

Vintage Land Company
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Tradition. Community. Home.

Community Development Agreement

Prepared by and when recorded, return by mail to: Daniel K. Stone, McGuireWoods LLP, 901 E. Cary Street, Richmond, VA 23219-4030

Declarant: Vintage Land Company, Ltd.

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The VINTAGE LAND COMPANY, LTD., a Texas limited partnership (the "Founder"), makes this COMMUNITY DEVELOPMENT AGREEMENT as of the 17th day of February, year of 2006.

DECLARATION:

The Founder, who is the owner and developer of all of the property in the City of Lubbock, Texas, described on Exhibit A (the "Neighborhood"), hereby submits the property described in Exhibit B and future additions as described below ("Vintage Township") to this Community Development Agreement. The Founder hereby declares that the property subject to this Community Development Agreement shall be held, sold and conveyed subject to the covenants, restrictions and easements of this Community Development Agreement, which shall run with the land and be binding upon all owners of property within Vintage Township (the "Owners"), their heirs, successors and assigns, and upon all other parties, heirs, successors and assigns having any right, title or interest in all or any part of Vintage Township. Capitalized terms are typically defined terms, unless the context indicates otherwise. Definitions for these terms are provided in the Vintage Township Neighborhood Declaration (the "Neighborhood Declaration") and the Vintage Township Commercial Declaration (the "Commercial Declaration"). However, when used in this Community Development Agreement, the term "Owner" shall refer to any owner of property within either the Residential Neighborhood or the Commercial District, as applicable.

Part I: Introduction and Overview

Recognizing the need to rethink how we build our neighborhoods and the need to create communities with a sustainable character, Stellar Development Company set out to discover what made some neighborhoods better *places* than other neighborhoods. Stellar sought to answer the question of why the character and values of some neighborhoods actually increase over time as opposed to other neighborhoods that start out as the latest subdivisions only to slowly and steadily lose their appeal and values.

Lubbock has long been home to those who live and thrive on the West Texas spirit of faith, family and traditional values. Yet, over time, some felt the growth of our area had strayed from those traditions.

Wider streets meant faster traffic – and ultimately unsafe play areas for our children. Divided neighborhoods separated us from friends and family – and reliability on vehicular transportation became more and more of a necessity, rather than a luxury. We began to realize that as a society, we were in fact evolving *away* from tradition, community and the home-grown values so many of us appreciate.

Over several years, the Stellar Development Company visited a great many communities and towns across the country, seeking answers on how to create sustainable, long-term value and places of character. During this work, Stellar formed Vintage Land Company, Ltd. to act as the developer of this community. Vintage Land Company engaged nationally and internationally recognized experts in various fields of work to assist in this quest.

The vision was to create a community where a broad range of families and individuals would discover a truly special place to live, work and play - a community based on tradition, a place where community is emphasized and a neighborhood that truly feels like home.

The result is Vintage Township, a 320 acre master planned community. Vintage Township is a traditional neighborhood development ("TND") designed on the principles of New Urbanism which emphasize compact, mixed-use, pedestrian friendly designs. When completed, Vintage Township will comprise more than 1,500 homes, including single family detached and attached houses, and owned and rental multi-family units.

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Some apartments may be located above shops and offices; others may be in multifamily buildings of varying sizes. Eventually Vintage Township will incorporate retail space, for shops which will meet the needs of the residents of Vintage Township and the City of Lubbock. Similarly, Vintage Township's commercial space will provide employment for the residents of the town and its environs.

The approach to creating Vintage Township is unprecedented and is based on inclusion and collaboration, rather than the vision of a single person or entity. Individuals, groups, organizations and government agencies were brought together to give their input before a single plan was drawn. A week-long charrette, or design workshop, took place early on, as well as numerous other workshops seeking input and addressing important issues. Through this unique approach, Vintage Township has become a community designed by nationally acclaimed experts as well as our own local citizens.

Vintage Township is designed for current and future generations, and we know our work has just begun. As a resident of this great community, your input will become an important part of its continued success. After all, some of Vintage Township's greatest involvement has been the input from our own community. From the very beginning, Vintage Township has been about *people*, and who better to decide on a new community than the very *people* themselves?

The community governance of Vintage Township is met primarily by two separate entities, each of which is established by a separate recorded declaration:

- Under the terms of the Neighborhood Declaration, the Vintage Town Assembly, Inc. (the "Assembly") maintains all of the Assembly common areas, or "Neighborhood Commons," including open space, paths, parks and recreational facilities. The Assembly also helps preserve neighborhood harmony by facilitating neighborhood discussion, stimulating an understanding of the neighborhood goals and enforcing the covenants when necessary.
- Vintage Township Commercial Association, Inc. (the "Commercial Association") meets the special needs of the commercial properties within Vintage Township. As provided by the Vintage Township Commercial Declaration, the Commercial Association provides commercial-type maintenance and services appropriate to the Commercial District including maintaining all of the Commercial District common areas or "Commercial Commons," which include open space, paths, parks and recreational facilities. The Commercial Association may also function as a merchants' association for advertising and business development.

Membership in the Associations may change from time to time as the use of a property changes. The owners of all property within Vintage Township will be members of one

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association or the other, and subject to either the Neighborhood Declaration or the Commercial Declaration.

There are several reasons why this separation is built into the documents. First, the Associations have different interests and focus. Second, residential and non-residential property owners' associations are sometimes subject to different laws and tax treatment.

Despite this legal separation, the entire community is united in several ways. The provisions of this Community Development Agreement, particularly the architectural control provisions, are intended to facilitate a completion of the master plan and allow Vintage Township to retain its design principles as it matures.

In addition to the Assembly and the Commercial Association, the community will benefit from the Vintage Township Institute, Inc. (the "Institute"), a nonprofit corporation organized as a charitable institution under Section 501(c)(3) of the Internal Revenue Code. The Institute seeks to:

- Promote a vital cultural life in Vintage Township for the benefit of residents and visitors alike;
- Encourage and support the development of programs that strengthen community, promote civility and foster good citizenship;
- Promote awareness, education and celebration of the history and traditions for the local community; and
- Research and provide education regarding the impact of the built environment on society and the promotion of quality urban planning, architecture and community governance.

While each entity operates independently, certain entities may work together and may enter into contractual agreements. The chart at the end of this chapter describes some of the roles and characteristics of the difference entities.

Design Purpose and Community Benefits

As mentioned above, this community is a "TND" – a "traditional neighborhood development". That means that it has been specially designed to encourage pedestrianism – walking. Increasing pedestrianism has numerous benefits:

- Residents' health increases and obesity decreases;
- Community interactions increases so that neighbors get to know one another;
- Vehicular traffic declines because people can go to parks, restaurants and churches without getting in their cars;

Part I: Introduction and Overview

- Streets and parks become safer because of the number of people using them, and
- Children and older citizens, who may not be able to drive, can safely walk.

Many of the traits that people seek out in a neighborhood – a feeling of community, a sense of place or safe conditions for their children – spring from this emphasis on pedestrianism and can only be collectively achieved through TND design.

In order to encourage people to walk, a number of conditions must be created. It must be safe to walk. There must be worthwhile destinations within walking distance, and the journey must be pleasant. Important elements of TND's, working in concert, create these conditions. The Founder must initially create these elements. It will be the community's responsibility to preserve them.

TND's create safer streets in a number of ways. They use a network of smaller, connected streets rather than smaller streets feeding into bigger streets that feed into yet bigger streets that will be difficult for pedestrians to cross. Thus, it is important not to close off connections. TND's use more narrow streets than conventional development with lower design speeds to force vehicles to slow down and also allow pedestrians to cross streets quickly. Cars parked along the sides of streets in TND's also cause traffic to slow and reduce the visual impacts of having numerous parking lots. Pedestrians also feel safer with a barrier between them and traffic. Street trees provide a similar barrier, besides increasing the beauty of streets and providing comfortable shade. Alleys or lanes often provide the primary means of vehicular access to homes and businesses in TND's. This means that there are fewer driveways and parking lot entrances for pedestrians to navigate. Houses and businesses in a TND typically are closer to the street, increasing safety by the many "eyes on the street." Similarly, parks and open spaces are normally surrounded by residences, providing 24-hour security.

When correctly designed, almost every residence in a TND is within a five-minute walk from some significant destination. Typically, TND's have greater densities near their cores in order to maximize the number of people who can easily reach the stores and restaurants or other destinations that often locate in these areas. These areas are supposed to be vibrant and attractive, so they may have somewhat more light, a little more noise later into the evening and tighter parking conditions than other parts of the neighborhood. This is a cost of their being worthwhile destinations. Other communal destinations such as parks, amphitheaters, churches or schools have different neighborhood interactions. It is these destinations that give the community its character. Similarly, the parks and common areas of TND's are usually open to the public, including people outside the TND. In this way a TND gives something back to the surrounding neighborhood. This also makes these destinations richer interactions in the larger community, beyond the edge of the TND.

Finally, the journey of the pedestrian must be pleasant and interesting. Sidewalks and trails often tie the TND together although sometimes streets are so small that no sidewalks are necessary. Along these paths, houses and shops pull up close to the street, providing interesting visual stimulus. Porches and stoops are encouraged in order to increase neighborly interactions. The typical TND creates a "building wall" along the street made up of the fronts of houses, shops and other buildings, and the community uses an architectural code to assure that the shared public area of the street is beautiful and interesting.

The benefits of pedestrianism are many. The design elements of TND's that deliver those benefits can be accidentally destroyed through inattention. A through street is closed. The fire chief strips the parking off of a street. A parking lot is constructed up on a street. A park is closed to the public. The TND features and the design principles of Vintage Township must be protected through the years in order to continue to produce the desired benefits and it is the residents' responsibility to ensure this protection.

The vision for Vintage Township is grand and will take several years to achieve. However, the long-term success of the community depends on you and your involvement in this great community. Welcome to Vintage Township!

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	Town Assembly	Commercial Association	Institute
Purposes	Maintain the Neighborhood Commons, support the covenants, and help prevent or resolve conflicts between neighbors.	Maintain and support the Commercial Commons and prevent or resolve conflicts between commercial neighbors or commercial and residential neighbors.	Foster the arts, education and cultural and community events as well as charitable activities.
Legal Status	Non-profit corporation	Non-profit corporation	Non-profit corporation intended to have tax status as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.
Members	All individuals or entities owning residential property within Vintage Township.	Commercial property owners.	Open on a voluntary basis to all residents of Vintage Township plus additional, non-resident contributors such as, but not limited to, commercial property owners and commercial tenants. Members are not entitled to vote.
Primary Source of Funds	Assessments on residential property within Vintage Township, secured by a lien on the Parcel.	Assessments on commercial property within Vintage Township, secured by a lien on the Parcel.	Donations, Institute Contributions assessed on property transfers, voluntary membership dues and revenue from programs.

Part II: Relationships Between the Associations

The Vintage Township Public Improvement District (the "PID") will own and may maintain much of the common areas within Vintage Township. The Assembly and the Commercial Association (the "Associations"), however, may be responsible for maintaining the common areas and sometimes even owning and operating certain areas in Vintage Township. To encourage operation as a single community, this section creates certain relationships between the Associations.

2.1 Easements for Use of the Vintage Township Commons. Each Owner of property in Vintage Township has the following non-exclusive easements in the Vintage Township Commons for the benefit of such Owner and its tenants, employees and guests:

(a) An easement for pedestrian and Wheeled Transport ingress and egress over all of the sidewalks and paths that are part of the Vintage Township Commons, subject to applicable laws and the Rules and Regulations.

(b) An easement for normal use of all Association-owned parks (except bungalow courts), open space, and community buildings in Vintage Township, subject to applicable laws and the Rules and Regulations. Each Member of the Assembly or the Commercial Association has an easement to use the Vintage Township Commons owned and managed by the other Association subject to this Community Development Agreement and the Rules and Regulations.

Deposits and/or fees may be required by the relevant Association or the Founder for use of areas of the Vintage Township Commons; provided that such fees or deposits are applied equally to all similarly situated users without regard to the Association in which they are Members.

Members of the Assembly may use the Commercial Commons for events with the written permission of the Founder or the Commercial Association. Scheduling and arrangements for the use of all parks controlled by the Commercial Association must be made through that Association or the Founder.

Part II: Relationships Between the Associations

Members of the Commercial Association may use the Neighborhood Commons for events with the written permission of the Assembly or the Founder. Scheduling and arrangements for the use of all parks controlled by the Assembly must be made through that Association or the Founder.

Members of the Commercial Association who have residential occupants shall have an easement in the Neighborhood Commons to conduct non-commercial parties, weddings, gatherings and other events on evenings, weekends and holidays (during reasonable hours) provided that these undertakings are always conducted and supervised so that they occur in a safe fashion that does not create a nuisance to the properties surrounding the parks and comply with this Community Development Agreement and laws and the Rules and Regulations governing the use of the Neighborhood Commons. Scheduling and arrangements for the use of all parks controlled by the Assembly must be made through that Association.

Tenants and Occupants of residential property or commercial property who are not Owners shall have the right to use the easement of the Owner whose lot they occupy provided that, (i) the Owner is and will be responsible for the manner of the Occupant's use, and (ii) the Owner may withdraw consent for the use by written notice to the appropriate Association.

2.2 Use of Assembly Amenities. Residential tenants in the Commercial District shall be allowed to use the Assembly amenities, in addition to parks, provided that they pay a fee to use the facilities that is equal to the fee (or portion of a larger fee) that the Assembly Members are charged with respect to the same amenities.

2.3 Rules of Park Usage. No use of any Association-owned parks within Vintage Township shall take place except in conformance with the following:

(a) When section 2.1 indicates that an Owner must arrange for use of a portion of the Vintage Township Commons through a particular Association, this means that the Owner has no direct right to use or schedule use of the portion of the Vintage Township Commons but instead must arrange and schedule such use through the indicated Association. This Association has the right to require evidence of compliance with the requirements of this Community Development Agreement and the Rules and Regulations governing use of the portion of the Vintage Township Commons and the right to bar the use of the portion of the Vintage Township Commons by anyone not complying with these provisions in advance of or during an event. In accordance with the requirements of Section 209.006 of the Texas Property Code, the Founder or relevant scheduling Association may bar any Owner, tenant or guest from event use of a portion of the Vintage Township Commons for a period up to twelve (12) months for a violation of this Community Development Agreement. After two (2) violations, an Owner, tenant

Part II: Relationships Between the Associations

or guest may be permanently barred by the Founder or the relevant Association. The Founder or the relevant scheduling Association may charge a reasonable scheduling fee to cover costs associated with its duties under this section.

(b) Any Owner conducting an event in a portion of the Vintage Township Commons shall take steps necessary to prevent the event from precluding reasonable use of the park by others. Access may be limited to portions of the Vintage Township Commons for up to six (6) hours in a day. The Founder or the relevant Association may restrict access to portions of the Vintage Township Commons for an unlimited time period for special events.

(c) Any Owner conducting an event in a portion of the Vintage Township Commons shall take steps necessary to prevent the event or people arriving or departing from the event from unreasonably interfering with traffic around the park or damaging cars parked adjacent to the portion of the Vintage Township Commons.

(d) Any Owner conducting an event in a portion of the Vintage Township Commons shall remove all trash, signs, tables, chairs or other property associated with the event promptly following the event and generally restore the portion of the Vintage Township Commons to its pre-event condition.

(e) Any Owner conducting an event in a portion of the Vintage Township Commons shall provide proper trash and recycling receptacles and rest room facilities for the event and shall promptly remove these receptacles and facilities and properly dispose of trash and recyclables.

(f) Any Owner conducting an event in a portion of the Vintage Township Commons shall not charge a fee for access to the portion of the Vintage Township Commons, though fees may be charged for concessions or otherwise in accordance with applicable laws and the Rules and Regulations.

(g) Subject to the brief periods of limited access permitted in section 2.3(b) above, the easements granted in this Part II are non-exclusive.

2.4 Damage or Destruction of Vintage Township Commons or Vintage Township Commons Improvements by an Owner. If any Vintage Township Commons or improvement on an Vintage Township Commons is damaged or destroyed by an Owner or Occupant of a Parcel within Vintage Township, or by family members, guests (but not including individuals in Vintage Township as customers or clients of the Owner) or agents of the Owner or Occupant, the Owner shall be liable for such damage or destruction and the Owner must, within fifteen (15) days after it occurs, repair the damage in a good and workmanlike manner and restore any damaged Vintage Township

Part II: Relationships Between the Associations

Commons Improvement or facility to its existing state before the damage or destruction occurred. In circumstances where the Founder determines that a shorter response period is appropriate, the fifteen (15) day period may be shortened. If the Owner does not repair the damage as described above, then the Founder may repair the damage. The Founder may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity to enforce the provisions of this Section.

2.5 Neighborhood Commons Upkeep. As a condition to the use of the easements and the rights granted herein to Owners, their guests and tenants, within the Commercial District to use Centennial Park, the Commercial Association shall pay to the Assembly the costs associated with the Commercial Association's use (including the use by its Members and its Member's guests and invitees) of any Neighborhood Commons.

Part III: Architectural Standards and Review

The architectural standards for Vintage Township will be governed by the Vintage Township Design Code and other design guidelines that may be developed, approved and used from time to time. The Design Code is a guideline that will serve as a benchmark for architectural designs and will help Vintage Township to develop in a manner that is consistent with the community's overall vision.

Initial construction is dramatic, as each street takes shape. The facades of the buildings form Vintage Township's outdoor rooms, and the community envisioned in the Vintage Township Design Code springs to life. However, Vintage Township is not frozen in time. A neighborhood evolves after its initial construction. Homes are enlarged to suit a growing family. A tree falls and must be replaced. Children clamor for swimming pools and basketball hoops. A puppy requires a fenced yard. The questions surrounding modification review concern not just design but compatibility with adjacent properties.

This Part III provides a method for review of both initial construction and modifications.

3.1 Town Architect

(a) The Founder may appoint a Town Architect, whose job it is to understand and interpret the Design Code. The Town Architect must have a professional degree in architecture from an accredited university and must have experience or training in traditional neighborhood or town planning concepts or other qualifications deemed appropriate by the Founder.

(b) If appointed, the Town Architect shall have the following responsibilities:

(i) Overseeing the Founder's architectural review programs and both the Commercial Association's and Assembly's programs to ensure compliance with the Design Code;

(ii) Assisting Owners in complying with the Design Code;

Part III: Architectural Standards and Review

- (iii) Assisting in the selection of appropriate materials for use in the Vintage Township Commons and public buildings;
- (iv) If authorized by the DRB, reviewing plans for compliance with the Design Code, initialing such plans, certifying that the plans were reviewed and noting any standards that have been waived;
- (v) If appointed to do so, serving on the DRB; and
- (vi) Assisting the Associations in the prosecution of any violations of the Community Development Agreement, the Commercial Declaration, or the Neighborhood Declaration.

3.2 Vintage Township Design Review Board.

(a) **Composition.** The Vintage Township Design Review Board (the "DRB") has at least three members and no more than five members, with the number of members to be determined by the Founder. Until the Founder no longer owns any Parcels in the Neighborhood, or until the Founder voluntarily assents, the DRB includes the following members who are entitled to vote on all matters before the DRB:

- The Town Architect, if there is one and he or she is appointed to do so, fills one seat on the DRB or the Founder appoints a similarly qualified substitute.
- The Founder appoints the remaining members. If the Founder abandons the positions on the DRB and fails to designate successors, the positions are to be filled using the procedure described in Section 3.10.

(b) **Staff Compensation.** The DRB may employ personnel or contract with individuals or companies as necessary to assist in the review process. Professionals and staff may be paid reasonable compensation for serving on the DRB, as determined from time to time by the Founder or if the Founder no longer appoints the DRB, then the Boards of the Associations. All members shall be compensated for expenses.

(c) **Review Fees.** The DRB may set its review fees to cover all or part of the expected cost of its operation.

3.3 Design Code.

(a) The Design Code is the architectural guideline that governs in Vintage Township. Other guidelines may be developed, approved and used over time.

Part III: Architectural Standards and Review

(b) In addition to the requirements set forth in the Design Code, Owners must also comply with the following:

- (i) Each Owner must install and maintain in good working order a monitored smoke detection/fire alarm system that when activated notifies the fire department or other third party monitoring service of the possibility of smoke in the home;
- (ii) Every home must have the street number of the Parcel displayed on the garage in a location easily viewed from the alley adjacent to the home; and
- (iii) Wood shingled roofs shall be prohibited in Vintage Township.

(c) The DRB may revise any part of the Vintage Township Design Code from time to time for any of the following reasons:

- (i) To correct errors or resolve conflicts with governmental requirements or make changes that the DRB believes will better accomplish the objectives of Vintage Township;
- (ii) To permit use of new materials or techniques for construction or landscape that are appropriate to Vintage Township; or
- (iii) To recognize changing land use or market conditions over time, both from within and outside Vintage Township.

3.4 Construction Subject to Review.

(a) **Applicability.** All plans and specifications for construction or modification of any structure or improvement of the property such as driveways, parking lots, fences, walls or walks or material landscaping elements, such as trees or large shrubbery, must be reviewed and approved before construction in accordance with this Part III. No construction or clearing of a Parcel may begin until approved in writing by the DRB. Once construction begins, all construction must comply with the approved plans and specifications. Although this Part III refers to "Parcels" and applies primarily to private property, it also applies to modification of the Vintage Township Commons. Construction of any structure upon the Vintage Township Commons (other than initial construction by the Founder) or modification of any existing structure, as well as any material alteration of the landscaping or topography of any Vintage Township Commons, must be approved in advance by the DRB.

Part III: Architectural Standards and Review

(b) **Scope.** Review for both new construction and for modification includes materials and color selection and selection and placement of any ornamentation or functional accessories, including but not limited to the following:

- architectural style;
- materials and color selection for the main building and any outbuilding (including roof, doors, windows and trim);
- garden walls or other fences and gates, driveways, walks, patios and other ground surface materials;
- antennas, satellite dishes or receivers, solar panels or other devices, the color, location, size, and style of which the DRB may review and prohibit or require to be located within the Parcel such that they are not visible from outside of the Parcel, subject to applicable law;
- signage of any type;
- landscaping, grading and any removal or substantial pruning of trees or plants;
- fountains, swimming pools, whirlpools or other pools or ponds, awnings, flower boxes, shelves, statues or other outdoor ornamentation visible from outside the Parcel; and
- permanent or semi-permanent play equipment, whether or not secured, such as tree houses, basketball hoops, skateboard ramps and swing sets.

The listing of a category does not imply that such construction or use is permitted. Review is not required to repaint with originally approved paint and colors, or to replace the roof or other components with duplicates of those originally approved.

(c) **Trees.** The cutting, removal or intentional damage of existing trees (including excessive pruning or failure to use due care with equipment or when removing other trees permitted to be removed) is strictly regulated under the Vintage Township Design Code. Improper cutting, removal or intentional damage to existing trees is subject to fines plus a requirement that the tree be replaced with an approved species of comparable caliper, or, if approved by the DRB, a combination of trees totaling the caliper of the removed tree. Fines may be set by the DRB.

(d) **Other.** All plans must comply with applicable drainage, water conservation, erosion control and stormwater detention requirements.

3.5 Standard for Review.

(a) Generally. Applications are approved based upon compliance with the Vintage Township Design Code in effect at the time of the submittal, compatibility with surrounding parcels and Vintage Township Commons and overall quality of design. The DRB has the sole and absolute ability to review and approve applications. Strict compliance with the Vintage Township Design Code does not guarantee approval of an application. The DRB may require changes to a plan to improve its aesthetic appearance even if the design meets the technical requirements of the Vintage Township Design Code. If the DRB rejects an application due to overall design quality despite compliance with the Vintage Township Design Code, the DRB may make suggestions for improving the design.

(b) Variations. The DRB may grant variances from the Vintage Township Design Code based on existing topographical or landscape conditions, existing trees, accessibility or architectural merit. Any such variance must be in writing. Approval of a variance does not constitute a precedent for other applications, and such requests may be arbitrarily denied.

3.6 Review Procedure.

(a) Applications. The DRB may establish forms and procedures for the review of applications, including review costs and fees, if any, to be paid by the applicant. The DRB may provide lists of approved materials and may allow for staff review and approval of routine or minor matters.

(b) Approval. The DRB may (i) approve the application, with or without conditions, (ii) approve a portion of the application and disapprove other portions, or (iii) disapprove the application. The DRB shall use its best efforts to notify the applicant of its decision within the time allowed by its design approval process handbook. However, in the event that the DRB fails to respond in a timely manner, approval shall be deemed not to have been given. If an application is disapproved, the DRB may, but shall not be obligated to, specify the reasons for any objections and/or offer suggestions for curing any objections. If written approval is given by the DRB and all necessary governmental permits and approvals are in place, then construction of the improvements may begin. If construction is not begun within six months after approval of the plans and specifications and there has been any change in the Vintage Township Design Code in the intervening months that would otherwise apply to the approved construction, then the approval will expire and the plans and specifications must be resubmitted.

Part III: Architectural Standards and Review

(c) Inspection. The DRB or its agent may inspect the property during construction but has no obligation to make any such inspection.

(d) Governmental Compliance. Members are responsible for making sure that construction conforms to governmental regulations and all local building codes. If the DRB notes noncompliance, the Member may be required to make the necessary changes. However, the DRB is not responsible for compliance with governmental requirements.

(e) Completion. When the primary building and landscaping are completed in substantial compliance with the approved plans and specifications, DRB shall issue a Certificate of Substantial Conformance. The Certificate shall describe any areas of deficiency that need to be corrected. All fines and other enforcement shall be waived so long as the deficiencies are corrected within sixty (60) days. Upon correction of all deficiencies, the DRB shall issue a Certificate of Completion and Release in recordable form.

Notice to Owners

The contract for the construction or modification of a home or business is negotiated between the Parcel Owner and the contractor. Neither the Founder, nor the DRB is a party to that contract. Owners are ultimately responsible for assuring that the improvements constructed on the Parcel are in accordance with the approved plans and specifications. Because the Vintage Township Design Code may change from time to time, it is important that an Owner obtain or confirm that he or she has the current version of the Vintage Township Design Code before undertaking any change or improvement of its property. For the Owner's benefit, contracts should require the contractor to build or modify the improvements in accordance with plans and specifications approved by the DRB. Receipt of the DRB's Certificate of Completion indicating compliance with the approved plans and specifications should be a condition of final payment on the contract.

3.7 Builders. The Founder has established the Vintage Township Builders Guild (the "Guild") for review and approval of builders allowed to work within Vintage Township. No builders other than those who are members of the Guild shall be allowed to build any new initial construction on Parcels within Vintage Township. Approval and membership in the Guild may be based on willingness to build in accordance with approved plans and specifications, quality of past work, client satisfaction and financial history. Builders must agree to comply with construction regulations, to dispose of construction debris properly and to build in accordance with the approved plans and specifications. Builders may be required to post a deposit for compliance and damages. Failure to comply may

Part III: Architectural Standards and Review

result in fines, forfeiture of the deposit and revocation of the right to build in Vintage Township.

3.8 Liability. The DRB and its representatives are concerned primarily with aesthetic considerations and are not responsible for compliance with governmental requirements or design or construction defects or use of materials affecting the safety or structural integrity of the building. Approval by the DRB of an application shall not constitute a basis for any liability of the Founder, or members of the DRB, Board of Directors or Association for failure of the plans to conform to any applicable building codes or inadequacy or deficiency in the plans resulting in defects in the improvements, or for the performance or quality of work of any contractor or architect approved by it, or for non-compatible or unstable soil conditions or soil erosion, or any other condition of the property.

3.9 Modification Committee to the DRB. The DRB may establish a committee to review and approve modifications of properties that are submitted at least two (2) years after a Certificate of Substantial Conformance, as described in Paragraph 3.6(f), has been issued.

3.10 Final Composition of the DRB. Within sixty (60) days after the date that the Founder no longer owns any Parcels in the Neighborhood, or upon Founder's voluntary assent, a new three or five-person DRB shall be appointed to replace the Founder-controlled DRB. The Assembly and the Commercial Association shall agree upon the size of the DRB and shall choose DRB members as follows:

(a) **Three-Person DRB.** If the Associations choose to establish a three-person DRB, the Commercial Association and the Assembly shall each appoint one (1) member to the new DRB. The Founder may appoint the third member.

(b) **Five-Person DRB.** If the Associations choose to establish a five-person DRB, the Commercial Association and the Assembly shall each appoint two (2) members to the new DRB. The Founder may appoint the fifth member.

* While Vintage Land Company, Ltd. has chosen builders to be members of the Guild based on quality past performance in construction and customer satisfaction, neither Stellar Development Company, its other associated entities, nor Vintage Land Company, Ltd. warrant or guarantee, in any respect, any work to be completed by any member of the Guild. The Owner is encouraged to perform his own evaluation of the qualifications of the builders and select his builder based solely upon his own independent evaluation. All contracts or agreements for the purchase of lots or homes or the construction of homes are entered into by the builder and the Owner only. Stellar Development Company and all other associated entities and Vintage Land Company, Ltd. do not accept responsibility for the work discussed and provided for under those contracts or agreements.

Part III: Architectural Standards and Review

In either case, if the Founder chooses not to appoint a member or if the Founder no longer owns any Parcels in Vintage Township, the remaining DRB members shall select the additional member. All members shall serve two-year renewable terms.

Part IV: Environmental Protections

4.1 **Environmental Compliance.** Each Owner and Occupant shall comply with all Laws relating to the discharge, storage and disposal of all hazardous or toxic wastes and substances, petroleum, petroleum by-products and other environmental contaminants (as any of the foregoing may now or in the future be defined by any Governmental Entity) on, at or from such Owner or Occupant's Parcel or otherwise relating to environmental protection. All Owners and Occupants shall comply with all environmental provisions of the Vintage Township Design Code and the Rules and Regulations.

4.2 **Clean-up; Indemnification.** By accepting a deed to a Parcel, each Owner hereby agrees (i) to clean up and remove or contain (but only if permitted by law), in accordance with and to the extent required by any and all applicable federal, state and local laws, any hazardous or toxic substances or wastes or other environmental contaminants on or under the Owner's Parcel, or stored, generated, disposed of or discharged by the Owner or any Occupant of the Owner's Parcel or from the Owner's Parcel, and (ii) to indemnify, defend and hold harmless the Founder, any Affiliate of the Founder, the relevant Association, their agents and each of the other Owners from and against any and all foreseeable and unforeseeable claim, loss, damage, cost or expense (including, without limitation fines, clean-up costs, costs of relocating tenants, employees and agents, restoration costs, loss of income and attorneys' fees) incurred or suffered by the indemnified party as a result of any hazardous or toxic waste or substance or other environmental contaminant discharged from, stored at or disposed of at or from the indemnifying party's Parcel.

4.3 **Nuisance.** Whether otherwise permitted by a Governmental Entity, the Reviewing Body (either the Founder or the relevant Association, as described in this Section) may prohibit any use or operation that creates objectionable noise, smoke, odors or which in any other way, in their reasonable opinion, will constitute a nuisance or degrade the value of Vintage Township. While the Founder owns any Parcel in Vintage Township, the Founder shall be the Reviewing Body for purposes of this Section. Thereafter, the appropriate Association related to the Parcel shall review nuisance issues.

Part V: Founder's Reserved Rights

5.1 Addition or Withdrawal of Property.

(a) Neighborhood. The Founder shall have the right, but not the obligation, for a period of thirty (30) years from the date of this Community Development Agreement, from time to time in its sole discretion, to add to Vintage Township any part of the Neighborhood. This reserved development right may be exercised with respect to different portions of the Neighborhood at different times. No assurances are made as to the boundaries of those portions or order in which the portions will be added. Exercising any development right in any portion of the Neighborhood does not necessarily mean the right will be exercised in the remainder of the Neighborhood.

(b) Other Property. The Founder may also add to Vintage Township: (i) property contiguous to the Neighborhood not a part of the Neighborhood, (ii) property any portion of which is within two miles of any portion of Vintage Township (including any property separated from Vintage Township by a public street, body of water or other property) or, (iii) any other property with a reasonable relationship to Vintage Township.

(c) Supplemental Declaration. A Supplemental Declaration adding the additional property shall become effective upon being recorded in the County Clerk's Office, and upon such recording the additional property shall become part of Vintage Township, subject to this Community Development Agreement. The Supplemental Declaration may modify, remove or add to the provisions of this Community Development Agreement if needed to reflect the different character of the additional property, including a different assessment allocation.

(d) Withdrawal of Property. The Founder reserves the right to withdraw property from Vintage Township so long as all Owners within the area to be withdrawn consent and access to the remaining portions of Vintage Township is preserved.

5.2 Use of Name. The Founder reserves the right to trademark the name "Vintage Township" or other name of the Neighborhood as a trade name owned by the Founder. An Owner or occupant may use the trademarked name to describe the location of its business and may advertise a business as being located in "Vintage Township" or other trademarked name. If requested by the Founder, the Owner or occupant shall accompany such use with a symbol or explanation concerning trademark or service mark registration.

Part V: Founder's Reserved Rights

of the name. An Owner or occupant may not use the trademarked name in any other manner without the express permission of the Founder, which may be arbitrarily denied. The Founder shall have the right to change the name, Vintage Township, for all or any part of the property subject to this Community Development Agreement. The Founder may, but is not required to, amend this Community Development Agreement to reflect the name change.

5.3 **Reserved Easements.** The Founder, its successors and assigns, is hereby granted all easements over, across, under and through Vintage Township reasonably necessary to permit the Founder to continue and complete construction of the Neighborhood, whether or not that property is ultimately submitted to this Community Development Agreement, and all other properties owned by the Founder or its assigns which are adjacent to, or reasonably near, Vintage Township (including property separated from Vintage Township by a public road), whether or not such properties are developed as part of Vintage Township. Once a residence or commercial building is constructed on a Parcel, Founder's reserved easements shall avoid such buildings. Without limiting the generality of the foregoing, the Founder shall have the following easements:

(a) **Private Paths.** A nonexclusive easement for appropriate use of any pedestrian or bicycle paths.

(b) **Utility Easements.** A blanket easement upon, across, over, through, and under Vintage Township for ingress, egress, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems and services include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, natural gas, television, security, collection of garbage and recyclable materials, cable or communication lines and other equipment. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits.

(c) **Cable and fiber optic systems.** Exclusive easements within all of Vintage Township for installation, replacement, repair and maintenance of cable and fiber optic systems. By virtue of this easement the Founder, its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of his Parcel.

(d) **Police Powers.** A blanket easement throughout Vintage Township for private patrol services and for police powers and services, including without limitation law enforcement, emergency rescue, and fire rescue, supplied by the local, state and federal governments. This easement allows police, rescue, and fire officials to clear

Part V: Founder's Reserved Rights

private streets for emergency vehicle access. The reservation of such easement does not imply that any such service shall be provided.

(c) Drainage, Erosion Controls. A blanket easement and right on, over, under and through the ground within Vintage Township to maintain and to correct drainage of surface water and other erosion controls. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements. The entity that exercises this easement shall be responsible for notifying the affected Owners (except in an emergency) but shall not be obligated to restore landscaping or other improvements. This easement may be exercised at the option of the Founder and shall not be construed to obligate the Founder to take any affirmative action to correct conditions.

(f) Encroachment. An easement for any improvements constructed on Vintage Township Commons that encroach on any Parcel, whether due to any minor deviation from the subdivision plat of Vintage Township or the settling or shifting of any land or improvements.

(g) Maintenance of Vintage Township Commons. An easement for maintenance and improvement of Vintage Township Commons at the Founder's discretion and, to the extent reasonably necessary, an easement over any Parcel for maintenance of Vintage Township Commons.

(h) Models; Neighborhood Information Centers; Sales and Management Offices. The right to maintain a sales office, a management office, a Neighborhood Information Center, and an unlimited number of models within Vintage Township. These facilities may be located on any Parcel in Vintage Township and may be relocated from time to time at the Founder's discretion. The sales office, management office, Neighborhood Information Center, and models may be owned by different entities, including builders and other entities that are unrelated to the Founder. At the end of its use as a sales or management office, Neighborhood Information Center, or model, the Parcel shall be owned by the Owner of record, subject to all normal covenants and restrictions for Vintage Township. Subject to state law and local ordinances, the Founder or its assigns, where such right is specified, may maintain signs on Vintage Township Commons and in the sales office, management office, Neighborhood Information Center, and models advertising Vintage Township.

(i) Construction Equipment. To the extent reasonably necessary, an easement over, under and through any roads, whether public or private, and any other Vintage Township Commons for construction equipment and any other purpose related to continued construction of any property within the Neighborhood.

Part V: Founder's Reserved Rights

5.4 Commercial Use of Images.

(a) The Founder shall have the following rights:

(i) The exclusive right to grant permission for the Vintage Township Commons to be photographed, sketched, painted or its image otherwise reproduced for commercial use (including without limitation its use as a motion picture set or as a background for the display of fashions or other goods); and

(ii) The right to grant permission for similar reproduction of the exteriors of any other part of the Parcels which can be viewed from streets, alleys or Vintage Township Commons. Such exteriors may be reproduced without the consent of, or payment to, the Owners of the Parcel, but the above right is not intended to prevent any Owner from granting independent permission for any part of the Parcels owned exclusively by that Owner, in which case the consent of the Founder shall not be required.

(b) The Founder may collect a fee for its consent to the use of such images or for the providing of support services to photographers or others. The exercise of this right to collect a fee shall not interfere with normal and customary rights or architects as to structures designed by them. Consent of the Founder shall not be required for photography or other reproductions of the images of the Parcels in connection with any news or feature coverage, for academic purposes or by any governmental agency or entity appointed by a governmental agency for the purpose of promoting The City of Lubbock, the development of tourism or commerce or any other similar purpose.

5.5 Real Estate Offices. Until Founder no longer owns any Parcels within Vintage Township, the Founder shall have the right to exclusive operations of real estate sales, rental management, investment, development or other real estate activities within Vintage Township, which shall be considered a deed restriction for the entire Vintage Township and shall be part of the consideration for the sale of property within Vintage Township. Founder, at its sole discretion, shall have the right to approve or rescind approval for other firms to conduct real estate activities within Vintage Township. However, unsigned home-based real estate offices are permitted.

5.7 Assignment. The Founder may at any time assign all or any portion of its rights under this Community Development Agreement to a related entity, a successor Founder, the Commercial Association or the Assembly.

5.8 Rules and Regulations. The Founder may enact Rules and Regulations governing any of the matters addressed by this Community Development Agreement, the Neighborhood Declaration, or the Commercial Declaration.

Part VI: Amendment and Additional Terms

6.1 Amendment.

(a) **Generally.** This Community Development Agreement may be amended at any time by an instrument signed by the Founder, while the Founder owns any real property within Vintage Township. After the Founder no longer owns any real property within Vintage Township, this Community Development Agreement may be amended at any time by an instrument signed by the presidents or vice presidents and secretaries of both the Commercial Association and the Assembly certifying approval by their boards of directors. Rights reserved to the Founder may not be amended without the specific consent of the Founder. Any amendment shall take effect upon recording in the Office of the County Clerk of Lubbock County, Texas.

(b) **Founder's Right.** To the extent permitted by law, the Founder specifically reserves the absolute and unconditional right to amend this Community Development Agreement without the consent or joinder of any party while the Founder owns any real property within Vintage Township (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, (iii) to clarify the Community Development Agreement's provisions or correct errors, (iv) to subject additional property to this Community Development Agreement or in connection with Supplemental Declarations or to withdraw property from the Neighborhood, (v) to change a name pursuant to this Community Development Agreement, or (vi) to conform to applicable law.

(c) **Recording.** Any amendment shall take effect upon recording in the Office of the County Clerk of Lubbock County, Texas.

6.2 **Recording.** Unless this Community Development Agreement is terminated, the Founder or any other party may rerecord this Community Development Agreement or other notice of its terms at intervals necessary under Texas law to preserve its effect.

6.3 Enforcement.

(a) **Deposit Fines.** The Founder may require the builder or Owner to post a deposit from which the Founder may deduct fines for failure to comply with the approved plans and specifications, tree regulations and rules for builder conduct. The collection of a fine shall not in any way diminish the available remedies at law or equity.

(b) **Unapproved Construction.** If any clearing, grading, construction, demolition or modification is begun which has not been approved or which deviates from approved plans and specifications, the Founder may require the Owner to resolve the dispute through binding arbitration and/or may bring suit seeking damages, specific performance, declaratory decree and/or injunction, or any other remedy at law or in equity. If the Founder brings suit and the court finds that the construction was not approved or that the construction deviated from the approved plans or specifications, then the Founder shall also be awarded reasonable attorney's fees, even if the relief requested is not granted.

(c) **Other Enforcement.** To enforce any other provision of this Community Development Agreement, the Founder or either Association may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity. The Founder or either Association may also require and enforce the collection of a management fee if the Founder or the relevant Association is required to take action on behalf of an Owner.

(d) **No Waiver.** Failure to enforce any provision of this Community Development Agreement shall not be deemed a waiver of the right to do so at any time thereafter.

6.4 Interpretation.

(a) **Construction.** The provisions of this Community Development Agreement shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of Vintage Township as a neighborhood of the highest quality. All numbered paragraphs and their subparagraphs, the opening and closing paragraphs and the paragraph entitled "Declaration," shall be considered operative provisions. Paragraphs that are not numbered or lettered shall be considered in the nature of recitals.

(b) **Governmental Regulation.** All provisions of this Community Development Agreement shall be subject to applicable government regulation or agreements.

Part VI: Amendment and Additional Terms

(c) **Conflict.** In the event of a conflict between this Community Development Agreement and either the Neighborhood Declaration or the Commercial Declaration, the terms of this Community Development Agreement shall govern:

(d) **Invalidity.** The invalidity of any part of this Community Development Agreement shall not impair or affect the validity or enforceability of the rest of the Community Development Agreement, which shall remain in full force and effect.

6.5 **Jurisdiction.** Any suit concerning this Community Development Agreement must be brought in the court of appropriate jurisdiction for the City of Lubbock, Texas. This Community Development Agreement shall be construed in accordance with the laws of the State of Texas.

6.6 **PID Easement Over Vintage Commons.** To the extent reasonably necessary, the Vintage Township Public Improvement District has, and is hereby granted, an easement over the Vintage Commons for access to, construction of improvements on, and maintenance of PID-owned property.

IN WITNESS WHEREOF, the undersigned do hereby make this Community Development Agreement for Vintage Township and have caused this Community Development Agreement to be executed as of the day and year first above written.

VINTAGE LAND COMPANY, LTD.,
a Texas limited partnership

By: VINTAGE LAND GP, L.L.C., a
Texas Limited Liability Company
Its General Partner

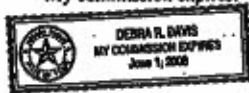
By: Paul D. Stell
Paul D. Stell
Sole Member

STATE OF TEXAS:

CITY/COUNTY OF Lubbock :

The foregoing instrument was acknowledged before me this 9th day of March, 2006, by Paul D. Stell as Sole Member of Vintage Land GP, L.L.C., a Texas limited liability company and the general partner of Vintage Land Company, Ltd., a Texas limited partnership on behalf of the partnership.

My commission expires:



Derra R. Davis
Notary Public

SEAL

Exhibit A

The Neighborhood

The Neighborhood shall include all of the real property described as follows:

METES AND BOUNDS DESCRIPTION of a 321.142 acre tract being the North Half of Section 23, Block E-2, Certificate 1869, Lubbock County, Texas, being further described as follows:

BEGINNING at a railroad spike found at the Northeast corner of Section 23, Block E-2, Lubbock County, Texas;

THENCE S. 00°05'25" W., (Deed S. 00°05'37" W.) along the East line of said Section 23, a distance of 2641.65 feet to a 60d nail with washer set for the Southeast corner of this tract;

THENCE N. 89°56'27" W., at 55.00 feet pass a 1/2" iron rod found in reference, at 5,255.81 feet pass a 1/2" iron rod with cap found in reference, continuing for a total distance of 5295.81 feet (Deed 5295.72 feet) to a 60d nail w/washer set in the West line of Section 23, Block E-2 for the Southwest corner of this tract;

THENCE N. 00°01'19" E., (Deed N. 00°01'24" E.) along the West line of said Section, a distance of 2639.80 feet to a railroad spike found at the Northwest corner of said Section 23, Block E-2 for the Northwest corner of this tract;

THENCE S. 89°57'39" E., along the North line of said Section, a distance of 5298.96 feet to the Point of Beginning.

Exhibit B

Vintage Township

Vintage Township shall include Lots 1 through 111 as described on that certain plat entitled "LOTS 1-111, VINTAGE TOWNSHIP AN ADDITION TO THE CITY OF LUBBOCK, LUBBOCK COUNTY, TEXAS" prepared by Hugo Reed and Associates, Inc., dated March 3, 2006 and duly recorded on March 10, 2006 in Volume 10412, Page 1 of the official public records of Lubbock County, Texas.

FILED FOR RECORD
2006 MAR 10 PM 12:33

Nevia Ruff
COUNTY CLERK, LUBBOCK COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF LUBBOCK

I hereby certify that this instrument was FILED on the date and at the time stamped herein by me and was duly RECORDED in the Volume and Page of the Official Public Records of Lubbock County, Texas as stamped herein by me.

MAR 10 2006



Nevia Ruff
COUNTY CLERK
LUBBOCK COUNTY, TEXAS