DECLARATION OF COVENANTS AND RESTRICTIONS OF

MILLBROOK ADDITION HOME OWNERS ASSOCIATION A TEXAS NON-PROFIT CORPORATION

(Updated and approved by more than a 2/3 majority vote of the membership effective 1/25/2024)

Article I Definitions

Section 1.01 Definitions. The following words when used in this Declaration or any supplemental Declaration (unless the context shall otherwise require), shall have the following meanings:

- "Association" shall mean and refer to the Millbrook Addition Home Owners Association, a non-profit corporation.
- "Millbrook Addition" shall mean and refer to the property described in Exhibit "A" attached hereto and made a part hereof for all purposes.
- "Lake System" shall mean and refer to the system of lakes shown over a portion of the Millbrook #1 Plat to the City of Arlington.
- "Lot" shall mean and refer to any residential lot described in Exhibit "A" hereto and in any Declaration supplemental hereto as provided in Section 2.02 hereof.
- "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot; but notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or other proceeding in lieu of foreclosure.

Article II Property Subject To This Declaration

Section 2.01 Existing Property. All of the Lots described in Exhibit "A" attached hereto shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens herein set forth.

Section 2.02 Additions to Existing Property. Additional Lots may become subject to this Declaration at any time when a new or supplemental map of the Millbrook Addition, or any installment thereof, showing additional Lots partially covered by the Lake System is filed of record by Declarants with the County Clerk of Tarrant County, Texas, and are designated by Declaration supplemental hereto as being held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, changes and liens herein set forth.

Article III Membership and Voting Rights in the Association

Section 3.01 Requirements for Membership. Every person or entity that is or becomes the record owner of a fee interest in any lot located in the Millbrook #1 Plat to the City of Arlington which is listed in Exhibit "A" hereto shall automatically be and become a member of the Association; provided,

however, any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a member; and provided, further, that any member who sells or otherwise disposes of (by operation of law or otherwise) such interest required for membership shall automatically cease to be a member of the Association. No person or entity shall be a member by reason of ownership of an easement, right-of-way, or mineral interest.

Section 3.02 Nonmembers. The owners of any lot in the Millbrook #1 Plat not partially covered by the lake system or included in the lots described in Exhibit "A" hereto and in any Declaration supplemental hereto as provided in **Section 2.02** hereof shall not be members of the Association or otherwise have any interest in its business or affairs.

Section 3.03 Classes of Membership. The Association shall have only one class of membership.

Section 3.04 Membership and Voting Rights Procedures. The current laws of the State of Texas governing nonprofit corporations or homeowners associations will supersede the membership and voting procedures in Article II of the Bylaws if the Bylaws are not in compliance.

Article IV Covenant for Maintenance Assessments and Collections

Section 4.01 Creation of the Lien and Personal Obligation of Assessments. The Declarants, for each lot owned by them, hereby covenant and agree, each Purchaser of any Lot by acceptance of a deed therefore and his successors in title, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association: (1) annual assessments and (2) special assessments for maintenance and improvements of the Lake System, all of such assessments to be established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the Lots and shall be a lien upon the particular Lot against which each such assessment is made. Each such assessment together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 4.02 Purpose of Assessments. The assessments herein provided for shall be used to maintain, preserve and promote the beautification and utility of the Lake System, including, without limiting the generality of the foregoing, the regulation of silt, plant growth, and other debris accumulating in the Lake System, and the control of the breeding and proliferation of mosquitoes and other pests in or around the Lake System.

Section 4.03 Amount of Annual Assessment. The annual assessment commencing with the calendar year 2024 shall be \$600.00 per Lot. The annual assessment may change due to any future actions made by the membership in accordance with **Section 4.06**.

Section 4.04 Maintenance Reserve Account. Fifty percent (50%) of each annual assessment, or portion thereof, collected shall be placed in a separate Maintenance Reserve account. The Board of Directors may, at its discretion, transfer other funds to the Maintenance Reserve account if the Board determines that such funds are in excess of the funds needed for the normal and recurring operating costs of the Lake System. Expenditures from the Maintenance Reserve account shall be restricted to (1)

defraying the cost of regulation of silt in the Lake System, (2) capital improvements to the Lake System, and (3) repairs to the dam and spillway.

Section 4.05 Special Assessments. In addition to the annual assessments specified in **Section 4.03** hereof, the Association may levy at any time a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, repair or replacement of any structure or facility connected with, or capital improvement relating to, the Lake System, provided, however, that any such special assessment shall have the assent of at least two-thirds of the membership, voting in person, by proxy, or absentee ballot at a meeting duly called for that purpose.

Section 4.06 Increase in Amount or Change in Annual Assessment. The Association may increase the amount or change the annual assessment specified in **Section 4.03** hereof for any future periods, provided, however, that any such increase or change shall have the assent of at least two-thirds of the membership, voting in person, by proxy, or absentee ballot at a meeting duly called for that purpose.

Section 4.07 Assessment Due Date. The annual assessment for each calendar year shall become due and payable on the first day of February of each year. The due date of any special assessment under **Section 4.05** hereof shall be fixed in the resolution authorizing the assessment. Any assessment that is not fully paid when due is delinquent and remains delinquent until paid in full.

Section 4.08 Late Fees, Interest, & Collection Costs. If the Association does not receive full payment of an assessment until after the late date established by the Board of Directors, the Association may levy a late fee per month and/or interest of 1% per month (12% annual), until paid in full. After proper notification by certified mail of the Initial Notice of Demand for Payment Letter, all collection costs incurred by the Association in collecting the assessment as certified mail postage, lien filing fees, court costs, credit reports, attorney fees, subsequent release of lien, and other reasonable cost will be charged to the account of and become the liability of the defaulting Owner.

Section 4.09 Waiver of Section 4.08. Properly levied late fees, interest, and collection costs may only be waived by at least two-thirds of the Board of Directors.

Section 4.10 Insufficient Funds. The Treasurer may levy a reasonable fee for any check returned to the Association marked "Not Sufficient Funds" or the equivalent.

Section 4.11 Installment Acceleration. If an assessment, other than the Annual Assessment, is payable in installments and the owner defaults in the payment of any installment, the Association may declare the entire assessment in default and accelerate the due date on all remaining installments. Such acceleration may be done only after the Association gives the owner at least fifteen (15) days prior notice of both the default and the intent to accelerate the unpaid balance unless the default payment is not timely made. If the assessment balance is accelerated, the Association has no duty to reinstate the installment program even if the Owner makes subsequent payments.

Section 4.12 Payment Application. After the Association has notified an Owner of a delinquency and the Owners liability for late fees, interest, and collection costs, any payment received by the Association shall be applied in the following order, starting with the oldest charge in each category, until that category is fully paid, regardless of the any payment notations on the check, and the date the obligation(s) arose: 1) Delinquent assessments; 2) Current assessments; 3) Attorney fees and costs associated with delinquent assessments; 4) Fines; 5) Other amounts due.

Section 4.13 Payment Plans for Delinquent Assessments. The Association shall offer a payment plan to a delinquent Owner with a minimum term of at least three (3) months and a maximum term of eighteen (18) months from the date the payment plan is requested. The Association will determine the terms of the payment plan and may charge reasonable administrative costs and interest. An Owner is not entitled to a payment plan if the Owner has defaulted on a previous payment plan in the last two (2) years.

Section 4.14 Collection Procedures. The Board of Directors may at their discretion delegate all or some collection procedures to an attorney or debt collection agency. However, all procedures stated in **Section 209.0064 Third Party Collections** of the Texas Property Code must be followed by the attorney or collection agency.

Section 4.15 Delinquency Notices. If full payment of an assessment or an assessment installment has not been received by the due date, the Association shall send written notice of nonpayment to the defaulting Owner by hand delivery or by certified mail, stating the amount delinquent. The notice shall also state that if full payment is not timely received, the Association will pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.

Section 4.16 Delinquency Notice Addressee. If the Association's records show that an Owner's property is owned by two (2) or more persons, notice to any owner at the address of record is deemed notice to all co-owners.

Section 4.17 Collection Procedures. The Board of Directors or their agent will take the following actions if an Owner's account remains delinquent, after a courtesy contact to insure the billing was received.

- Prepare and send by certified mail the Initial Notice of Demand for Payment Letter.
- If the account is not paid in full within thirty (30) days, prepare and send by certified mail the Lien Notice of Demand for Payment Letter and intent to file suit in Small Claims Court.
- Then, if the account is not paid in full within thirty (30) days and suit has not been filed in Small Claims Court, have the attorney file the lien and prepare and send by certified mail the Final Notice of Demand for Payment and Notice of Intent to Foreclose.
- Then, if the account is not paid in full within thirty (30) days, instruct the attorney to file suit to foreclose on the property.

Section 4.18 Write off of Debt. If the Board of Directors deems a debt to be uncollectible it may cancel the debt on the books of the Association; provided, however, the reasons for the cancellation are noted in the minutes of the meeting and the cancellation and reasons for the debt cancellation are reported by the Treasurer at the next annual meeting of the Association.

Article V Committees

Section 5.01 Architectural Control Committee. The Board of Directors shall appoint an Architectural Control Committee, which shall consist of two or more members of the Association. Members of the Board of Directors, their spouses, or household members can not serve on this committee.

Section 5.02 Duties of Architectural Control Committee. The committee is responsible for insuring all erections of buildings or exterior additions or alterations to any building upon any lot or changes or additions in fences, hedges, walls, and other permanent or temporary objects or structures are not in violation of the Protective Covenants and are in harmony in exterior design, appearance, and location in relation to surrounding structures and topography. The committee will also determine if yard signs are reasonable in accordance with **Section 6.11**.

- **Section 5.03 Submission of Plans and Specifications.** Plans and specifications showing the nature, kind, shape, height, materials, and exact location are to be submitted to the committee before work commences. Submittal of these plans and specifications must be made to the lot owner's area representative, to a meeting of the Board of Directors, or to the Committee Chairman listed on the Association's website either by hand delivery or by certified mail.
- (a) In the event the plans are not approved, the reason for the lack of approval must be specified in a written response by hand delivery, or certified mail, describing in reasonable detail the basis for the denial or changes required as a condition of approval to the homeowner within thirty (30) days of the initial submittal by the lot owner. This negative response must also state that a hearing may be requested before the Board of Directors. If the committee fails to approve or disapprove the design and location within thirty (30) days, the approval of the Architectural Control Committee shall be deemed to have been given and this Section will have been fully complied with.
- (b) In the event of a request for a hearing by the owner because of the no approval the board shall hold a hearing within thirty (30) days of receipt for the request and notify the owner not later than the tenth (10) day before the hearing. The lot owner or his representative may discuss the relevant reasons for the appeal. Either party may request a postponement of the hearing for a period of not more than ten (10) days with subsequent postponements only by mutual agreement. The Board will vote on the matter and render a decision to the lot owner within seven (7) calendar days.
- (c) In the event the Board upholds the decision of the Committee, the lot owner may pursue an arbitration hearing by contacting the American Arbitration Association or similar arbitration organization. The findings of the arbitration hearing will be final.

Article VI Protective Covenants

- **Section 6.01.** No Lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any Lot other than (a) one single-family dwelling, (b) a private garage sized for not more than three cars and one boat or other water borne vehicle, and (c) a servants quarters for the use of bona fide servants only.
- **Section 6.02.** The living area of any main dwelling erected on any lot in the Millbrook Addition described in Exhibit "A" shall not be less than 2,200 square feet, exclusive of open porches, garage and servants quarters, except as may be approved by the Architectural Control Committee.
- **Section 6.03.** No building shall be located on any lot nearer to the front lot line or nearer to any side street than the minimum building set back lines required by the ordinances of the City of Arlington, Texas. In no event, however, shall any building be located on any lot nearer than 20 feet to the front lot line or nearer than 15 feet to any side street. No building shall be so located nearer than 5 feet to any interior lot line. For the purpose of this covenant, eaves, steps and open porches shall not be considered as part of the building, PROVIDED, however, that this shall not be construed to permit any portion of a

building on a lot to encroach upon any other lot.

- **Section 6.04.** No residential structure shall be erected or placed on any building plot, if such plot has a minimum lot width and total size in square footage less than that shown on the recorded map, and in no event shall any lot ever contain an area less than the required area by the ordinances and regulations of the City of Arlington, Texas.
- **Section 6.05.** No dwelling, fence or other permanent structure shall be located on any lot nearer to the Lake System than 10 feet from the waters edge except for a boat dock or similar structure that is low in height and that has been approved by the Architectural Control Committee. No fence shall be erected without the prior approval of the Architectural Control Committee.
- **Section 6.06.** The roofing materials for any structure placed on any lot described in Exhibit "A" shall be first approved by the Architectural Control Committee.
- **Section 6.07.** No building shall be erected unless the exterior of at least the first floor thereof shall have not less than 75% masonry construction, unless the written approval of another mode of construction is obtained from the Architectural Control Committee described in **Article V** hereof.
- **Section 6.08.** Easements for the installation and maintenance of utilities and related facilities and services are reserved for such purposes as set forth on the recorded maps of the lots.
- **Section 6.09.** No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or a nuisance to the neighborhood.
- **Section 6.10.** No structure of a temporary character, mobile home, trailer (including boat trailer), basement, tent, shack, garage or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently.
- **Section 6.11.** No signs of any kind shall be displayed to the public view on any Lot except one sign of not more than five square feet, advertising the property for sale or rent, or reasonable signs placed close to the residence indicating such things as school or organization affiliation, alarm company identity, and contractor identification. The Architectural Control Committee shall determine if a sign is reasonable.
- **Section 6.12.** No animals or livestock of any kind shall be raised, bred, or kept on any lot, except that dogs, cats, or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purpose.
- **Section 6.13.** No Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage, and other waste shall not be kept on any Lot except in sanitary containers.
- **Section 6.14.** Each lot shall be subject to all valid laws and ordinances of the City of Arlington, Texas.
- **Section 6.15.** Vehicles with tonnage in excess of ³/₄ ton shall not be permitted to park on the streets, driveways or Lots overnight, and no vehicle of any size which normally transports flammable or explosive cargo may be kept in Millbrook Addition at any time.

- **Section 6.16.** Boats may be maintained, stored or kept on any Lot if housed completely within a private garage or other structure approved in writing by the Architectural Control Committee described in **Article V** hereof. Small boats as rowboats, paddle boats, kayaks, and canoes may be kept in the rear yard of any Lot.
- **Section 6.17.** No antenna or tower shall be erected upon any Lot for the purpose of radio operation.
- **Section 6.18.** No water shall be drawn from the Lake System by any person, firm, or corporation for any purpose.
- **Section 6.19.** No gasoline powered boats are allowed on the Lake System, but electrically powered boats of up to 3 horsepower maximum are permitted.
- **Section 6.20.** No boats or other water borne vehicles are allowed on the Lake System except those owned by Association members only.
- **Section 6.21.** No member of the Association will restrict the use of the Lake System by any other member, and each member is granted an easement and right to reasonably use the entire Lake System in common with each other member, provided, that such reasonable use of the Lake System shall extend only to the surface thereof and such easement granted herein shall not grant any member the right to use any part of the Utility and Flowage Easement shown on the recorded plat referred to in Exhibit "A" hereto existing on any other member's property.
- **Section 6.22.** Additional, less restrictive, varied or other protective or restrictive covenants may be imposed by Declarants on any Lot hereinafter becoming subject to the Declaration as provided in **Section 2.02** of Article II hereof, by setting forth the same at the time of filing of record a Declaration supplemental hereto as proved for in said **Section 2.02** of Article II hereof.
- **Section 6.23** Lot owners who lease their property shall submit to the Board of Directors or their area representative contact information including the name, telephone number, and e-mail address of each adult person who will reside at the property under lease and the commencement date and term of lease. The lot owner should require in the lease that their lessee follow all covenants and rules of the Association. The lot owner is accountable to the Association for any infractions in the covenants by the lessee.
- **Section 6.24** Any lot used as a short-term rental must comply with the City of Arlington Ordinances. The host rules provided to the city must include the relevant covenants and rules of the Association. A copy of the host rules and the contact information of the local party responsible must be provided to the Board of Directors. The lot owner is accountable to the Association for any infractions in the covenants by the renters.
- **Section 6.25** It is the duty of the owners to notify the Secretary of the Association or their area representative of any changes in their e-mail address. If the owner does not have or does not want to give their e-mail address, they must accept required notifications left at the lot's front door.

Article VII Books and Records

Section 7.01 Association Records. All books and records of the association including financial records and minutes of all meetings of the Board of Directors that are within the record retention policy of **Section 7.04**, are open to inspection by any member or any person designated in a writing signed by the member. All such examinations must be in the presence of a member of the Board or their designee; provided, however, the Board at their discretion, may release the financial records to the custody of a currently licensed Certified Public Accountant making an examination of the records for propriety on behalf of any Owner.

Section 7.02 Request for Records. A member or his authorized representative must submit by certified mail a written request for access or information with sufficient detail describing the records requested to the mailing address of the Association or to an Officer or member of the Board of Directors. The request must include an election to inspect the books before obtaining copies or having the Association forward copies of the requested records. The Board shall first determine if the member is entitled to see the record or records in accordance with current Texas State Law.

- (a) If an inspection is requested, the Board will respond within ten (10) days of receiving the request to arrange an inspection.
- (b) If copies are requested, the Association will produce the copies within ten (10) days of receiving the request. If the Association can not produce the records within ten (10) days, the Board must respond in accordance with current Texas State Law as to when the records will be made available or why they are not available.

Section 7.03 Record Copying and Costs. Electronic copies of the Millbrook Addition Homeowners Association Declaration of Covenants and Restrictions, Bylaws, minutes of member meetings, Annual Financial Summaries to members, current listing of members, and minutes of the Board of Directors Meetings are available at no charge. Paper copies of those records are available at twenty-five cents (\$0.25) per page copied with payment in advance. Other records a member is entitled to see under current Texas State Law will have a labor charge of Thirty Dollars (\$30.00) per hour and a copy cost of twenty-five cents (\$0.25) per page for copying, with an estimated cost paid in advance. The member will be reimbursed if the estimated cost exceeds the actual costs and be invoiced if the estimate cost was less than the actual expense. If the member does not pay the invoice for additional cost within thirty (30) days, the cost shall be added to the members account as an assessment.

Section 7.04 Record Retention. The record retention policy is as follows:

- a) The formation documents of the corporation, covenants and restrictions, bylaws, and their amendments shall be retained permanently.
- b) Financial books and records with supporting documentation shall be retained for seven years.
- c) Account Records of current members shall be retained for five years.
- d) Contracts with a term of one year or more shall be retained for four years after the expiration of the contract term.
- e) Minutes of member meetings and the board shall be retained for seven years.
- f) Tax returns and audit records shall be retained for seven years.

Article VIII General Provisions

Section 8.01 The covenants and restrictions of this Declaration shall run with and bind the land subject thereto, and shall inure to the benefit of and be enforceable by Millbrook Addition Home Owners Association, or the owner of any land subject to this Declaration, and their respective legal

representatives, heirs, successors and assigns for a term of thirty (30) years from the date that this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by at least two-thirds of the Owners of the Lots has been recorded, agreeing to change said covenants and restrictions in whole or in part, provided, however, that no such agreement to change shall be effective unless made and recorded on or in advance of the effective date of such change.

Section 8.02 Enforcement. Enforcement of these covenants and restrictions may be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Millbrook Addition Home Owners Association or any Owner to enforce any covenant or restriction contained herein shall not be deemed to be a waiver of the right to do so thereafter. A court may assess civil damages for the violation of a restrictive covenant in an amount not to exceed two hundred (\$200.00) for each day of the violation as provided by Chapter 202 of the Texas Property Code.

Section 8.03 Amendments. Anything herein to the contrary notwithstanding, each and every provision herein contained (including the protective covenants set forth in **Article VI** hereof) may be abandoned, terminated, modified, altered or in any other way changed, provided that the change shall have the assent of at least two-thirds of the membership of the Association, voting in person, by proxy or absentee ballot, at a meeting duly called for that purpose.

Section 8.04 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 8.05 Notice Before Enforcement. Before filing a suit for a violation of the Covenants, Bylaws, rules, or property damage written notice must be given by certified mail. The notice shall conform with the requirements of Section 209.006 of the Texas Property Code. If the owner can cure the violation, the owner has a right to submit a written request for a hearing before enforcement action is taken.

Article IX Dissolution

Section 9.01 Manner of Dissolution. The corporation may be dissolved only with the assent given in writing and signed by two-thirds of its members. Written notice of a proposal to dissolve, setting forth the reasons therefore and the disposition to be made of the assets, shall be sent to every member at least thirty (30) days in advance of any action taken in connection therewith.

Section 9.02 Distribution of Assets. Upon dissolution of the corporation, the liquid assets of the corporation shall be distributed proportionally to the members after all liabilities have been paid. The capital assets shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable to the same as those to which they were required to be devoted by the corporation. In the event that such dedication is refused acceptance, such assets shall be assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes and uses that would most clearly reflect the purposes and uses to which they were required to be devoted by the corporation.

EXHIBIT "A"

Lots 12 through 66, Block 1; Lots 1 through 30 and 34, 35, 36, 38, 39 and 40, Block 3; MILLBROOK #1, an addition to the City of Arlington, Tarrant County, Texas, according to the plat thereof, recorded in Volume 388-75, Page 56, Plat Records of Tarrant County, Texas.

Lots 12 through 66. Block 1

Waltham Court: 1523, 1521, 1519, 1517, 1515, 1511, 1509, 1507, 1505, 1503, 1501.

Postbridge Court: 1500, 1502, 1503, 1504, 1505, 1507, 1508, 1509, 1510, 1511, 1512, 1514, 1515, 1516, 1517.

Westwood Drive: 2601, 2605, 2701, 2703, 2705, 2707, 2709, 2711, 2805.

Millbrook Drive: 1300, 1304, 1308, 1312, 1400, 1402, 1404, 1406, 1408, 1410, 1412, 1500, 1502, 1504, 1506, 1508, 1510, 1512, 1514, 1516.

Lots 1 through 30 and 34, 35, 36, 38, 39 and 40, Block 3

Creekford Drive: 1400, 1404, 1406, 1408, 1412, 1414, 1416, 1418, 1500, 1502, 1504, 1506, 1508, 1510.

Augusta Lane: 2800, 2804, 2806, 2808, 2810, 2814, 2816.

Millbrook Drive: 1511, 1509, 1415, 1413, 1411, 1407, 1405, 1403.

Millbrook Court: 2811, 2809, 2805, 2801, 2800, 2802, 2804.

State of Texas County of Tarrant

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