

DECLARATION REGARDING THE ESTABLISHMENT OF
WHITE BLUFF PROPERTY OWNERS' ASSOCIATION, INC.

WHEREAS, the Declarant is the owner of all the real property described as the White Bluff Subdivision according to the plat filed and recorded in the Plat Records of Hill County, Texas (hereinafter called the "Property"); and

WHEREAS, on May 29, 1990, a Texas non-profit corporation, the "White Bluff Property Owners' Association, Inc." was incorporated to protect the value and quiet enjoyment of the Property to its owners and duly authorized users; and

WHEREAS, on even date hereof, Declarant filed certain Covenants and Restrictions on and for the White Bluff Subdivision in the Deed Records of Hill County, Texas.

NOW, THEREFORE, the Declarant does hereby impress and declare that all of the Property shall be held, sold and conveyed, subject to the Covenants and Restrictions and subject to the Articles of Incorporation and the Bylaws established in connection with the White Bluff Property Owners' Association, Inc., all of which have been enacted and established for the protection of the value and desirability of the Property. All of such Covenants and Restrictions, as well as such Bylaws, shall be binding upon all parties having any right, title or interest in and to the Property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of such parties, all as follows.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to the White Bluff Property Owners' Association, Inc., its successors and assigns.

Section 2. "Property" shall mean and refer to the land and premises located in Hill County, State of Texas, known as the "White Bluff Subdivision," as described hereinabove and any additions and contiguous subdivisions thereto as may hereafter be brought within the jurisdiction of the Association by its Board of Directors.

Section 3. "Covenants" shall mean and refer to the Covenants and Restrictions hereinabove described together with any further or subsequent supplements, amendments, additions or modifications thereto, all of which are incorporated herein by reference.

Section 4. "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map(s) or plat(s) of the Property, as amended from time to time, which is designated as a "lot" thereon.

Section 5. "Owner" shall mean and refer to each and every person or entity who is a record owner of a fee or undivided fee interest in any Lot; however, the word "Owner" shall not include person(s) or entity(ies) who hold a bona fide lien or interest in a Lot merely as security for the performance of an obligation.

Section 6. "Member" shall mean and refer to each Owner of a Lot.

Section 7. "Common Areas" shall mean and refer to any and all areas of land within the Property which are known, described or designated as common green, common areas, recreational easements, green belts, open spaces, private streets, jogging and bicycle trails, swimming pools, tennis courts, recreational centers or bodies of water on any recorded subdivision plat of the Property or intended for or devoted to the common use and enjoyment of the Members of the Association; central water and central sewer systems within the subdivision, if owned by the Association, and any improvements that are now or may hereafter be constructed thereon.

Section 8. "Bylaws" shall mean and refer to the Bylaws of the Association, as amended from time to time, all of which are incorporated herein by reference.

Section 9. The "Architectural Control Committee" shall be the person or

July 19, 1990
 Patsy Ramsden
 1528 2211 Paso 867

persons appointed by the Association to approve or disapprove applications for construction of improvements on any Lot Within the Property.

ARTICLE II

WHITE BLUFF PROPERTY OWNERS' ASSOCIATION, INC.

PURPOSE AND POWERS

The Association is created to carry out a uniform plan for improvement and development of the Property and to exercise the rights granted in the Covenants as well as the specific purposes stated below:

Section 1. To provide for the acquisition, construction, management, maintenance and care of the Association property.

Section 2. To provide for and assist in maintenance, preservation and architectural control of the Property and to promote the health, safety and welfare of the Owners and residents of the Property.

Section 3. To operate and or maintain central water and sewer systems for the use and benefit of the Owners and residents of the Property.

Section 4. To borrow money (if necessary) and to acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject to the terms and provisions of, and limitations and prohibitions within, the applicable Texas non-profit corporation laws.

Section 5. To cause the Common Areas to be maintained, operated, regulated and administered in accordance with any applicable terms and conditions of the Covenants or as may be otherwise prescribed by the Association.

Section 6. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as may be set forth in the Covenants or as may be otherwise prescribed by the Association.

Section 7. To fix, levy, collect and enforce payment by any lawful means, all charges, fees or assessments provided for by the terms of the Covenants and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including any licenses, taxes or governmental charges which may be levied or imposed against the Common Area or any other property owned by the Association.

Section 8. To amend the Covenants by resolution of the Board of Directors, except as otherwise provided in (i) Article III, Section 2 hereof, (ii) the Texas Non-profit Corporation Act or (iii) any other applicable law.

Section 9. Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors of the Association, will promote the common benefit and enjoyment of the Owners and residents of the Property; provided, however, that no part of the net earnings of the Association shall inure to the benefit of or be distributable to any Member, director or officer of the Association, or any private individual (except that reasonable compensation may be paid for service rendered to or for the Association related or pertaining to one or more of its purposes); and provided further that no part of the activities of the Association shall include carrying on propaganda, or otherwise attempting to influence legislation, or participating in, or intervening in (including the publication or distribution or statements) any political campaign on behalf of any candidate for public office.

ARTICLE III

MEMBERSHIP

Section 1. Every person or entity who is now or hereafter becomes an Owner shall automatically be and must remain a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Annual maintenance fees, payable to the Association, shall be based on the number of lots owned by an Owner as follows:

- (a) one lot - \$120.00
- (b) two lots - \$180.00
- (c) three lots - \$220.00
- (d) four lots - \$280.00
- (e) five lots - \$300.00
- (f) six or more lots - \$300.00 plus \$1.00 for additional lot

The Association is hereby given the right to increase or decrease the maintenance fees described in sub-paragraphs (a) through (e) above; provided, that such increase or decrease applies uniformly to all Owners and is deemed reasonably necessary by the Board of Directors of the Association to adequately maintain the Property or to perform the Association's functions. The Association shall not have, and is not delegated, the power to increase or decrease the fees described in sub-paragraph (f) above.

Section 3. The rights of membership are subject to the payment of the annual maintenance fees and any special assessments lawfully levied by the Association, the obligation of which fees and assessments is imposed against each Owner of, and becomes a lien upon, the Lot against which such fees and assessments are made as provided by the Covenants.

Section 4. The membership rights of any person whose interest in the Property is subject to fees or assessments, may be suspended by action of the board of Directors during the period when the fees and assessments remains unpaid; but, upon payment of such fees and assessments, his or her rights and privileges shall be automatically restored. If the Board of Directors has adopted and published rules and regulations governing the use of the Common Areas and the personal conduct of any person thereon, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed sixty (60) days.

ARTICLE IV

VOTING RIGHTS

The Association shall have one class of voting membership. Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, may determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

The books, records and papers of the Association, including without limitation the Bylaws thereof, shall be subject to inspection during reasonable business hours by any Member at the principal office of the Association.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has hereunto set its hand and seal this 14th day of June, 1990.

ATTEST:

DOUBLE DIAMOND INC.

By: Beverly Selman
Beverly Selman, Secretary

By: R. Mike Ward
R. Mike Ward, President

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

This Instrument was acknowledged before me on June 14th, 1990 by R. Mike Ward, President of Double Diamond, Inc., on behalf of said corporation.

Melissa N. Cobb
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

WB5

