

DECLARATION OF
ASSOCIATION AGREEMENT
AND
PROTECTIVE COVENANTS
FOR
570.298 ACRES
IN THE E.W. LUCAS SURVEY
ABSTRACT NO. 547
AND
THE GUINN MORRISON SURVEY
ABSTRACT NO. 559
COLLIN COUNTY, TEXAS
TO BE KNOWN AS
"SHEFFIELD FARMS"

STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF COLLIN

THAT SPORTSMAN LIMITED PARTNERSHIP, ("Developer" herein) is the owner of all that certain real property in Collin County, Texas, known as SHEFFIELD FARMS as shown in the Map and Plat Records of Collin County, Texas, Vol. L, Page 421, 422 & 423.

Developer desires to create and carry out a uniform plan for the improvement, development and sale of all sites in SHEFFIELD FARMS for the benefit of the present and future owners of tracts and for the protection of property values therein: and to that purpose, the undersigned hereby adopts and establishes with respect to said land the following declarations, restrictions, covenants, conditions, easements, and liens to apply uniformly to the use, improvements, occupancy and conveyance of any tract of land in SHEFFIELD FARMS, including the road, streets, pathways, waterways and drainage ways therein; and hereby agrees to organize "SHEFFIELD FARMS ASSOCIATION". The Articles of Formation and the by-laws of the Association shall provide for membership therein, elections of Directors and Officers and purposes and powers of the Association and for such other conditions as to make effective the rights, privileges, obligations and duties imposed upon the Association by these declarations, covenants and agreements; and hereby delegates and assigns to SHEFFIELD FARMS ASSOCIATION the powers of administration and enforcement of the covenants and restrictions and collection and disbursement of any assessments and charges created herein and promotion of the recreation, health, safety and welfare of the residents of SHEFFIELD FARMS. All owners of property in said SHEFFIELD FARMS shall be members of SHEFFIELD FARMS ASSOCIATION, (hereafter "the Association")

ARTICLE I
RESTRICTIVE COVENANTS

Section A. Building type and land use:

1. Dwellings must be site-built and shall contain a minimum of 2,000 sq. ft. in the living area. Each dwelling built in SHEFFIELD FARMS must have a roof pitch of no less than 6/12. Out buildings shall be located at least 30 ft. behind main dwelling and all plans, both for dwellings and out buildings, must be submitted to the Developer, or other authority as designated by the Developer, for approval.

2. No tract shall be further subdivided.

3. No mobile homes or manufactured homes will be allowed in SHEFFIELD FARMS.

4. No motor vehicles shall be permitted to remain on the premises without current license plates and inspection stickers for a period in excess of 10 days. Farm type machinery is not in this category.

5. No tract shall become a junk yard.
 - a. A junk yard shall be construed to be such when so described by two-thirds of the owners of tracts in this restricted area in writing.
6. No tract shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers.
7. No outside toilet facilities shall be constructed or maintained on any tract and sewage disposal systems must meet local and state health regulations and must be maintained at all times in accordance with County Sanitary laws. All plumbing and drains must be connected with water tight septic tanks of approved construction. Any unsanitary condition shall be corrected by the owner at his expense upon notification by representative of the restricted area or by the health department having jurisdiction.
8. Easements are reserved and set back lines are to be observed according to the plat as filed in Collin County Records.
9. No noxious or offensive activity shall be maintained or permitted on any property or properties in this restricted area. Nothing shall be done or permitted to be done thereon which may become or may be a nuisance.
10. The restricted area is to be used for residential purposes only and no commercial type business activity may be conducted on the property. Only one single family residence will be allowed to be constructed on any tract.
11. A maximum of one (1) livestock animal per each 1.5 acres may be raised on any tract. All animals must be confined to the property of the owner and not allowed to be a nuisance to the neighborhood. Under no circumstances will any kind of swine be kept or raised on any of the property in SHEFFIELD FARMS.
12. The three existing houses and the existing outbuildings are allowed to remain as they are and where they are; However, all other restrictions stated herein are to apply to this property the same as to all the other property in SHEFFIELD FARMS. Should these existing structures be torn down or destroyed for any reason, any rebuilding must be done according to the restrictions stated herein.
13. No barbed wire or other wire fencing shall be constructed along the road frontage on any property.

ARTICLE II

SHEFFIELD FARMS ASSOCIATION

Developer hereby provides for the Formation of a Homeowners Association to be known as SHEFFIELD FARMS ASSOCIATION, ("the Association").

ARTICLE III
COVENANTS FOR ASSESSMENTS

Developer hereby covenants, and each owner of Property described in the plat of SHEFFIELD FAMRS as filed in Collin County Records by acceptance of his warranty deed or contract for deed, unless expressly waived in such instrument, whether or not it shall be so expressed in said instrument, is deemed to covenant and agree to pay to the Association such assessments and charges established herein and shall pay the same in manner herein provided. All such assessments together with interest thereon and cost of collection of same, shall be a charge on the land and shall be a continuing lien upon the property against which such assessment is made, and shall also be a personal obligation of the owner at the time when assessment fall due.

SECTION A. General Assessment

1. A general assessment shall be levied for the following purposes:

a. Providing for the operation of the Association, any maintenance, operating expenses and the establishment of reserve funds to accomplish any purpose provided herein.

2. Each assessable unit shall be assessed the annual general assessment rate. Each tract as shown on the filed plat of SHEFFIELD FARMS shall be assessable unit.

3. The general assessment rate shall be determined by a two-thirds vote of the membership of the Association voting at a meeting called for that purpose. However, until such time as the Developer still owns 20% or less of the property, at which time the Association will be under the direction of the members for election of a Board of Directors, the general assessment shall not exceed \$2.00 per tract per month.

4. The Association may levy a special assessment should the need arise provided that such special assessment be approved by two-thirds of the members of the Association attending and voting at a meeting called for that purpose. The manner in which such assessment may become due and payable must be decided by a two thirds vote of the members attending and voting at that meeting.

SECTION B. Non-payment of Assessments.

1. Any assessment not paid when due shall bear interest at a rate of 10% per annum from the date due until the date paid. The Association may bring an action at law against any owner personally obligated to pay the assessment or may foreclose the lien against the property. The Association shall be entitled to reasonable attorney's fees and court costs incurred pursuant to any action taken by law under this section.

2. The lien of assessments provided herein shall be subordinate to the lien of any first lien mortgage. Sale or transfer of any property shall not affect the assessment lien

except that the sale or transfer of any property pursuant to mortgage foreclosure or proceeding in lieu thereof shall extinguish the assessment lien as to payments which became due prior to the date of such sale or transfer. No sale or transfer shall relieve any property from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE IV.
ARCHITECTURE REVIEW BOARD

1. The Developer hereby establishes an Architecture Review Board, consisting of the members named below:
Roger Liudahl, Mark Ragon, Claude E. Hearn, Billy W. Sportsman.

2. Any proposed building plans must be submitted to the Architecture Review Board and approved by the Board before any construction can begin. Such plans should be delivered to the Board at 2252 E. University Drive, McKinney, Texas.

3. In the event that the plans are submitted to the Board and the Board does not notify the Builder whether or not the plans are approved within 30 days from the date the plans are submitted, it will be assumed the plans are approved and construction may begin.

4. If the Board finds anything in the plans that does not meet the restriction covenants they will notify the Builder in writing and the plans must be corrected and resubmitted to the Architecture Review Board.

5. Developer may from time to time appoint different people to be members of this Architecture Review Board.

ARTICLE V.
TERMS, ENFORCEMENT, APPLICABILITY, SEVERABILITY

It is the intention of the makers hereof that the provisions of this Article shall apply uniformly throughout the Subdivision.

1. TERMS: These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a two-thirds majority of the then owners of the tracts has been recorded agreeing to change said covenants in whole or in part.

2. ENFORCEMENT: If the owner of any tract in said restricted area, or any other person, shall violate any of the covenants herein, it shall be lawful for any other person or persons owning any real property in said restricted area to prosecute and proceeding at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from doing so or to recover damages or other dues for such violation.

3. SEVERABILITY: Invalidation of any one of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

WITNESS MY HAND this the 19th day of October, 1999.

[Signature of: Mark Ragon]
SPORTSMAN LIMITED PARTNERSHIP
By: Mark Ragon, General Partner

STATE OF TEXAS
COUNTY OF COLLIN

This instrument was acknowledged before me on the 19th day of October, 1999, by MARK RAGON, General Partner of SPORTSMAN LIMITED PARTNERSHIP on behalf of said Partnership.

[Signature of: Cynthia L Bisop]
Notary Public, State of Texas