner lot where street right-of-way lines are affected. No tree shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at sufficient height to prevent sight line obstruction.

SECTION 2.11. EASEMENT RIGHTS.

Within easements on each lot, no structures, planting, or materials shall be permitted to remain which may—

- Damage or interfere with the installation and maintenance of utilities.
- Change the direction of flow within drainage channels.
- Obstruct or retard water flow through drainage channels.

SECTION 2.12. CHANGING LOT GRADING AND/OR SLOPE PLAN.

The general grading, slope, drainage, or landscape plan originally adopted, approved, and incorporated with the development of the Sherwood Estates III subdivision, shall not be arbitrarily changed or materially altered by a home owner without the prior approval of the City of Flower Mound Engineering office and all other appropriate agencies having the authority to effect such change including the Sherwood Estates III Architectural and Landscape Committee. Alterations of this nature could have material impact on adjoining properties or cause significant damage through flooding or water and/or soil runoff.

SECTION 2.13. YARD SIGNS.

Professional realtors may emplace their professional trademark signs when advertising homes for sale but must ensure their placement does not block roadway sightlines. Signs of no more than nine square feet may be used to advertise homes for sale, announce garage sales, advertise security systems or work performed by individual contractors, or membership in a school-related activity.

SECTION 2.14. BURNING.

The open burning of leaves, dry grass, or other materials of any kind on the lot of home owners is strictly prohibited.

SECTION 2.15. FENCES.

Section 2.15.1. General.

The following restrictions and/or conditions apply to any fence conveyed through the sale and subsequent ownership of a lot with the Sherwood Estates III subdivision. Upkeep and maintenance of individually owned fencing is the direct responsibility of the home owner. Such upkeep and maintenance extends to staining, affecting repairs to correct damages, or overall replacement due to aging or storm damage. The only restriction to these conditions applies to the fence height of the fence owned and maintained by the Sherwood Estates III HOA in the two foot easements defined in the subdivision Plat. The fencing along Flower Mound Road (FM 3040) shall not exceed a height of eight feet to provide uniformity with the Sound Barrier installed by the Texas Department of Transportation (TxDOT). The wrought iron and wooden fence adjacent to Gamewell Way, Littlejohn Court, and Morriss Road, shall not by City of Flower Mound ordinance, exceed a height of six feet.

Section 2.15.2. Specific Restrictions.

A. The following types of fencing are specifically prohibited with the Sherwood Estates III subdivision:

- Chain link.
- Chicken wire.

- Split rail.
- Lattice.

B. No fence erected within the area bounded by Sherwood Estates III shall—

- Extend nearer to any street than the front of a residence.

C. All side yard fencing on corner lots shall—

- Run parallel to the curb on the lot on which it is located.
- Be placed up to the side building line as shown each individual home owners Plat or no closer than six feet behind the front of the residence on that side.

D. Any fence or portion thereof facing a public street shall be constructed so that all fence structural members are—

- Located away from the street so that they are positioned on the inside of the fence.
- Not visible from any public right-of-way.

Section 2.15.3. Construction.

All home owners fencing shall be constructed of treated wood or cedar products. Anchoring posts for fences may be either treated wood or tubular steel. Fencing may be left in the natural wood state or stained a natural wood tone. Painting a fence using latex or acrylic paint is prohibited.

Section 2.15.4. Design.

It is recommended that home owners use the same or similar fence designs found throughout the subdivision that have been previously approved by the Architecture and Landscape Committee to replace existing fencing. Using one of these designs achieves the desired appearance and uniformity desired/expected throughout the subdivision. In this case, fences may be simple picket fences or the more costly type using a variety of board overlapping techniques with rail caps. Home owners may choose to graduate fence height or achieve a uniform height by installing a supporting structure such as a wall to offset un-level terrain. In either case, the approval process cited in Section 3.5 as well as the height restrictions cited in the Section 2.15.5 and Wall restrictions cited in Section 2.17 must be adhered to.

Section 2.15.5. Height.

Home owner fencing shall be no less than six feet in height and no more than eight feet in height. This height restriction applies to any supporting structure on which the fence stands or if the fence is of a graduated height (due to uneven terrain) from ground level. Each lot owner completely or partially replacing a fence, must ensure that the new or replacement fencing installed incorporate a step up or step down to match the existing fence height of an adjacent lot owner.

SECTION 2.16. WALLS.

Section 2.16.1. General.

The following restrictions and/or conditions apply to any wall constructed by an individual home owner in the Sherwood Estates III subdivision which is visible from public right of ways. Walls may be constructed to—

- Act as a supporting wall for a fence.
- Act as a reinforcing wall for a “raised” swimming pool.
- Act as a protective barrier to prevent erosion from a manmade or natural earthen berm.
- Act as a reinforcing structure when leveling lot terrain.

Note: When used as a reinforcing structure to level terrain, a lot owner must comply with Section 2.12, Changing Lot Grading, and/or Lot Slope Plan.

Upkeep and maintenance of individually constructed walls are the direct responsibility of the home owner. Such upkeep and maintenance extends to affecting repairs to correct damages or overall replacement due to aging or other damages.

Section 2.16.2. Specific Restrictions.

A. The following types of walls are specifically prohibited with the Sherwood Estates III subdivision:

- Untextured concrete.
- Railroad tie (except existing).
- Landscape timbers.

B. No wall erected within the area bounded by Sherwood Estates III shall—

- Extend no nearer to any street than the front of any residence.

C. All side yard fencing with walls on corner lots shall—

- Run parallel to the curb on the lot which located.
- Be placed up to the side building line as shown each individual home owners Plat or no closer than six feet behind the front of the residence on that side.

D. Any wall or portion thereof facing a public street shall be constructed so that structural members, if any, are—

- Located away from the street so that they are positioned on the inside of the wall.
- Not visible from any public right-of-way.

Section 2.16.3. Construction.

Wall construction shall consist of any of the following materials:

- Native stone and mortar.
- Concrete with flagstone overlay.
- Concrete with pebble stone overlay.
- Brick colored to compliment or match the existing brick of a lot owner's home.
- Landscaping textured brick colored to compliment or match the existing brick of a lot owner's home.

The construction of walls shall also consist of ensuring that an appropriate number of French drains or similar drainage systems are installed to provide for proper water drainage and the prevention of “pooled” water on public sidewalks.

Section 2.16.4. Design.

It is recommended that home owners use the same or similar wall designs that may be found within the subdivision that have passed Landscape and Architecture Committee standards of appearance. Walls may be graduated to conform to the slope of a lot's terrain.

Section 2.16.5. Height.

When used to support fencing, wall height shall be factored in as part of the overall fence height. Therefore, any fencing placed atop the wall shall not exceed the six or eight foot restriction.

ARTICLE THREE

ARCHITECTURAL AND LANDSCAPE CONTROL

SECTION 3.1. COMMITTEE APPOINTMENT.

The Sherwood Estates III HOA Board of Directors shall canvas the membership of the HOA and subsequently appoint an Architectural and Landscape Committee (The Committee) from a group of willing volunteers. The Committees shall be composed of no less than a Chair person and one other member. No member of this Committee shall be compensated for his/her service performed pursuant to this Declaration.

SECTION 3.2. ARCHITECTURAL AND LANDSCAPE COMMITTEE CHARTER.

The Architectural and Landscape Committee working in an advisory capacity for the HOA Board of Directors, shall use its best efforts to promulgate and develop a sense of awareness among the HOA membership regarding individual home owner compliance and accountability with construction and landscaping standards as set forth in this Declaration. It is the responsibility of this Committee to ensure that these standards remain high, and as necessary enforced, so as to promote a tasteful, uniform, and desirous appearance within the community as it ages.

SECTION 3.3. COMMITTEE SUCCESSORS.

In the event of death, injury, resignation, or removal of a Committee member, a successor member shall be appointed. The HOA Board of Directors shall canvas the membership of the HOA and appoint a new Committee member.

SECTION 3.4. ARCHITECTURAL AND LANDSCAPE COMMITTEE DUTIES AND AUTHORITY.

As empowered by the Sherwood Estates III Board of Directors in support of the covenants, conditions, and restrictions contained in this Declaration, the Architectural and Landscape Committee has been charged with oversight responsibility for all construction and landscaping improvements accomplished by individual residents within the subdivision as well as the general appearance of dwellings and the lot on which such dwellings stand. The Committee is also vested with the necessary enforcement powers required and related to ensuring compliance with any or all restrictive covenants related to construction or landscaping accomplished either by individuals or those placed under contract to perform such work. This oversight extends to new construction or modifications made to existing dwellings, the addition of other out buildings, modifications made in dwelling paint schemes, and changes made to lot grade or slope resulting from added landscaping or changes to existing landscaping. Depth of oversight and the level of interaction between the home owner and the Architectural and

Landscape Committee shall be determined based on the expertise and experience of the person or persons performing the work.

SECTION 3.5. APPROVAL PROCESS FOR NEW CONSTRUCTION OR LANDSCAPING.

Section 3.5.1. General.

No new construction or landscaping improvement shall be started or accomplished without the knowledge, consent, and when required, the approval of the Architectural and Landscape Committee. Knowledge is achieved primarily through the submission of a Letter of Intent or a Construction/Landscaping Plan by the home owner to the Chair of the Architectural and Landscape Committee. These documents are explained in the following sections.

Section 3.5.2. Letter of Intent

A Letter of Intent is submitted by a lot owner when there is an intention to accomplish construction projects performed by a licensed professional contractor or technician such as those outlined in Section 2.3, Permanent Structures; Section 2.15, Fences; and Section 2.16, Walls. The Letter of Intent shall—

- Provide a short narrative description and/or drawing of the project that clearly describes the lot owner's construction or landscaping intent including the location of the construction or landscaping improvement made in relation to the positioning of the lot and home.
- Include project dimensions as well as the incorporation of step up/step down incorporated if the Letter of Intent addresses fence repair/replacement.
- The name, address, and telephone number of the lot owner as well as the name of the contractor or technician performing the work and the Company represented.
- Identify the start date and expected end date of the work to be performed.
- Attest that the home owner has read and understands all conditions, requirements, and restrictions specified in this Declaration pertaining to such construction.
- Include a copy of any and all required building/construction permits required and issued by the City of Flower Mound authorizing the work to be performed.

The Letter of Intent should be submitted a minimum of two weeks prior to work start. This provides the Architecture and Landscape Committee ample time to consult with the lot owner to resolve any concerns or questions related to the construction project outlined in the Letter of Intent prior to actual work start.

Section 3.5.2.1. Construction/Landscape Review.

The completed construction and/or landscaping will be reviewed by the Architectural and Landscape Committee to review the quality of the work performed, cleanliness of the area, and to ensure the lot owner is in compliance with all restrictions, conditions, and prohibitions outlined in this Declaration and his/her Letter of Intent.

Section 3.5.2.2. Failure to Conform.

In the event a completed construction or landscape project fails to meet acceptable standards based on the review conducted by the Architectural and Landscape Committee, it is the responsibility of the Committee chair to effect coordination with the

lot owner relative to the standards which have not been met within 12 hours after the review has been conducted. At this meeting, the Committee chair shall identify and discuss each cause that has contributed to a cause for concern. If disputes arise over a cause, the item or items in dispute shall be forwarded to the HOA Board of Directors for further review along with the proposed original Letter of Intent and any other matters of extenuation or mitigation that the lot owner may choose to forward to the Board. In this instance, the Board of Directors shall provide a decision and/or response to the lot owner within 72 hours related to approval and/or further actions that must be taken or corrected by the lot owner through his contractor/technician in order to bring the project up to par.

Note: A Letter of Intent need not be submitted when a lot owner elects to repaint his or her home the existing color or change a paint scheme to a neutral color such as: tan, beige, kaki, white, or light gray. Minor landscaping changes such as seasonal replantings or the replacement of dead plants do not require a letter of intent either.

Section 3.5.3. Construction/Landscaping Plan.

A Construction/Landscaping Plan is submitted by a lot owner when there is an intention to accomplish construction projects such as those defined in Section 3.5.2 above on a do-it-yourself basis.

Note: Major home exterior modifications or additions as well as changing the existing paint scheme of a home to something other than a neutral tone, is considered a major construction landscape change and does require the submission of a Construction/Landscaping Plan.

The Construction/Landscaping Plan will be submitted via to the Architectural and Landscape Committee chair person a minimum of three weeks prior to work start. This provides the Architecture and Landscape Committee ample time to consult with the lot owner to resolve any concerns or questions related to the construction project outlined in the Construction/Landscaping Plan prior to actual work start.

Section 3.5.4. Construction/Landscaping Plan Approval Process.

The Construction/Landscaping Plan will be reviewed by the Architectural and Landscape Committee to ensure the lot owner is in compliance with all restrictions, conditions, and prohibitions outlined in this Declaration.

The Construction/Landscape Plan submitted may be a narrative description of the project, a mix of narration and schematic drawings, or architectural drawings. Whatever method is used, the plan should clearly describe the lot owner's construction or landscaping intent. Errors or omissions from the Plan submitted to the Committee is the responsibility of the lot owner submitting the Plan to which the improvements relate. The Committee is interested only in the identification of the peculiar, unusual, radical, curious, odd, bizarre, or irregular as it pertains to the structure built, modified, or added to; major changes to landscaping; wall additions, or major changes to exterior painting schemes as well as compliance with the covenants, conditions, restrictions, and agreements defined in the various sections of this Declaration. It is the lot owner's responsibility to ensure they or their contracted representatives (i.e., architects, contractors, or technicians) are in proper compliance with all City codes or ordinances and have coordinating their intentions with the proper City offices and officials and secured the required permits required to accomplish work. The requirement also extends to any State statutes or the common law, whether the same relate to lot lines, building lines, easements or any other building/construction issue.

At a minimum, the Construction/Landscape Plan submitted should include:

- A general description of the project including project dimensions.
- The location of the intended construction, landscaping improvement, or modification in relation to the positioning of the lot and home.
- The name, address, and telephone number of the lot owner, contractor, or technician performing the work as well as the name of the Company represented.
- Experience level of the person performing the work expressed in either years of experience performing similar work or qualification (e.g., master carpenter, master electrician, etc.)
- Attest that the home owner has read and understands all conditions, requirements, and restrictions specified in this Declaration pertaining to such construction.
- That the construction shall be in compliance with Sections 2.12, Changing Lot Grading and/or Slope Plan, 2.15, Side Line and Front Line Setback Restrictions; 2.17, Fences; and 2.18, Walls.
- A copy of any and all required building/construction permits required and issued by the City of Flower Mound authorizing the work to be performed.

The Construction/Landscape Plan submitted is coordinated and approved in writing by the Architectural and Landscape Committee in concert with the Board of Directors and returned to the lot owner after all concerns, issues, and/or problems have been resolved to the satisfaction of all parties. A copy of the approved Construction/Landscape Plan shall be maintained by the Architecture and Landscape Committee chair for a period of one year.

Section 3.5.5. Disapproved Construction/Landscaping Restrictions.

In the event a Construction/Landscape Plan submitted is disapproved by the Architectural and Landscape Committee, it is the responsibility of the Committee chair to effect coordination with the lot owner relative to the causes of disapproval within 12 hours after the Plan has been disapproved. At this meeting, the Committee chair shall identify and discuss each cause that has contributed to disapproval of the submitted Plan. If disputes arise over a cause, the item or items in dispute shall be forwarded to the HOA Board of Directors for further review along with the proposed Plan and any other matters of extenuation or mitigation that the lot owner may choose to forward to the Board. In this instance, the Board of Directors shall provide a decision and/or response to the lot owner within 72 hours related to approval and/or further actions that must be taken or corrected by the lot owner in order to obtain the necessary approval for the work to be performed.

Section 3.5.6 Specific Construction/Landscaping Restrictions.

Prior to approved construction or landscaping starts, project materials of any kind or character shall be placed or stored on the home Owner's property no earlier than 48 hours in advance. Construction materials shall be placed within the property lines of the home Owner where the work is to be performed. All post-construction materials are to be removed from the home Owner's premises and any other surrounding areas affected no later than 24 hours after work stoppage.

SECTION 3.6. STANDARDS.

The Committee, Board of Directors, or serving officers of the HOA shall from time to time publish and promulgate newsletters and/or bulletins regarding architectural standards. The Architecture and Landscape Committee shall have sole discretion with respect to determining, promulgating, and enforcing taste and design standards. However, the Committee in concert with the HOA Board of Directors shall, to the maximum extent possible, exercise common sense and judgment when determining or applying standards set. When applied, these standards shall carry forward the spirit and intent of this Declaration and applied in a fair, reasonable, and uniform manner across the membership of the HOA.

SECTION 3.7. COMMITTEE LIABILITY.

The Architecture and Landscape Committee members shall not be held liable for claims, causes of action, or damages arising out of decisions made provided such decisions are neither arbitrary or capricious.

ARTICLE FOUR

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

SECTION 4.1. MEMBERSHIP.

Every lot owner shall be a member of the Sherwood Estates III Homeowner's Association, Inc (HOA), a Texas Nonprofit Corporation, and its successors and assigns (the "Association"), which Association may not be dissolved without the prior written consent of the City of Flower Mound. Membership shall be appurtenant to and shall not be separated from ownership of any lot which is part of the Sherwood Estates III subdivision. Every member bears the right to inspect the books of the Association at all reasonable times Monday through Friday during daily business hours (i.e., 8:00 a.m. to 5:00 p.m.).

SECTION 4.2. MEMBER VOTING RIGHTS.

Each lot owner in the Sherwood Estates III subdivision is considered a voting member of the Association. Each lot owner is entitled to one vote for each lot owned. When more than one person owns an interest in any lot, all such persons shall be members of the Association. However, the vote for the lot shall be exercised as determined jointly by the lot owners, but in no event shall more than one vote be cast by its multiple owners.

SECTION 4.3. BOARD OF DIRECTORS.

The membership of the Association shall elect the Board of Directors on an annual basis. The Board of Directors shall, by majority rule, conduct the business of the Association to include the appointment of Committees as necessary to conduct business of the Association except when —

- Membership votes are required pursuant to this Declaration.
- Membership votes are required pursuant to the Articles of Incorporation.
- Membership votes are required pursuant to the By Laws of the Association.

SECTION 4.4. BYLAWS.

The Association may make whatever rules and Bylaws it deems desirable to govern the Association and its members; provided that any conflict between the Bylaws and provisions of this Declaration shall be controlled by the provisions of this Declaration.

ARTICLE FIVE

FINES AND ASSESSMENTS

SECTION 5.1. GENERAL.

According to Article Six, Section Two (B) and (C) of the Sherwood Estates III HOA By Laws, the Board of Directors of the Sherwood Estates III HOA are empowered to impose fines, levy assessments, and otherwise enforce the provisions of this Declaration of covenants, conditions, restrictions, and agreements and seek damages and/or equitable relief or other remedial actions as a result of violations of this Declaration or the existing By Laws of the Association as set forth in the following paragraphs.

SECTION 5.2 VIOLATION NOTICES

The Board of Directors may issue or cause to be issued by an appropriate Association Officer, a Notice of Violation for non-compliance with the covenants, conditions, restrictions, and agreements set forth in this Declaration. A lot owner of the Association shall be provided a Notice of Violation in the following manner:

1. **Person-to-Person.** A Director, Officer, or the Architectural and Landscaping Committee chair person shall notify a lot owner of the Association in person. During this person-to-person visit, the notifying authority will clearly define the violation and the extent to which the covenant(s), condition(s), restriction(s), and agreement(s) has been violated. In addition, the notifying authority will provide the lot owner the time and opportunity to provide any matters in extenuation or mitigation in regard to the Notice of Violation(s) either electronically, personal mail, or via direct interface with the notifying authority. If matters of extenuation and mitigation or not acted on favorably by the notifying authority, the lot owner will be given no less than 72 hours and no more than 14 days to fix the problem. If the problem cannot be fixed in this time period, it is the responsibility of the lot owner to inform the notifying authority that more time is required to rectify the violation.
2. **Issuance of a Violation Notice Letter.** If a lot owner has received a personal visit from a Director, Officer, or the Architectural and Landscaping Committee chair person in regard to a violation(s) and the violation(s) goes uncorrected beyond the period specified by the notifying authority, an Association Violation Notice Letter will be forwarded to the lot owner. This notification shall serve as a second notification for a failure to comply with existing portions of this Declaration covenants, conditions, restrictions, or agreements. The notifying authority will again define the violation(s) and the extent to which the covenant(s), condition(s), restriction(s), and agreement(s) has been violated. In addition, the notifying authority will provide the lot owner the time and opportunity to submit any matters in extenuation or mitigation in regard to the Notice of Violation(s) either electronically, personal mail, or via direct interface with the notifying authority. If matters of extenuation and mitigation or not acted on favorably by the notifying authority, the lot owner will be given no less than 72 hours and no more than 14 days to fix the problem. If the problem cannot be fixed in this time period, it is the responsibility of the lot owner to inform the notifying authority that more time is required to rectify the violation. If the violation is not corrected in the time period directed or arbitrated between the affected party and the notifying authority, the lot owner is subject to a fine as discussed in Section 5.3.

SECTION 5.3. FINES.

Per Section Six, Section II (B), the Board of Directors is empowered to impose fines for violations of this Declaration and its covenants, conditions, restrictions, and agreements. Such fines will normally be imposed for only the most serious of violations where a lot owner has willfully violated a covenant, condition, restriction, or agreement as set forth in this declaration. It is ultimately the responsibility of each Sherwood Estates III lot owner to know of, read, and thereby comply with this Declaration and its contents. Statements to the effect that a lot owner is/was unaware of this Declaration shall not serve as a matter of mitigation or extenuation regarding any violations noted. The Board of Directors, Officers, and Committee's shall periodically remind and stress to Association members the importance and "need" for each lot owner to read and become conversant with this Declaration in the Association News Letter.

A fine of \$100 per week shall be imposed by the Association Board of Directors following a failure to respond to and correct all violations identified in a written Notice of Violation and within the time frame specified in the notification. This charge shall accrue at \$100 per week thereafter until the violation(s) is corrected.

SECTION 5.4. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS.

Each owner by acceptance of a deed to a lot within the Sherwood Estates III subdivision, is deemed to covenant and agree to pay to the Sherwood Estates III HOA, Inc the following assessments:

- Annual.
- Special.

Both assessments are collected as hereinafter provided. The annual and special assessments, together with interest on past due assessments, costs and reasonable attorney's 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 attorney's fees, shall be the personal obligation of the person who was the owner of such property at the time when the assessment came due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

SECTION 5.5. ANNUAL ASSESSMENTS.

Each lot is hereby subjected to an annual maintenance charge and assessment in the amount of \$204.00 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 lot to the Association. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid.

SECTION 5.6. MAINTENANCE FUND PURPOSE.

According to Article Six Section Two (C) of the Sherwood Estates III HOA By Laws, the Board of Directors shall establish and maintain a Maintenance Fund. The proceeds of the Maintenance Fund will be used to create a reserve fund that pays for the current and future costs associated with the following:

- Continuous and perpetual operations, maintenance and/or supervision of landscape systems, features, or elements located or which in the future may be located along: Morriss Road and Flower Mound Road (FM 3040) in parkways,

common areas, between screening walls and adjacent curbs or street pavement edges, and subdivision entryways.

- Maintaining and repairing the fences along the two foot easements (hereafter referred to as "Common Areas") along Morriss Road, Gamewell Way, Flower Mound (FM 3040), and Littlejohn Court as shown on the subdivision Plat.

Note: In accordance with Article Six, Section II (F) and (G), the Board of Directors is charged with the responsibility to pay or cause to be paid all taxes or assessments of whatever type duly assessed against all or any portion of the Common Area or Association which are not separately assessed to Sherwood Estates III lot owners. In addition, the Board of Directors is responsible for procuring and maintaining adequate general liability insurance and liability and hazard insurance on all property owned by the Association.

SECTION 5.7. SPECIAL ASSESSMENTS.

The Association may in any year, levy a special assessment that is applicable to that year only for the purpose of defraying, in whole or part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Areas; provided a meeting of the Association members is duly called to vote on the issue. The passage of such assessment must have the consent of two-thirds of the votes of Association members voting either in person or by proxy with the proxy votes cast not less than 30 nor more than 60 days in advance of the meeting. At the first called meeting, the presence of members or of proxies entitled to cast 60% of all the votes of membership shall constitute a quorum. If the required quorum is not present, a second meeting may be called subject to the same notice requirement as specified for the first meeting but shall not be held more than 60 days following the first meeting. At the second meeting, the required quorum shall be one-half of the required quorums of the first meeting.

SECTION 5.8. NONPAYMENT OF ASSESSMENTS.

Any assessment that is not paid within 30 days after the due date reflected on the billing, a \$10.00 per month late fee will be assessed until payment is remitted in full.

SECTION 5.9. EFFECT OF NONPAYMENT OF ASSESSMENTS.

In accordance with Article Six, Section II (B), (C), (I) and (J) of the Sherwood Estates III By Laws the Board of Directors is empowered to bring legal action against the owner personally obligated to pay assessments such as foreclosure of the lien against the lot as well as the suspension of voting rights. No owner may waive or otherwise escape liability related to payment of this assessment by nonuse of any Common Area or abandonment of his/her lot.

SECTION 5.10. SUBORDINATED LIEN TO SECURE PAYMENT.

The lien of the assessments provided for herein shall be subordinate to the liens of any valid mortgage or deed of trust. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage or deed of trust foreclosure (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability and liens for any assessments thereafter becoming due.

SECTION 5.11. DURATION.

The foregoing assessment will remain effective for the full term (and extended term, if applicable) of this Declaration.

SECTION 5.12. PERFORMANCE BY THE CITY.

In the event that the Association fails, after reasonable notice, to perform its obligations and responsibilities hereunder in accordance with this Declaration or of any applicable codes or regulations of the City, the City shall have the right to assess the Association for all costs incurred by the City in performing the Association's obligations and responsibilities and to avail itself of any other enforcement actions available to the City pursuant to State law or the City's codes or regulations. The Association hereby indemnifies the City and agrees to hold the City harmless from any and all costs, expenses, suits, demands, liabilities, or damages, including attorney's fees and costs of suit, incurred or resulting from the City's performance of the Associations obligation and responsibilities, including but not limited to the removal of the existing fence and the replacement thereof, due to the Association's failure to perform them.

ARTICLE SIX
PROPERTY RIGHTS IN COMMON AREAS

SECTION 6.1. ASSOCIATIONS RIGHTS.

The Association and its assigns, contractors, and employees shall have the right and easement to enter upon Common Areas for the purpose of exercising the rights and performing the obligations of the Association as set forth in this Declaration.

SECTION 6.2. COMMON AREA EASEMENTS.

Every lot owner shall have a non-exclusive right and easement of enjoyment in and to any Common Area, which right shall be appurtenant to and shall pass with the title to every lot, subject to the right of any Common Area to any public agency, authority or utility company for such purposes and subject to such conditions as may be agreed to by the members and required by the City; provided, however, that no such dedication or transfer shall be effective unless any instrument signed by two-thirds of the members and by the City agreeing to such dedication of transfer has been recorded.

SECTION 6.3. DELEGATION OF RIGHTS.

Any owner may delegate, in accordance with the Bylaws of the Association, his/her right of enjoyment to the Common Areas and facilities to the members of his/her family or to persons residing on the lot under a lease or lease of contract to purchase from the owner.

ARTICLE SEVEN
GENERAL PROVISIONS

SECTION 7.1. EASEMENTS.

Easements for the installation and maintenance of utilities and drainage facilities are and shall be reserved as shown on the Plat. Easements are also reserved for the installation, operation, maintenance, and ownership of utility service lines from the property lines to residences. By acceptance of a deed to any lot, the owner thereof covenants and agrees to keep and maintain any easement that transverses a portion of the lot in a neat and clean condition.

SECTION 7.2. HOME MAINTENANCE.

The owner of each lot shall maintain his/her home in a manner that does not cause offense or in any way damages or decreases the value of other homes on adjacent properties. Each lot owner shall, on a routine basis, ensure that the exterior portion of the homes and any other lot improvements visible to the naked eye are properly maintained and repaired on an as required basis. Therefore, worn or rotten parts shall be regularly repaired or replaced and all painted surfaces shall be repainted or stained based on age, weathering, or peeling whichever occurs first. Lot owners shall not permit roofs, guttering, downspouts, exterior doors, walkways, driveways or parking areas to deteriorate. Any of these conditions left uncorrected creates an unattractive property appearance and leads to lot and home devaluation and also affects the value of adjacent properties.

SECTION 7.3. LOT MAINTENANCE.

The owner and/or occupant of each lot shall, upon occupation of a house, maintain their yards in a neat and attractive manner. Grass shall be mowed at regular intervals, landscaping maintained through regular pruning and cutting, weeds controlled, and sidewalk and street curbs along property lines edged. For prudent reasons, lot owners shall keep shrubs and other plants neatly trimmed away from windows to deter and prevent potential robbery of private dwellings.

No lot owner shall let his or her lawn grass exceed a height of six inches in length. Upon failure of any lot owner to properly maintain his/her lot, the Architecture and Landscape Committee, at its option, may have the grass, weeds, and other vegetation cut as often as necessary to maintain a neat and attractive appearance. In this case, the lot owner will be notified by personal visit from an HOA Director, Officer, or Architectural Landscape Committee member that his/her yard requires maintenance in order to comply with the appearance standards of the HOA. If this does not remedy the situation, the home owner will be supplied a second notification by letter stating that the he/she has 24 hours in which to remedy the problem. If in that time the appearance standard is not met, the yard will be mowed by the Sherwood Estates III HOA landscape contractor. Following such action, the homeowner shall be presented with an itemized statement of work performed and shall be obligated to reimburse the Association for all costs associated by such work performed by its landscaping contractor.

SECTION 7.4. MORTGAGE.

It is expressly provided that the breach of any of the foregoing conditions shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, as to the same premises or any part thereof encumbered by such mortgage or deed of trust, but said conditions shall be binding thereto as to lots acquired by foreclosure, trustee's sale or otherwise, as to any breach occurring after such acquisitions of title.

SECTION 7.5. TERM.

The foregoing covenants, conditions, restrictions, and agreements contained in this Declaration shall run with and bind the land and shall remain in full force and effect for a term of 25 years after this Declaration is officially recorded. They shall be automatically extended for successive periods of 10 years unless amended as provided herein.

SECTION 7.6. SEVERABILITY.

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

SECTION 7.7. BINDING EFFECT.

Each of the covenants, conditions, restrictions, and agreements contained in this Declaration is made for the mutual benefit of, and is binding upon, each and every person acquiring any lot within the Sherwood Estates III subdivision. This Declaration, when executed, shall be filed in the Real Property Records of Denton County so that each and every owner or purchaser of any lot is on notice of the covenants, conditions, restrictions, and agreements herein contained.

SECTION 7.8. ENFORCEMENT.

The Sherwood Estates III Board of Directors are empowered by Article Six, Section Two with specific powers relative to the enforcement of the covenants, conditions, restrictions, and agreements as set forth in this Declaration.

The owner of any lot shall have the easement and right to have each and all of the covenants, conditions, restrictions, and agreements contained in this Declaration faithfully and equally carried out and performed with reference to each and every lot and lot owner within the Sherwood Estates III subdivision. This right is extended to each lot owner with the intent and purpose to attach to each lot, without reference to when it was sold, the right and easement to have such covenants, conditions, restriction and agreements strictly complied with whether owned by multiple owners, successor owners, or others.

The officially elected Board of Directors of Sherwood Estates III together with the Association members shall have the right to bring any suit or undertake any legal process that may be proper to enforce the performance of all covenants, conditions, restrictions, and agreements stated in this Declaration. Failure to enforce any covenant, condition, restriction, or agreement contained in this Declaration shall in no event be deemed a waiver of the right to do so thereafter.

SECTION 7.9. DEFINITION OF OWNER.

The term "owner" shall refer to the record owner, whether one or more persons or entities (including contract sellers), of the fee simple title to a lot on which there is built a single-family residence, but not including those having an interest merely as security for the performance of an obligation.

SECTION 7.10. OTHER AUTHORITIES.

If other authorities, such as the City or County, impose more demanding, expensive, or restrictive requirements than those that are set forth in this Declaration, the requirements of such authorities shall be complied with. The imposition of lesser requirements by other authorities shall not supercede nor diminish the requirements that are set forth in this Declaration.

SECTION 7.11. CORRESPONDENCE.

All notices, newsletters, or correspondence of an official nature sent to lot owners residing in the Sherwood Estates III subdivision shall be addressed to their street address by normal or Certified Mail. All Letters of Intent and Construction/Landscape Plans submitted by lot owners should be addressed to:

Sherwood Estates III HOA
Attn: Architectural and Landscape Committee
P.O. Box 271375
Flower Mound, Texas 75027

Sherwood Estates III HOA members are encouraged to submit questions and/or concerns to their elected Board of Directors or appointed HOA officers either telephonically or via regular or electronic mail.

SECTION 7.12. AMENDMENT.

At any time, the owners of the legal title to 66% of the lots within the Sherwood Estates III subdivision (as shown in the Real Property Records of Denton County) may amend the covenants, conditions, restrictions, and agreements set forth in this Declaration by recording an instrument containing such amendment(s). No such amendment(s) shall be valid or effective without the joinder of the HOA Board of Directors, and with the understanding that the Association's obligation and responsibilities pertaining to dissolution of the Association may not be amended without the prior written consent of the City.

EXECUTED this ____ day of _____, in the year of 2005.

John Green, Board of
Directors, Sherwood Estates
III Homeowners Association,
Inc

James Clay, Board of
Directors, Sherwood Estates
III Homeowners Association,
Inc

Jim Wells, Board of
Directors, Sherwood Estates
III Homeowners Association,
Inc

Patsy Sasser, President,
Sherwood Estates III
Homeowners Association,
Inc

Vacant, Vice President,
Sherwood Estates III
Homeowners Association,
Inc

John Sherwood, Treasurer,
Sherwood Estates III
Homeowners Association,
Inc

Ginger Tuggle, Secretary,
Sherwood Estates III
Homeowners Association,
Inc

STATE OF TEXAS

*

*

COUNTY OF DENTON

*

This Second Amended Declaration of Covenants, Conditions, Restrictions, and Agreements for Sherwood Estates III were acknowledged before me this ____ day of ____, 20__, by _____, Board of Directors and _____ President of the Sherwood Estates III Homeowners Association, Inc., on behalf of said Association.

NOTARY PUBLIC, STATE OF TEXAS