

**WAIVER OF NOTICE OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS AND
UNANIMOUS CONSENT RESOLUTION
OF SPECIAL MEETING FOR
HILLCREST LEBANON HOMEOWNERS ASSOCIATION, INC.**

The undersigned, being all of the Directors of Hillcrest Lebanon Homeowners Association, Inc., (the "Association") pursuant to the Texas Business Corporation Act and the Bylaws of the Association, do hereby waive written notice of this Special Directors Meeting, and pursuant to the Bylaws and the Texas Business Corporation Act do hereby affirm their unanimous written consent by their signatures below to the following:

WHEREAS, on or about the 17th day of April, 2000, the Association received by Quit Claim Deed, Lot 1, Block A of the Smith Estates of the City of Frisco, Collin County, Texas; and

WHEREAS, the Association acknowledges that Lot 1, Block A of the Smith Estates is a cemetery which must be maintained according to the rules of the City of Frisco; and

WHEREAS, in order to reduce future maintenance costs of the cemetery as well as improve upon the safety and aesthetics of this Lot, new fencing should be installed around the cemetery along with a secured entryway; and

WHEREAS, in order to reduce the costs which would ordinarily be incurred to install new fencing, the Association has inquired of Declarant as to its ability to install such fencing and make such improvements at a reasonable cost; and

WHEREAS, Declarant has agreed at its cost to contract on behalf of the Association for the installation of such improvements to the cemetery property by the installation of a new fence with secured access, and the Association deems it to be in its best interest to agree to reimburse Declarant for such expenses. Accordingly, it is hereby

RESOLVED, that the Association agrees to reimburse Declarant, or pay the contractor directly, for all expenses incurred in connection with the installation of new wrought iron fencing and secured access gate to the premises of Lot 1, Block A of Smith Estates; however, Declarant agrees that in no event shall such expenses exceed \$6,000.00 for such fencing, and Declarant has agreed to charge the Association its costs only; and

RESOLVED, that the Association shall reimburse all of the above described costs to Declarant or pay contractor directly, within thirty (30) days of the submission of a cost bill from the contractors or subcontractors performing the work.

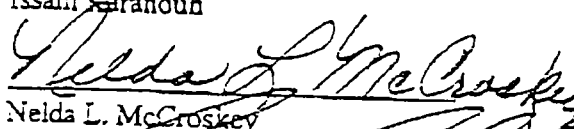
RESOLVED, that in order to cause Declarant to proceed with such improvements, the Association agrees to indemnify and hold harmless Declarant from any and all claims, debts, demands, actions or causes of action, including without limitation, all legal expenses, fees, and costs of court, with respect to any claim related in any way to the fencing or installation thereof.

RESOLVED, that the Association Officers may, at their discretion, execute such agreement(s) with Declarant as Declarant requests so long as consistent with the terms of these Unanimous Consent Resolutions.

Effective this 21st day of April, 2000.

DIRECTORS

Issam Karanouh



Nelda L. McCroskey



Cary L. Cobb

**WAIVER OF NOTICE AND UNANIMOUS CONSENT
OF BOARD OF DIRECTORS IN
LIEU OF ORGANIZATIONAL MEETING**

The undersigned, being the Directors of HILLCREST LEBANON HOMEOWNERS ASSOCIATION, INC., a Texas corporation (the "Corporation"), waive any and all requirements for calling, giving notice of and holding an organizational meeting of the initial Board of Directors of the Corporation and, in lieu of such organizational meeting and pursuant to Article 9.10B of the Texas Business Corporation Act, consent to the adoption of the following resolutions:

I. DIRECTORS

RESOLVED, that the following persons are hereby elected directors of the Corporation, to serve in such capacity until the first annual meeting of the shareholders and until their successors may be chosen and qualified or until their earlier death, resignation, retirement, disqualification, or removal from office:

Issam Karanouh
Nelda McCroskey
Cary L. Cobb

II. BYLAWS

RESOLVED, that the form of Bylaws submitted to the undersigned is hereby approved and adopted in all respects as the Bylaws of the Corporation, and the Secretary of the Corporation is instructed to insert the original thereof in the minute book of the Corporation.

III. OFFICER

RESOLVED, that the following persons are hereby elected to the office or offices set forth below opposite his/her respective names, to serve until the first meeting of the Board of Directors of the Corporation following the first annual meeting of shareholders of the Corporation and until their successors are chosen and qualified or until their earlier death, resignation, retirement, disqualification or removal from office:

President: Issam Karanouh
Secretary: Nelda McCroskey
Treasurer: Cary L. Cobb

IV. BOOKS AND RECORDS

RESOLVED, that the Secretary of the Corporation is hereby authorized and directed to procure all necessary books and records of the Corporation.

V. ORGANIZATIONAL EXPENSES

RESOLVED, that the Treasurer of the Corporation is hereby authorized and directed to pay all fees, expenses and costs incident to or necessary for the incorporation and organization of the Corporation.

VI. FISCAL YEAR

RESOLVED, that the calendar year is hereby adopted as the fiscal year of the Corporation and the proper officers of the Corporation are authorized and directed to keep the books of account and financial records of the Corporation in accordance with such fiscal year.

VII. REGISTERED OFFICE: REGISTERED AGENT; QUALIFICATION

RESOLVED, that the Corporation appoint Nelda McCroskey as the registered agent of the Corporation with offices at 1401 Burnham Drive, Plano, Texas 75093.

RESOLVED, FURTHER, that for purposes of authorizing the Corporation to do business in any state, territory or dependency of the United States or any foreign country in which it is necessary or expedient for the Corporation to transact business, the proper officers of the Corporation are hereby authorized to appoint and substitute all necessary agents or attorneys for service of process, to designate and change the location of all necessary statutory offices, and, under the corporate seal, to make and file all necessary certificates, reports, powers of attorney and other instruments as may be required by the laws of such state, territory, dependency or country to authorize the Corporation to transact business therein, and, whenever it is expedient for the Corporation to cease doing business therein and withdraw therefrom, to revoke any appointment of agent or attorney for service of process, and to file such certificates, reports, revocations of appointment or surrender of authority of the Corporation to do business in any such state, territory, dependency or country.

VIII. DEPOSITORY RESOLUTIONS

RESOLVED, that the President of the Corporation is hereby authorized, in the name and on behalf of the Corporation, to establish accounts with such financial institutions located in such cities and states as he, in his sole and absolute discretion, shall deem necessary or desirable, and that such accounts be established in accordance with and governed by the general rules and regulations of such financial institutions.

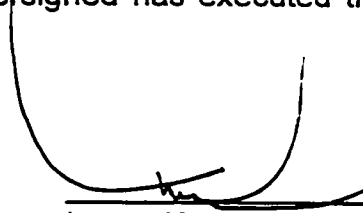
RESOLVED, FURTHER, that the Board of Directors of the Corporation hereby approves and adopts any and all additional resolutions required by any such financial institution to facilitate the establishment of such accounts.

RESOLVED, FURTHER, that the Secretary or any Assistant Secretary of the Corporation is hereby authorized to certify to any such financial institution that the resolutions in the particular form required by such financial institution were duly adopted and approved by the Board of Directors of the Corporation on the date of this instrument, or any date subsequent thereto, and such officer is instructed to retain a copy of such resolutions in the permanent records of the Corporation.

IX. FURTHER AUTHORIZATION

RESOLVED, that the proper officers of the Corporation are hereby authorized and directed to take or cause to be taken all such further action and to sign, execute, acknowledge, certify, deliver, accept, record and file all such further instruments, in the name and on behalf of the Corporation, as in their judgment shall be necessary, desirable or advisable in order to carry out the intent, and to accomplish the purpose, of the foregoing resolutions.

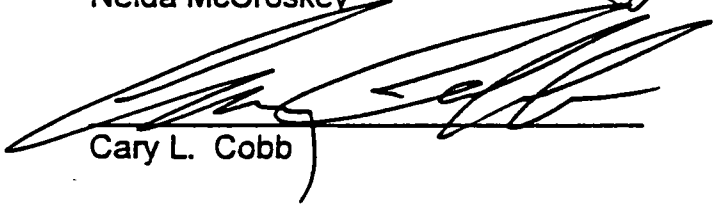
IN WITNESS WHEREOF, the undersigned has executed this instrument dated 4 March 16, 1998.



Issam Karanouh



Nelda McCroskey



Cary L. Cobb

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**WAIVER OF NOTICE OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS AND
UNANIMOUS CONSENT RESOLUTION
OF SPECIAL MEETING FOR
HILLCREST LEBANON HOMEOWNERS ASSOCIATION, INC.**

The undersigned, being all of the Directors of Hillcrest Lebanon Homeowners Association, Inc., a Texas Non-profit Corporation, (the "Corporation"), do hereby waive any and all requirements for giving notice and calling of this special meeting and pursuant to Article 9.10B of the Texas Business Corporation Act and the Bylaws, do hereby consent to the following resolutions:

WHEREAS, the Board has received one or more complaints from Homeowners related to potential violations of the Declaration of Covenants, Conditions and Restrictions for Hillcrest Lebanon (the "Declaration"); and

WHEREAS, the Board desires to clarify the Association's understanding regarding Article IX, Section 21. Accordingly, it is hereby

RESOLVED, that to clarify the Association's understanding regarding the definition of a "small building", the Covenant's Committee shall be advised that the Board, through its enforcement power and power to make rules and regulations, deems that so long as the type of relocated structure referenced in Article IX, Section 21, is not greater than 8 feet in height from the floor of the building to the peak of the roof and measures no more than 80 square feet in floor area; that such building shall qualify as "small"; however, the building must also be of "low visibility". "Low visibility" shall mean that such a structure is not visible from any street adjacent with the house. Notwithstanding, determination of the acceptability of any such structures including without limitation whether a structure is of low visibility, shall be made on a case by case basis; and

RESOLVED, that in the event any applicable Covenant's Committee deems it necessary to impose fines as a sanction for enforcement purposes, the Board hereby approves the range of fines, set forth in Exhibit A attached hereto and incorporated herein by reference that such fines shall be imposed by the Covenants Committee and reviewable within the discretion of the Board.

Effective this 31st day of December, 1999.

DIRECTORS


Issam Karanouh


Nelda McCroskey


Cary L. Cobb

and assigns, and shall inure to the benefit of each owner thereof. All owners of lots within the Property shall be subject to the membership requirements of the association as provided in Article II, Section III of the Declaration. This Declaration of Annexation is specifically intended to comply with Article X of the Declaration, and Article X along with the entirety of the Declaration is incorporated herein by reference as though fully set forth at length.

IN WITNESS WHEREOF, the Declarants, Hillcrest Properties, Ltd. and Hillcrest Properties II, Ltd., cause this instrument to be executed on their behalf as of this 30th day of December, 1999.

DECLARANTS:

HILLCREST PROPERTIES, LTD. by
Intermandeco, Inc. its General Partner

By: Issam Karanouh
Its: Vice President

HILLCREST PROPERTIES II, LTD. by
Intermandeco, Inc. its General Partner

By: Issam Karanouh
Its: Vice President

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

Before me, the undersigned Notary Public of said state, on this 30th day of December, 1999 personally appeared Issam Karanouh, Vice President of Intermandeco, Inc., General Partner for Hillcrest Properties, Ltd. and Hillcrest Properties II, Ltd. personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office.

Richard L. McKinstry
Notary Public in and for the State of Texas

LEGAL DESCRIPTION (Smith Estates)

WHEREAS, HILLCREST PROPERTIES, LTD., is the owner of a tract of land situated in the Z. Burris Survey, Abstract No. 74, and the M. Brown Survey, Abstract No. 42, in the City of Frisco, Collin County, Texas, being all of that 51.0504 acre tract, as described in Clerks File, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING, at a ½ inch iron rod found at the most westerly Southwest corner of Noel A. Smith Elementary School Addition, an addition to the City of Frisco, as described in the Plat Records of Collin County, Texas, said point being in the west line of Colby Drive and the north line of Prestmont Phase I, an addition to the City of Frisco, as described in said Plat Records;

THENCE, South 89°36'22" West, departing said west line and along said north line for a distance of 1176.53 feet to a ½ inch iron rod set on a curve to the left, having a radius of 1050.00 feet, a central angle of 13°07'17", and a tangent of 120.76 feet;

THENCE, along said curve to the left for an arc distance of 240.46 feet (Chord Bearing North 19°24'30" West - 239.93 feet), to a ½ inch iron rod set at the point of tangency;

THENCE, North 25°58'08" West, for a distance of 164.56 feet to a ½ inch iron rod set at the point of curvature of a curve to the right, having a radius of 1200.00 feet, a central angle of 51°09'27", a tangent of 574.40 feet;

THENCE, along said curve to the right for an arc distance of 1071.40 feet (Chord Bearing North 00°23'24" West - 1036.20 feet), to a ½ inch iron rod set at the point of tangency;

THENCE, North 25°11'19" East, for a distance of 164.48 feet to a ½ inch iron rod set;

THENCE, South 64°48'41" East, for a distance of 450.81 feet to a ½ inch iron rod set;

THENCE, North 25°11'19" East, for a distance of 115.93 feet to a ½ inch iron rod set;

THENCE, South 77°04'27" East, for a distance of 87.06 feet to a ½ inch iron rod set;

THENCE, North 12°55'33" East, for a distance of 408.31 feet to a ½ inch iron rod set in the centerline of Lebanon Road;

THENCE, South 77°04'01" East, along said centerline, at 327.81 feet passing a ½ inch iron found for the southwest corner of Cecile Place Phase III-B, an addition to the City of Frisco, as described in said Plat Records, and continuing for a total distance of 748.87 feet to a ½ inch iron rod found at the northwest corner of said Noel A. Smith Elementary School;

THENCE, South 12°55'33" West, departing said centerline and along said west line for a distance of 366.96 feet to a ½ inch iron rod found at the point of curvature of a curve to the left, having a radius of 1060.00 feet, a central angle of 13°30'35", and a tangent of 125.55 feet;

THENCE, continuing along said west line and along said curve to the left for an arc distance of 249.94 feet (Chord Bearing South 06°10'15" West - 249.36 feet), to a ½ inch iron rod found at the point of tangency;

THENCE, South 00°35'02" East, continuing along said west line for a distance of 1069.57 feet to the POINT OF BEGINNING and containing 51.052 acres of land.



MANAGEMENT
C O M P A N Y

TO: ALL HOMEOWNERS OF HILLCREST LEBANON
FROM: HILLCREST LEBANON BOARD OF DIRECTORS
RE: PAYMENT APPLICATION POLICY
DATE: NOVEMBER 30, 2001

At a Board Meeting held on November 13, 2001 the Board of Directors adopted the attached payment policy. The policy becomes effective January 1, 2002. If you have any questions please contact Chris Munsch with SBB Management Company at (972) 960-2800, extension 349.

Community Association Management & Consultation

5728 LBJ Freeway, Suite 460 • Dallas, Texas 75240 • (972) 960-2800 • Fax (972) 991-6642

HILLCREST LEBANON HOMEOWNERS ASSOCIATION, INC.

PAYMENT APPLICATION POLICY

Any payment received by the Hillcrest Lebanon Homeowners Association from an Owner whose accounts reflects an unpaid balance shall be applied to the outstanding balance in the following order:

First – Violation Fines;

Second – Cost of Collection Including Attorney's Fees;

Third – Late Charges

Fourth – Accrued but Unpaid Interest;

Fifth – Special Individual Assessments;

Sixth – Special Assessments; and

Seventh – Annual Assessments.

****This policy shall supercede any written or verbal instruction or direction received from an Owner as to the application of payments made to the Hillcrest Lebanon Homeowner's Association.**

HENRY ODDO AUSTIN & FLETCHER

A PROFESSIONAL CORPORATION

ATTORNEYS AND COUNSELORS AT LAW

1700 PACIFIC AVENUE

SUITE 2700

DALLAS, TEXAS 75201

TELEPHONE (214) 658-1900

FACSIMILE (214) 658-1919

September 25, 2002

Chris Munsch
SBB Management Company
5728 LBJ Freeway
Suite 300
Dallas, Texas 75240

**Re: Certificate and Ratification and Promulgation of Community Association
Violation Enforcement Policy for the Hillcrest Lebanon Homeowners
Association, Inc.**

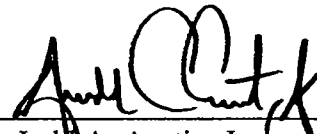
Dear Chris:

Enclosed herewith for your records you will please find the original Certificate and Ratification and Promulgation of Community Association Violation Enforcement Policy for the Hillcrest Lebanon Homeowners Association, Inc. filed with the Collin County Clerk.

Should you have any questions in reference to the foregoing, please do not hesitate to contact me.

Yours very truly,

HENRY ODDO AUSTIN & FLETCHER,
A Professional Corporation

By 
Judd A. Austin, Jr.

JAA/Enclosure

AFTER RECORDING, PLEASE RETURN TO:

Judd A. Austin, Jr.
Henry Oddo Austin & Fletcher, P.C.
1700 Pacific Avenue
Suite 2700
Dallas, Texas 75201

51150 94700

**Certificate of Ratification and
Promulgation of Community Association Violation Enforcement
Policy for the
Hillcrest Lebanon Homeowners Association, inc.**

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

WHEREAS, the Board of Directors of the Hillcrest Lebanon Homeowners Association, Inc. (the "Board") is the entity responsible for the operation of the Hillcrest Lebanon Homeowners Association, Inc. (the "Association"), pursuant to and in accordance with that certain Declaration of Covenants and Restrictions for Hillcrest Meadows, filed of record as Instrument No. 98-0009328 in the Land Records of Collin County, Texas; the Declaration of Annexation of Cecile Place Phase II and Phase III with Hillcrest Meadows, filed of record as Instrument No. 99-002115 in the Land Records of Collin County, Texas; and the Declaration of Annexation of Smith Estates with Hillcrest Meadows and Cecile Phase II and Phase III, filed of record as Instrument No. 00-0024090 in the Land Records of Collin County, Texas; the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Hillcrest Meadows, recorded in Volume 4796, Page 1295, *et seq.*, of the Land Records of Collin County, Texas and the Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Hillcrest Meadows, recorded in Volume 4880, Page 1765, *et seq.*, of the Land Records of Collin County, Texas any and all subsequent amendments thereof and supplements thereto (collectively, the "Hillcrest Lebanon Declaration") and the Bylaws of the Association (the "Bylaws"); and

WHEREAS, the Hillcrest Lebanon Declaration affects certain parcels or tracts of real property in the City of Frisco, Collin County, State of Texas (the "Property") which is more particularly described on Exhibit A through E attached hereto; and

WHEREAS, the Board, pursuant to Article II, Section 5 (e) and Article IX, Section 40 of the Hillcrest Lebanon Declaration, has the authority to enforce the provisions of the Hillcrest Lebanon Declaration and the power to impose reasonable monetary fines for the violation thereof; and

WHEREAS, the Board has authority pursuant to the Hillcrest Lebanon Declaration and the Bylaws to determine, in its reasonable discretion, the manner in which violations of the Hillcrest Lebanon Declaration are to be remedied; and

WHEREAS, Board has and does hereby find the need to establish rules, regulations and procedures for the enforcement of the covenants and restrictions contained in the Hillcrest Lebanon Declaration and for the elimination of violations which may be found to exist within the Properties.

NOW THEREFORE, IT IS RESOLVED that the following rules, regulations and procedures relative to the operation of the Association are hereby established for the enforcement of violations of the restrictions contained in the Hillcrest Lebanon Declaration and for the elimination of violations of such provisions found to exist in, on or about the Property (hereinafter referred to as "Enforcement Policy".)

1. Establishment of a Violation.

a. Failure to Obtain Prior Approval. Any improvement of any kind or nature erected, placed or altered on any Lot which has not been first approved by the Architectural Control Committee (the "ARC" as defined in the Hillcrest Lebanon Declaration) is deemed a "Violation" under this Enforcement Policy for all purposes.

b. Failure to Abide by the Covenants and Restrictions Contained in the Hillcrest Lebanon Declaration. Any construction, alteration or modification to any improvement on a Lot which does not in all respects conform to that which has been so approved or any activity or condition allowed to continue or exist on any Lot that is in direct violation of the covenants and restrictions contained in the Hillcrest Lebanon Declaration or the Design Guidelines is also deemed a "Violation" under this Enforcement Policy for all purposes.

2. Notification.

a. Initial Notice. Upon verification of the existence of a Violation by the management staff ("Management") of the Association, Management will send to the Lot Owner a written notice of the existence of the Violation ("Initial Notice"). The Initial Notice will inform the Owner of the following:

- (i) The nature, description and location of the Violation; and
- (ii) What needs to be done to cure the Violation and notice that the Violation must be cured within ten (10) days of the date of the Initial Notice to avoid further enforcement measures; and
- (iii) A statement that if the Violation has already been corrected or plans and specifications for the subject improvement have been submitted to the ARC, to disregard the notice.

b. **Notice of Violation.** If the Owner has (i) failed to submit plans and specifications for the offending improvement to the ARC or the ARC has denied the approval of plans and specifications submitted, and/or (ii) the Violation is continuing, then no earlier than ten (10) days from the date of the Initial Notice, Management shall send to the Owner written notice (the "**Notice of Violation**") informing the Owner of the following:

- (i) The nature, description and location of the Violation and notification that if the Violation is corrected or eliminated within ten (10) days from the date of the Notice of Violation, no further action will be taken; and
- (ii) Notification that if the Violation is not corrected or eliminated within ten (10) days from the date of the Notice of Violation, any attorneys' fees incurred by the Association in eliminating or abating the Violation shall be charged to the Owner's account; and
- (iii) What needs to be done to cure the Violation; and
- (iv) If necessary: (a) that work on any improvement not designed to cure the Violation must cease immediately and may not resume without the prior written approval of the ARC; and (b) the amount due the Association by the Owner, if any; and
- (iv) Notification that failure to remedy the Violation or cease work on any unauthorized improvement will result in the Association electing to pursue any one or more of the remedies available to the Association under the Hillcrest Lebanon Declaration, Bylaws or this Enforcement Policy.

The Notice of Violation shall be sent to the Owner by certified mail, return receipt requested, and first class U.S. mail, and shall advise the Owner that he or she has the right to request a hearing on or before the thirtieth (30th) day after the Owner receives the Notice of Violation. The hearing, if one is requested in a timely manner, will be held before the Covenants Committee, if established, or if not, the Board. In the event the hearing is to be held before the Covenants Committee, the Owner shall also be notified that the Covenants Committee's decision may be appealed to the Board by written notice to the Board through Management.

c. **Failure to Remedy and Notice of Fine.** Failure to either (i) submit plans and specifications showing that the Violation will be remedied, (ii) cease all non remedial work immediately upon receipt of the Notice of Violation, and/or (iii) remedy the current Violation existing upon the Lot within ten (10) days of the date of the Notice of

Violation, shall constitute a continuing Violation and result in one or more of the following: (a) the imposition of violation fines as determined by the Board of Directors against the Owner, and/or (b) the pursuit of any other remedy available at law or in equity, under the Hillcrest Lebanon Declaration, the Bylaws or this Enforcement Policy including, but without limitation, the recording in the Land Records of Collin County of a Notice that the Lot in question is in violation of restrictive covenants or an action for injunctive relief and civil damages. Management shall send to the Owner a formal written notice of fine (the "Notice of Fine") informing the recipient of the continuing Violation and the remedy chosen as a result thereof. The date of the Notice of Fine shall be the "Notice of Fine Date."

d. **Fine Structure.** Any single fine imposed pursuant to the provisions of this Enforcement Policy may not exceed Ten and No/100 Dollars (\$10.00) per day as determined by the Board of Directors. Per diem fines shall begin to be levied on the Notice of Fine Date. Thereafter, the fines shall continue to be levied on a daily basis until the Violation has been cured or otherwise determined by the Board of Directors. The Owner may, on a periodic basis, be advised of the total amount of fines accrued to his or her account. There shall be no limit to the aggregate amount of fines that may be imposed for the same Violation.

3. **Right to a Hearing Before the Covenants Committee (if established) or the Board of Directors.** If Management receives a written request for a hearing on or before the thirtieth (30th) day after the date the Owner received the Notice of Violation, the Covenants Committee or Board, as applicable, shall hold a hearing not later than the thirtieth (30th) day after the date Management receives the written request for a hearing. Management shall notify the Owner of the date, time and place of the hearing not later than the tenth (10th) day before the date of the hearing. The Covenants Committee or the Board, as applicable, or the Owner may request a postponement and, if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may only be granted by agreement of the parties. The Owner's presence is not required to hold a hearing under this paragraph 4.

4. **Corrective Action.** Notwithstanding the provisions contained in paragraph 2 hereof, where a Violation is determined to exist pursuant to any provision of this Enforcement Policy and the Association is allowed, under the Hillcrest Lebanon Declaration, to exercise self-help to correct the violation, Management, with the approval of the majority of the Board of the Association, may undertake to cause the Violation to be corrected, removed or otherwise abated by qualified contractors if Management, in its reasonable judgment, determines that the Violation may be readily corrected, removed or abated without undue expense and without breach of the peace. Where Management is authorized by the Board of the Association to initiate any action by qualified contractors, the following shall apply:

a. Management must provide the Owner, and any third party directly affected by the proposed action, prior written notice of the undertaking of the action ("Notice of Corrective Action"). The Notice of Corrective Action shall include an opportunity for the Owner to cure the Violation or request a hearing before the Board prior to the undertaking of any corrective action. Should the Owner fail to provide

Management with a written request for hearing within fourteen (14) days from the date of the Notice of Corrective Action, that party shall have waived its right to a hearing.

b. Any cost incurred in correcting or eliminating the Violation will be referred to the Association to be recovered from the Owner as a Special Individual Assessment under the Hillcrest Lebanon Declaration.

c. The Association, the Board, Management and its agents and contractors will not be liable to the Owner or any third party for any damages or costs alleged to arise by virtue of action taken under this Paragraph 4 where the Association, the Board, Management, its agents and contractors have acted reasonably and in conformity with this Enforcement Policy.

5. **Referral to Legal Counsel.** Where a Violation is determined to exist by Management pursuant to any of the provisions of this Enforcement Policy and where Management deems it to be in the best interests of the Association, Management may, at any time and without prior notice to the Owner under the Enforcement Policy, refer the Violation to legal counsel for purposes of seeking to correct or otherwise abate the Violation, including an action for injunctive relief and/or civil damages against the Owner, or any other legal or equitable remedy that may be available to the Association.

6. **Notices.**

a. Any notice required by this Enforcement Policy to be given, sent, delivered or received in writing will be deemed to have been given, sent, delivered or received, as the case may be, upon the earlier to occur of the following:

- (i) When the notice is delivered by facsimile, the notice is deemed received by the Owner when the sender receives a facsimile acknowledgment confirming delivery of the notice.
- (ii) When the notice is placed into the care and custody of the United States Postal Service, the notice is deemed delivered as of the date the notice is deposited into a receptacle of the United States Postal Service with postage prepaid and addressed to the most recent address of the recipient according to the records of the Association. Any Notice of Violation shall be sent certified mail, return receipt requested, and First Class U. S. Mail.

b. Where the Home is occupied by a tenant, where the interests of an Owner have been handled by a representative or agent of such Owner, or where Owner has otherwise acted so as to put the Association on notice that its interests in a Home have been and are being handled by a representative or agent, any notice or communication from the Association or Management pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such tenant, representative or agent.

7. **Cure of Violation During Enforcement.** An Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. Upon verification by Management that the Violation has been corrected or eliminated, the Violation will be deemed to no longer exist and the Notice of Violation shall be voided except as hereinafter provided. The Owner shall be advised by Management of the consequences of the future violation of the same provision of the Hillcrest Lebanon Declaration as set forth in the following paragraph. The Owner will remain liable for all fines levied under this Enforcement Policy, which fines, if not paid upon written demand thereof by Management, will be referred to the Association's legal counsel for collection. The Board, however, in its sole and absolute discretion reserves the right to waive some or all of the fines imposed.

8. **Repeated Violation of the Same Provision of the Hillcrest Lebanon Declaration** Whenever an Owner, who has previously cured or eliminated a violation after receipt of an Initial Notice, commits a separate violation of the same provision of the Hillcrest Lebanon Declaration within six (6) months from the date of the Initial Notice, Management shall reinstate the Violation and pursue the procedures set forth herein as if the Violation had never been cured or eliminated. For purposes of illustration only, in the event the Owner cured the Violation after having received an Initial Notice, the second Violation of the same provision shall prompt Management to send a Notice of Violation. Similarly, in the event the Owner cured the Violation after having received a Notice of Violation, the second Violation shall prompt Management to send a Notice of Fine as provided hereunder.

9. **Authority of Management To Act.** The Board hereby authorizes and empowers Management to do all such things and perform all such acts as are necessary to implement and effectuate the purposes of the Enforcement Policy without further action by the Board.

10. **Binding Effect.** The terms and conditions of this Enforcement Policy, as may be amended from time to time by the Board, shall bind all Owners including their heirs, successors, transferees or assigns, and all Lots as defined in the Hillcrest Lebanon Declaration, and the Property shall hereafter be held, occupied, transferred and conveyed subject to the terms and conditions of this Enforcement Policy, as amended by the Board of Directors.

Executed to be effective as of the 14 day of Aug, 2002.

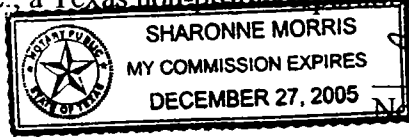
HILLCREST LEBANON HOMEOWNERS ASSOCIATION, INC.

By: William Neuis, esq.
WILLIAM NEUIS, Secretary

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 14 day of August, 2002, by BILL Nellis, Secretary of the Hillcrest Lebanon Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

[SEAL]



Sharonne Morris
Notary Public, State of Texas

CERTIFICATION OF APPROVAL

I, TIMOTHY TERZIS, the duly-elected President of the Hillcrest Lebanon Homeowners Association, Inc. hereby certify:

That the Community Association Violation Enforcement Policy for the Hillcrest Lebanon Homeowners Association, Inc., as evidenced by the records and minutes of the Board of the Association, was approved by the affirmative vote of the majority of the Board of Directors at a regularly scheduled meeting held on July 10, 2002 and that the same does now constitute an official policy of and rules and regulations for the Hillcrest Lebanon Homeowners Association, Inc. and shall be filed of record with the office of the Collin County Clerk.

IN WITNESS WHEREOF, I heretofore subscribe my hand on the this 14 day of August, 2002

TIM TERZIS
President

HILLCREST MEADOWS PHASE I
LEGAL DESCRIPTION

WHEREAS, HILLCREST PROPERTIES, LTD., is the owner of a tract of land situated in the Z. Burris Survey, Abstract No. 74, in the City of Frisco, Collin County, Texas, being part of a 44.7363 acre tract, as described in Clerks File No. 97-0042847, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

COMMENCING, at a 5/8 inch iron rod found at the intersection of the south line of Bocage Lane (50' R.O.W.) and the east line of Hillcrest Road (50' R.O.W.), being the southwest corner of Plantation Resort Phase IA, an addition to the City of Frisco, as described in Volume H, Page 288, in the Map Records of Collin County, Texas;

THENCE, North 00°08'43" East, with the east line of Hillcrest Road and the west line of said Phase IA, for a distance of 351.64 feet;

THENCE, South 89°38'30" West, departing the east line of Hillcrest Road for a distance of 50.00 feet to a 1/2 inch iron rod set at the POINT OF BEGINNING, being in the west line of Hillcrest Road;

THENCE, South 00°08'43" West, with the west line of Hillcrest Road for a distance of 1253.39 feet to a 1/2 inch iron rod set;

THENCE, North 89°50'37" West, departing the west line of Hillcrest Road and with the south line of said 44.7363 acre tract for a distance of 1355.77 feet to a 1/2 inch iron rod found at an angle point;

THENCE, North 77°03'43" West, continuing with said south line for a distance of 233.82 feet to a 1/2 inch iron rod found at the southwest corner of the 44.7363 acre tract;

THENCE, North 12°56'17" East, with the east line of the 44.7363 acre tract for a distance of 48.93 feet to a 1/2 inch iron rod found at the point of curvature of a curve to the left, having a radius of 390.00 feet, a central angle of 13°17'47", and a tangent of 45.46 feet;

THENCE, along said curve to the left and continuing with said west line for an arc distance of 90.51 feet (Chord Bearing North 06°17'24" East - 90.53 feet), to a 1/2 inch iron rod found at the point of tangency;

THENCE, North 00°21'30" West, continuing with said west line for a distance of 464.07 feet to a 1/2 inch iron rod set;

THENCE, North 89°38'30" East, departing said west line for a distance of 190.00 feet to a 1/2 inch iron rod set;

THENCE, South 00°21'30" East, for a distance of 19.06 feet to a 1/2 inch iron rod set;

THENCE, North 89°38'30" East, for a distance of 146.25 feet to a 1/2 inch iron rod set at the point

of curvature of a curve to the right, having a radius of 1484.00 feet, a central angle of $06^{\circ}13'58''$, and a tangent of 80.79 feet;

THENCE, along said curve to the right for an arc distance of 161.43 feet (Chord Bearing South $87^{\circ}14'31''$ East - 161.35 feet), to a $\frac{1}{2}$ inch iron rod set at the point of reverse curvature of a curve to the left, having a radius of 516.00 feet, a central angle of $14^{\circ}28'14''$, and a tangent of 65.51 feet;

THENCE, along said curve to the left for an arc distance of 130.32 feet (Chord Bearing North $88^{\circ}38'21''$ East - 129.97 feet), to a $\frac{1}{2}$ inch iron rod set at the point of reverse curvature of a curve to the right, having a radius of 984.00 feet, a central angle of $17^{\circ}11'40''$, and a tangent of 148.27 feet;

THENCE, along said curve to the right for an arc distance of 295.30 feet (Chord Bearing South $89^{\circ}59'56''$ East - 294.19 feet), to a $\frac{1}{2}$ inch iron rod set at the point of reverse curvature of a curve to the left, having a radius of 716.00 feet, a central angle of $16^{\circ}36'28''$, and a tangent of 104.50 feet;

THENCE, along said curve to the left for an arc distance of 207.54 feet (Chord Bearing South $89^{\circ}42'21''$ East - 206.82 feet), to a $\frac{1}{2}$ inch iron rod set at the point of reverse curvature of a curve to the right, having a radius of 984.00 feet, a central angle of $08^{\circ}09'18''$, and a tangent of 70.15 feet;

THENCE, along said curve to the right for an arc distance of 140.06 feet (Chord Bearing North $86^{\circ}04'04''$ East - 139.94 feet), to a $\frac{1}{2}$ inch iron rod set at the point of tangency;

THENCE, South $89^{\circ}51'17''$ East, for a distance of 62.26 feet to a $\frac{1}{2}$ inch iron rod set;

THENCE, North $00^{\circ}08'43''$ East, for a distance of 326.66 feet to a $\frac{1}{2}$ inch iron rod set;

THENCE, South $89^{\circ}51'17''$ East, for a distance of 177.00 feet to a $\frac{1}{2}$ inch iron rod set;

THENCE, North $00^{\circ}08'43''$ East, for a distance of 300.50 feet to a $\frac{1}{2}$ inch iron rod set in the north line of the aforementioned 44.7363 acre tract;

THENCE, North $89^{\circ}38'30''$ East, with said north line for a distance of 60.00 feet to the POINT OF BEGINNING and containing 24.975 acres of land.

HILLCREST MEADOWS PHASE II
LEGAL DESCRIPTION

WHEREAS, HILLCREST PROPERTIES, LTD., is the owner of a tract of land situated in the Z. Burris Survey, Abstract No. 74, in the City of Frisco, Collin County, Texas, being part of a 44.7363 acre tract, as described in Clerks File No. 97-0042847, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING, at a ½ inch iron rod found at the most westerly northwest corner of Hillcrest Meadows Phase I, an addition to the City of Frisco, being in the west line of the 44.7363 acre tract;

THENCE, North 00°21'30" West, with the west line of the 44.7363 acre tract for a distance of 586.00 feet to a ½ inch iron rod found at the northwest corner of the 44.7363 acre tract;

THENCE, North 89°38'30" East, with the north line of the 44.7363 acre tract for a distance of 1512.58 feet to a ½ inch iron rod found at the most northerly northwest corner of said Phase I, being in the west line of Hillcrest Road (120' R.O.W.);

THENCE, South 00°08'43" West, with the most northerly west line of said Phase I, being the west line of Hillcrest Road, for a distance of 300.50 feet to a ½ inch iron rod found at an interior ell corner of said Phase I;

THENCE, North 89°51'17" West, with a north line of said Phase I for a distance of 177.00 feet to a ½ inch iron rod found at a northwest corner of said Phase I;

THENCE, South 00°08'43" West, with a west line of said Phase I for a distance of 308.66 feet to a ½ inch iron rod found at an interior ell corner of said Phase I;

THENCE, North 89°51'17" West, with the most westerly north line of said Phase I for a distance of 62.26 feet to a ½ inch iron rod found at the point of curvature of a curve to the left, having a radius of 984.00 feet, a central angle of 08°09'18", and a tangent of 70.15 feet;

THENCE, along said curve to the left and with said north line for an arc distance of 140.06 feet (Chord Bearing South 86°04'04" West - 139.94 feet), to a ½ inch iron rod found at the point of reverse curvature of a curve to the right, having a radius of 716.00 feet, a central angle of 16°36'28", and a tangent of 104.50 feet;

THENCE, along said curve to the right and with said north line for an arc distance of 207.54 feet (Chord Bearing North 89°42'21" West - 206.82 feet), to a ½ inch iron rod found at the point of reverse curvature of a curve to the left, having a radius of 984.00 feet, a central angle of 17°11'40", and a tangent of 148.77 feet;

THENCE, along said curve to the left and with said north line for an arc distance of 295.30 feet (Chord Bearing North 89°59'56" West - 294.19 feet), to a ½ inch iron rod found at the point of reverse curvature of a curve to the right, having a radius of 516.00 feet, a central angle of 14°28'14", and a tangent of 65.51 feet;

THENCE, along said curve to the right and with said north line for an arc distance of 130.32 feet (Chord Bearing South 88°38'21" West - 129.97 feet), to a 1/2 inch iron rod found at the point of reverse curvature of a curve to the left, having a radius of 1484.00 feet, a central angle of 06°13'58", and a tangent of 80.79 feet;

THENCE, along said curve to the left and with said north line for an arc distance of 161.43 feet (Chord Bearing North 87°14'31" West - 161.35 feet), to a 1/2 inch iron rod found at the point of tangency;

THENCE, South 89°38'30" West, with said north line for a distance of 146.25 feet to a 1/2 inch iron rod found;

THENCE, North 00°21'30" West, with said north line for a distance of 19.06 feet to a 1/2 inch iron rod found;

THENCE, South 89°38'30" West, continuing with said north line for a distance of 190.00 feet to the POINT OF BEGINNING and containing 19.778 acres of land.

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW (THE STATE OF TEXAS) COUNTY OF COLLING (Library shows that this instrument was filed in the Public Records on the date and in the manner required by law and that the same is in the Official Public Record in said County of Colling County, Texas)

Hubert J. [Signature]



LEGAL DESCRIPTION

05246 05126

WHEREAS, HILLCREST PARTNERSHIP, LTD., is the owner of a tract of land situated in the Z. Burtis Survey, Abstract No. 74, in the City of Frisco, Collin County, Texas, being part of a 42 acre tract, as described in Clerks File 98-0038095, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING, at a ½ inch iron rod found at the southeast corner of Hillcrest Meadows Phase I, an addition to the City of Frisco, Texas, as described in Volume K, Pages 283-284, in the Map Records of Collin County, Texas being in the west line of Hillcrest Road (60' R.O.W.) also being the most easterly northeast corner of the 42 acre tract;

THENCE, South 00°08'43" West, along the west line of Hillcrest Road for a distance of 978.04 feet to a "x" cut found at the southeast corner of the 42 acre tract, being in the north line of Lebanon Road (60' R.O.W.);

THENCE, North 76°45'01" West, along the north line of Lebanon Road and with the south line of 42 acre tract, for a distance of 1445.18 feet to a ½ inch iron rod set;

THENCE, North 77°04'01" West, continuing along said lines for a distance of 312.46 feet to a ½ inch iron set;

THENCE, North 12°56'32" East, departing the said lines for a distance of 477.23 feet to a ½ inch iron rod on a curve to the right, having a radius 250.00 feet, a central angle of 16°25'40", and a tangent of 34.35 feet;

THENCE, along said curve to the right for an arc distance of 70.22 feet (Chord Bearing North 63°22'21" West - 69.99 feet), to a ½ inch iron rod set at the point of reverse curvature of a curve to the left having a radius of 200.00 feet, a central angle of 21°43'55", and a tangent of 38.39 feet;

THENCE, along said curve to the left for an arc distance of 75.86 feet (Chord Bearing North 66°11'28" West - 75.40 feet), to a ½ inch iron rod set to the point of tangency;

THENCE, North 77°03'28" West, for a distance of 50.00 feet to a ½ inch iron rod set;

THENCE, North 12°56'17" East, for a distance of 171.00 feet to a ½ inch iron rod set;

THENCE, North 77°03'28" West, for a distance of 133.01 feet to a ½ inch iron rod set;

THENCE, North 00°21'30" West, for a distance of 344.57 feet to a ½ inch iron rod set;

THENCE, North 89°38'30" East, for a distance of 139.00 feet to a ½ inch iron rod set;

THENCE, North 00°21'30" West, for a distance of 155.00 feet to a ½ inch iron rod set;

05246 05127

THENCE, North $89^{\circ}38'$ East, for a distance of 170.00 feet to a $\frac{1}{2}$ inch iron rod found at the northwest corner of said Hillcrest Meadows Phase I;

THENCE, South $00^{\circ}21'30''$ East, along the west line of said Hillcrest Meadows Phase I for a distance of 1050.07 feet to a $\frac{1}{2}$ inch iron rod found to a point of curvature of a curve to the right, having a radius of 390.00 feet, a central angle of $13^{\circ}17'47''$, and a tangent 45.46 feet;

THENCE, along said curve to the right and with said west line for an arc distance of 90.51 feet (Chord Bearing South $06^{\circ}17'24''$ West - 90.30 feet), to a $\frac{1}{2}$ inch iron rod found to the point of tangency;

THENCE, South $12^{\circ}56'17''$ West, continuing along said west line for a distance of 48.93 feet to a $\frac{1}{2}$ inch iron rod found at the southwest corner of said Phase I;

THENCE, South $77^{\circ}03'43''$ East, along the south line of said Phase I for a distance of 233.82 feet to a $\frac{1}{2}$ inch iron rod found;

THENCE, South $89^{\circ}50'37''$ East, continuing along said south line for a distance of 1355.77 feet to the POINT OF BEGINNING and containing 33.749 acres of land.

WHEREAS, HILLCREST PARTNERSHIP, LTD., is the owner of a tract of land situated in the Z. Burris Survey, Abstract No. 74, in the City of Frisco, Collin County, Texas, being part of a 45 acre tract, as described in Clerks File, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING, at a ½ inch iron rod found in the north line of Lebanon Road (50' R.O.W.) and the southwest corner of Cecile Place Phase II, an addition to the City of Frisco, as described in Volume, Page, in the Plat Records of Collin County, Texas;

THENCE, North 77°04'011" West, along the north line of said Lebanon Road for a distance of 1467.67 feet to a ½ inch iron rod set;

THENCE, North 12°56'17" East, departing the said north line for a distance of 500.14 feet to a ½ inch iron rod set;

THENCE, North 49°46'43" West, for a distance of 450.00 feet to a ½ inch iron rod set;

THENCE, North 40°13'17" East, along the westerly line of the said 45 acre tract for a distance of 310.80 feet to a ½ inch iron set;

THENCE, North 41°20'17" East, continuing along the said line for a distance of 627.06 feet to a ½ inch iron rod set;

THENCE, North 89°38'30" East, departing the said westerly line and along the north line of the said 45 acre tract, for a distance of 1184.67 to a ½ inch iron rod found;

THENCE, South 00°21'30" East, departing the said north line and along the west line of Hillcrest Meadows Phase II, an addition to the City of Frisco, as described in Volume K, Pages 446-447, in the Plat Records of Collin County, Texas, for a distance of 586.00 feet to a ½ inch iron rod found;

THENCE, North 89°38'30" West, departing the said west line and along the west line of said Cecile Place Phase II, for a distance of 170.00 feet to a ½ inch iron rod found;

THENCE, South 00°21'30" East, continuing along said west line for a distance of 155.00 feet to a ½ inch iron rod found;

THENCE, South 89°38'30" West, continuing along the said west for a distance of 139.00 feet to a ½ inch iron rod found;

THENCE, South 00°21'30" East, continuing along the said west line for a distance of 344.57 feet to a ½ inch iron rod found;

THENCE, South 77°03'28" East, continuing along said west line for a distance of 133.01 feet to a ½ inch iron rod found;

THENCE, South 12°56'17" West, continuing along said west line for a distance of 171.00 feet to a ½ inch iron found;

THENCE, South $77^{\circ}03'28''$ East, Continuing said west line for a distance of ~~50.00 feet~~ to a $\frac{1}{2}$ inch iron rod found at the point of curvature of a curve to the right, having a radius of 200.00 feet, a central angle of $21^{\circ}43'55''$, and a tangent of 38.39 feet;

THENCE, continuing along said west line and along the said curve to the right for an arc distance of 75.86 feet (Chord Bearing South $66^{\circ}11'28''$ East - 75.40 feet), to a $\frac{1}{2}$ inch iron found at point of a reverse curve to the left, having a radius of 250.00 feet, a central angle of $16^{\circ}05'40''$, and a tangent of 35.35 feet;

THENCE, continuing said west line and along said curve to the left for an arc distance of 70.22 feet (Chord Bearing South $63^{\circ}22'21''$ East - 69.99 feet), to a $\frac{1}{2}$ inch iron rod found;

THENCE, South $12^{\circ}56'32''$ West, continuing along said west line for a distance of 477.23 feet to the POINT OF BEGINNING and containing 53.662 acres of land.

LEGAL DESCRIPTION (Smith Estates)

WHEREAS, HILLCREST PROPERTIES, LTD., is the owner of a tract of land situated in the Z. Burris Survey, Abstract No. 74, and the M. Brown Survey, Abstract No. 42, in the City of Frisco, Collin County, Texas, being all of that 51.0504 acre tract, as described in Clerks File, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING, at a 1/2 inch iron rod found at the most westerly Southwest corner of Noel A. Smith Elementary School Addition, an addition to the City of Frisco, as described in the Plat Records of Collin County, Texas, said point being in the west line of Colby Drive and the north line of Prestmont Phase I, an addition to the City of Frisco, as described in said Plat Records:

THENCE, South 89°36'22" West, departing said west line and along said north line for a distance of 1176.53 feet to a 1/2 inch iron rod set on a curve to the left, having a radius of 1050.00 feet, a central angle of 13°07'17", and a tangent of 120.76 feet;

THENCE, along said curve to the left for an arc distance of 240.46 feet (Chord Bearing North 19°24'30" West - 239.93 feet), to a 1/2 inch iron rod set at the point of tangency;

THENCE, North 25°53'06" West, for a distance of 167.56 feet to a 1/2 inch iron rod set at the point of curvature of a curve to the right, having a radius of 1200.00 feet, a central angle of 51°09'27", a tangent of 574.40 feet;

THENCE, along said curve to the right for an arc distance of 1071.40 feet (Chord Bearing North 00°25'24" West - 1036.20 feet), to a 1/2 inch iron rod set at the point of tangency;

THENCE, North 35°11'19" East, for a distance of 164.48 feet to a 1/2 inch iron rod set;

THENCE, South 64°48'41" East, for a distance of 450.81 feet to a 1/2 inch iron rod set;

THENCE, North 25°11'19" East, for a distance of 115.92 feet to a 1/2 inch iron rod set;

THENCE, South 77°04'27" East, for a distance of 87.06 feet to a 1/2 inch iron rod set;

THENCE, North 12°55'33" East, for a distance of 408.31 feet to a 1/2 inch iron rod set in the centerline of Lebanon Road;

THENCE, South 77°04'01" East, along said centerline, at 327.81 feet passing a 1/2 inch iron found for the southwest corner of Cecile Place Phase III-B, an addition to the City of Frisco, as described in said Plat Records, and continuing for a total distance of 748.87 feet to a 1/2 inch iron rod found at the northwest corner of said Noel A. Smith Elementary School;

THENCE, South 12°55'33" West, departing said centerline and along said west line for a distance of 366.96 feet to a 1/2 inch iron rod found at the point of curvature of a curve to the left, having a radius of 1060.00 feet, a central angle of 13°30'55", and a tangent of 125.55 feet;

THENCE, continuing along said west line and along said curve to the left for an arc distance of 249.94 feet (Chord Bearing South 06°10'15" West - 249.56 feet), to a 1/2 inch iron rod found at the point of tangency;

THENCE, South 00°35'02" East, continuing along said west line for a distance of 1069.57 feet to the POINT OF BEGINNING and containing 51.052 acres of land.

EXHIBIT E-1

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

- (a) All property subject to the Declaration of Covenants, Conditions and Restrictions for Hillcrest Meadows, recorded on February 2, 1998 under Collin County Clerk's Index No. 98-0009328 in the Land Records of Collin County, Texas; and
- (b) All property subject to the Declaration of Annexation of Cecile Place Phase II with Hillcrest Meadows, recorded on February 22, 1999 under Collin County Clerk's Index No. 99-0021145 in the Land Records of Collin County, Texas.
- (c) All property subject to the Declaration of Annexation of Smith Estates with Hillcrest Meadows and Cecile Place Phase II and Phase III, executed by Hillcrest Properties, Ltd. and Hillcrest Properties II, Ltd., both Texas limited partnerships, and filed of record on or about March 13, 2000 under Collin County Clerk's Index No. 00-0024090 in the Land Records of Collin County, Texas.

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.
(THE STATE OF TEXAS) (COUNTY OF COLLIN)
I hereby certify that this instrument was FILED in the File Number Sequence on the date and the time stamped hereon by me, and was duly RECORDED in the Official Public Records of Real Property of Collin County, Texas on:

SEP 04 2002

Helen Starnes

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

On Sep 04 2002
At 2:30pm

Doc/Num : 2002- 0126721

Recording/Type:RN 41.00
Receipt #: 31373