SUPPLEMENT TO THE COMMUNITY CHARTER FOR

VIRIDIAN RESIDENTIAL PROPERTIES

(VILLAGE 1B MEWS LOTS)

STATE OF TEXAS

NOTE TO CLERK: Please cross-reference to Community Charter at Instrument No. D212104762

COUNTY OF TARRANT

This Supplement to the Community Charter for Viridian Residential Properties ("Supplement") is made by HC-LOBF ARLINGTON, LLC, a Texas limited liability company (the "Founder").

Background Statement

The Founder is the developer of the planned community located in the City of Arlington, Tarrant County, Texas, known as Viridian. The Founder executed and filed that Community Charter for Viridian Residential Properties, recorded on May 2, 2012 as Instrument No. D212104762 in the County Clerk Official Records of Tarrant County, Texas (as it may be amended and supplemented, the "Charter").

Pursuant to Sections 17.1 and 17.3 of the Charter, the Founder reserved the right to expand the Viridian residential community by recording one or more Supplements submitting to the terms of the Charter all or any portion of the Expansion Property described on Exhibit "B" of the Charter and/or to impose on such property additional covenants and easements, with the consent of the owner of such property (if not the Founder).

The property described on Exhibit "A" to this Supplement (the "Additional Property") is a portion of the Expansion Property described on Exhibit "B" to the Charter and has been submitted to the Charter by a separate Supplement recorded at Instrument No. ________ (or if blank, on even date herewith) ("Prior Supplement"). As the owner of the Additional Property, the Founder desires to submit such the Additional Property to the additional covenants and easements set forth in this Supplement as well as to the terms of the Charter.

NOW, THEREFORE, the Founder hereby submits the real property described on Exhibit "A" of this Supplement to the provisions of the Charter and this Supplement, which shall hereafter encumber the title to such property and shall be binding upon all persons having any right, title, or any interest in such

Upon recording, please return to:

Howard E. Porteus, Jr. HC LOBF Arlington, LLC 835 E. Lamar Boulevard, #235 Arlington, TX 76011 property, their respective heirs, legal representatives, successors, successors-in-title, and assigns. The provisions of this Supplement shall also be binding upon Viridian Residential Association, Inc., a Texas nonprofit corporation (the "Association") in accordance with the terms of the Charter.

ARTICLE I Definitions

The definitions set forth in Article 1 of the Charter are incorporated by reference in this Supplement.

ARTICLE II <u>Designation of Neighborhoods and Service Areas</u>

Pursuant to Chapter 3 of the Charter, the Additional Property has been assigned to the Neighborhood(s) and Service Area(sas designated on Exhibit "A" to the Prior Supplement and this Supplement.

ARTICLE III Additional Covenants, Restrictions and Easements

The additional covenants, restrictions and easements, if any, set forth in Exhibit "B" of this Supplement shall apply to the Additional Property and shall be binding upon the owners and occupants of Units within the Additional Property, their guests and invitees, in addition to the terms of the Charter.

ARTICLE IV Amendment

4.1 By the Founder.

Until termination of the Founder Control Period, the Founder may unilaterally amend this Supplement for any purpose. Thereafter, until termination of the Development and Sale Period, the Founder may unilaterally amend this Supplement to reflect any revisions or amendments to any plats referenced on Exhibit "A," and, provided the amendment has no material adverse effect upon any right of any Owner without such Owner's consent in writing, for any other purpose.

Notwithstanding this reserved right, a revision or amendment to a plat shall not require an amendment to this Supplement so long as no property is added or excluded from the plat by the revision or amendment thereto. The Founder reserves the right to record revised, amended, or additional plats that only affect internal boundaries between lots, combine lots, or subdivide lots shown on the original plat and, so long as they do not alter the overall property submitted to the Charter by this Supplement, such revised, amended or additional plats shall not necessitate an amendment to this Supplement.

4.2. <u>By Owners</u>.

Except as otherwise specifically provided above, this Supplement may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners of at least 67% of the Units within the Additional Property and the written consent of the Association, acting through its board of

directors, except that any amendment to Exhibit B relating only to Units in a Service Area designated on Exhibit A shall only require the affirmative vote or written consent, or any combination thereof, of Owners of at least 67% of the Units within the affected Service Area and the consent of the Association, acting through its Board of Directors. In addition, so long as the Founder owns any Unit within the Additional Property, the consent of the Founder shall be required to adopt any amendment hereunder.

4.3. Validity and Effective Date.

No amendment may remove, revoke, or modify any right or privilege of the Founder or without the written consent of the Founder (or the assignee of such right or privilege).

If an Owner consents to any amendment to this Supplement, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Any amendment shall become effective upon recording, unless a later effective date is specified in the amendment. No action to challenge the validity of an amendment may be brought more than two years after its recordation. In no event shall a change of conditions or circumstances operate to amend any provisions of this Supplement.

IN WITNESS OF the foregoing, the Founder has executed this Supplement on the day of

FOUNDER: HC LOBF ARLINGTON, LLC, a Texas limited liability company

BY: CIP HC Dev Viridian, Inc., a Texas corporation, its Managing Member

Name: Robert Kanbel

Its: Vice President Drandon

STATE OF TEXAS §

COUNTY OF TARRANT §

This instrument was acknowledged before me on this day of large, 2013, by Robert Kembel, Vice President of CIP HC Dev Viridian, Inc., a Texas corporation, in its capacity as managing member of HC LOBF ARLINGTON, LLC, a Texas limited liability company, on behalf of said company, for the purposes therein expressed.

CARYN ERSKINE Notary Public, State of Texas

My Commission Expires
November 09, 2013

Notary Public, State of Tex

My commission expires: __

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EXHIBIT "A"

Additional Property

Being a portion of a 48.34-acre tract of land out of the William Jenkins Survey, Abstract No. 856, and the Samuel Kephart Survey, Abstract No. 891, City of Arlington, Tarrant County, Texas, being more particularly described as Lots 1 through 13 and 14x of Block 48 and Lots 14 through 21 and 22x of Block 49, as shown on that certain Replat of Viridian Village 1B filed of record on (1016), 2013 as Instrument No. 213015460 in such Plat Records, and as such plat may be further revised and amended (the "Village 1B Replat");

Lots 1 through 13 of Block 48, and Lots 14 through 21 and Lots 23 through 28 of Block 49, being hereby assigned to Mews Service Area No. 1 and Lot 14x of Block 48 and Lot 22x of Block 49 shown on the Village 1B Replat are hereby designated Limited Common Area for the benefit of the Units in Mews Service Area No. 1.

EXHIBIT "B"

Additional Covenants, Restrictions, and Easements

1. Lawn Maintenance on Units in Mews Service Area No. 1.

- (a) Pursuant to Section 10.2(a) of the Charter, and subject to subsection (d) of this Section, the Association shall be responsible for performing, or causing to be performed, on behalf of the Owners of Units in Mews Service Area No. 1 as identified on Exhibit "A" to this Supplement, the following maintenance:
- (i) mowing and fertilizing of lawns on the Units and, to the extent that the Owners would
 otherwise be responsible for such maintenance pursuant to Section 6.1 of the Charter, on property adjacent
 to the Units; and
- (ii) operation, maintenance, repair and replacement, as necessary, of any irrigation equipment (including, without limitation, any sprinklers, pumps, wells, water lines and time clocks, wherever located) installed by the Builder or the Association on the Units and within any property adjacent to the Units for which the Unit Owners would otherwise be responsible under Section 6.1 of the Charter.
- (b) All other maintenance of the Unit, including pruning, fertilizing and other maintenance of shrubbery, mulching of shrub beds, and exterior maintenance of structures, sidewalks, driveways, patios, and other improvements, shall be the responsibility of the respective Owners, as provided in Section 6.1 of the Charter.
- (c) All maintenance hereunder shall be performed in a manner and on a schedule consistent with the Community-Wide Standard.
- (d) The Association's responsibilities under this Section 1 shall commence as to each Unit within Mews Service Area No. 1 at such time as:
- (i) all construction and landscaping on the Unit has been completed in accordance with the approved plans; and
- (ii) the Builder has either (A) delivered written notice to the Association that the final inspection of the dwelling on the Unit has been performed as required by Tarrant County, Texas; or (B) has conveyed the Unit for residential occupancy;

at which time it shall be considered an "Improved Unit" hereunder. Until the Association's maintenance responsibilities commence hereunder, the Owner/Builder shall be responsible for all maintenance on the Unit.

(e) Nothing in this Supplement shall make the Association responsible for repairing any defects in materials or workmanship relating to initial installation of sod or other landscaping on any Unit. Should any such defects be identified, the Owner of the affected Unit shall be responsible for filing and pursuing in a timely manner any and all claims it may have against the Builder arising out of such defect, and upon the

Owner's failure to do so, the Association may assess the Owner and the Unit for any additional costs which the Association incurs in performing its responsibilities hereunder as a result of such defect.

2. <u>Limited Common Area Maintenance</u>. In addition to the above, the Association shall maintain as a Service Area Expense for the benefit of the Units within Mews Service Area No. 1, all landscaping, irrigation equipment, fences, walls, and other improvements, if any, located on those parcels identified in Exhibit "A" of this Supplement as Lot 14x of Block 48 and Lot 22x of Block 49, such parcels being hereby assigned as Limited Common Area for the benefit of the Units within Mews Service Area No. 1.

3. Service Area Assessments.

- (a) The Service Area Budget established pursuant to Section 12.2 of the Charter for the Service Area identified in Exhibit "A" shall include the costs which the Association expects to incur in performing its maintenance responsibilities under this Supplement, as well as a reasonable contribution to a reserve fund for repair and replacements and any additional management fees and other administrative expenses related to performance of its responsibilities hereunder.
- (b) Pursuant to Section 12.2(c) of the Charter, which authorizes a Supplement to provide for assessments for exterior maintenance, insurance, or replacement reserves for structures on Units to be levied in proportion to the benefit received, as determined by the Board, the Board shall establish Service Area Assessments for Units within the Service Area identified on Exhibit "A" at an equal rate for all Units, except that a Unit shall be assessed at 25% of such rate until the date it becomes an "Improved Unit" hereunder.

Notwithstanding the above, the Association shall have the right to recover from the Owner of an Improved Unit, as a Specific Assessment, any excess costs which the Association incurs in repairing or replacing any landscaping on such Owner's Unit necessitated by the negligence or other actions of the Owner or any occupant of the Unit, or their guests or invitees, and any other costs which the Charter authorizes to be levied as a Specific Assessment.

4. Zero Lot Line Easement.

- (a) <u>Defined Terms</u>. The Units within the Additional Property (referred to herein as "Courtytard Units") are improved or intended to be improved with a single family dwelling constructed such that one side wall of the dwelling abuts a side lot line of the Unit (the "Zero Side Lot Line"), the Zero Side Lot Line for each Courtyard Unit being designated by an arrow on the recorded plat referenced in Exhibit "A." For purposes of this Paragraph 4, the term "Zero Side Wall" refers to that wall of a dwelling which abuts or lies within one (1) foot of the Zero Side Lot Line of the Unit on which the dwelling is constructed. The term "Easement Area" refers to that portion of each Courtyard Unit which abuts the Zero Side Lot Line of any adjacent Courtyard Unit and lies within ten (10) feet of such Zero Side Lot Line.
- (b) <u>Grant of Easement</u>. There is hereby created for the benefit of and appurtenant to each Courtyard Unit, a perpetual, non-exclusive easement over the Easement Area on the adjacent Courtyard Unit which abuts its Zero Side Lot Line ("Burdened Lot"). Such easement may be exercised for the purposes of:

- (i) performing construction, installation, maintenance, repair, replacement, and reconstruction of the dwelling and related improvements on the Courtyard Unit benefited by such easement ("Benefited Lot");
- (ii) permitting the roofs and eaves of the dwelling on the Benefited Lot to overhang the Easement Area;
- (iii) accommodating and maintaining any unintentional encroachment, not to exceed two feet, of the dwelling or other improvements constructed or reconstructed on the Benefited Lot due to errors in engineering, surveying, construction, reconstruction, settlement or shifting of the dwelling on the Benefited Lot so long as such encroachment exists; provided, nothing in this clause (iii) shall authorize the encroachment or maintenance of any encroachment which occurs as a result of the willful misconduct of the Owner of the Benefited Lot, its agents or contractors;
- (iv) permitting the flow of stormwater from the roof of the dwelling on the Benefited Lot and from other improvements on the Benefited Lot and surface drainage over, across and through the Easement Area in accordance with the stormwater and drainage plans established by the Founder or the Builder, as applicable; and
- (v) ingress, egress, and access through the gate in any fence located on the Burdened Lot which hinders free access over the Easement Area.

Such easement may be exercised by the Owner and occupants of the Benefited Lot and their respective representatives, contractors, agents, and designees; provided, unless otherwise warranted by emergency circumstances or otherwise agreed by the Owner or occupant of the Burdened Lot, any entry into the Easement Area shall occur only between 7:00 a.m. and dusk. Nothing herein shall authorize any person exercising such easement to attach any object to the side of the Zero Side Wall or to any eave overhanging or encroachment into the Easement Area, to place or store any object any the Easement Area except such ladders, tools, and other equipment as may be reasonably necessary to conduct the activities permitted by this easement and then only as reasonably necessary while such activities are actively being undertaken. The Owner of the Benefited Lot shall be responsible for any damage to the Burdened Lot or improvements thereon resulting from the exercise of this easement.

The Owner and occupants of the Burdened Lot shall have the right to enter upon and use the Easement Area for the purposes of access, ingress, egress, and installing, maintaining, removing, and replacing lawns and trees within the Easement Area, but shall not install any shrubbery or other landscaping that would hinder or interfere with the exercise of this easement or cause damage to the improvements on the Benefited Lot or within the Easement Area. The Owner and occupants of the Burdened Lot shall be responsible for any damage to the dwelling and other improvements on the Benefited Lot or within the Easement Area resulting from their activities.

- (c) Zero Side Wall. The Zero Side Wall of the dwelling constructed on each Courtyard Unit shall have no windows, doors, or other openings.
- 5. <u>Maintenance Easement</u>. The Association shall have a perpetual, non-exclusive easement over all exterior portions of the Units within Service Area No. 1, including access through any gate and within any fenced area, for the purpose of performing its maintenance responsibilities hereunder and under the

Charter, which easement may be exercised by the Association, its officers, directors, employees, agents and contractors, and entry upon any Unit for such purpose shall not be deemed a trespass.

- 6. <u>Cross-Drainage Easement</u>. Each Unit within Service Area No. 1 shall be burdened with a perpetual, non-exclusive easement for the purpose of construction, installation, and maintenance of underground stormwater drainage pipes and lines to transfer stormwater runoff to locations outside the boundaries of the Units. No Person shall alter the natural drainage of stormwater from any such Unit once construction of initial improvements has been completed so as to unreasonably increase the drainage of stormwater onto adjacent portions of the Residential Community without the consent of Owner(s) of affected property, the Board, and the Founder as long as it owns any property subject to the Charter.
- 7. <u>Easement for Irrigation Equipment</u>. The Association shall have a perpetual, non-exclusive easement over, under and through all exterior portions of each Unit within Service Area No. 1, except any area upon which buildings have been erected, for the purpose of installing, maintaining, repairing, replacing and operating any irrigation equipment, systems and lines serving all or any portion of the such Units and/or property adjacent to such Units for which the Owners would otherwise be responsible under Section 6.1 of the Charter.

8. <u>Maintenance and Repair of Party Fences, Walls and Other Shared Structures</u>.

If any necessary repair or replacement of a party fence, wall or other shared structure (a "party structure") affects both sides of the structure, it shall be the joint responsibility of the Owners of the Units which share such structure and either Owner may perform the necessary maintenance or repair and, within 30 days after receipt of written evidence of the total cost incurred, the other Owner shall reimburse the Owner who has incurred such cost for one-half of the reasonable cost he or she has incurred in performing such maintenance or repair.

Notwithstanding the above or anything to the contrary in the Charter, if maintenance or repairs to a party structure are necessitated by the conduct of the Owners, occupants or guests of only one of the Units that share such party structure, then the Owner of such Unit shall be responsible for the necessary maintenance or repairs.

In the event that any Owner installs, constructs, or erects a fence on the common boundary line between such Owner's Unit and an adjacent Unit, and the Owner of the adjacent Unit thereafter attaches another section of fence to it or otherwise makes use of such fence for the purpose of enclosing all or a portion of his Unit, then such fence shall become a party structure for the purpose of each Owner's responsibility for contributing to the maintenance, repair, and replacement of such. However, nothing herein shall confer any ownership interest in or right to remove any such fence on the Owner of the adjacent Unit.

In the event that the Owners who share a party structure fail to provide necessary maintenance or repairs to a party structure within 10 days after the date of written notice from the Association advising of the need for such maintenance or repairs, the Association shall have the right to provide the necessary maintenance or repairs and assess the costs incurred against the responsible Owners and their Units.