

THE STATE OF TEXAS §  
 §  
 COUNTY OF DENTON §

## FHA AMENDMENT

### TO DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS FOR REATTA RIDGE

#### RECITALS

A. Reatta Ridge, Ltd., a Texas limited partnership (the "**Declarant**"), developed Reatta Ridge, a planned development located in the City of Justin, Denton County, Texas, which is subject to the Declaration of Covenants, Conditions & Restrictions for Reatta Ridge, recorded June 13, 2001, as Document No. 2001-R0057505, in Volume 4857, Page 01605, Real Property Records, Denton County, Texas (the "**Declaration**").

B. During the Development Period, Declarant has the right to amend the Declaration, without consent of other owners or any mortgagee, to enable an institutional or governmental lender to make or purchase mortgage loans on the lots, pursuant to Section C.3.7 of Appendix C of the Declaration.

C. Declarant hereby amends certain provisions of the Declaration to qualify the Documents and the Property for approval by U.S. Department of Housing and Urban Development for FHA-insured loans.

#### AMENDMENTS

1. Section C.3.5 of Appendix C of the Declaration, is hereby amended and restated in its entirety as follows:

*C.3.5. Declarant's Votes. The vote appurtenant to each lot owned by Declarant is of the same size and weight as the votes appurtenant to lots owned by other owners.*

2. Section 12.6 of the Declaration, titled "Termination," is hereby amended by the addition of the following sentence:

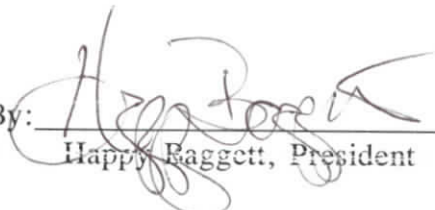
*If the Association is dissolved, the assets will be dedicated to a public body or conveyed to a nonprofit organization with similar purposes.*

**SIGNED AND ACKNOWLEDGED**

SIGNED on the 5th day of December 2001.

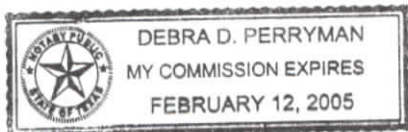
**REATA RIDGE, LTD.**, a Texas limited partnership

By: HD Properties, Inc., a Texas corporation, its general partner

By:   
 Happy Baggett, President

THE STATE OF TEXAS §  
 §  
 COUNTY OF TARRANT §

This instrument was acknowledged before me on the 5th day of December 2001 by Happy Baggett, President of HD Properties, Inc., a Texas corporation, on behalf of the corporation in its capacity as general partner of Reatta Ridge, Ltd., a Texas limited partnership, on behalf of the partnership.



  
 Notary Public, The State of Texas

4978 01132

AFTER RECORDING, PLEASE RETURN TO:

Sharon Reuler, P.C.  
Palmer, Allen & McTaggart, L.L.P.  
8111 Preston Road, Suite 300  
Dallas, Texas 75225

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 DENTON }

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 Denton County, Texas on

DEC 6 2001

*Cynthia Mitchell*  
COUNTY CLERK  
DENTON COUNTY, TEXAS



Filed for Record in:  
DENTON COUNTY, TX  
CYNTHIA MITCHELL, COUNTY CLERK

On Dec 06 2001  
At 10:41am

Receipt #: 61343  
Recording: 7.00  
Doc/Mgmt: 6.00  
Doc/Num: 2001-R0131043  
Doc/Type: AMD  
Deputy -Jane

**ARTICLES OF INCORPORATION  
OF  
REATA RIDGE OWNERS ASSOCIATION**  
A Texas Nonprofit Corporation

FILED  
In the Office of the  
Secretary of State of Texas

JUN 11 2001

Corporations Section

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I, the undersigned natural person over the age of eighteen years, acting as incorporator of a corporation under the Texas Nonprofit Corporation Act, do hereby adopt the following Articles of Incorporation for the corporation:

**ARTICLE 1. PROPERTY.** These Articles of Incorporation pertain to Reatta Ridge , an addition to the City of Justin, Denton County, Texas, the plat of the initial phase having been recorded on May 21, 2001, as Document No. 2001-R0048290, in Cabinet T, Page 260, Plat Records, Denton County, Texas, which is a partial replat of the instrument recorded April 11, 2000, as Document No. 00-R0088002, in Cabinet R, Page 319, Plat Records, Denton County, Texas.

**ARTICLE 2. DECLARATION.** The Property is or will be subject to the Declaration of Covenants, Conditions & Restrictions for Reatta Ridge, recorded or to be recorded in the Real Property Records of Denton County, Texas, as amended from time to time (the "**declaration**").

**ARTICLE 3. ASSOCIATION.** The corporation is the "**Association**," a mandatory property owners association, created by and defined in the declaration.

**ARTICLE 4. NAME.** The name of the Association is Reatta Ridge Owners Association.

**ARTICLE 5. NONPROFIT.** The Association is a nonprofit corporation, organized pursuant to the Nonprofit Corporation Act.

**ARTICLE 6. DURATION.** The duration of the Association is perpetual.

**ARTICLE 7. PURPOSES.** The general purposes for which the Association is formed are to exercise the rights and powers and to perform the duties and obligations of a Texas property owners association in accordance with the declaration, the bylaws of the Association, and State law, as each may be amended from time to time.

**ARTICLE 8. POWERS.** In furtherance of its purposes, the Association has the following powers which, unless indicated otherwise by these articles, the declaration, the bylaws, or State law, may be exercised by the board of directors: (1) all rights and powers conferred on nonprofit corporations by State law in effect from time to time; (2) all rights and powers conferred on property owners associations by State law, in effect from time to time; (3) all powers necessary, appropriate, or advisable to perform any purpose or duty of the Association as set out in these articles, the bylaws, the declaration, or State law.

**ARTICLE 9. MEMBERSHIP.** The Association is a nonstock membership corporation. The declaration and bylaws will determine the number and qualifications of members of the Association; any classes of membership; the voting rights and other privileges of membership; and the obligations and liabilities of members. Cumulative voting is not allowed.

**ARTICLE 10. MANAGEMENT BY BOARD.** The management and affairs of the Association are vested in the board of directors, except for those matters expressly reserved to others in the declaration and bylaws. The bylaws may determine the number and qualification of directors; the term of office of directors; the methods of electing, removing, and replacing directors; and the methods of holding a board meeting and obtaining consents.

**ARTICLE 11. LIMITATIONS ON LIABILITY.** a. Except as provided in Paragraph b below, an officer or director of the Association is not liable to the Association or its members for monetary damages for acts or omissions that occur in the person's capacity as an officer or director, except to the extent a person is found liable for (1) a breach of the officer or director's duty of loyalty to the Association or its members; (2) an act or omission not in good faith that constitutes a breach of duty of the officer or director to the Association; (3) an act or omission that involves intentional misconduct or a knowing violation of the law; (4) a transaction from which the officer or director receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the person's office; or (5) an act or omission for which the liability of an officer or director is expressly provided by an applicable statute. The liability of officers and directors of the Association may also be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended.

b. The limitation on the liability of an officer or director does not eliminate or modify that person's liability as a member of the Association. The liability of a member arising out of a contract made by the Association, or out of the indemnification of officers or directors, or for damages as a result of injuries arising in connection with the common elements, or for liabilities incurred by the Association, will be limited to the same proportion for which he is liable for common expenses as a member of the Association.

**ARTICLE 12. INDEMNIFICATION.** Subject to the limitations and requirements of Art. 1396-2.22A of the Nonprofit Corporation Act, the Association will indemnify a person who was, is, or is threatened to be made a named defendant or respondent in a proceeding because the person is or was an officer or director of the Association. Additionally, the Association may indemnify a person who is or was an employee, trustee, agent, or attorney of the Association, against any liability asserted against him and incurred by him in that capacity and arising out of that capacity.

**ARTICLE 13. AMENDMENT OF ARTICLES.** These articles may be amended in accordance with the Nonprofit Corporation Act, subject to the following:

1. An amendment may not conflict with the declaration or State law.
2. An amendment may not impair or dilute a right granted to a person by the declaration, without that person's written consent.
3. Without member approval, the board of directors may adopt amendments permitted by Art. 1396-4.02.A(4) of the Nonprofit Corporation Act.

**ARTICLE 14. AMENDMENT OF BYLAWS.** The bylaws of the Association may be amended or repealed according to the amendment provision of the bylaws, which may reserve those powers to the members, exclusively.

**ARTICLE 15. DISSOLUTION.** The Association may be dissolved only as provided in the declaration, bylaws, and by State law. On dissolution, the assets of the Association will be distributed in accordance with the declaration provision for distribution upon termination. If the declaration has no such provision, then in accordance with Section 82.068 of the Property Code, albeit the Association is not otherwise subject to Chapter 82 of the Property Code.

**ARTICLE 16. ACTION WITHOUT MEETING.** Pursuant to Article 1396-9.10.C. of the Nonprofit Corporation Act, any action required by the Nonprofit Corporation Act to be taken at a meeting of the members or directors, or any action that may be taken at a meeting of the members or directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members, directors, or committee members as would be necessary to take that action at a meeting at which all of the members, directors, or members of the committee were present and voted.

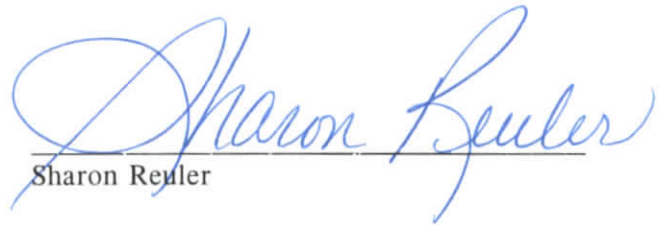
**ARTICLE 17. INITIAL BOARD OF DIRECTORS.** The initial board consists of three directors who will serve as directors until their successors are elected and qualified, as provided in the bylaws. The name and address of each initial director is as follows:

<u>Name</u>	<u>Address</u>
Happy Baggett	309 W. 7th Street, Suite 100, Fort Worth, Texas 76102
Deborah Baggett	309 W. 7th Street, Suite 100, Fort Worth, Texas 76102
Debra Perryman	309 W. 7th Street, Suite 100, Fort Worth, Texas 76102

**ARTICLE 18. INITIAL REGISTERED AGENT & OFFICE.** The name of the Association's initial registered agent is Happy Baggett. The address of its initial registered agent is 309 W. 7th Street, Suite 100, Fort Worth, Texas 76102.

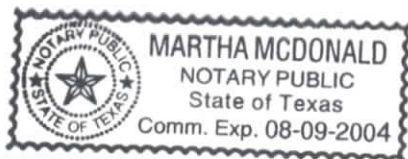
**ARTICLE 19. INCORPORATOR.** The name of the incorporator is Sharon Reuler. The incorporator's address is c/o Palmer, Allen & McTaggart, LLP, 8111 Preston Road, Suite 300, Dallas, Texas 75225.

SIGNED this 7th day of June 2001.

  
Sharon Reuler

THE STATE OF TEXAS §  
COUNTY OF DALLAS §

This instrument was acknowledged before me on this 7th day of June 2001 by Sharon Reuler.



  
Notary Public, The State of Texas

AFTER RECORDING, PLEASE RETURN TO:

Sharon Reuler, P.C.  
Palmer, Allen & McTaggart, L.L.P.  
8111 Preston Road, Suite 300  
Dallas, Texas 75225

THIS DOCUMENT HAS BEEN FILED FOR RECORDING IN THE PUBLIC RECORDS OF DENTON COUNTY, TEXAS. IT IS THE POLICY OF DENTON COUNTY TO MAKE THESE RECORDS AVAILABLE TO THE PUBLIC IN AN ELECTRONIC FORMAT. THE ORIGINAL RECORDS ARE AVAILABLE FOR VIEWING AT THE COUNTY CLERK'S OFFICE. FOR MORE INFORMATION, CONTACT THE COUNTY CLERK'S OFFICE AT (817) 325-4000.

JUN 28 2001

*Cynthia Mitchell*  
COUNTY CLERK  
DENTON COUNTY TEXAS



Filed for Record in:  
DENTON COUNTY, TX  
CYNTHIA MITCHELL, COUNTY CLERK

On Jun 28 2001  
At 10:35am

Receipt #: 32540  
Recording: 9.00  
Doc/Mgmt: 6.00  
Doc/Num: 2001-R0063442  
Doc/Type: MDO  
Deputy -Christy



The State of Texas  
Secretary of State

JUN 18 2001

CERTIFICATE OF INCORPORATION  
OF

REATA RIDGE OWNERS ASSOCIATION  
CHARTER NUMBER 01632022


THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS, HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS CERTIFICATE OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW, THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED JUNE 11, 2001  
EFFECTIVE JUNE 11, 2001



  
Henry Cuellar, Secretary of State





The State of Texas  
Secretary of State

JUN 18 2001

JUNE 11, 2001

PALMER ALLEN MCTAGGART  
811 PRESTON RD #300  
DALLAS TX 75225

RE:  
REATA RIDGE OWNERS ASSOCIATION  
CHARTER NUMBER 01632022-01

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES OF INCORPORATION THAT CREATED YOUR CORPORATION. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR NEW VENTURE.

AS A CORPORATION, YOU ARE SUBJECT TO STATE TAX LAWS. SOME NON-PROFIT CORPORATIONS ARE EXEMPT FROM THE PAYMENT OF FRANCHISE TAXES AND MAY ALSO BE EXEMPT FROM THE PAYMENT OF SALES AND USE TAX ON THE PURCHASE OF TAXABLE ITEMS. IF YOU FEEL THAT UNDER THE LAW YOUR CORPORATION IS ENTITLED TO BE EXEMPT YOU MUST APPLY TO THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE EXEMPTION. THE SECRETARY OF STATE CANNOT MAKE SUCH DETERMINATION FOR YOUR CORPORATION.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.



VERY TRULY YOURS,

A handwritten signature in cursive script that reads "Henry Cuellar". The signature is written in black ink and is positioned above a horizontal line.

Henry Cuellar, Secretary of State



**U.S. DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

Southwest Area  
Office of Housing  
801 Cherry Street/P.O. Box 2905  
Fort Worth, Texas 76113-2905

December 11, 2001

Sharon Reuler, P.C.  
Palmer, Allen & McTaggart, L.L.P.  
8111 Preston Road, Suite 300  
Dallas, TX 75225-6308

Re: Reatta Ridge, Phase 1

Dear Ms. Reuler:

The Planned Unit Development (PUD) organizational documents relating to Reatta Ridge, Phase 1, Justin, Denton County, TX 76247, (all lots and blocks) have been reviewed by this office. The documents have been found to meet the requirements for a PUD. Requests for FHA insurance endorsements will now be accepted by this office.

The approved HUD File No. is: FW-P00422

If we may be of further assistance, please contact Alice K. Massengale, Housing Program Specialist at (817) 978-5529 or our toll free number 1-800-568-2893, extension 9785525.

Sincerely,

A handwritten signature in cursive script that reads "Linda J. Carter".

Linda J. Carter  
Supervisory Housing Program Specialist  
SF Program Support

THE STATE OF TEXAS    }  
  }  
COUNTY OF DENTON    }

**DESCRIPTION OF SUBJECT LAND AMENDMENT**

**TO DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS  
FOR REATTA RIDGE**

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**RECITALS**

A. Reatta Ridge, Ltd., a Texas limited partnership (the “**Declarant**”), developed Reatta Ridge, a planned development located in the City of Justin, Denton County, Texas, which is subject to the Declaration of Covenants, Conditions & Restrictions of Reatta Ridge, recorded June 13, 2001, as Document No. 2001-R0057505, in Volume 4857, Page 01605, and the FHA Amendment, recorded December 6, 2001, as Document No. 2001-R0131043, in Volume 4978, Page 01132, Real Property Records, Denton County, Texas (the “**Declaration**”).

B. During the Development Period, Declarant has the right to amend the Declaration, without consent of other owners or any mortgagee, to enable an institutional or governmental lender to make or purchase mortgage loans on the lots, pursuant to Section C.3.y of Appendix C of the Declaration.

C. Declarant hereby amends certain provision of the Declaration to annex additional property in accordance with the phased development concept of the Declarant.

**AMENDMENTS**

1. Appendix A , Description of Subject Land of the Declaration, is hereby amended to included the following:

**PHASE II TRACT**

The 28.604 acre tract described by meter and bounds in the Owner’s Acknowledgement and Dedication of the Final Plat of Reatta Ridge Additional Phase II, record on September 10, 2002, as Document No. 2002-00117910, in Cabinet U, Page 606-607, Plat Records, Denton County, Texas, including the following 121 house lots:

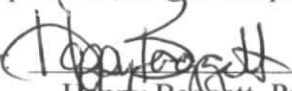
BLOCK D	LOTS	1-12	BLOCK E	LOTS	1-24
BLOCK F	LOTS	1-13	BLOCK G	LOTS	1- 6
BLOCK H	LOTS	20-33	BLOCK I	LOTS	16-30
BLOCK J	LOTS	1-30	BLOCK K	LOTS	5-11

**SIGNED AND ACKNOWLEDGED**

SIGNED on the 1<sup>st</sup> day of November 2002.

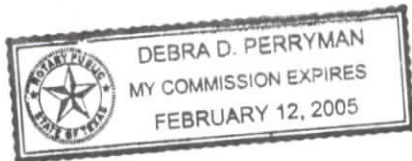
REATA RIDGE, LTD.,  
a Texas limited partnership

By: HD Properties, Inc., a Texas  
corporation, its general partner

By:   
Happy Baggett, President

THE STATE OF TEXAS }  
  }  
  }  
COUNTY OF TARRANT }

This instrument was acknowledged before me on the 1<sup>st</sup> date of November 2002 by Happy Baggett, President of HD Properties, Inc., a Texas corporation, on behalf of the corporation in its capacity as general partner of Reatta Ridge, Ltd., a Texas limited partnership, on behalf of the partnership.



  
Notary Public

After Recording Return to:

Reatta Ridge Owners Association  
309 W. 7<sup>th</sup> Street, Suite 100  
Fort Worth, TX 76102