

DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS OF PILLARS ADDITION
HOMEOWNERS ASSOCIATION

THIS DECLARATION is made on Dec 27 2002 (the "Effective Date") by WEEKS STREET REAL ESTATE, LLC (the "Declarant"), the current owner of the Property (hereinafter defined).

WITNESSETH:

A. Declarant is the owner of certain property in the City of Wichita Falls, County of Wichita, State of Texas, which is more particularly described in the attached Exhibit "A" hereto.

B. Declarant desires that the Property will be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions.

C. Such easements, restrictions, covenants and conditions are for the purpose of protecting the value and desirability of, and shall run with, the Property, and they will bind, and inure to the benefit of, all parties now or hereafter having any right, title or interest in the Property or any part thereof, and their heirs, successors and assigns.

NOW, THEREFORE, for a valuable consideration, Declarant does hereby declare that the Property will be held, sold, conveyed and developed in accordance with and subject to the following easements, restrictions, covenants and conditions.

ARTICLE I
DEFINITIONS

Section 1. "Association" means and refers to PILLARS ADDITION HOMEOWNERS ASSOCIATION (a Texas non-profit corporation, either formed or to be formed - and, until formed, a non-profit association, but not a partnership, of all Owners of Lots covered by this Declaration).

Section 2. "Owner" means and refers to the actual owner, whether one or more persons or entities, of fee simple title to any Lot (except the parts of such Lots 1 and 12 as are designated entirely as constituting the Landscape Area) which is a part of the Property.

Section 3. "Property" means and refers to that certain real property described in Exhibit "A" and such additions thereto as may hereafter be brought within the jurisdiction of the Association, as hereinafter provided.

Section 4. "Landscape Area" means and refers to all land in Lots 1 and 12 South of a line parallel to and 95 feet South of the North lines of Lots 1 and 12, respectively. The Landscape Area includes a perpetual easement in the Association across the said areas of Lots 1 and 12, respectively, for reasonable ingress and egress to landscape and maintain such area. The perpetual easement identified above will be an easement for the benefit of the Association.

Section 5. "Lot" means and refers to the following:

Any dedicated lot lying within the Property.

"Lots" refers to every Lot.

Section 6. "Declarant" means and refers to WEEKS STREET REAL ESTATE, LLC, its successors and assigns.

Section 7. "Public Street" means any street, lane, drive, boulevard, court, circle, road, place, manor or terrace which has been dedicated to public use, as shown on the dedicated plat of the Property (or portions of the Property), but does not include private streets, driveways and alleys.

Section 8. "Member" means any person and/or entity who owns a fee interest in a Lot (other than the parts of the Lots included in the Landscape Area).

Section 9. "Membership" is defined in Article IV.

Section 10. "Person" means an individual, corporation, limited liability company, partnership, association, trust or other legal entity or any combination thereof except where the context would clearly indicate otherwise.

ARTICLE II
POWERS IN DECLARANT

Section 1. Changes In Boundaries And Landscape Area. Declarant reserves the right to changes the boundaries of the Property and the Lots which have not been sold to others and the Landscape Area as it deems advisable, provided that such changes will not unreasonably or substantially adversely affect the boundaries or the beneficial use and enjoyment of any Lot then owned by any Person other than Declarant. Any such change will be recorded in the Official Public Records of Wichita County. If any such Lot Owner fails to deliver to Declarant a complaint in writing within 30 days after first learning of any such change (or within 90 days after the recordation of such change) then such Lot Owner (and such Lot Owner's successors and assigns) will be conclusively deemed to have waived any right to complain that such change is unreasonable or has a substantial adverse effect on the Lot owned by such Lot Owner.

ARTICLE III
PROPERTY RIGHTS

Section 1. Owner's Easements Of Enjoyment. No Owner has any right or easement of enjoyment in and to the Landscape Area. The Association may dedicate or transfer a fee interest or an easement in all or any part of the Landscape Area to any public agency, authority, or utility for such purposes and subject to such conditions as are consistent reasonably with the purpose of such Landscape Area. The Association may borrow money and mortgage the Landscape Area for the purpose of improving the Landscape Area, constructing new facilities thereon, performing landscape or maintenance obligations and providing the services set forth in Article VI hereof.

Section 2. No Right Of Use. No Owner has, or may transfer, any right of enjoyment in and to the Landscape Area.

Section 3. Maintenance Of Landscape Area. Declarant will be responsible for initial development and landscaping of the Landscape Area as Declarant, in Declarant's sole opinion, deems appropriate. After such initial development and landscaping, the Association will be responsible for the maintenance and improvement of the Landscape Area.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Each Person (including the Declarant) who is the actual owner (and with the record owner being *prima facie* the actual owner) of any Lot shall have one "Membership" in the Association for each Lot such Person owns, regardless of the number of Persons who hold an interest in said Lot; provided, however, that if two or more persons are the record owners of one Lot, then such Persons own only one Membership in the Association. Each Owner shall provide the Secretary of the Association the name of such Owner, such Owner's address and telephone number. The Membership will be appurtenant to and may not be separated from the record ownership of any Lot, and the transfer of any Membership not made as part of a sale of the Lot will be null and void. Ownership of a Lot will be the sole qualification for being a Member of the Association. The Owners of the Lots must (as a condition of ownership of the Lot) be a Member.

Section 2. Classes Of Membership. The Association will have 2 classes of Membership:

Class A. Class A Members will be all Owners of Lots, Declarant, and will be entitled to one vote for each Lot owned.

Class B. The Class B Member will be the Declarant.

Section 3. Board Of Directors. The Class B Member shall serve as the Board of Directors and the Architectural Control Committee until such time as a total of 7 different Lots have been sold. At such time, the Class B Membership will cease and will be converted to Class A Memberships to the extent of any Lots then still owned by Declarant. Upon the conversion of the Class B Memberships to Class A Membership, the Class A Members shall duly elect the new Board of Directors. The number of directors will be set by the Membership, but will not exceed 5 nor be less than 3. All matters of decision by the Board of Directors will be by majority vote, and the Board of Directors shall operate under rules it will select that are not inconsistent with the terms hereof.

Section 4. One Membership Per Lot. Each Owner may vote, in person or by proxy, his Membership, or Memberships, in the Association. When more than one Person who owns an interest in any Lot, all such Persons will be Members (having one Membership) but only one Membership may be voted for each Lot. The method of voting a Membership owned by more than one Person will be as the Owners of such Membership decide among themselves.

Section 5. Additional Remedies. In addition to the remedies provided in Article V, the Board of Directors may suspend the voting rights of any Member for any period during which any assessment against such Member's Lot remains unpaid.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of The Lien And Personal Obligation Of Assessments. Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed (or other transfer of title, voluntary or involuntary) therefor, whether so expressed in such deed (or other transfer) is deemed to covenant and pay to the Association:

- (a) All "Annual Assessments" described in Article V, Section 2, and
- (b) All "Special Assessments" described in Article V, Section 4, such assessments to be established and collected as hereinafter provided.

The Annual Assessment and Special Assessment, together with interest, costs and reasonable attorney's fees, will be a charge on the land included in the Property and will be a continuing lien on the Lot against which such assessment is made. The obligation to pay such assessments is part of the purchase price (in effect a purchase money lien, being created automatically in connection with the acquisition of title and also being a covenant running with the land) of each Lot. Such lien is superior and paramount to any homestead or other exemption provided by law. Each such assessment, together with interest, costs and reasonable attorney's fees, will also be the personal obligation of the Person who was the Owner of such Lot when the assessment fell due. The personal obligation for delinquent assessments will not pass to the Owner's successor in title unless expressly assumed, but, nevertheless, the lien for such assessments will continue to be a lien upon the Lot as herein provided.

Section 2. Annual Assessments. Annual Assessments levied by the Association will be used exclusively to promote the Property and in connection therewith the recreation, health, safety, and welfare of the residents in the Property and for the landscaping and maintenance of the Landscape Area, and of the homes situated upon the Lots, including, without limitation, the following:

- (a) Effecting landscaping, development and maintenance of the Landscape Area and performing all maintenance duties and providing all services specified in Article VI of this Declaration.
- (b) Paying ad valorem and other property taxes and assessments levied on the Landscape Area (if any) .
- (c) Contracting for such employees and independent management necessary or appropriate to the landscaping and maintenance of the Landscape Area and supervision thereof and the performance of all duties and the providing of all services specified in Article VI of this Declaration. The Association may contract with any person or entity, including Declarant, for the performance of all or any portion of the duties of the Association provided herein.
- (d) Obtaining and maintaining utility services for the Landscape Area; and
- (e) Obtaining and maintaining general public liability insurance, property damage insurance, and fire and extended coverage insurance in accordance with Article IX of this Declaration.

Notwithstanding any contrary or inconsistent provision of this Declaration, the Board of Directors shall calculate and assess the Annual Assessment. The Board of Directors may make such allocations, estimations and prorations as the Board in good faith deems appropriate. Each Annual Assessment will be allocated equally among all Lots, and the Owners of each Lot must pay their respective proportionate shares of each Annual Assessment in the time and manner specified by the Board of Directors.

Section 3. Maximum Annual Assessment. Until December 31 of the calendar year in which the first Lot is conveyed to an Owner, the Annual Assessment may not exceed \$300.00 per Lot.

(a) The Board of Director may increase the Annual Assessment effective January 1 of each calendar year thereafter to an amount deemed reasonable to cover costs described in Article V, Section 2 and otherwise fulfill the functions of the Association. The failure of the Association to set any Annual Assessment as provided herein for any year will not be deemed a waiver or release of any Owner from the obligation to pay the Annual Assessment, but the Annual Assessment fixed for the preceding calendar year will continue until the amount of the Annual Assessment is set by the Association.

Section 4. Special Assessments. In addition to the Annual Assessments, the Association may levy, in any calendar year, one Special Assessment as the Board of Directors deems appropriate, not to exceed \$400 per Lot, for the following purposes:

(a) Defraying, in whole or in part, the cost (to the extent not covered by collectible insurance) of any construction or reconstruction, unexpected repair, drainage, dredging or replacement of a capital improvement on the Landscape Area for the benefit of the Association, including the necessary fixtures and personal property related thereto.

(b) Defraying the amount of any deficit created by an excess of expenditures of the Association over receipts for the previous year; provided the maximum amount of any Special Assessment for this purpose may not exceed 25 percent of the Annual Assessment for the current year.

(c) Paying for repairs and restoration and replacement and remedying violations pursuant to Section 3 of Article VI, Section 2 of Article VII, Section 4 of Article VIII, and/or Section 2 of Article IX.

Section 5. Commencement Of Annual Assessments; Due Dates. The Annual Assessments provided for herein will commence as to each Lot on the first day of the calendar month following the date of the sale of such Lot by Declarant. Prior to January 1 of each calendar year, the Board of Directors shall consider current landscaping, maintenance and replacement costs and a reasonable reserve for contingencies of the Association, and the Board of Directors shall estimate and fix the Annual Assessment at an amount not to exceed the maximum Annual Assessment specified in Section 3 above. The Association shall notify each Owner of the amount of the Annual Assessment and each Owner shall pay the Annual Assessment in equal monthly installments on or before the first day of each calendar month beginning January 1 of each calendar year. If the Annual Assessment proves to be inadequate during a calendar year, the Board of Directors may increase the Annual Assessment. In such event, the Association shall notify each Owner of the amount of the new Annual Assessment and each Owner shall pay a proportionate part of the new Annual Assessment on the first day of each calendar month for the remainder of the calendar year. Promptly after any reasonable request of an Owner, the Association shall furnish such owner a certificate signed by an officer of the Association stating whether the Annual Assessment on the Lot owned by such Owner has been paid. The Association may charge, and such Owner shall pay, the Association's charge for the issuance of each certificate. Each such certificate will be *prima facie* evidence of payment of any assessment therein stated to have been paid, and prospective purchasers, lenders, and title companies may rely upon such certificate.

Section 6. Failure to Pay Assessments; Remedies. Any assessment or any installment thereof not paid within 20 days after the due date will bear interest from the due date until paid at the rate of 10 percent per annum or the maximum rate of interest permitted by applicable law, whichever is greater. The Association may bring suit against the Owner personally obligated to pay the same, and/or foreclose the lien against the Lot for which the assessment was made. Interest, costs and reasonable attorney's fees for such suit will be added to the amount of such assessments and secured by the lien against the Lot. In addition, if any service is provided by the Association, such service may be terminated until the delinquent assessment is paid. No Member may waive or otherwise escape liability for the assessments provided for herein.

Section 7. Subordination. The lien securing payment of assessments provided for herein will be subordinate to the lien of any first purchase money mortgage or deed of trust lien or any lien securing a debt incurred in improving any Lot. Sale or transfer of any Lot will not affect the assessment lien.

Section 8. Assessments Pro Rata. The assessment made against any Lot will not be higher or lower than the assessment against any other Lot, except for: (i) any Special Assessments under Section 3 of Article VI and/or Section 4 of Article VIII of this Declaration which are properly attributable, in the judgment of the Board of Directors of the Association, to less than all of the Lots, and (ii) any Special Assessments provided for in Section 4(c) above.

Section 9. Abatement Of Assessments. No diminution or abatement of assessments will be allowed or claimed for inconvenience or discomfort arising from the making of repairs or improvements to the Landscape Area or Lots or from any action taken to comply with any law, ordinance or order of a governmental authority.

ARTICLE VI MAINTENANCE BY AND SERVICES OF THE ASSOCIATION

Section 1. Landscape Area. The Association shall maintain the Landscape Area in good, attractive, and neat condition at all times.

Section 2. Easement. The Association is hereby granted an easement of use and right-of-way on all Lots in order to comply with the terms of this Article. Entry on any such Lot for such purpose will not be deemed a trespass.

Section 3. Maintenance. The Association shall maintain, repair, replace, and otherwise care for (i) any gates, decorative fence and other improvements at or near the Weeks Street entrance to the Property and (ii) any sprinkler system, landscaping and other improvements on the Landscape Area.

Section 4. Willful Or Negligent Acts. If maintenance or repair of the Landscape Area becomes necessary due to: (i) the willful or negligent act of any Owner, such Owner's family, guests or invitees, or (2) the failure of any Owner to maintain such Owner's Lot in a clean condition, the Association may add the cost of such maintenance or repairs, as a Special Assessment, to the Annual Assessment due from such Owner, and such Owner shall pay such Special Assessment within 15 days after the billing date.

ARTICLE VII PERMITTED USES AND RESTRICTIONS OF COMMON AREA AND LOTS

Section 1. General Restrictions. The Lots will be used solely for private single family residential purposes, and no Person may constructor maintain on any Lot more than one single family residence with a two-space garage. Such residence must: (i) have a foundation

height of at least 12 inches above the curb; (ii) contain at least 2,000 square feet of living area (being air-conditioned space), and no more than 3,750 square feet; provided, however, that, with the prior written approval of the Architectural Control Committee, the minimum square feet of living area of a residence may be reduced up to 200 square feet; (iii) have exterior walls consisting of at least 90 percent brick; (iv) have a permanent roof constructed of slate, tile or senior or junior wooden shakes grade A or B, cedar shingles or composition shingles approved by the Architectural Control Committee; (v) have minimum roof pitch with an eight inch vertical rise for each twelve inches of horizontal coverage (8:12); and (vi) contain no more than 2 stories. No Lot may be used as an apartment house, double house, flat, lodging house, hotel or any business purpose; provided, however, that an Owner may lease his Lot (and the residential improvements located thereon) to a residential tenant for a term of a minimum of 6 months.

Section 2. Location Of Structures. No part of any structure (except fence or driveway) on any Lot may be located outside of the Building Limit Lines (designated "BLL") as shown on the recorded plat of the Property, and such Lines as shown on the recorded plat will govern in the event of any conflict with the general information hereinafter set forth. No part of any structure (except fence or a driveway) may be located within 15 feet of the rear (i.e. the side, or boundary, opposite the front) boundary line of any Lot, nor within 5 feet of any side (i.e. the side, or boundary generally perpendicular to the front boundary line of the Lot) even though no Building Limit Line is shown for the rear boundary line or side boundary lines of a Lot.

Section 3. Noxious Uses. The land and improvements located on each such Lot may not be used in any manner which tends to disturb the neighborhood or occupants of adjoining property, to constitute a nuisance or to violate any applicable law, ordinance or regulation, nor may such land and improvements be used for any purpose which will create or emit any objectionable, offensive or noxious odors, dust, gas, fumes, or other such material.

Section 4. No Use Of Landscape Area. No Owner may use or possess the Landscape Area.

Section 5. Animals. No animals or birds, other than a reasonable number of generally recognized house or yard pets, may be maintained on any Lot and then only if they are kept, bred, or raised solely as domestic pets and not for commercial purposes. No Owner may allow any animal or bird kept or maintained on such Owner's Lot to make an unreasonable amount of noise or to become a nuisance. No structure for the care, housing or confinement of any animal or bird may be maintained so as to be visible from neighboring property or any Lot. Upon the written request of any Owner, the Board of Directors of the Association shall determine, in its sole and absolute discretion, whether, for the purposes of this Section 5, an Owner's maintenance of a particular animal or bird complies with the restrictions stated in this Section 5, and the Board's good faith determination will be final, conclusive and binding.

Section 6. Antennas And Signals. No antenna or other device for the transmission or reception of television signals, radio signals, or any other form of electromagnetic radiation may be erected, used or maintained on any Lot, whether attached to a building or structure or otherwise, without the prior, written approval of the Board of Directors of the Association. No radio signals, television signals or any other form of electromagnetic radiation may originate from any Lot which might unreasonably interfere with the reception of television or radio signals on any other Lot.

Section 7. Temporary Occupancy. No trailer, basement or any incomplete building or structure of any kind may be used at any time for a residence, either temporary or permanent. Temporary buildings or structures used during the construction, repair or remodeling of a dwelling on any Lot must be removed by the Owner of such Lot immediately after the completion of construction.

Section 8. Trailers; Boats And Motor Vehicles. No mobile home, recreational vehicle, trailer of any kind, truck camper, permanent tent or similar structure, boat or inoperable motor vehicle of any type may be kept, placed, maintained, constructed, reconstructed or repaired upon any Lot or street or private driveway located within the boundaries of the Property in such a manner as will be visible from any other Lot or neighboring property; provided, however, that the provisions of this Section 8 will not apply to emergency vehicle repairs or temporary construction shelters or facilities maintained during, and used exclusively in connection with, the construction of any improvement approved by the Association.

Section 9. Nuisance. No rubbish or debris of any kind may be placed or permitted to accumulate upon or adjacent to any Lot, and no odors will be permitted to arise therefrom, so as to render any such property or portion thereof unsanitary, unsightly, offensive, or detrimental to any Lot or other property in the vicinity thereof or to its occupants. No nuisance will be permitted to exist or operate upon any Lot or such property so as to be offensive or detrimental to any other property in the vicinity thereof or to its occupants. Without limiting the generality of any of the foregoing provisions, no exterior horns, whistles, bell or other sound devices, except security devices used exclusively for security purposes, will be located, used or placed on any such property.

Section 10. Repairs. No building, fence or structure on any Lot or within the boundaries of the Property will be permitted to fall in disrepair, and each such building, fence and structure will at all times be kept in good condition and repair and adequately painted or otherwise finished.

Section 11. Trash Containers And Collection. No garbage, trash debris, drippings, trimmings or other rubbish will be placed or kept on any Lot, except in covered containers of any type, size and style approved by the Board of Directors, which may include the requirement that all containers will be disposable. In no event will such containers be maintained so as to be visible from any other Lot or neighboring property except to make the same available for collection and, then, only for the shortest time reasonably necessary to effect such collection.

Section 12. Clothes Drying Facilities. Outside clothes lines or other outside facilities for drying or airing clothes will not be erected, placed or maintained on any Lot unless they are erected, placed or maintained exclusively within a fenced service yard or otherwise concealed and not visible from any other Lot or neighboring property.

Section 13. Sidewalk Encroachments. No trees, shrub or planting of any kind on any Lot may overhang or otherwise encroach upon any sidewalk or other pedestrian way from ground level to a height of 7 feet, without the prior written approval of the Association.

Section 14. Right-Of-Way. During reasonable hours Declarant or any member of the Board of Directors or any other representative of either of them, may enter upon and inspect any Lot for the purpose of ascertaining whether these restrictions have been or are being complied with, and such Persons will not be guilty of trespass by reason of such entry.

Section 15. Mineral Exploration. No Lot may be used in any manner to explore for or to remove any water, oil, gas or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance of any kind.

Section 16. Machinery And Equipment. Without the approval of the Board of Directors of the Association or Declarant, no machinery or equipment of any kind may be placed, operated or maintained upon or adjacent to any Lot, except such machinery or equipment as is usual and customary in Wichita County, Texas, in connection with the use, maintenance or construction of a private residence or appurtenant structures; provided, however, such machinery or equipment may be so placed, operated or maintained by any governmental, or quasi-governmental agency or public utility, as otherwise permitted by applicable law.

Section 17. Diseases And Insects. No Owner may permit anything or condition to exist upon any Lot or elsewhere with the Property which will induce, breed, or harbor plant diseases or noxious insects.

Section 18. Signs. No signs whatsoever (movable or affixed), including, but not limited to, commercial, political and similar signs which are visible from any Lot or neighboring property may be erected or maintained on any Lot except:

(a) Such signs as may be required by applicable law.

(b) A residential identification sign of a combined total face area of 72 square inches or less, which shall consist of a masonry stone bricked into the outside brick wall.

(c) During the time of construction of any building or other improvement, 2 job identification signs no larger than 24 by 36 inches in height and width and having a face area no larger than 6 square feet each.

(d) A "for sale" or "for rent" sign, of a reasonable type, size and appearance, which is similar to other signs customarily used in Wichita County, Texas, to advertise individual parcels or residential real property.

The content and location of all signs will be subject to such rules as the Board of Directors of the Association may promulgate. The provisions of this paragraph do not prevent Declarant from commencing, erecting or maintaining structures or signs of any content or size on Lots or other parts of the Property owned by it when Declarant, in its sole discretion, deems it necessary or convenient for the development, sale, operation or other disposition of Lots.

Section 19. Tanks. No elevated tanks may be erected.

Section 20. Increased Insurance Costs. No acts or omissions will occur on any Lot or elsewhere on the Property which will result in the increase of fire and extended coverage insurance premiums thereon or the cancellation of such insurance.

Section 21. Waste. No waste may be permitted or committed on any Lot except normal construction type waste during construction of improvements on a particular Lot and then only for a reasonable time while construction is on-going. No grass clippings, weeds, dirt, plant or tree trimmings or waste of any kind may be placed on vacant Lots or other parts of the Property by owners or non-owners of such Lots. Violators of this provision may be notified by the Association and such violators shall remedy each violation within 3 days after delivery of the Association's notice to each Lot so affected. If such violation is not remedied as herein provided, the Board of Directors may cause the violation to be remedied and charge the violator a "Special Assessment" pursuant to Article V, Section 4.

Section 22. Lighting. No lighting or illumination may be placed on any Lot in such a manner as to cause unreasonable glare or illumination on any other Lot.

Section 23. Garages. No garage may be used by any Person other than the Owner of the Lot on which the garage is situated or his family or bona fide guests. All garage doors visible from a street or adjoining Lot must be closed at all times except as may be necessary for entry and exit of vehicles in relation to the house.

Section 24. Fences. All fences must be brick with wrought iron gates or wooden with brick column posts, save and except the rear fence around the boundary of the Property. All fences are subject to prior approval of the Architectural Control Committee.

ARTICLE VIII
GENERAL OBLIGATIONS OF OWNER

Section 1. General Maintenance. Each Owner shall maintain and care for the lawn and all trees, plants or foliage on such Owner's Lot except for areas and items on the Landscape Area maintained by the Association. Each Owner shall keep his Lot and all improvements thereon in conformity to its condition when new, absent only reasonable wear and tear (but still in good, attractive condition).

Section 2. Complaints By Owner. If any Owner believes any other Owner is in violation of a part of this Declaration which the complaining Owner has a right to enforce, the Complaining Owner may so notify the violating Owner in writing, explaining his reasons for such complaint. If the violating Owner fails to remedy the alleged violation in 10 days after delivery of such notice, a complaint may be transmitted in writing to the Chairman of the Board of Directors of the Association, who shall thereupon choose, within no more than 10 days, a neutral party to arbitrate the dispute in such a manner as the arbitrator deems best. The arbitrator shall in all cases announce his decision within 30 days after the transmittal of the complaint to the Chairman of the Board of Directors or if the arbitrator fails to act, the complaint will be denied. The arbitrator will be paid his reasonable expenses, the cost of which will be borne and promptly paid by the losing party.

Section 3. Complaints By The Association. If the Association believes any Owner is in violation of any provision of this Declaration, it shall so notify such Owner in writing, explaining its reason for such complaint. If the Owner fails to remedy the alleged violation within 10 days following delivery of such notice, then the Association may: (i) institute appropriate legal action or (ii) submit the dispute to arbitration, such arbitration to be held in accordance with the rules of the American Arbitration Association by the action of a majority of arbitrators chosen as follows: (a) one arbitrator will be chosen by the Owner; (b) one arbitrator will be chosen by the Association; and (c) one arbitrator will be chosen by the 2 arbitrators previously chosen. If either party fails to choose an arbitrator within 15 days after the transmission of the complaint to the Owner, the other party may choose the second arbitrator. The decision of the arbitrators will be made within 30 days after the transmission of the complaint to the Owner. If the arbitrators fail to act within 90 days, the complaint will be considered dismissed. The prevailing party in any such litigation or arbitration will be entitled to recover from the other party all costs and expenses thereof, including reasonable attorney's fees, in connection therewith.

Section 4. Remedy For Violations. If the arbitrators provided in Section 2 or Section 3 above uphold the complaint, the Owner will be notified in writing and shall promptly remedy the violation of this Declaration, and if such Owner fails to remedy such violation within 30 days after the date of such notice or in the time specified in any such proceeding, as appropriate, the Association may (but shall not be obligated to) make the appropriate repairs and add the cost of such repairs as a Special Assessment, to any other assessment due from such Owner. The Association, and its designees, may enter the Lot owned by such Owner for such purpose. Also, the Association and any Owner will be entitled to an injunction to enforce such award or any restrictions.

ARTICLE IX
FIRE AND EXTENDED COVERAGE AND LIABILITY INSURANCE

Section 1. Insurance On The Common Area Improvements. The Association may obtain a policy of fire and extended coverage insurance covering any insurable improvements on the Property that belongs to the Association. The Association must obtain and maintain in existence at all times a public liability insurance policy insuring claims against the Association with limits approved by the Association's Board of Directors. The premiums for such policy will be included in the costs for which Annual Assessments are made to all Owners.

Section 2. Restoration. In the event of any fire or other casualty covered under such policy of fire and extended coverage insurance policy under which the Association is the beneficiary or payee under the loss payable clause, the Association shall collect all insurance proceeds and will, to extent of such proceeds, repair, restore, and replace any damaged or destroyed structures to their same or similar condition existing just prior to the damage or destruction thereof. Such repair, restoration or replacement will be commenced and completed within a reasonable time in a good and workmanlike manner using the same or similar materials as were originally used in the structures damaged or destroyed. The Association will not be liable to any Owner or such Owner's family or other invitees for any delay in the completion of any repair, restoration or replacement due to causes beyond the reasonable control of the Association, or its contractors. To the extent that insurance proceeds are not sufficient to effect such repair, restoration or replacement to any structure or Landscape Area, the Association shall levy against all Owners equally a Special Assessment sufficient to effect such repair, restoration or replacement.

ARTICLE X
ENVIRONMENTAL AND ARCHITECTURAL CONTROL

Section 1. Construction Of Improvements. Since the maintenance of environmental and architectural harmony and unity is essential for the preservation and enhancement of the value of the Lots and harmonious functioning of the community affected thereby, no improvements may be erected on any Lot by any Person other than the Declarant without first obtaining the written approval of the plans and specifications therefor from the Architectural Control Committee. Except as otherwise herein provided, the Architectural Control Committee will consist of no more than 5 and no less than 3 Members of the Association as duly elected by the Association every 2 years. In the event a committee member does not complete his or her term, the remaining members of the committee shall appoint a replacement. The term "improvements" includes but is not limited to, any structure, additions to or alterations of any buildings, detached buildings, storage buildings, tool sheds, kennels or other buildings for the care of animals, and greenhouses; any fence; the moving of any structure from another locality to a Lot; the grading, scraping, excavation or other rearranging of the surface of any Lot; the construction of any driveway, alley way, walkway, entryway, patio, or other similar item; the alteration or replacing of any exterior surface, including repainting of any painted surfaces and the painting of formerly unpainted surfaces; and the planting, replanting or rearranging of any plant life visible from another Lot, the Landscape Area or neighboring streets or property.

ARTICLE XI
EASEMENT AND RIGHTS

Section 1. General Easement. For so long as Declarant holds record title to any Lot or the Landscape Area, Declarant and the Association reserve the right and easement to the use of the Landscape Area and any Lot or any portion thereof, as may be needed for repair, maintenance or construction on such Lot, any other Lot or the Landscape Area.

Section 2: Crossover Easement. If the Owner of any Lot or Declarant, in order to make reasonable repairs or improvements to a building on his Lot, enter or cross the Landscape Area or a Lot of another Owner, such Owner or Declarant have an easement to do so; provided that said Owner or Declarant shall use the most direct, feasible route in entering and crossing over such an area and shall restore the surface so entered or crossed to its original condition at the expense of said Owner or Declarant.

Section 3. Drainage Easement. Each Owner of a Lot covenants to provide such easements for drainage and waterflow as the contours of the land and the arrangement of buildings thereon requires.

Section 4. Utility Easement. An easement of ingress and egress is hereby granted on all Lots and the Common Areas in favor of any utility company for the purpose of the repair, construction and maintenance of all utility lines.

ARTICLE XII
VARIANCES

The Association may grant approval for variances from the restrictions provided in Article VII. Such approval requires the affirmative vote of holders of 75 percent of the Membership of Class A and Class B (to the extent each such class then exists) Written notice of the meeting and its purpose will be delivered to all Members of such classes no less than 10 nor more than 50 days before the date of the meeting. Variations from the provisions of Section 6, and Section 16 of Article VII will not require such approval.

ARTICLE XIII
GENERAL PROVISIONS

Section 1. Enforcement. The restrictions herein set forth will run with title to the Lots and the Property, and they will bind Declarant except as otherwise provided, and its successors and assigns, and all parties hereafter claiming title to any Lot and/or the Property, or any part thereof, by, through or under Declarant will be conclusively deemed to hold, agree and covenant with Declarant and its successors or assigns, and with each of them, to conform to and observe the terms and provisions of this Declaration in its ownership and use of any Lots and any construction and improvements thereon. No restrictions herein set forth will be personally binding on any Person except in respect of breaches committed during such Person's ownership of title to a Lot. No action for enforcement may be commenced until the procedure specified in Article VIII, Section 2 or Section 3, as appropriate, has been completed; provided, however, the Association may elect to bring suit as permitted under Article 3. Failure of any Owner or Owners or the Association to enforce any of the restrictions herein set forth will not be deemed a waiver of the right to do so or to enforce other restrictions.

Section 2. Invalidation. The invalidation of any of the covenants or restrictions set forth herein by judgment or court order will not affect any other provisions of this Declaration, which will remain in full force and effect.

Section 3. Right To Assign. By appropriate instrument, the Declarant may assign or convey to any Person any or all of the rights, reservations, easements and privileges herein reserved by the Declarant, and, upon such assignment or conveyance being made, its assigns or grantees, may, at their option, exercise, transfer, or assign such rights, reservations, easements and privileges or anyone or more of them at any time or times in the same way and manner as those directly reserved by them or it in the instrument.

Section 4. Duration And Amendment. All of the restrictions set forth herein shall continue and be binding for a period of 25 years from the date of this instrument and shall automatically be extended thereafter for successive periods of 10 years each; provided, however, that 4 or more Owners of at least 7 of the Lots may, at the end of such 25 year term or at the end of any successive 10 year period thereafter, by written instrument signed by all such Persons, vacate or modify all or any part of this Declaration. During the initial 25 year period, a vacation or modification hereof will be effective if a written instrument is signed by 75 percent of the Owners of the Lots. Any such vacation or modification will be filed of record in the Official Public Records of Wichita County promptly when executed. No such vacation or modification will be effective unless and until all governmental approvals required by law have been secured.

Section 5. Notices. All notices given or required to be given by Declarant or the Association to its Members or any Owner will be deemed to have actually been given if actually received and, whether actually received, when either (1) actually delivered to such Owner's last known address or (2) deposited in the United States mail, postage prepaid, and addressed to the Member at his address as it appears on the books of the Association.

ARTICLE XIV
MISCELLANEOUS PROVISIONS

Section 1. Operational Management. Operational management of the Association may be by a professional management company. Selection of the management company (if there is any) shall be made by the Board of Directors of the Association.

THUS EXECUTED this 27 day of December, 2002

DECLARANT:

WEEKS STREET REAL ESTATE, LLC

By David A. Kimbell, Jr.
David A. Kimbell, Jr., President

THE STATE OF TEXAS §
 §
COUNTY OF WICHITA §

This instrument was acknowledged before me this Dec 27, 2002, by David A. Kimbell, Jr., President of Weeks Street Real Estate, LLC, a Texas limited liability company, on behalf of said company.

[NOTARY SEAL]

Patsy Hensley
Notary Public in and for the State of Texas

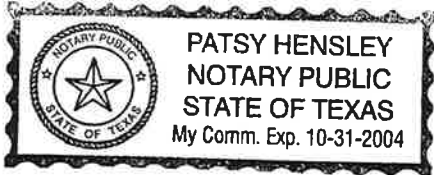


EXHIBIT "A"

to

DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS OF PILLARS ADDITION
HOMEOWNERS ASSOCIATION

All of the Pillars Addition, an Addition to the City of Wichita Falls, Wichita County, Texas according to the final plat thereof which appears of record in the Plat Records of Wichita County, Texas, to which reference is here made for all purposes.

CONSENT OF LIENHOLDER

Bank of America, N.A., the owner and holder of a deed of trust lien in and to the Property (defined in the foregoing Declaration), does hereby consent to the execution and recordation of the Declaration to which this Consent is attached.

THUS EXECUTED on date of the acknowledgement below.

BANK OF AMERICA, N.A.

By [Signature]

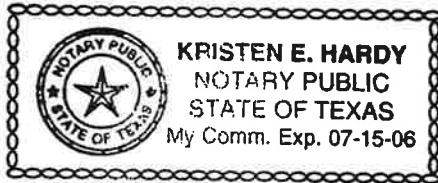
Name DAN CONLEY

Title VICE PRESIDENT

THE STATE OF TEXAS §
 COUNTY OF Potter §

This instrument was acknowledged before me this December 31, 2002 by Dan Conley
vice president of Bank of America, N.A, a national banking association, on behalf of said association.

[NOTARY SEAL]



[Signature]
 Notary Public in and for the State of Texas

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