

EXHIBIT A

Legal Description

LEGAL DESCRIPTION

9.099 ACRES

BEING a part of a tract of land located in the JAMES MAY SURVEY, ABSTRACT NO. 1297, Hunt County, Texas and being all of a tract of land described in Deed to Austin Two Tracts, L.P., recorded in Volume 1217, Page 436, Deed Records, Hunt County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found in the North right-of-way of Interstate Highway 30, a variable width right-of-way, at the Southeast corner of said Austin tract and being the Southwest corner of a tract of land described in Deed to David A. Brownell and wife, Tina R. Burkhart, recorded in Volume 457, Page 847, Deed Records, Hunt County, Texas;

THENCE South 88 degrees 53 minutes 32 seconds West, along said North right-of-way line, a distance of 240.33 feet to a 1/2 inch iron rod with a red plastic cap stamped "Owens RPLS 5387" found for corner;

THENCE North 01 degrees 10 minutes 59 seconds West, a distance of 1,646.76 feet to a 1/2 inch iron rod with a red plastic cap stamped "Owens RPLS 5387" found at the Northwest corner of said Austin tract, said point being South 88 degrees 45 minutes 26 seconds West, a distance of 237.89 feet from a 3/8 inch iron rod found at the Northwest corner of a tract of land described as Tract 1 in Deed to Michael Love and Annette Reed and Alfred Jackson and wife, Vickie Jackson, recorded in Volume 506, Page 130, Deed Records, Hunt County, Texas;

THENCE North 88 degrees 45 minutes 26 seconds East, along the North line of said Austin tract, a distance of 242.41 feet to 1/2 inch iron rod with a yellow plastic cap stamped "DAA" found at the Northeast corner of said Austin tract;

THENCE South 01 degrees 03 minutes 13 seconds East, a distance of 1,448.10 feet to a 1/2 inch iron rod found;

THENCE South 01 degrees 31 minutes 39 seconds East, a distance of 199.24 feet to the POINT OF BEGINNING and containing 9.099 acres of land, more or less.

LEGAL DESCRIPTION

529.066 ACRES

BEING a tract of land located in the J.W. BECKTON SURVEY, ABSTRACT NO. 91 and the JAMES MAY SURVEY, ABSTRACT NO. 1297, Hunt County, Texas and being all of those tracts of land described in Deed to Verandah Communities, L.P., recorded in

Document No. 2002-0018805; Volume 949, Page 21; Volume 998, Page 198; Volume 976, Page 61; Volume 1105, Page 106; Document No. 2003-0004676; Volume 977, Page 27; Volume 979, Page 380; Deed Records, Hunt County, Texas and being part of a tract of land described in Deed to Verandah Communities, L.P., recorded in Volume 1095, Page 360, Deed Records, Hunt County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found at the intersection of the approximate centerline of County Road No. 2648 with the North line of Interstate Highway 30, a variable width right-of-way, said point being the most Northerly Southeast corner of said Verandah Communities tract recorded in Volume 1095, Page 360;

THENCE Westerly, along North line of said Interstate Highway 30, the following three (3) courses and distances:

South 73 degrees 18 minutes 42 seconds West, a distance of 51.17 feet to a wood right-of-way marker;

South 28 degrees 18 minutes 42 seconds West, a distance of 138.60 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a non-tangent curve to the right having a central angle of 13 degrees 37 minutes 55 seconds, a radius of 5542.65 feet and a chord bearing and distance of South 81 degrees 39 minutes 41 seconds West, 1315.61 feet;

Southwesterly, along said curve to the right, passing at a distance of 742.80 feet a 1/2 inch iron rod with a yellow plastic cap stamped "PATE ENGNRS" found for the Southwest corner of said Verandah Communities tract recorded in Volume 1095, Page 360 and the Southeast corner of said Verandah Communities tract recorded in Volume 976, Page 61, and continuing for a total distance of 1318.72 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the most Southerly Southwest corner of said Verandah Communities tract recorded in Volume 976, Page 61 and the Southeast corner of a tract of land described in Deed to Richard A. Dobson and Carol A. Dobson, recorded in Volume 470, Page 758, Deed Records, Hunt County, Texas;

THENCE North 00 degrees 53 minutes 20 seconds West, along the common line of said Verandah Communities tract recorded in Volume 976, Page 61 and said Dobson tract, a distance of 752.79 feet to a 1/2 inch iron rod found for the Northeast corner of said Dobson tract;

THENCE South 88 degrees 57 minutes 46 seconds West, continuing along said common line, a distance of 173.69 feet to a 1/2 inch iron rod found for the Northwest corner of said Dobson tract and the Northeast corner of a tract of land described in Deed to David A. Brownell and wife, Tina R. Burkhart, recorded in Volume 457, Page 847, Deed Records, Hunt County, Texas;

THENCE South 88 degrees 58 minutes 12 seconds West, along the common line of said Verandah Communities tract recorded in Volume 976, Page 61 and said Brownell and

Burkhart tract, a distance of 203.46 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set in the East line of a tract of land described in Deed to Austin Two Tracts, L.P., recorded in Volume 1217, Page 436, Deed Records, Hunt County, Texas at the Northwest corner of said Brownell and Burkhart tract;

THENCE North 01 degrees 03 minutes 13 seconds West, along the common line of said Austin tract and said Verandah Communities tract recorded in Volume 976, Page 61, a distance of 893.91 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Northeast corner of said Austin tract;

THENCE South 88 degrees 45 minutes 26 seconds West, along the common line of said Austin tract and said Verandah Communities tract recorded in Volume 1095, Page 360, passing at a distance of 242.41 feet a 1/2 inch iron rod with a red plastic cap stamped "OWENS RPLS 5387" found at the Northwest corner of said Austin tract and the Northeast corner of a tract of land described in Deed to Michael Love and Annette Reed and Alfred Jackson and wife, Vickie Jackson, recorded in Volume 506, Page 130, Deed Records, Hunt County, Texas, and continuing for a total distance of 480.27 feet to a 3/8 inch iron rod found at the Northwest corner of said Love and Reed and Jackson tract and the Northeast corner of said Verandah Communities tract recorded in Volume 1105, Page 106;

THENCE South 01 degrees 03 minutes 13 seconds East, along the common line of said Love and Reed and Jackson tract and said Verandah Communities tract recorded in Volume 1105, page 106, a distance of 1271.98 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the most Easterly Southeast corner of said Verandah Communities tract recorded in Volume 1105, Page 106;

THENCE South 88 degrees 53 minutes 26 minutes West, a distance of 248.92 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE South 01 degrees 03 minutes 13 seconds East, a distance of 175.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the most Southerly Southeast corner of said Verandah Communities tract recorded in Volume 1105, Page 106 and the Northeast corner of a tract of land described in Deed to Virginia Valdivia, recorded in Volume 464, Page 222, Deed Records, Hunt County, Texas;

THENCE South 88 degrees 53 minutes 26 seconds West, along the South line of said Verandah Communities tract recorded in Document No. 2003-0004676, a distance of 710.23 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE South 88 degrees 51 minutes 09 seconds East, continuing along the South line of said Verandah Communities tract recorded in Document No. 2003-0004676, passing at a distance of 8.43 feet the Northwest corner of a tract of land described in Deed to Virginia Valdivia, recorded in Volume 464, Page 222, Deed Records, Hunt County, Texas and the Northeast corner of a tract of land described in Deed to John W. Kerr, recorded in Volume 767, Page 220, Deed Records, Hunt County, Texas, and continuing for a total distance of 108.63 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Northeast corner of said Verandah Communities tract recorded in Volume 977, Page 277

and the Northwest corner of said Kerr tract;

THENCE South 01 degrees 06 minutes 37 seconds East, along the common line of said Kerr tract and said Verandah Communities tract recorded in Volume 977, Page 27, a distance of 199.12 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set in the North right-of-way line of said Interstate Highway 30 at the Southwest corner of said Kerr tract and the Southeast corner of said Verandah Communities tract recorded in Volume 977, Page 27;

THENCE along the North right-of-way line of said Interstate Highway 30, the following three (3) courses and distances:

South 88 degrees 53 minutes 32 seconds West, a distance of 1326.47 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the most Southerly Southwest corner of said Verandah Communities tract recorded in Volume 977, Page 27; .

North 01 degrees 06 minutes 28 seconds West, a distance of 55.00 feet to a concrete monument found;

South 88 degrees 53 minutes 32 seconds West, a distance of 100.80 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the Southeast corner of a tract of land described in Deed to B.H.P. Water Supply Corporation, recorded in Volume 641, Page 371, Deed Records, Hunt County, Texas;

THENCE North 01 degrees 06 minutes 28 seconds West, a distance of 130.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set at the Northeast corner of said BHP tract;

THENCE South 88 degrees 53 minutes 32 seconds West, a distance of 167.53 feet to a 1/2 inch iron rod found at the Northwest corner of said BHP tract;

THENCE South 01 degrees 06 minutes 28 seconds East, a distance of 130.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner in the North right-of-way line of said Interstate Highway 30 at the Southwest corner of said BHP tract;

THENCE Westerly, along the North right-of-way line of said Interstate Highway 30, the following three (3) courses and distances:

South 88 degrees 53 minutes 32 seconds West, a distance of 326.67 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 46 degrees 06 minutes 28 seconds West, a distance of 44.12 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 75 degrees 02 minutes 28 seconds West, a distance of 40.45 feet to a 1/2 inch iron rod found for the most Southerly Southeast corner of a tract of land

described in Deed to Hitesh B. Patel, recorded in Volume 946, Page 564, Deed Records, Hunt County, Texas;

THENCE North 01 degrees 24 minutes 26 seconds East, a distance of 100.30 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner from which a 1/2 inch iron rod found at an ell corner of said Patel tract bears North 01 degrees 24 minutes 26 seconds East, 3.15 feet;

THENCE North 88 degrees 53 minutes 32 seconds East, a distance of 39.94 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner from which a 1/2 inch iron rod found bears North 01 degrees 22 minutes 00 seconds East, 1.36 feet;

THENCE North 01 degrees 22 minutes 00 seconds East, a distance of 779.48 feet to a 1/2 inch iron rod found in the East right-of-way line of Farm to Market Road No. 2642, a 100 foot right-of-way, at the beginning of a non-tangent curve to the left having a central angle of 16 degrees 57 minutes 30 seconds, a radius of 1195.92 feet and a chord bearing and distance of North 08 degrees 38 minutes 05 seconds East, 352.68 feet;

THENCE Northerly, along the East right-of-way line of said Farm to Market Road No. 2642, the following six (6) courses and distances:

Northerly, along said curve to the left, an arc distance of 353.97 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 00 degrees 09 minutes 19 seconds East, a distance of 543.47 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 03 degrees 01 minutes 04 seconds East, a distance of 200.25 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 00 degrees 09 minutes 19 seconds East, a distance of 1101.77 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 02 degrees 42 minutes 25 seconds West, a distance of 200.25 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 00 degrees 09 minutes 19 seconds East, a distance of 159.63 feet to a 1/2 inch iron rod found for the most Westerly corner of said Verandah Communities tract recorded in Volume 998, Page 198 and the Southwest corner of a tract of land described in Deed to John Knight, recorded in Volume 324, Page 175, Deed Records, Hunt County, Texas;

THENCE North 88 degrees 48 minutes 10 seconds East, along the common line of said Verandah Communities tract recorded in Volume 998, Page 198 and said Knight tract, a distance of 1036.99 feet to a 1/2 inch iron rod with a red plastic cap found for the Southeast corner of said Knight tract;

THENCE North 00 degrees 00 minutes 07 seconds West, continuing along the common line of said Verandah Communities tract recorded in Volume 998, Page 198 and said Knight tract, a distance of 231.12 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set in the South line of a tract of land described in Deed to Homer E. Tidwell, recorded in Volume 528, Page 144, Deed Records, Hunt County, Texas at the Northeast corner of said Knight tract;

THENCE North 88 degrees 44 minutes 27 seconds East, along the common line of said Verandah Communities tract recorded in Volume 998, Page 198 and said Tidwell tract, a distance of 1557.79 feet to a 1/2 inch iron rod found at the base of an old wood fence post for the Southeast corner of said Tidwell tract and the Southwest corner of said Verandah Communities tract recorded in Volume 949, Page 21;

THENCE North 00 degrees 51 minutes 47 seconds West, along the East line of said Tidwell tract, passing at a distance of 783.49 feet a 1/2 inch iron rod with a yellow plastic cap stamped "PATE ENGNRS" found for the Northwest corner of said Verandah Communities tract recorded in Volume 949, Page 21, and continuing for a total distance of 2829.95 feet to a 1/2 inch iron rod found in the approximate centerline of County Road No. 2650, a dirt road, at the Northeast corner of said Tidwell tract and the Northwest corner of said Verandah Communities tract recorded in Document No. 2002-0018805;

THENCE North 89 degrees 32 minutes 53 seconds East, along the approximate centerline of said County Road No. 2650, a distance of 2263.40 feet to a 1/2 inch iron rod found for the Northeast corner of said Verandah Communities tract recorded in Document No. 2002-0018805 and the most Northerly Northwest corner of MANANA ONE, an Addition to Hunt County, Texas according to the Plat thereof recorded in Volume 400, Page 1365, Map Records, Hunt County, Texas;

THENCE along the common line of said Addition and said Verandah Communities tract recorded in Document No. 2002-0018805, the following three (3) courses and distances:

South 00 degrees 26 minutes 26 seconds West, a distance of 718.59 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "PATE ENGNRS" found for corner;

South 89 degrees 15 minutes 25 seconds West, a distance of 417.42 feet to a 1/2 inch iron rod with a red plastic cap found for corner;

South 00 degrees 27 minutes 53 seconds West, passing at a distance of 1317.05 feet a 1/2 inch iron rod with a yellow plastic cap stamped "PATE ENGNRS" found for the Southeast corner of said Verandah Communities tract recorded in Document No. 2002-0018805 and the Northeast corner of said Verandah Communities tract recorded in Volume 949, Page 21, and continuing for a total distance of 2100.73 feet to a 1/2 inch iron rod found for the Southeast corner of said Verandah Communities tract recorded in Volume 949, Page 21 and the Southwest corner of said Addition;

THENCE North 89 degrees 15 minutes 25 seconds East, along the common line of said

Verandah Communities tract recorded in Volume 1095, Page 360 and said Addition, a distance of 417.19 feet to a 1/2 inch iron rod with an orange plastic cap stamped "WISDOM" found at the Northwest corner of Lot 4 of 2648 ADDITION, an Addition to Hunt County, according to the Plat thereof recorded in Volume 400, Page 1766, Map Records, Hunt County, Texas;

THENCE South 00 degrees 29 minutes 25 seconds West, a distance of 835.02 feet to a 1/2 inch iron rod found at the Southwest corner of Lot 1 of said 2648 ADDITION;

THENCE North 89 degrees 17 minutes 37 seconds East, along the South line of Lot 1 of said 2648 ADDITION, a distance of 449.57 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set in the approximate centerline of said County Road No. 2648;

THENCE South 00 degrees 21 minutes 28 seconds West, along the approximate centerline of said County Road No. 2648, a distance of 1268.91 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner from which a wood fence corner post found bears Westerly 17.4 feet;

THENCE South 00 degrees 36 minutes 59 seconds West, continuing along the approximate centerline of said County Road No. 2648, a distance of 1344.89 feet to the POINT OF BEGINNING and containing 529.066 acres of land, more or less.

EXHIBIT B

Standard Mailbox Detail

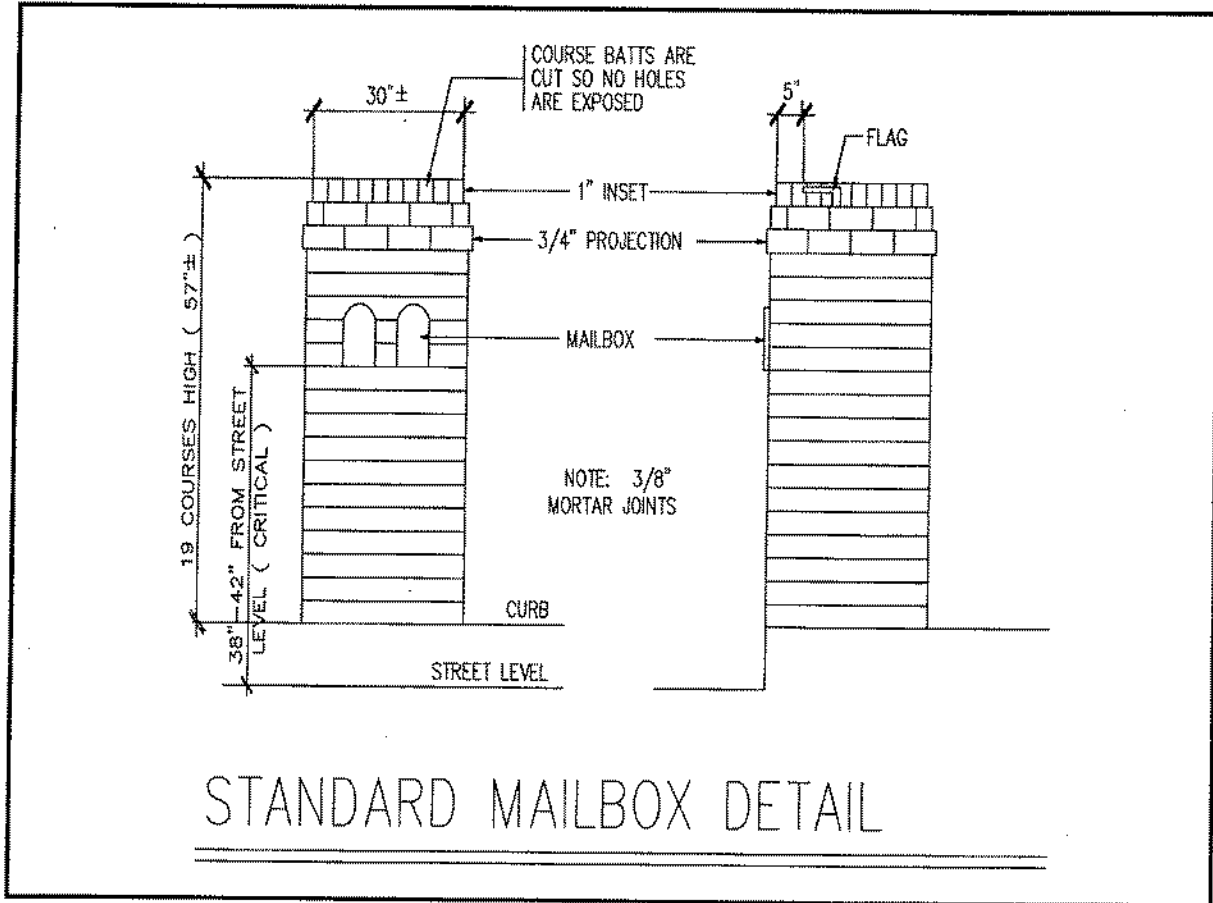


EXHIBIT C

Mini-Plats

EXHIBIT C

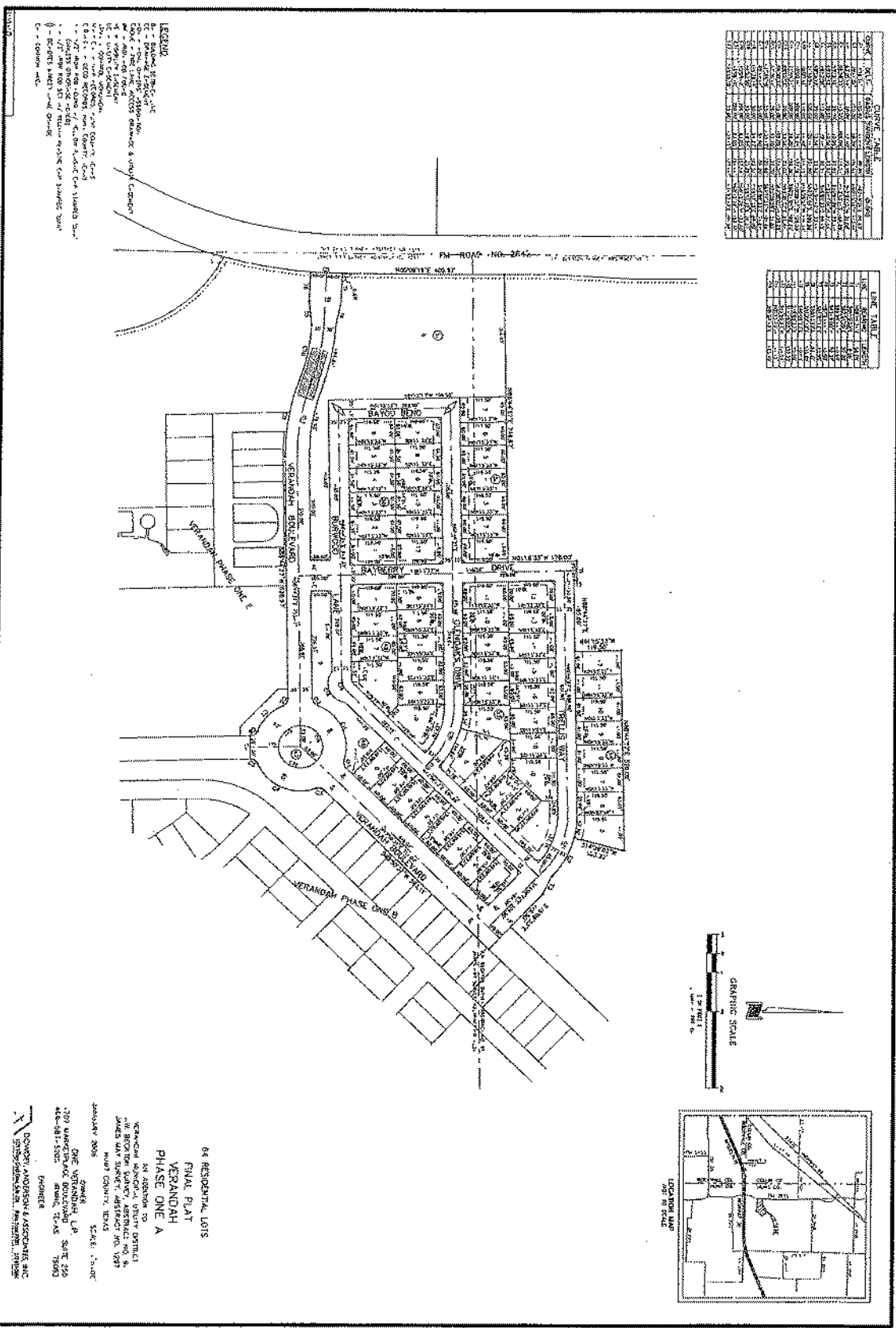


EXHIBIT C

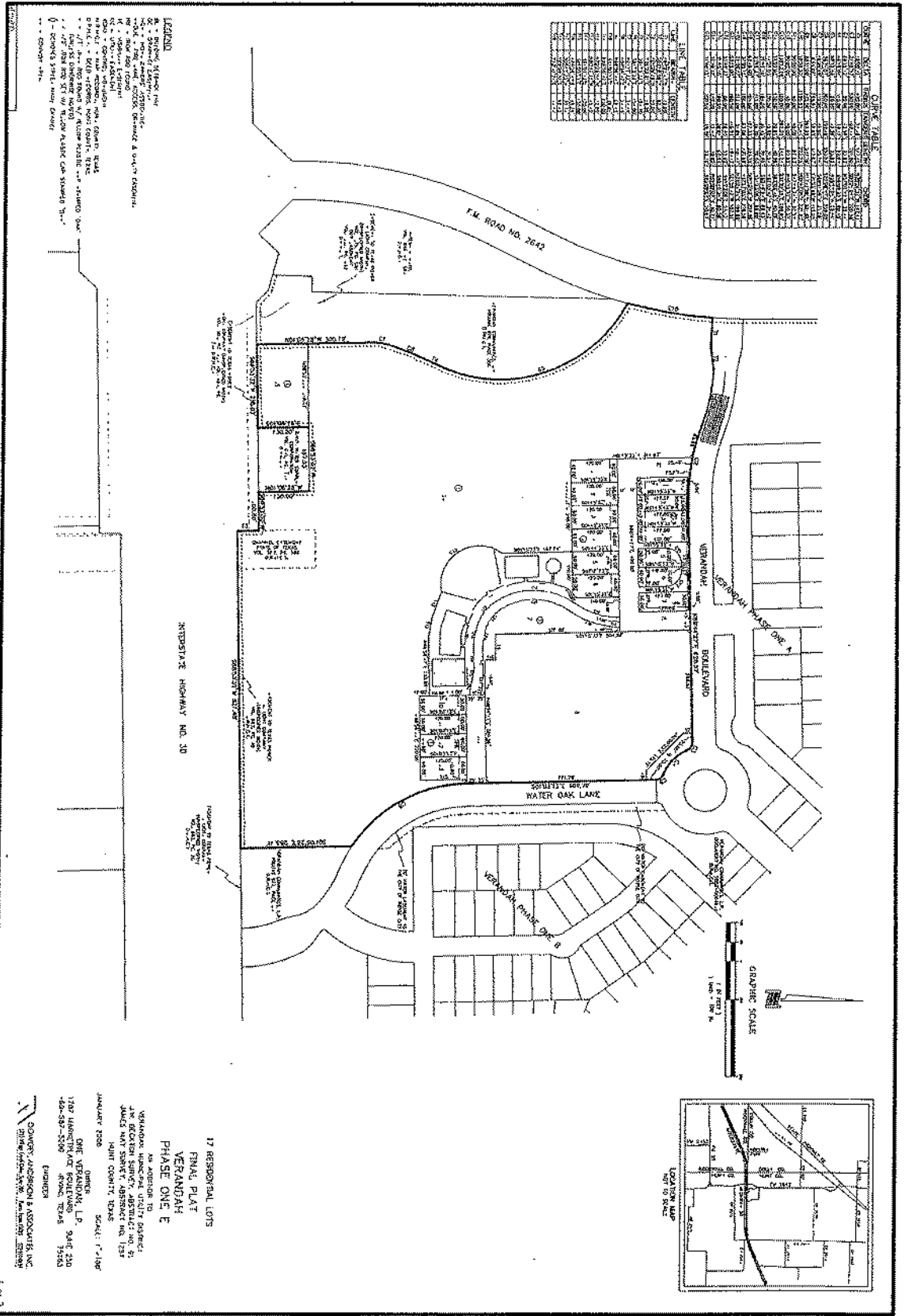


EXHIBIT C

STATE OF TEXAS

COUNTY OF DALLAS

Know all men by these presents that I, JOHN ANDERSON, of the County of Dallas, State of Texas, do hereby certify that the following is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

STATE OF TEXAS

COUNTY OF DALLAS

Know all men by these presents that I, JOHN ANDERSON, of the County of Dallas, State of Texas, do hereby certify that the following is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

STATE OF TEXAS

COUNTY OF DALLAS

Know all men by these presents that I, JOHN ANDERSON, of the County of Dallas, State of Texas, do hereby certify that the following is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

And I further certify that the foregoing is a true and correct copy of the original of the same as the same appears in the records of the County of Dallas, State of Texas, to-wit: A certain...

17 REDBONE BLVD, LOTS
FINAL PLAT
VERANDA
PHASE ONE E
AS ADDITION TO
KIRKWOOD, JACOBS, SHULTZ, BISHOP
JAN BEGON, SINGER, ABERNETHY, NO. 31
MAYO, WOOD, WOOD, WOOD, WOOD, WOOD
JANUARY 2008
DRAWN BY: DORIS VERANDA, L.P.
465-457-1999
465-457-1999
DALLAS, TEXAS 75201
CONVERT ANDERSON & ASSOCIATES, INC.
1100 WEST END AVENUE, SUITE 1000
DALLAS, TEXAS 75201

EXHIBIT D
Articles of Incorporation
Of
VERANDAH
HOMEOWNERS' ASSOCIATION, INC.
(A Non-Profit Corporation)

The undersigned natural person of the age of eighteen (18) years or more, acting as the sole incorporator of a corporation under the Texas Non-Profit Corporation Act, does hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

The name of the corporation is Verandah Homeowners' Association, Inc.

ARTICLE TWO

The corporation is a non-profit corporation.

ARTICLE THREE

The period of its duration is perpetual.

ARTICLE FOUR

The purposes for which the corporation is organized are to exercise all powers and privileges and perform all duties and obligations of the corporation as granted and required in the Declaration of Covenants, Conditions and Restrictions for Verandah (to be) recorded in the Records of Hunt County, Texas (the "Declaration"), and to be treated as a homeowners' association within the meaning of the Internal Revenue Code, and to do all other things necessary and proper to accomplish any and all of the purposes and to exercise such of the general powers of a non-profit corporation.

ARTICLE FIVE

The corporation shall have members as provided in the Declaration.

ARTICLE SIX

The address of its initial registered office is 3901 Airport Freeway, Suite 200, Bedford, Texas 76021 and the name of its initial registered agent at such address is Brad

Biber.

ARTICLE SEVEN

The number of directors constituting the initial Board of Directors is three (3) and the name and address of the person who is to serve as the director of the corporation for the term set forth opposite his name or until his successor is elected and qualified is:

<u>NAME</u>	<u>ADDRESS</u>	<u>INITIAL TERM OF OFFICE</u>
Michael Neitzel	1707 Market Place Blvd. Suite 260 Irving, TX 75063	Until first election
Jack Dawson	1707 Market Place Blvd. Suite 260 Irving, TX 75063	Until first election
Mehrdad Moayed	3901 Airport Freeway, Suite 200 Bedford, TX 76021	Until first election

The right of members to cumulative voting in the election of directors is expressly prohibited.

ARTICLE EIGHT

The address of the incorporator is 3901 Airport Freeway, Suite 200, Bedford Texas 76021.

ARTICLE NINE

Except as may be provided in the By-Laws of the corporation, the power to alter, amend, or repeal the By-Laws or to adopt new By-Laws of the corporation shall be by the affirmative vote or written consent, or combination thereof, of Voting Members representing seventy percent (70%) of the total votes in the Association, provided however, the By-Laws made by the Board of Directors and the power so conferred may be repealed or changed by action of the members.

ARTICLE TEN

Any action authorized or required by the Texas Non-Profit Corporation Act to be taken at any annual or special meeting of members, board of directors, or any committee thereof, or any action which may be taken at any annual or special meeting of members, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall have been signed by the holder or holders of a sufficient number of votes to take such action at a meeting at which all members were present and voted.

ARTICLE ELEVEN

No director of the corporation shall be liable to the corporation or its members for monetary damages for an act or omission in the director's capacity as a director, except for liability (1) for any breach of the director's duty of loyalty to the corporation or its members, (2) for acts or omissions not in good faith that constitute a breach of duty of the director to the corporation or an act or omission that involves intentional misconduct or a knowing violation of law, (3) for any transaction from which the director received an improper benefit, whether or not the benefit resulted from an act taken within the scope of the director's office, and (4) for acts or omissions for which the liability of a director is expressly provided by statute. Any repeal or amendment of this Article by the members of the corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the corporation existing at the time of such repeal or amendment. In addition to the circumstances in which a director of the corporation is not personally liable as set forth in the preceding sentences, a director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a director.

ARTICLE TWELVE

The corporation is a non-profit corporation, without capital stock, organized solely for the purposes specified in Article Four, and no part of its property, whether income or principal, shall ever inure to the benefit of any director, officer, or employee of the corporation, or any individual having a personal or private interest in the activities of the corporation, nor shall any such director, officer, employee, or individual receive or be lawfully entitled to receive any profit from the operations of the corporation except a reasonable allowance for salaries and other compensation for personal services actually rendered in carrying out the corporation's stated purposes.

ARTICLE THIRTEEN

These Articles may be amended by the affirmative vote or written consent of Owners owning at least 70% of the Lots, provided that so long as the Class B membership provided for in Section 5.2(b) of the Declaration exists, Declarant may determine whether any amendment of these Articles shall require the prior written approval of VA.

IN WITNESS WHEREOF, the undersigned has set his hand on _____.

Date

Brad Biber, Incorporator

EXHIBIT F
Enforcement Policy
Of
VERANDAH
HOMEOWNERS ASSOCIATION, INC.

WHEREAS, the Board of Directors of the Verandah Homeowners Association, Inc. (the "**Association**") finds there is a need to establish orderly procedures for the enforcement of the Rules & Regulations of the Association, the Design Guidelines of the Association and the restrictive covenants set forth in the Declaration of Covenants, Conditions and Restrictions for Verandah (hereinafter referred to, collectively, as the "Verandah **Governing Documents**") against violating owners.

NOW, THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the enforcement of the Verandah Governing Documents and for the elimination of violations of such provisions found to exist in, on and about the property subject to the Verandah Governing Documents (to be referred to herein as the "**Enforcement Policy**").

1. Establishment of Violation. Any condition, use, activity or improvement which does not comply with the provisions of the Verandah Governing Documents, shall constitute a "**Violation**" under this Policy for all purposes.

2. Report of Violation. The existence of a Violation will be verified by a field observation conducted by the Board or its delegate. For the purpose of this Enforcement Policy, the delegate of the Board may include Management, an officer or member of the Board, or a member of any committee established by the Board for this purpose. A timely written report shall be prepared by the field observer for each Violation which will include the following information:

- a. Identification of the nature and description of the Violation(s).
- b. Identification by street address and legal description, if available, of the Lot on which the Violation exists.
- c. Date of the verification observation and name of the person making such observation.

At the same time that the field observation report is prepared, the Board or its delegate may forward to the Owner of the Lot in question written notice via regular first class mail or via postcard of the discovery of a Violation(s) (the "**Courtesy Notice**"). The Owner will have at least ten (10) days from the date of the Courtesy Notice to correct or

eliminate the Violation(s). The Board or its delegate may, in lieu of this notice, proceed immediately to the notice set forth in Paragraph 3 below.

3. Notice of Violation. If the Violation is not corrected or eliminated within the time period specified in the Courtesy Notice, or if the Board or its delegate deem it appropriate to proceed without the Courtesy Notice, the Association will forward to the Owner of the Lot in question written notice of the Violation(s) by first class mail or personal delivery and by certified mail, return receipt requested (the "**Notice of Violation**"). A Notice of Violation is not required if the alleged violator received a Notice of Violation relating to a similar Violation within six (6) months of the current Violation and was given a reasonable opportunity to cure the prior Violation. In such event, the Board may impose sanctions as authorized by the Verandah Governing Documents and/or this Enforcement Policy without notice to the Owner other than the Final Notice of Violation described in Paragraph 4 below. The Notice of Violation, if required, will state the following:

- a. The nature, description and location of the Violation, including any property damage caused by the Owner.
- b. The authority for establishing the Violation, including the authority for recovering property damages caused by the Owner.
- c. The proposed sanction to be imposed, including the amount claimed to be due from the owner for property damage, in the event the Violation is not cured within a reasonable time.
- d. If the Violation is corrected or eliminated within a reasonable time after the Owner's receipt of the Notice of Violation that no further action will be taken.
- e. The recipient may, on or before thirty (30) days from the receipt of the Notice of Violation, deliver to the Association a written request for a hearing.
- f. The Owner has the right to submit a written request for a hearing on or before thirty (30) days from the receipt of the Notice of Violation, that any attorney's fees and costs incurred by the Association will be charged to the Owner.

Sanctions under this Paragraph 3 may include, but are not limited to, the suspension of the right to use the Common Area and/or the imposition of violation fines at the rate of Ten and No/100 Dollars (\$10.00) per day until the violation is cured. There shall be no limit to the aggregate amount of violation fines imposed for the same Violation.

4. Final Notice of Violation. A formal notice of the Violation and the sanction to be imposed, including the amount of any property damage (the "**Final Notice of Violation**") will be sent by the Association to the Owner by regular first class mail and by certified mail, return receipt requested, where, within the time period specified in the Notice of Violation, the Violation has not been corrected or eliminated or the Association has not timely received a written request for a hearing, whichever occurs first.

5. **Request for a Hearing.** If the Owner submits a written request for a hearing in a timely manner, the hearing shall be held in executive session of the Board of Directors affording the alleged violator a reasonable opportunity to be heard. Such hearing shall be held no later than the 30th day after the date the Board or its delegate receives the Owner's request for a hearing. The notice of the hearing shall be sent no later than the 10th day before the date of the hearing. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The Association 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. The minutes of the meeting shall contain a written statement of the results of the hearing. The Association shall notify the Owner in writing of its action within ten (10) days after the hearing. The Board may, but shall not be obligated to, suspend any proposed sanction if the Violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions of the Verandah Governing Documents by any Owner.

6. **Correction of Violation.** Where the Owner corrects or eliminates the Violation(s) prior to the imposition of any sanction, no further action will be taken (except for collection of any monies for which the Lot Owner may become liable under this Enforcement Policy and/or the Verandah Governing Documents). Written notice of correction or elimination of the Violation may be obtained from the Board upon request for such notice by the Owner and upon payment of a fee for same, the amount of which is set by the Board.

7. **Referral to Legal Counsel.** Where a Violation is determined or deemed determined to exist and where the Board deems it to be in the best interests of the Association to refer the Violation to legal counsel for appropriate action, the Board may do so at any time. Such legal action may include, without limitation, sending demand letters to the violating Owner and/or seeking injunctive relief against the Owner to correct or otherwise abate the Violation. Attorney's fees and all costs incurred by the Association in enforcing the Verandah Governing Documents and administering this Enforcement Policy shall become the personal obligation of the Owner.

8. **Notices.** Unless otherwise provided in the Enforcement Policy, all notices required by this Enforcement Policy shall be in writing and shall be deemed to have been duly given if delivered personally and/or if sent by United States Mail, first class postage prepaid, to the Owner at the address which the Owner has designated in writing and filed with the Secretary of the Association or, if no such address has been designated, to the address of the Lot of the Owner.

a. Where the notice is directed by personal delivery, notice shall be deemed to have been given, sent, delivered or received upon actual receipt by any person accepting delivery thereof at the address of the recipient as set forth in such notice or if no person is there, by leaving the notice taped to the front door of the residence.

b. Where the notice is placed into the care and custody of the United States Postal Service, notice shall be presumed to have been given, sent, delivered or

received, as of the third (3rd) calendar day following the date of postmark of such notice hearing postage prepaid and the appropriate name and address as required herein unless otherwise shown by the recipient to have been received at a later date.

c. Where a day required for an action to be taken or a notice to be given, sent, delivered or received, as the case may be, falls on a Saturday, Sunday or United States Postal Service holiday, the required date for the action or notice will be extended to the first day following which is neither a Saturday, Sunday or United States Postal Service holiday.

d. Where the Board has actual knowledge that such situation exists, any action to be taken pursuant to this Enforcement Policy which would directly affect the property of a third party or would be the responsibility of a party other than the Owner, notices required under this Enforcement Policy may be given, if possible, to such third party in addition to the Owner. Notwithstanding any notice sent to a third party, the Owner remains the party responsible for compliance with the requirements of the Declaration. The Board shall accept a response from any such third party only upon the written direction of the Owner of the Lot upon which the Violation exists.

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

f. Where an Owner transfer record title to a Lot at any time during the pendency of any procedure prescribed by this Enforcement Policy, such Owner shall remain personally liable for all costs under this Enforcement Policy. As soon as practical after receipt by the Association of a notice of a change in the record title to a Lot which is the subject of enforcement proceedings under this Enforcement Policy, the Board may begin enforcement proceedings against the new Owner in accordance with this Enforcement Policy. The new Owner shall be personally liable for all costs under this Enforcement Policy which are the result of the new Owner's failure and/or refusal to correct or eliminate the Violation in the time and manner specified under this Enforcement Policy.

9. 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 written report to the Board and sent, where appropriate, to the Board that the Violation has been corrected or eliminated, the Violation will be deemed no longer to exist. The Owner will remain liable for all costs under this Enforcement Policy, which costs, if not paid upon demand therefor by Management, will be referred to the Board of Directors of the Association for collection.

10. Definitions. The definitions contained in the Verandah Governing Documents are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Enforcement Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended by the Board of Directors.

This is to certify that the foregoing Enforcement Policy was adopted by the Board of Directors at a duly convened meeting held on the _____ day of _____ 200____, and that the same shall be filed of record in the Real Property Records of _____ County, Texas.

DATE: _____ Secretary

EXHIBIT F-1

Disclosure by Declarant

1. The Verandah subdivision (the "Subdivision") is within the boundaries of and subject to any and all rules, regulations, requirements and/or restrictions promulgated by the Verandah Municipal Utility District (the "District"). Property owners agree to comply with all rules, regulations, requirements and/or restrictions promulgated by the District, including, without limitation, payment of any taxes and assessments imposed on the property by the District. Current tax and assessment information for the District may be obtained by contacting the Hunt County Appraisal District at:

2500 Stonewall St., Suite 101
Greenville, TX 75403
2. The Subdivision is affected by and subject to any and all rules, regulations, requirements and/or restrictions promulgated by the Verandah Homeowners Association (the "HOA") under that certain Declaration of Covenants, Conditions and Restrictions for Verandah, recorded as document number _____ in the Real Property Records of Hunt County, Texas (the "Declaration"). Purchaser agrees to comply with all rules, regulations, requirements and/or restrictions promulgated by the HOA, including, without limitation, payment of any regular maintenance assessments, special assessments, transfer fees and/or working capital contributions imposed on the above referenced property by the HOA.
3. An elevated and visible water storage tank will be built on site in future phases.
4. A sanitary sewer lift station existing at an off site location. This sanitary sewer lift station may cause elevated levels of noise, light and odors. **(subject to change per sanitary sewer agreement with city)**
5. Overhead power lines exist across the northeastern portion of the property.
6. Open spaces in Phases 1, 2, 3, 4, 5 and 6 of the Subdivision will be owned and maintained by the HOA. In Phase 1 the open spaces are Tract 3X of Block A and Tract 1X of Block E. The open spaces in future phases have not been assigned lot and block numbers at this time. The maintenance, repair and other ownership obligations of the HOA for such open spaces shall be paid for out of assessments by the HOA to owners of Property within the Subdivision pursuant to the Declaration.
7. All open spaces along Verandah Boulevard will be owned and maintained by the HOA. These areas are outside the screening walls and will be irrigated and landscaped. The costs and expenses for the maintenance, repair, irrigation, landscaping and other ownership obligations of the HOA for such

open spaces shall be paid for out of assessments by the HOA to owners of Property within the Subdivision pursuant to the Declaration.

8. Fire protection is provided by the Caddo Mills Fire Department. For questions about fire protection, please contact the Caddo Mills Fire Department at 903-527-4237.
9. Police protection is provided by the Hunt County Sheriff's Department. For questions about police protection, please contact the Hunt County Sheriff's Department at 903-453-6800. For emergencies please call 911.
10. The Royse City provides retail water services within the Subdivision pursuant to a contract by and between District and the Royse City. For questions about water service and billing, please contact the Royse City, 100 W. Main, Royse City, Texas 75189, 972-636-2250. The District may at any time and from time to time enter into new and/or additional contracts with the Royse City or other parties to provide water service to the Subdivision.
11. The Royse City provides wastewater (sewer) services to the Subdivision pursuant to a contract by and between the District and the Royse City. For questions about wastewater service and billing, please contact the Royse City, 100 W. Main, Royse City, Texas 75189, 972-636-2250. The District may at any time and from time to time enter into new or additional contracts with the Royse City or other parties to provide wastewater service to the Subdivision.
12. The Royse City provides solid waste (trash) removal services to the Subdivision pursuant to a contract by and between the District and the Royse City. For questions about trash removal service and billing, please contact the Royse City, 100 W. Main, Royse City, Texas 75189, 972-636-2250. The District may at any time and from time to time enter into new or additional contracts with the Royse City or other parties to provide trash removal service to the Subdivision.
13. Interstate 30 is in close proximity to the subdivision and could cause elevated levels of noise.

NOTICE TO PURCHASERS

The real property, described below, that you are about to purchase is located in the Verandah Municipal Utility District of Hunt County (formerly Verandah Fresh Water Supply District, of Hunt County, Texas) (the "District"). The District has taxing authority separate from any other taxing authority and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the District on real property located in the District for the tax year 2007 is \$0.85 on each \$100 of assessed valuation. The total amount of bonds, excluding refunding bonds and any bonds or any portion of bonds issued that are payable solely from revenues received or expected to be received under a contract with a governmental entity, approved by the voters and which have been or may, at this date, be issued is \$92,450,000, and the aggregate initial principal amounts of all bonds issued for one or more of the specified facilities of the District and payable in whole or in part from property taxes is \$0.

The District is located in whole or in part in the extraterritorial jurisdiction of the City of Royse City. By law, a district located in the extraterritorial jurisdiction of a municipality may be annexed without the consent of the district or the voters of the district if the municipality complies with the procedures and requirements of Chapter 43, Texas Local Government Code, as amended. When a district is annexed, the district is dissolved.

The purpose of this District is to provide water, sewer, drainage, or flood control facilities and services within the District, as well as roads and road improvements, through the issuance of bonds payable in whole or in part from property taxes. The cost of these utility facilities and roads is not included in the purchase price of your property, and these utility facilities and roads are owned or to be owned by the District. The legal description of the property which you are acquiring is described in Exhibit "A" attached hereto and made a part hereof.

_____, Seller

Date

By: _____
Name: _____
Title: _____

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or prior to execution of a binding contract for the purchase of the real property described in such notice or at closing of purchase of the real property.

_____, Purchaser

Date

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on this ____ day of _____, by _____.

Notary Public in and for the
State of T E X A S

(SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on this ____ day of _____, by _____.

Notary Public in and for the
State of T E X A S

(SEAL)

EXHIBIT F-2

Budget

INCOME

Assessments Based on 2231 Lots	\$803,160
Late Fee/NSF Fee	\$40,000
Interest Income	\$6,000
Closing Revenue	\$26,400

TOTAL INCOME \$875,560

EXPENSES

General & Administrative

Office Supplies/Postage	\$24,000
Newsletters	\$12,000
Website Expenses	\$1,000
Homeowner Functions	\$6,000
Homeowner Directory	\$6,000
Licenses, Permits & Fees	\$1,000
Professional Management	\$80,316
On-Site Management	\$45,000
Payroll Taxes/Fees	\$11,250
On-Site Assistant	\$32,000
Payroll Taxes/Fees	\$8,000
Bad Debt	\$10,000
Legal Fees	\$20,000
Legal Fees Billed Back	-\$16,000
Audit and Accounting	\$4,000

Total General & Administrative \$244,566

Taxes

Property Tax	\$3,000
Corporate Tax	\$1,800

Total Taxes \$4,800

Insurance

General Liability/Property	\$26,000
Directors & Officers Liability	\$3,000
Umbrella	\$2,500
Workers Comp	\$250

Total Insurance \$31,750

Utilities

Electric	\$45,000
Water	\$120,000

Total Utilities

\$165,000

Infrastructure & Maintenance

Pest Control	\$1,200
Common Area Repairs	\$15,000
Holiday Decorations	\$7,500
On-Site Office Telephone	\$3,000
On-Site Office Supplies	\$3,600
On-Site Office Cleaning	\$2,100
Playground Maintenance	\$1,800
Court Maintenance	\$1,500
Security Monitoring	\$1,200
Audio/Visual	\$1,200
Common Area Maintenance	\$18,000

Total Infrastructure & Maintenance

\$56,100

Swimming Pool

Pool Service	\$18,000
Pool Supplies/Maintenance	\$18,000
Pool Repairs	\$7,500
Porter Service	\$8,000
Pool Emergency Phone	\$1,200
Pool Furniture & Fixtures	\$8,000

Total Swimming Pool

\$60,700

Landscape Maintenance

Landscape Maintenance	\$185,000
Landscape Color	\$7,500
Landscape Improvements	\$15,000

Total Landscape Maintenance

\$207,500

Irrigation Maintenance

Irrigation Maintenance	\$18,000
Lake Maintenance	\$4,200
Fountain Maintenance	\$3,000

Total Irrigation Maintenance

\$25,200

Special Projects

Projects Allowance	\$15,000
Total Special Projects	\$15,000

Reserves

Reserve Contribution	\$50,000
Total Reserves	\$50,000

Total Expenses **\$860,616**

Net Surplus/(Loss) **\$14,944**

EXHIBIT F-3

Budget Narrative

Income

Annual Assessments: Reflects income billed at an assessment level of \$360 per year per lot for 2231 lots.

Late/NSF Fees: Anticipates late/NSF fees avg. @ \$10,000 per quarter

Interest Income: Anticipates a reserve fund balance of \$150,000 at full build out at 4% interest return

Closing Revenue: Estimates 8% turnover in homes per year @ 150 per conveyance fee to the association.

Expenses

General & Administration

Office Supplies/Postage: To provide funds for association mailing expenses and office supplies.

Newsletters: To provide funds for quarterly newsletters.

Website Expenses: Provides funds for hosting and maintaining an Association Website.

Homeowner Functions: Provides funds for Association sponsored social functions.

Homeowner Directory: Provides funds to publish and distribute a yearly homeowner directory.

License/Permits and Fees: Provides funds for Yearly Pool Permits on 1 Pool Complex and other associated fees.

Professional Management: Based on contract services provide by SBB Management Company, currently estimated at \$3 per lot on 2231 total lots.

On-Site Management: Provides base salary for an on-site manager.

Payroll Taxes/Fees: Covers all payroll taxes and administrative fees dealing with the on-site salary burden.

On-Site Assistant: Provides base salary for an on-site administrative assistant.

Payroll Taxes/Fees: Covers all payroll taxes and administrative fees dealing with the on-site salary burden.

Bad Debt: Anticipates assessment income lost due to lender foreclosures or certain types of bankruptcy or fee waivers by the Board

Legal Fees: To provide funds required for legal representation for the Association in all legal matters including ARC process, liability issues, defense costs and collection activity expense. All collection activity expense is billed to delinquent owners in an attempt to recover costs.

Legal Fees Billed Back: Recoverable legal fees for collection activity from the delinquent member.

Audit & Accounting: To provide funds to audit the Association records and prepare tax returns.

Insurance & Taxes

Provides funds for Directors and Officers Liability, Property Liability, General Liability and Association tax obligations.

Utilities

Electricity: To provide funds for common area, pool and on-site office electricity.

Water: To provide funds for any municipal common area water, on-site office and pool water usage.

Infrastructure and Maintenance

Pest Control: Provides funds for pest control on association property and facilities.

Common Area Repairs: Provides for repairs to common area facilities, hardscape and miscellaneous repair needs.

Holiday Decorations: Provides funds for association holiday decorations.

On-Site Office Telephone: Provides for cost of telephone and fax lines into On-Site Office.

On-Site Office Supplies: Provides for any On-Site Office supplies needed.

On-Site Office Cleaning: Provides for routine custodial service at On-Site Office.

Playground Maintenance: Provides for routine maintenance of the playground equipment and area.

Court Maintenance: Provides for minor repairs to the common area basketball and skate court.

Security Monitoring: Provides for Security Monitoring for On-Site Office alarm system.

Audio/Visual: Provides for cost of cable or sat TV into site facility

Common Area Maintenance: Provides for cleaning and trash removal on common areas.

Swimming Pool

Provides funds for Pool Maintenance, Cleaning, Supplies, Repairs and Emergency Phone for two pool complexes.

Landscape Maintenance

Landscape Maintenance: Provides for common area landscape maintenance.

Landscape Color: Provides for yearly color change outs

Landscape Improvements: Provides for any landscape upgrades.

Irrigation Maintenance

Irrigation Repairs: Provides for repairs to the common area irrigation system including valve replacement, head replacement and line breaks.

Lake Maintenance: Provides for routine maintenance and repairs as needed.

Fountain Maintenance: Provides for routine maintenance and repairs as needed.

Special Projects

Project(s) Allowance: Provides funds to add improvements to the common area or do Association special projects.

Reserves

Reserve Contribution: Contributes to the Association Reserve Fund for future infrastructure repairs and maintenance per a commissioned reserve study.

EXHIBIT G-1

NOTICE OF OBLIGATION FOR BUILDER TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE ROYSE CITY, TEXAS CONCERNING THE PROPERTY WITHIN ROYSE CITY PUBLIC IMPROVEMENT DISTRICT NUMBER ONE

As a purchaser of the real property more specifically described in Exhibit A (the "Property") [attach legal description] you are obligated to pay an assessment to a municipality for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments.

The Property is located within the boundaries of Royse City Public Improvement District Number One. The assessment is established for the Property by assigning the Property to one of the following categories:

- 1. Residential Category Three (12,500 Sq. Foot Lot and above) \$5,479.86 Assessment
2. Residential Category Two (8,000 to 11,499 Sq Foot Lot) \$4,295.02 Assessment
3. Residential Category One (6,000 to 7,999 Sq Foot Lot) \$3,850.71 Assessment
4. Commercial Category (Applied on per acre basis) \$12,438/Acre

All Assessments are payable with a payment option with a 7% Interest Factor at a collection rate based on Improved Value at \$0.25/\$100 valuation on an annual basis and reflected on the annual tax bill in a separate category from the Royse City. Assessments may be paid in full at any time.

More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the Royse City Public Improvement District Number One Manager at:

Royse City Public Improvement District Number One management
Thomas Kirk Wilson, Manager
3901 West Airport Freeway, Suite 200
Bedford, Texas 76021
Voice: 972-740-3256
Fax: 817-391-2501
Email: twilson464@aol.com

The amount of the assessments is subject to change with proper approvals. Your failure to pay the assessments could result in a lien on and the foreclosure of the Property.

Signature of Builder

Date

EXHIBIT G-2

NOTICE OF OBLIGATION FOR PURCHASER TO PAY
PUBLIC IMPROVEMENT DISTRICT
ASSESSMENT TO THE ROYSE CITY, TEXAS
CONCERNING THE PROPERTY AT (INSERT STREET ADDRESS) LOCATED
WITHIN ROYSE CITY PUBLIC IMPROVEMENT DISTRICT NUMBER ONE

As a purchaser of the real property more specifically described in Exhibit A (the "Property") [attach legal description] you are obligated to pay an assessment to a municipality for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments.

The Property is located within the boundaries of Royse City Public Improvement District Number One. The assessment is established for the Property by assigning the Property to one of the following categories:

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Royse City Public Improvement District Number One management
Thomas Kirk Wilson, Manager
3901 West Airport Freeway, Suite 200
Bedford, Texas 76021
Voice: 972-740-3256
Fax: 817-391-2501
Email: twilson464@aol.com

The amount of the assessments is subject to change with proper approvals. Your failure to pay the assessments could result in a lien on and the foreclosure of the Property.

Signature of Purchaser

Date

EXHIBIT G-3

ORDINANCE NO. 2302

AN ORDINANCE CHANGING THE ZONING ON 1,965.303 ACRES IN THE S.M. DURRETT SURVEY, LOCATED EAST OF HIGHWAY 287 AND NORTH AND SOUTH OF PARKS SCHOLL HOUSE ROAD, ROYSE CITY, HUNT COUNTY, TEXAS, FROM FUTURE DEVELOPMENT (FD) TO PLANNED DEVELOPMENT-COMMERCIAL (PD-C), PLANNED DEVELOPMENT-GENERAL RETAIL (PD-GR), PLANNED DEVELOPMENT-MULTI FAMILY-1 (PD-MF-1), PLANNED DEVELOPMENT-TWO FAMILY (PD-2F), PLANNED DEVELOPMENT-SINGLE FAMILY-1 (PD-SF-1), PLANNED DEVELOPMENT-SINGLE FAMILY-2 (PD-SF-2), AND PLANNED DEVELOPMENT-SINGLE FAMILY-3 (PD-SF-3), AS A "FREE STANDING" PD DISTRICT, AND BEING FURTHER DESCRIBED ON EXHIBIT "A," AND ORDERING THE CHANGING OF THE ZONING MAP THEREOF IN ACCORDANCE WITH SAID CHANGE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE ROYSE CITY, TEXAS:

WHEREAS, the City Council of the Royse City having heretofore adopted a zoning ordinance and map showing the classification of the various property located within the city limits of said City' and

WHEREAS, proper application for the change of zoning has been made in accordance with the zoning ordinances in the Royse City, and same having been referred to the Planning and Zoning Commission, and said Planning and Zoning Commission has recommended the rezoning thereto from Future Development (FD) to Planned Development-Commercial (PD-C), Planned Development-General Retail (PD-GR), Planned development-Multi Family-1 (PD-MF-1), Planned Development-Single Family-2 (PD-SF-2), and Planned Development-Single Family-3 (SF-3) under the "Free-Standing" PD District provisions of Section 31 of the zoning ordinances; and,

WHEREAS, proper notification has been published for the time and in the manner as prescribed by the city ordinance of the Royse City for a public hearing thereon; and,

WHEREAS, a proper hearing was held as required by law and the Council having heard all arguments for and against said rezoning from Future Development (FD) to Planned Development-Commercial (PD-C), Planned Development-General Retail (PD-GR), Planned Development-Multi Family-1 (PD-MF-1), Planned Development-Two Family (PD-2F), Planned Development-Single Family-2 (PD-SF-2), and Planned Development-Single Family-3 (SF-3) under the "Free-Standing" PD District provisions of Section 31 of the zoning ordinances;

NOW, THEREFORE, the following described properties be, and the same hereby are, rezoned as follows:

This ordinance changing the zoning is effective only upon passage of a MUD district.

The Royse City zoning ordinance will apply and control in any situation where the planned Development provisions of this ordinance do not cover the subject matter fully.

This planned development district is passed under the "Free-Standing" PD provisions of Section 31 of the zoning ordinance.

The zoning districts are as provided in Exhibit A attached hereto of 35 pages, plus two cover pages, and are on the 1965.303 acre tract described in pages 6 through 11 of the exhibit.

The zoning map of the Royse City is hereby authorized and directed to be demarked in accordance therewith.

EXHIBIT H

Design Guidelines

1. In the front yard of each house on each Lot, at least two (2) container grown tree (live oak, red oak, seedless cottonwood, Texas Ash, American Elm, or lace bark elm) shall be planted and irrigated and each tree shall have a trunk of at least two and one half caliper inches (2.5") in diameter, measured 24" above grade. On all corner Lots there shall be planted in the side yard between the fence and sidewalk of the side yard not less than three (3) container grown trees and each tree shall have a trunk of at least two and one half caliper inches (2.5") in diameter, measured 24" above grade.
2. All front and side yards of each Lot shall be sodded with grass from the house to the curb and have an automatic irrigation system installed.
3. All air conditioning units shall be situated behind the side yard fence or screened with three (3) 5-gallon evergreen shrubs.
4. A minimum of 4 foot (4') wide sidewalks shall be constructed in all parkways along all street frontages no closer than 4' from the back of the curb.
5. The roof slope shall be 6:12 pitch or greater.
6. All roofs will be a minimum 20 year warranty shingle, fire proof, and in conformity with the requirements of all applicable governmental authorities.
7. All side wall mounted chimneys shall be of masonry construction which may include: stone, stucco, tile, brick cementitious fiberboard or any combination thereof. All chimney stacks constructed to extend from the interior of the house may be constructed of vinyl siding, but may not include E.I.F.S., wood or masonite (or similar material).
8. All plumbing stacks, roof vents and all flashing must be painted to match the roofing colors and installed vertically.
9. All interior walls and ceilings of garages must be sheet-rocked and painted.
10. For all Lots, all wood fences facing right-of-way for a distance greater than 20 feet (20') shall be constructed on metal posts and all the rails shall consist of pressure treated wood, and all slats (outside only) shall be treated with a clear-coat sealer. All fences shall be constructed with the finished side facing out. No chain link or barbed wire fences shall be allowed. All fences shall be regularly maintained and kept in a neat and attractive condition.

11. The rear and side yard fences of all homes that back up to, or that side to open space, parks, homeowner's association amenities, greenbelts, or other homeowner's association land shall be five foot (5') tall black wrought-iron type fencing, and three (3) gallon evergreen shrubs shall be planted and maintained every five feet (5') along such fence.
12. All side yards (whether or not there is a side yard fence) that abut a street or open space, park or homeowner's association common area shall be screened with five (5) gallon evergreen shrubs, spaced every four feet (4') along the side of the house or the outside of the fence.
13. Two parking spaces shall be provided on the garage apron between the garage and the street right-of-way. Two additional covered parking spaces will be provided within an enclosed two-car garage. All garages will be equipped with automatic garage-door openers.
14. A minimum of 75% generally designated as the front and two sides on single story homes as required by the City of the total exterior wall surfaces of all main buildings, excluding door and window openings, shall be of masonry construction which may include: stone, stucco, tile, brick cementitious fiberboard or any combination thereof. The front elevation shall be 100% masonry construction (only brick or stone) exclusive of dormers, covered porches, gables above the plate line or roof line and single story garage headers and window headers, and door and window openings. The remaining percentage of the total exterior wall surfaces may include vinyl siding, but may not include E.I.F.S., wood or masonite (or similar material).
15. No home will have the identical front elevation and/or brick as the homes on either side of it, the home across the street from it, or the homes on either side of the homes across the street from it.
16. Building and Area Requirements:
 - A. Lot Area. The minimum area of the Lots shall be 4,200 square feet.
 - B. Lot Width. The minimum width of any Lot shall not be less than forty feet (40'), measured at the right-of-way line, except that Lots at the terminus of a cul-de-sac or along street elbows/eyebrows may have a minimum width of thirty feet (30') along the arc at the right-of-way, provided all other requirements of this section are fulfilled. Building lines may be staggered or set back at a greater distance from the right-of-way.
 - C. Lot Depth. The minimum depth of any Lot shall be one-hundred feet (100').
 - D. Front Yard. The minimum depth of the front yard shall be twelve feet (12'). Garages must be set back a minimum of twenty-two (22) feet from the right-of-way line.

- E. Side Yard. The minimum side yard on each side of a Lot shall be five (5') feet. A side yard for all corner Lots shall not be less than ten feet. Roof eaves, chimneys, and other similar architectural elements may extend in to the side yard.
 - F. Rear Yard. The minimum depth of the rear yard shall be ten feet (10') for main buildings. Accessory structures shall have a minimum rear yard setback of five (5') feet.
 - G. Minimum Dwelling Area. The minimum enclosed heated and air conditioned living area of any dwelling unit situated on a Lot shall be 1400 sq. ft.
 - H. Maximum Lot Coverage. 40% of the total lot area to be covered by residential construction.
 - I. Maximum Building Height. 35 feet on all residential construction.
17. All alleys shall be a minimum of sixteen feet (16') of right-of-way and twelve feet (12') of paving.
18. It shall be the responsibility of each owner of a Lot or of property, at such owner's cost and expense, to regularly maintain, prune, irrigate, and mow all vegetation on such Lot or property and to the street on all sides of such Lot or property, and to replace on such Lot or property and to the street on all sides of such Lot or property all dead, dying, or diseased vegetation with new vegetation without delay.

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 OR 1695 378

FILED AND RECORDED
 OFFICIAL PUBLIC RECORDS
 On: Dec 27, 2007
 at 01:34p

Document Number: 20929

Amount 376.00

By
 Colleen Terry
 Linda Brooks,
 County Clerk
 Hunt County

SHELLE J. JONES COUNTY CLERK

I hereby certify that this instrument was
 filed on the date and time stamped herein by me
 and was duly recorded in the volume and page
 of the name records of: Hunt County
 as stamped herein by me.

Dec 27, 2007

Linda Brooks, County Clerk
 Hunt County

Any provision herein which restricts the sale,
 rental or use of the described REAL PROPERTY
 because of race, color, religion, sex,
 handicap, familial status or national origin
 is invalid and unenforceable under
 FEDERAL LAW, 42 USC, 3601-3606

consents in writing, setting forth the action so taken, shall have been signed by the holder or holders of a sufficient number of votes to take such action at a meeting at which all members were present and voted.

ARTICLE ELEVEN

No director of the corporation shall be liable to the corporation or its members for monetary damages for an act or omission in the director's capacity as a director, except for liability (1) for any breach of the director's duty of loyalty to the corporation or its members, (2) for acts or omissions not in good faith that constitute a breach of duty of the director to the corporation or an act or omission that involves intentional misconduct or a knowing violation of law, (3) for any transaction from which the director received an improper benefit, whether or not the benefit resulted from an act taken within the scope of the director's office, and (4) for acts or omissions for which the liability of a director is expressly provided by statute. Any repeal or amendment of this Article by the members of the corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the corporation existing at the time of such repeal or amendment. In addition to the circumstances in which a director of the corporation is not personally liable as set forth in the preceding sentences, a director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a director.

ARTICLE TWELVE

The corporation is a non-profit corporation, without capital stock, organized solely for the purposes specified in Article Four, and no part of its property, whether income or principal, shall ever inure to the benefit of any director, officer, or employee of the corporation, or any individual having a personal or private interest in the activities of the corporation, nor shall any such director, officer, employee, or individual receive or be lawfully entitled to receive any profit from the operations of the corporation except a reasonable allowance for salaries and other compensation for personal services actually rendered in carrying out the corporation's stated purposes.

ARTICLE THIRTEEN

These Articles may be amended by the affirmative vote or written consent of Owners owning at least 70% of the Lots, provided that so long as the Class B membership provided for in Section 5.2(b) of the Declaration exists, Declarant may determine whether any amendment of these Articles shall require the prior written approval of VA.

IN WITNESS WHEREOF, the undersigned has set his hand on 12/11/07



Brad Biber, Incorporator

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Phil Wilson
Secretary of State

Office of the Secretary of State
Packing Slip

December 14, 2007
Page 1 of 1

Attn: Sherri Jacobs
Lennar Homes
1707 Market Place Blvd.,
Suite 280
Irving, TX 75063

Batch Number: 19602137

Batch Date: 12-13-2007

Client ID: 214587229

Return Method: Mail

Phone No: -

Document Number	Document Detail	Filing Number / Name	Page Count	Fee
196021370002	Certificate of Formation	Verandah Homeowners' Association, Inc.	0	\$25.00
Total Document Fees				\$25.00

Payment Type	Payment Status	Payment Reference	Amount
Check	Received	30076	\$25.00
Total Payments Received			\$25.00
Total Amount Charged to Client Account			\$0.00
Total Amount Credited to Client Account			\$0.00

Note: This is not a bill. Please do not send any payments until the monthly statement is received.
Any amount credited to Client Account may be refunded upon request.
Refunds (if applicable) will be processed within 10 business days.
Acknowledgement of Filing Document(s) (if present) is attached.

User ID: DGOODING

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