

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR EMERALD BAY ESTATES**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EMERALD BAY ESTATES (this "Declaration") entered into and to be effective as of this 29 day of APRIL, 1999, by Mound Emerald Bay, Ltd., a Texas limited partnership (the "Declarant"):

WITNESSETH:

WHEREAS, the Declarant is the owner of certain real property in the Town of Flower Mound, Denton County, Texas, more particularly described in Exhibit "A", attached hereto and made a part hereof (the "Property"); and

WHEREAS, Declarant desires to create an exclusive planned community known as Emerald Bay Estates on the Property and such other land as may be added thereto pursuant to the terms and provisions of this Declaration.

DECLARATION

NOW THEREFORE, Declarant declares that the Property shall be held, sold, and conveyed subject to the restrictions, covenants, and conditions contained herein, which shall be deemed to be covenants running with the land, imposed on — and intended to benefit and burden — each Lot and other portions of the Property in order to maintain within the Property a planned community of high standards. Such covenants shall be binding on all parties having any right, title, or interest herein, including such parties respective heirs, personal representatives, successors, and assigns, inuring to the benefit of each Owner (as hereinafter defined).

**ARTICLE I
DEFINITIONS**

"Association" shall mean and refer to Mound Emerald Bay Homeowners Association, a Texas not-for-profit corporation established for the purpose set forth herein.

"Common Areas" shall mean and refer to that portion of the Property, if any, conveyed to the Association for the use and benefit of the Owners.

"Common Maintenance Areas" shall mean and refer to the Common Areas, if any, and the entrance monuments, drainage facilities, detention ponds, right-of-way landscaping, and such other areas lying within dedicated public easements or rights-of-way as deemed appropriate by the Board of Directors of the Association for the prevention, protection and enhancement of the Property's property values and the general health, safety or welfare of the Owners.

"Declarant" shall mean and refer to Mound Emerald Bay, Ltd., a Texas limited partnership, its successors and assigns who are designated as such in writing by the Declarant, and who consent in writing to assume the duties and obligations of the Declarant with respect to Lots acquired by such successor or assign.