



**SUBDIVISION INFORMATION, INCLUDING
RESALE CERTIFICATE FOR PROPERTY SUBJECT TO
MANDATORY MEMBERSHIP IN A PROPERTY OWNERS' ASSOCIATION**
(Chapter 207, Texas Property Code)

Resale Certificate concerning the Property (including any common areas assigned to the Property) located at Del Lago Sec 1, Block 5, Lot 11, _____ (Street Address), City of Montgomery, County of Montgomery, Texas, prepared by the property owners' association (Association).

A. The Property is is not subject to a right of first refusal (other than a right of first refusal prohibited by statute) or other restraint contained in the restrictions or restrictive covenants that restricts the owner's right to transfer the owner's property.

B. The current regular assessment for the Property is \$ 1,035.00 per year.

C. A special assessment for the Property due after this resale certificate is delivered is \$ _____ payable as follows na - for the following purpose: _____.

D. The total of all amounts due and unpaid to the Association that are attributable to the Property is \$ -0-.

E. The capital expenditures approved by the Association for its current fiscal year are \$ 33,000.

F. The amount of reserves for capital expenditures is \$ 133,723.87.

G. Unsatisfied judgments against the Association total \$ -0-.

H. Other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association, there are are not any suits pending in which the Association is a party. The style and cause number of each pending suit is: _____.

I. The Association's board has actual knowledge has no actual knowledge of conditions on the Property in violation of the restrictions applying to the subdivision or the bylaws or rules of the Association. Known violations are: _____.

J. The Association has has not received notice from any governmental authority regarding health or building code violations with respect to the Property or any common areas or common facilities owned or leased by the Association. A summary or copy of each notice is attached.

K. The amount of any administrative transfer fee charged by the Association for a change of ownership of property in the subdivision is \$ 175.00. Describe all fees associated with the transfer of ownership (include a description of each fee, to whom each fee is payable and the amount of each fee). _____

175.00 - Transfer fee Payable to: Del Lago Owner's ASSO.

L. The Association's managing agent is Investment Management Co.
(Name of Agent)
3500 W. Davis #190 Conroe, TX 77304
(Mailing Address)
936-756-0032 936-756-0032
(Telephone Number) (Fax Number)
Meganberry@imcmanagement.net.
(E-mail Address)


M. The restrictions do do not allow foreclosure of the Association's lien on the Property for failure to pay assessments.
 REQUIRED ATTACHMENTS:

- | | |
|--------------------------|---|
| 1. Restrictions | <input checked="" type="checkbox"/> 5. Current Operating Budget |
| 2. Rules | 6. Certificate of Insurance concerning Property and Liability Insurance for Common Areas and Facilities |
| 3. Bylaws | |
| 4. Current Balance Sheet | <input checked="" type="checkbox"/> 7. Any Governmental Notices of Health or Housing Code Violations |

NOTICE: This Subdivision Information may change at any time.

Del-Lago Owner's ASSO.
Name of Association

By: Megan Berry
 Print Name: Megan Berry
 Title: Account Manager
 Date: 2/5/18
 Mailing Address: 3500 W. Davis #190 Conroe, TX 77304
 E-mail: Meganberry@imcmanagement.net



This form has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated contract forms. No representation is made as to the legal validity or adequacy of any provision in any specific transaction. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>) TREC No. 37-5. This form replaces TREC No. 37-4.

11:30 AM
02/02/18
Cash Basis

Del Lago OA
Balance Sheet
As of February 2, 2018

	<u>Feb 2, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
Woodforest CD-	81,000.00
Operating Cash	
Woodforest Nat'l Bank	<u>433,675.27</u>
Total Operating Cash	433,675.27
Operating CD's	
COMPASS CD ACCT # 6726116782	80,814.60
WOODFOREST CD 10071843	<u>52,909.27</u>
Total Operating CD's	<u>133,723.87</u>
Total Checking/Savings	648,399.14
Accounts Receivable	6,541.05
Other Current Assets	<u>6,745.28</u>
Total Current Assets	<u>661,685.47</u>
TOTAL ASSETS	<u><u>661,685.47</u></u>
LIABILITIES & EQUITY	661,685.47

2018 Budget

DESCRIPTION	Proposed 2018
INCOME	
Assessment Income	127500
Maintenance Fee Builder	130
Resort Assessments	193000
Late Fees & Collection	200
Lot Maintenance Income	20414
Interest on Maintenance Fees	2000
Attorney Fee Collections	4000
Attorney Fee / DR	360
Deed Restrictions	500
Force Mow	500
Bank Interest	200
Trash Fee	45000
Miscellaneous	240
TOTAL REVENUE	394044
EXPENSES	
MAINTENANCE	
General Maint. & Repairs	2000
Entry Landscape (Earthworm)	47700
Landscape Contract (Resort)	58779
Lot Maintenance (Lance)	20949
Force Mows	500
Patrol Contract	77800
Trash Contract	43800
Street Repairs	30000
TOTAL MAINTENANCE	281,528
PROFESSIONAL SERVICES	
Billing	723
CPA	4500
Legal	1200
Legal-Deed Restr Enforcement	360
Legal - Maint. Fee Collection	6200
Tax Preparation	400
Administrative Services	13800
TOTAL PROFESSIONAL	29,983.00
UTILITIES	
Power - Street Lights	4920
Telephone / Security	500
TOTAL UTILITIES	5420
INSURANCE	
Insurance	7034
TOTAL INSURANCE	7034
OTHER EXPENSES	
Office Supplies	1200
Copies	300
Postage	300
Distribution	250
Community Events	3500
TOTAL OTHER EXPENSES	5550
TAXES	
Property Tax	0
Federal Income Tax	0
TOTAL TAXES	0
CAPITAL RESERVE	
Capital Reserve Allocation	45000
TOTAL CAPITAL RESERVE	45000
TOTAL OPERATING EXPENSES	374,515.00
PROFIT/LOSS	19,529.00



DELLA-2

OP ID: HI

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/02/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Greenwood Insurance Group Inc. 3934 Cypress Creek Pkwy #240 Houston, TX 77068 Chris Cearley	281-397-7844		CONTACT NAME: James Walker
			PHONE (A/C, No, Ext): 281-397-7844
			FAX (A/C, No): 281-397-7545
E-MAIL ADDRESS: jim@greenwoodinsurance.net			
INSURER(S) AFFORDING COVERAGE			
INSURER A: Scottsdale Insurance Company			NAIC # 41297
INSURER B: National Liability & Fire Ins			
INSURER C:			
INSURER D:			
INSURER E:			
INSURER F:			

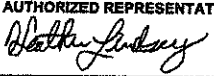
INSURED Del Lago Owners Association
3500 W. Davis Ste. 190
Conroe, TX 77304

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY			CPS2578160	10/02/2017	10/02/2018	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
							MED EXP (Any one person) \$ 5,000
							PERSONAL & ADV INJURY \$ Excluded
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 2,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ 1,000,000
	OTHER:						\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per person) \$
	<input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR						EACH OCCURRENCE \$
	EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$
	DED <input type="checkbox"/> RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N		N/A				E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$
B	Directors/Officers			43MLN100007-02	10/02/2017	10/02/2018	Aggregate Retention \$ 1,000,000 \$ 5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER GREEN01 Greenwood Insurance Group, Inc 3934 FM 1960 West, Suite 240 Houston, TX 77068	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

Del Lago Owners Association

Summary of Deed Restrictions, Use Covenants and Design Standards

Welcome to Del Lago and the Del Lago Owners Association (DLOA). This document is a summary of some of the Rules and Regulations that govern our community. This summary is written to be a user friendly, reference guide. It is not intended to be a complete and detailed listing and legal explanation of the Regulations and Design Standards that govern Del Lago.

Please contact the management company for any questions regarding: the Rules of the subdivision, enforcement of those Rules, ACC Design Standards, or for a copy of the Use Covenants and Deed Restrictions as recorded in Montgomery County.

The Deed Restrictions, Rules and Design Standards are intended to protect the integrity of the entire community for the benefit of both present and future owners. These Regulations preserve the value of the residential property and the quality of everyday life within the community.

The DLOA's Board of Directors monitors and manages the Rules and Deed Restrictions thru the appointment of a management company and committees. The Architectural Control Committee (ACC) assists property owners by reviewing project submittals to ensure that they are compliant with the Architectural Regulations and Aesthetic Design Standards of Del Lago.

Following is a summary of some of the general Use Restrictions, and Architectural Control Regulations:

Use Restrictions (also see Misc. Use Rules toward the end of this document):

On Street Parking - The streets of Del Lago are private and are subject to the Rules established by the DLOA. Our Use Restrictions are designed to keep our streets free of parked cars, trucks, etc. and to promote the safe flow of traffic and emergency vehicles. Residents' cars are to be parked in their own driveways – not stored in the streets. On street parking is limited to short time guests, and to business being conducted with the homeowner such as deliveries, home projects and lawn care. If you participate in a commuter group, the commuters' cars are to be parked in your driveway.

Overnight Parking - No vehicle is allowed to be parked in the streets overnight. Vehicles parked in the streets after 2am will be ticketed by Del Lago Security.

Driveway Parking –

Passenger cars, vans meeting the size limits, and pickup trucks may park in driveways. These vehicles must be in operable condition, have current plates and stickers and be in regular use on Texas streets and highways. All other vehicles must be stored in the garage. No RV's or non-motorized vehicles, all-terrain vehicles, trailers, boats, personal watercraft, etc. may be stored in driveways or yards. These

vehicles must be stored in the garage or off-site from the community. Vehicles are not allowed to be parked in yards or on vacant lots.

Vehicle Repairs – No repair work, dismantling or assembling of motor vehicles is permitted on streets, driveways, or any portion of a lot.

Lot Maintenance –

General Maintenance - Property owners are expected to maintain their Lots on a consistent basis. This includes mowing, edging, watering, trimming, removal of dead shrubs and removal of trash and debris. Vacant Lots of non-resident Lot owners are, generally, maintained by the DLOA at the owner's expense. Please contact the management company for questions regarding maintenance of Vacant Lots. Trees and large shrubs should not be allowed to overhang or encroach upon the streets so as to obstruct the view of street signs, the view at intersections, or the passage of vehicles. There are special Restrictions regarding the size and location of hedges and the removal of trees. Please refer to the ACC section of this document for these Rules.

Community Maintained Areas – The DLOA maintains the areas around some of the utility boxes and mailboxes, and some of the corner Lot areas. These 'pocket planting' areas are bordered by stone, and a service company will manage the plantings and maintenance. Please contact the management company with questions regarding identifying if one of these areas is on your Lot.

Removal of Debris – Please do not rake or blow the leaves, pine needles and debris from your yards and streets into the storm drains. This material should be placed in bags and stored out of view until it can be hauled away by can or on heavy trash pickup day. The storm drains need to be kept as clear as possible to keep our streets from flooding.

Storage –

No exterior storage of items of any kind is allowed unless attractively screened by landscaping or concealed from public view from the street and from the neighboring property. Such concealment is subject to ACC approval. This rule applies, without limitation, to machinery, fixtures, storage bins, equipment, landscaping equipment, recreational equipment trailers and boats, and construction materials. This rule includes, but is not limited to, storage along the sides of homes of items such as – storage bins, ladders, wheelbarrows, recreational equipment, landscaping materials and lumber, brick and other construction materials.

Pet Ownership –

Leash Laws & DLOA Rules – Montgomery County leash laws should be followed. Animals should not be allowed to roam free off of an owner's lot. Animals such as dogs, cats, birds and fish may be kept as household pets. No animals may be kept and raised for the purpose of breeding.

Dog Houses – Dog houses and dog runs are not allowed to be located on lots for housing and keeping animals. Elevated exercise or restraint lines, such as those strung between trees are not approved.

Property Courtesy – Please remember to clean up your dog's droppings in the street and on vacant lots, and dispose of it properly – not in the storm drains or on the golf course. Please respect your neighbors who ask that you do not walk your dog on their lot. The golf course is the private property of La Torretta Del Lago Resort & Spa. Please do not walk your dog on their property.

Golf Carts –

Operation – The streets of Del Lago are private streets and the DLOA rules allow the operation of golf carts. Children under the age of 13, operating a golf cart, must be accompanied by an adult. The golf course is the private property of La Torretta Resort. Please do not drive your personal golf cart on the course or cart paths. Please contact the Resort with questions in this area of cart access to the golf course property.

Signs –

Type, Number and Placement – One contractor sign may be placed facing the front of a Lot while a project is in progress. The sign must be removed immediately at the completion of the project. One realtor 'For Sale' sign may be placed in a front yard during the sale of a home. During an 'Open House', no more than two directional and/or 'Open House' signs may be used, **but only when an agent or sales representative is present on the lot.** Such 'Open House' signs can be no more than 8" vertical and 24" horizontal. Placement of political campaign signs prior to and just after a public election are determined by State Code. Display of any signs other than the ones mentioned are not allowed anywhere on a lot unless the lot owner has received written approval from the ACC.

Garage Sales –

Private garage sales are not allowed. The DLOA usually coordinates community garage sales twice a year. The dates, times, etc. will be announced in the DLOA newsletter or by email communications from the management company. Please contact the management company with any questions.

Architectural Control Committee (ACC) Regulations and Design Standards:

The Architectural Control Committee (ACC) works for our community by reviewing proposed projects and assisting homeowners in complying with the Architectural Regulations and Aesthetic Standards of the subdivision so as to preserve and protect our home values. Projects will be reviewed in areas of design, location, materials and color. The definition of the projects that require ACC pre-approval is quite broad and includes most types of exterior modifications to your house or lot: new construction, improvement, placement of a structure, and design, material or color change to a structure. Such projects also include major landscaping projects such as Tree Removal or retaining walls.

ACC Applications – When and Why – The Deed Restrictions state that ACC approval is required **before** these projects are started. If a projects begun or completed that is not compliant with Restrictions and Design Standards, the homeowner will be requested to remove or change it. Working with the ACC to get pre-approval for projects can save a homeowner time and money! Please contact the management company for assistance in determining which projects require ACC approval.

Where is the ACC Application? You can find the Home Improvement (Project) Request Forms in the "Documents" section of our Del Lago website. If you need assistance accessing the website, please contact the management company, IMC, Megan Berry (936) 756-0032.

What Do I Include with My ACC Application? The Application Form will instruct you as to the information and attachments that are to be submitted with your Application and sent to the management company. Please remember that for most Projects you will need to include a Site Survey showing the location of the proposed project in relationship to Lot lines and existing structures on the Lot.

Following are some of the ACC Restrictions and Design Standards as well as a list of projects that require an Application for ACC approval:

Minimum square footage - 2000 sq. ft. 1800 for patio lots

Required masonry - 70% (Hardiplank Siding is not deemed to be masonry)

Garages – must have a minimum 2 bays, for not more than 3 automobiles, must be attached and enclosed.

Setbacks – apply to many types of projects. Generally, setbacks for Homes and Home Additions are 5 feet from side lot lines, 15 feet from rear lot lines and 25 feet from front lot lines or the setback easement on the plat. Setback restrictions include eaves and roof overhang. Homes located on Corner Lots and 'Patio Homes' have different side setback rules, and owners should contact the management company for specifics.

Other projects have unique setback requirements and include but are not limited to: decks and patios, deck and patio coverings, fences and hedges, recreational equipment pools, boat docks and flag poles.

Decks and Patios – Decks and Patios are included within the Deed Restrictions' definition of Permanent Improvements. Decks and Patios and any Roof Coverings are subject to the Rules and Regulations for Permanent Improvements and to ACC Design Standards that include location, materials, color and design.

Fences and Hedges – Fences and Hedges extending closer to the street than the front building setback line may not exceed two feet in height. (Special rules apply for the street side of Corner Lots – please contact the management company for specifics). Fences and hedges should be no more than five feet in height. Only black, wrought iron fences are approved.

Changes in Color, Materials or Design – Any change to color or materials of shingles or roof coverings, exterior paint or trim, exterior doors, driveway, paving or most other existing structure requires pre-approval by the ACC. Changes to the design of any existing external structure or paving requires pre-approval by the ACC.

Tree Removal – No tree having a trunk diameter greater than 6 inches, as measured 2 feet from the ground, may be removed without getting pre-approval from the ACC. This includes dead and dying trees. The Deed Restrictions give the ACC the authority to review the condition and location of trees prior to their removal. Penalties may be imposed for failure to get pre-approval when required.

Pool Construction Standards – Deed Restrictions and ACC Design Standards require that all pools, i.e. in-ground spas and swimming pools, be enclosed by a black wrought iron fence, a minimum of 4 feet in height, **prior to the pool being filled with water.** (Lake Front Lots have special rules for fence location requirements). The gates to pool fencing must be self-closing and self-latching. No above ground pools are allowed. In-ground pools, spas, and above ground hot tubs, and maintenance equipment require approval by the ACC as to design, location, etc. Please contact the management company for Pool Construction Restrictions and Design Standards. (See the 'Misc. Use Rules' for Pool Maintenance).

Boat Docks and Bulkheads – Boat dock design and location, including Boat Covers and any structural additions, require ACC approval. The 5 foot side setbacks apply to boat docks at the bulkhead, and as the dock extends into the water. The San Jacinto River Authority requires pre-approval from the Del Lago ACC before it will review and approve plans and issue dock permits. A Lot owner must first obtain approval from the ACC. Please contact the management company for Design Standards for Boat docks. All plans for Bulk Heads must be approved by the ACC, the San Jacinto River Authority and applicable government authority.

Flag Poles, Staffs and Flags – Rules are determined by State and Federal Code. In addition, there are ACC Design Standards for type of pole, color of pole and location of pole and flag staffs. These Standards include that poles should be metal, black or silver, and are to be located no closer than 20 feet to the street. Location and design of flag staffs should be approved by the ACC. Design Standards discourage flag staffs being mounted on trees. Owners are encouraged to follow the American Flag Etiquette as represented in the Flag Code.

Playground Equipment, Including Basketball Poles and Goals – requires ACC approval **prior** to being placed on any Lot. Such equipment is subject to Deed Restrictions and Design Standards that include location, design, color and use. Obtaining approval of the type and design of play equipment is strongly recommended prior to its purchase – there are designs, sizes and colors that will not be approved. The location of all play equipment must be pre-approved by the ACC. An owner will be asked to relocate equipment if it is placed in a location that does not meet approval.

Restrictive Standards include, but are not limited to: Generally, only one type of equipment will be approved for a Lot. All play equipment must be maintained in good condition. When not in use, portable play equipment must be stored out of public and neighboring view – whichever is farthest from the street. Basketball goals must have a net at all times. The net must be in good condition or be replaced.

Drainage – Construction and landscaping projects should not change grade elevations and water flow in such a way as to adversely impact a neighboring lot. The ACC reviews construction and major landscaping projects for effect on drainage. However, it is ultimately the responsibility of the project's homeowner to be compliant with state law in this area.

Other Projects Requiring an Application for ACC Approval Include, but are not limited to:

Landscaping projects – such as retaining walls and decorative landscaping walls require ACC approval. Structures such as gazebos, trellises and arbors, and larger yard decorations such as fountains, birdbaths and some statuary require ACC approval. Design Standards and Restrictions also apply to landscaping projects that include a substantial change in elevation. Holiday decorations are encouraged and do not, generally, require ACC approval. Owners are requested to limit display of holiday decorations to within a reasonable time period before and after a holiday.

Other ACC Projects: Construction of Outdoor Kitchen areas, Walkways and Paving Projects, screened Rooms and Sunrooms, Awnings and Exterior Window Coverings or Decorative Elements such as Shutters, Outside Lighting – (see 'Misc. Use Rules'), and Poles for Birdhouses and Weather Vanes.

Miscellaneous Use Rules:

Outside Speakers and Amplifiers – no radio, stereo, broadcast or loudspeaker units may be placed upon, or outside, or be directed to the outside of any building without prior written approval of the DLOA.

Outside Lighting – no outside lighting, other than indirect lighting, may be placed or maintained on any Lot without prior written approval of the DLOA. Backyard elevated pole lighting will, generally, not be approved. Any outside lighting, including security lighting, must be located, and be of an intensity, so as not to have a negative impact on a neighbor's enjoyment of their own property. Security lighting requires written approval of the DLOA.

House Numbers – should be readable and visible from the street day and night.

Repairs- No repairs of any detached machinery, equipment, or fixtures may be made upon any portion of any Lot within view of neighboring property and streets without prior written approval of the DLOA.

Air Conditioners and Wall Heaters – No window or wall type air conditioner or heater shall be placed or maintained on or in any Permanent Improvement.

Pool Maintenance – Pools must be properly clean and maintained so as to allow the sides and bottom to be visible at all times. Pools cannot be used for storage. No vegetation is allowed within the pool.

Clothes Lines and Drying – Outdoor clothes lines and other exterior clothes drying devices, and the drying of clothes in public view is not allowed.

Firearms and Weapons – the discharge of firearms, and weapons, including bow and arrow is prohibited.

Fires and Incinerators – No open fires are allowed at any time, and no incinerators may be located on any Lot. This does not preclude the use of residential grills and outdoor kitchens (outdoor kitchens require pre-approval by the ACC).

Speed Zones – There are posted speed limits on the Boulevard and the streets within the subdivision. Drivers should comply with the posted speeds.

Please contact the management company with any questions regarding Use Rules or Projects that require ACC approval.

DEL LAGO OWNERS ASSOCIATION (DLOA)

LA TORRETTA LAKE RESORT AND SPA

La Torretta Lake Resort and Spa is a privately owned resort founded in 1983. It consists of 36 lakeside villas, 102 golf cottages and 307 units in the tower.

The resort has an 18 hole golf course, a health spa, workout center, lighted tennis courts, water part, numerous restaurants and beautiful resort facilities.

Memberships are required to use the facilities. The membership director for La Torretta Lake Resort is Jina Shabacy (936) 582-6338.

Relationship with the DLOA – The by-laws of the DLOA define that each tower hotel room, each lakeside villa and each golf cottage are equal to a residential lot. The Resort pays an assessment for each unit. The resort has two board members on the DLOA and is the majority contributor to the association.

SECTION III

Section III has been included in this directory as a convenience and courtesy. Section III is not a legal part of the DLOA; however, it does pay the DLOA for some services and is a welcome part of the social community of Del Lago. Section III administers its own Covenants, Conditions and Restrictions.

DLOA RESPONSIBILITIES

As a property owner you have one vote per lot and the annual meeting is in October. At that meeting we discuss the budget, review the minutes from the prior meeting, elect three members of the Board, and then open up meeting for other discussions. The officers are then appointed by the Board. Board meetings are open to the public but notice to be on the agenda is required.

ARCHITECTURAL CONTROL COMMITTEE reviews all construction and improvements and is comprised of 3-5 community volunteers. They each donate their time to review plans for new construction & improvements and to assure strict adherence to deed restrictions. They make an arduous effort to fairly maintain the value of all properties.

ACC PERMITS:

An approved permit is required by the ACC for all new or improvement construction and other items required by the deed restrictions. Forms are available from Investment Management Company. An application fee may be charged. Our representative with IMC is Megan Berry (936) 756-0032.

ASSESSMENTS:

The DLOA is funded by semi-annual property assessments from all members due on January 1st and July 1st. Your property assessment includes trash pickup.

Your Role as Homeowner and Neighbor

1. Review the covenants, conditions and restrictions and other Association documents before you buy a home.
2. Read them again when you move in.
3. Pay your assessments on time.
4. Attend the annual meeting.
5. Read the mailed or online newsletter and the minutes of association meetings.
6. Follow the rules and regulations. Questions should be directed to Megan Berry at Investment Managements Company (936) 756-0032

Be a Good Neighbor

1. Curb thy dog
2. Keep televisions and music at reasonable volumes
3. Park in your garage or driveway, not in the street

4. Take care of your property – mowing and maintenance.
5. Keep an eye out in your neighborhood for anything unusual
6. Offer to lend a hand
7. Nurture relationships

Should you have general questions about this area or questions about your neighborhood, feel free to give a call to a member from the Welcome Committee. Perhaps we can at least direct you to someone who can.

Camille Pritchett	936-232-2683	Presidio
Vicki Contella	936-582-4813	La Costa
Julie Ellsworth	936-828-0167	Laguna

10-2
8130826

087-01-1655

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REAL PROPERTY RECORDS

DECLARATION OF COVENANTS, CONDITIONS,
ASSESSMENTS, CHARGES, SERVITUDES,
LIENS, RESERVATIONS, AND EASEMENTS

THIS DECLARATION of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations, and Easements (herein called the "Declaration") is made as of the 17 day of August, 1981, by LAKE CONROE INTERESTS, INC., a Texas corporation (herein called "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant owns approximately 246.8395 acres of land adjacent to Lake Conroe in Montgomery County, Texas, and may acquire additional lands in the same area; and

WHEREAS, in order to enable Declarant to accomplish such development in a consistent manner with continuity, Declarant desires to subject the Property, as hereinafter defined, to the covenants, conditions, assessments, charges, servitudes, liens, reservations, and easements hereinafter set forth (herein collectively called the "Covenants").

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold, and conveyed subject to the Covenants.

ARTICLE I

DEFINITIONS

The following words, phrases, or terms used in this Declaration shall have the following meanings:

A. "Additional Properties" shall mean properties added in accordance with Article XV hereof.

B. "Amenities" shall mean the parts of the Open Areas which are designed for recreational or social activities, including without limitation the golf course, clubhouse, tennis courts, and swimming pool.

C. "Annual Assessment" shall mean the charge levied and assessed each year against each Lot.

D. "Assessable Property" shall mean the entire Property, except such part or parts thereof as may from time to time constitute Exempt Property.

E. "Assessment Lien" shall mean the lien created and imposed by Article IV.

F. "Association" shall mean the Texas non-profit corporation to be organized by Declarant to administer and enforce the Covenants and to exercise the rights, powers, and duties set forth in the Declaration.

G. "Association Land" shall mean such part or parts of the Property, together with the buildings, structures, and improvements thereon, if any, as may be owned at any time hereafter by the Association, for as long as the Association is the Owner thereof.

H. "Board" shall mean the Board of Directors of the Association.

I. "Bylaws" shall mean the Bylaws of the Association as the same may from time to time be amended or supplemented.

J. "Condominium Unit" shall mean a condominium unit and all common elements appurtenant thereto, created by the formation of a condominium regime pursuant to Texas law and actually constructed and completed on a part of the Property.

K. "Covenants" shall mean the covenants, conditions, assessments, charges, servitudes, liens, reservations, and assessments set forth herein.

L. "Declarant" shall mean Lake Conroe Interests, Inc., a Texas corporation, and the successors and assigns of Declarant's rights and powers hereunder.

M. "Declaration" shall mean this Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations, and Easements, as amended or supplemented from time to time.

N. "Deed" shall mean a deed or other instrument conveying the fee simple title to all or any portion of the Property.

O. "Dwelling Unit" shall mean any portion of a building situated on the Property designed and intended for use and occupancy as a residence by a single family.

P. "Exempt Property" shall mean the following parts of the Property:

(1) All land and Permanent Improvements owned by or dedicated to and accepted by the United States, the State of Texas, Montgomery County, or any political subdivision thereof, for as long as such entity or political subdivision is the Owner thereof, or for so long as said dedication remains effective;

(2) All Association Land for as long as the Association is the Owner thereof.

(3) All Lots owned by Declarant, until such time as ninety percent (90%) of all of the Lots have been sold to Owners (other than persons or entities who are successors in interest or assignees of Declarant with respect to Declarant's rights and powers hereunder).

(4) All Open Areas as defined in Paragraph T below.

Q. "Lot" shall mean any lot, tract, or parcel of the Property (with the exception of any common area, if any, and any Open Areas reserved by Declarant on any plat) shown upon a plat or plats of the Property or any part thereof now or hereafter filed for record in the Map and Plat Records of Montgomery County, Texas (as such plat or plats may be amended from time to time); provided, however, with respect to any such lot, tract or parcel on which there is constructed one or more Condominium Units, the term "Lot" shall, from the date of completion of the first such Condominium Unit, mean each Condominium Unit located thereon (together with its interest in the common elements of the condominium regime), and the term "Lot" shall not thereafter be deemed to refer separately to any part of the common elements of such regime, including without limitation the land included therein.

R. "Maintenance Charges" shall mean any and all costs assessed pursuant to Sections 11.02 and 11.03.

S. "Member" shall mean each and every Owner.

T. "Open Areas" shall mean those areas of the Property (including without limitation streets, water plant, sewer plant, drill sites, golf course, clubhouse, tennis courts and swimming pool) which are not designated by number as lots on the Plat, the ownership of such areas being reserved to Declarant and its successors and assigns. The streets shown on such plats, unless otherwise stated on such plats, have not been dedicated to the public and are private streets.

U. "Owner" shall mean the person or persons, entity or entities, who either own of record fee simple title to a Lot, or have entered as an original party, successor or assignee, into a Contract for Deed with Declarant; the term "Owner" to exclude any person or persons, entity or entities, having an interest in a Lot merely as security for the performance of an obligation; the term "Owner" to include Declarant if Declarant is a record owner of fee simple title to a Lot, but only if with respect to such Lot, Declarant has not entered into a Contract for Deed. For the purposes hereof, the term "Contract for Deed" shall be any contract executed by Declarant with another person containing as its title or as part of its title the term "Contract for Deed" pursuant to which such person is acquiring a Lot on an installment basis whereby Declarant does not transfer fee simple title to the Lot until such person has satisfied all of the terms and conditions of such contract.

V. "Permanent Improvements" shall mean all buildings, structures, and other matters and things which, at the time of the assessment of each Annual Assessment, are taxable by the State of Texas or a political subdivision thereof (including without limitation Montgomery County) as real property under applicable law.

W. "Plat" shall mean the subdivision plat of a portion of the Property presently on file in the Map and Plat Records of Montgomery County, Texas, and any other plat or plats of all or any portion of the Property now or hereafter filed for record in the Map and Plat Records of Montgomery County, Texas, (as such plat or plats may be amended from time to time).

X. "Property" shall mean:

(1) At the time of recordation of this Declaration, the land described on Exhibit "A" attached hereto and made a part hereof for all purposes; and

(2) From and after the addition of each parcel of land subjected to this Declaration pursuant to Article XV hereof, each such new parcel of land.

Y. "Residential Lots" shall mean any Lot which is zoned or used for residential purposes.

Z. "Special Assessment" shall mean any assessment levied and assessed pursuant to Section 3.02.

AA. "Special Use Fees" shall mean special fees which an Owner or any other person is obligated by his Deed or by contract to pay to the Association over, above and in addition to any such assessments, charges, and fees as are levied, assessed, imposed or payable hereunder.

BB. "Subsidiary Association" shall mean any Texas non-profit corporation which is organized and exists pursuant to or for the purpose of administering and enforcing the provisions of any Subsidiary Declaration.

CC. "Subsidiary Declaration" shall mean any declaration of covenants, conditions, assessments, charges, servitudes, liens, reservations, easements, or restrictions applicable to any portion of the Property which is recorded after the effective date hereof or which is otherwise subject hereto.

DD. "Supplemental Declaration" shall mean a supplement to this Declaration recorded as provided in Article XV.

EE. "Voting Owners" shall mean those Owners who, pursuant to Section 8.02, have voting rights.

ARTICLE II

COVENANTS BINDING ON PROPERTY, OWNERS, AND ASSOCIATION

2.01 Property Bound. From and after the date of recordation of this Declaration, the Property shall be subject to the Covenants, and the Covenants shall run with, be for the benefit of, bind, and burden the Property.

2.02 Owners Bound. From and after the date of recordation of this Declaration, the Covenants shall be binding upon and inure to the benefit of each Owner and his heirs, executors, administrators, personal representatives, successors, and assigns, whether or not so provided or otherwise mentioned in the Deed. Each Owner, for himself, his heirs, executors, administrators, personal representatives, successors, and assigns, expressly agrees to pay, and to be personally liable for, the assessments provided for hereunder, and to be bound by all of the Covenants herein set forth. Each Owner shall be and remain personally liable, regardless of whether he has transferred title to his Lot, for the amount of assessments (together with interest, costs, and attorneys' fees as provided in Section 3.04) which fell due while he was an Owner. No Owner shall escape personal liability for the assessments herein provided by non-use of Association Land, the Open Areas or the Amenities, or by transfer or abandonment of his Lot.

2.03 Association and Subsidiary Association Bound. Upon the incorporation of the Association or any Subsidiary Association, the Covenants shall be binding upon and shall inure to the benefit of the Association and any such Subsidiary Association.

ARTICLE III

ASSESSMENTS

3.01 Annual Assessments. In order to provide funds for the purposes and uses specified in Article VI hereof, the Board in each year, commencing with the year in which the Association is incorporated, shall assess against the Assessable Property such charges as the Board in its discretion deems appropriate; provided, however, that the first Annual Assessment, commencing in 1981, shall not exceed \$250.00 for each Residential Lot, such amount to be prorated by the Board if the first Assessment Period is less than twelve (12) months.

3.02 Special Assessments. In addition to the Annual Assessments authorized above, the Association may at any time and from time to time levy Special Assessments to meet other needs or requirements of the Association and the properties for which it is responsible, including without limitation, assessments for the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Association Land. The Board shall

establish Special Assessments in the manner provided in the Bylaws of the Association; provided, however, that no Special Assessment shall be levied without the prior approval of at least two-thirds (2/3) of all Voting Owners who are voting in person or by proxy at a meeting duly called for that purpose in accordance with the provisions of the Bylaws.

3.03 The Board shall establish either a calendar or fiscal year (herein called the "Assessment Period") for which the Annual Assessment is to be levied. The Board in its sole discretion may from time to time change the Assessment Period.

3.04 Allocation of Assessments. The Owners of all Assessable Property shall share in the responsibility for payment of the Annual Assessments and the Special Assessments as follows:

(a) All Residential Lots (including all Condominium Units) shall bear the Annual and Special Assessments equally. The proportionate share of Annual and Special Assessments to be borne by any Lot which is not a Residential Lot shall be a percentage which the Board in its discretion shall determine; provided, however, that the ratio of (i) the proportion of such assessments allocated to any such Lot which is not a Residential Lot to (ii) the proportion of such assessments borne by each Residential Lot, shall not exceed the fraction obtained by dividing (x) the number of square feet contained in such Lot which is not a Residential Lot (or if greater, the number of total square feet of enclosed, air conditioned floor space contained in buildings located thereon) by (y) 6,000. For example, if each Residential Lot is required to pay .5% of the total Annual and Special Assessments, then a commercial Lot with 12,000 square feet of land and 5,000 square feet of enclosed, air conditioned floor space could not be required to pay more than 1% of such assessments: $.5\% \text{ times } (12,000 \text{ divided by } 6,000) = 1\%$. The Annual Assessment for the first Assessment Period applicable to a Lot shall be prorated over the number of months during such Assessment Period that the Lot or Condominium Unit is subject to such assessments.

(b) The Board shall make the calculations required in subparagraph (a) above, and shall prepare and forward to each Owner a statement setting forth the amount of the Annual Assessment or Special Assessment assessed against each Lot, stated in terms of the total sum due and owing, and the amounts payable if paid in installments; provided that the dates of any installment payments shall be set forth, and no installment shall be due less than thirty (30) days from the date of the mailing of such statement.

(c) All delinquent payments of Annual Assessments and Special Assessments shall bear interest at the rate of eighteen percent (18%) per annum from such due date until paid, and the Owner shall be deemed to have agreed in writing to the payment of such interest and all costs, including attorneys' fees which may be incurred by the Association in collecting same.

3.05 Rules Regarding Billing and Collection Procedures. The Association shall have the right to adopt rules and regulations setting forth procedures for the purpose of making the assessments provided herein and for the billing and collection of the Annual and Special Assessments and the Maintenance Charges, provided that said procedures are not inconsistent with the provisions hereof.

ARTICLE IV

IMPOSITION OF LIEN; EXEMPTIONS; OWNERS' AGREEMENT

4.01 Imposition of Assessment Lien and Priority of the Lien. Each Lot shall be charged with and subject to a continuing servitude and lien from the date of recordation of this Declaration for the amount of the Annual and Special Assessments assessed and levied against each such Lot and for Maintenance Charges. The lien (herein called the "Assessment Lien") against each such Lot shall be superior to any and all other charges, liens, or encumbrances which hereafter in any manner may arise or be imposed upon each such Lot, except that such Assessment Lien shall be subject and subordinate to liens for taxes and other public charges which by applicable law are expressly made superior.

4.02 Owners' Promises. Each Owner, for himself, his heirs, executors, administrators, personal representatives, successors, and assigns, covenants and agrees:

(i) That he will pay to the Association when due the Annual and Special Assessments assessed by the Association in each year against his Lot, together with any Maintenance Charges imposed;

(ii) That he acquires his Lot subject to the Annual and Special Assessments and Maintenance Charges; and Assessment Lien; and

(iii) That by accepting a Deed to his Lot, he shall be, and remain, personally liable for any and all Annual and Special Assessments and Maintenance Charges assessed against his Lot while he is (or was) the Owner thereof, regardless of whether such covenants or agreements are expressed in such Deed and regardless of whether he signed the Deed.

ARTICLE V

ENFORCEMENT OF PAYMENT OF ANNUAL AND SPECIAL ASSESSMENTS AND MAINTENANCE CHARGES AND OF ASSESSMENT LIEN

5.01 Association as Enforcing Body. The Association, as the agent and representative of the Owners, shall have the exclusive right to enforce the provisions of this Declaration. However, if the Association shall fail or refuse to enforce this Declaration for an unreasonable period of time, after written request to do so, then any Owner may enforce them on behalf of the Association by any appropriate action, whether at law or in equity.

5.02 Association's Enforcement Remedies. If the Owner of any Lot fails to pay the Annual or Special Assessments or installments when due, or to pay Maintenance Charges assessed; the Association may enforce the payment of the Annual or Special Assessments, Maintenance Charges, and/or the Assessment Lien by taking either or both of the following actions, concurrently or separately (and, by exercising either of the remedies hereinafter set forth, the Association does not prejudice or exercise the other remedy):

(a) Bring an action at law and recover judgment against the Owner personally obligated to pay the Annual or Special Assessments or the Maintenance Charges;

(b) Enforce the Assessment Lien against the Lot by any means available at law or in equity, including without limitation a non-judicial foreclosure sale of the Lot, such sale

to be conducted in the manner set forth in Article 3810 of the Revised Civil Statutes of Texas, as the same may be amended or supplemented from time to time. The Association or any other Owner may be the purchaser at any such foreclosure sale.

5.03 Subordination of the Lien to First Mortgage or Deed of Trust. The Assessment Lien provided for herein shall be subordinate to any first mortgage lien held by, or deed of trust of which the beneficiary is an institutional lender which is chartered (or licensed) by the United States or any state within the United States. Sale or transfer of any Lot shall not affect the Assessment Lien, provided, however, that if the sale or transfer is pursuant to foreclosure of such a mortgage or deed of trust, or pursuant to any sale or proceeding in lieu thereof, the purchaser at the mortgage foreclosure or deed of trust sale, or any grantee taking by deed in lieu of foreclosure, shall take the Lot free of the Assessment Lien for all Annual and Special Assessments and Maintenance Charges that have accrued up to the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure; but upon the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure, the Assessment Lien immediately shall become and remain superior to any and all other charges, liens, or encumbrances (except liens for taxes or other public charges which by applicable law are expressly made superior), and such mortgage or deed of trust foreclosure sale purchaser or grantee shall take subject to all Annual and Special Assessments, Maintenance Charges, and the Assessment Lien therefor accruing subsequent to the date of issuance of a sheriff's or trustee's deed or deed given in lieu of foreclosure.

5.04 Costs to be Borne by Owner in connection with Enforcement. In any action taken pursuant to Section 5.02 of this Article, the Owner shall be personally liable for, and the Assessment Lien shall be deemed to secure the amount of, the Annual and Special Assessments and Maintenance Charges together with interest and the Association's costs and attorneys' fees.

ARTICLE VI

USE OF FUNDS; BORROWING POWER

6.01 Purposes For Which Association's Funds May Be Used. The Association shall apply all funds and property collected and received by it (including the Annual and Special Assessments, fees, loan proceeds, surplus funds, and all funds and property received by it from any other source) for the common good and benefit of the Property, the Owners and Residents by devoting said funds and property, among other things, to the acquisition, construction, alteration, maintenance, provision, and operation, by any manner or method whatsoever, of any and all land, properties, improvements, facilities, services, projects, programs, studies, and systems, within or without the Property, which may be necessary, desirable, or beneficial to the general common interests of the Property, the Owners, and the Residents. The following are some, but not all, of the areas in which the Association may seek to aid, promote, and provide for such common benefit: landscaping, recreation, communications, education, transportation, health, utilities, public services, culture, and safety. The Association may also expend its funds for any purposes which any municipality may expend its funds under the law of the State of Texas or such municipality's charter, including by way of illustration all purposes (enumerated or implied) for which the City of Houston may expend its funds pursuant to the charter of the City of Houston. Without limiting the foregoing, it is expressly provided that the Association shall have the responsibility for maintaining all of the streets and roads constructed on the Property by Declarant and shown on the Plat, unless such streets have been expressly

dedicated to the public and accepted by the appropriate governmental authority. The record ownership of such streets shall be conveyed by Declarant to the Association as and when they are completed, and the Association shall hold title to same subject to the terms and provisions of this Declaration and any Subsidiary Declaration. Notwithstanding anything to the contrary contained herein, the Association shall include in each Annual Assessment an amount (herein called the "Amenities Fee") which shall be paid by the Association to Declarant no less frequently than each three (3) months, and shall be used by Declarant to defray the cost of maintaining, repairing, and/or replacing the Amenities, or any of them, in such manner as Declarant in its discretion shall determine. The Amenities Fee for the first Assessment Period shall be \$120.00 for each Residential Lot, such amount to be prorated by the Board if the first Assessment Period is less than twelve (12) months. The Amenities Fee shall be increased at the beginning of each Assessment Period by an amount equal to eight percent (8%) times the amount of the Amenities Fee for the immediately preceding Assessment Period; provided, however, Declarant may waive any such increase or any portion of the Amenities Fee with respect to one or more Assessment Periods without waiving its right to demand same for any subsequent Assessment Periods, and the amount of the Amenities Fee for such subsequent Assessment Periods shall be computed as if the maximum amount of the Amenities Fee had been charged for all prior Assessment Periods. In the event the Association fails to timely collect and pay the Amenities Fee to Declarant, Declarant shall have the right to enforce payment of same by proceeding directly against the Association and/or the Owners, or any of them. Declarant shall have a lien, identical to the Assessment Lien in all respects (including without limitation the right of non-judicial foreclosure as set forth in Section 5.02), against each and every Lot and all Association Land, to secure the prompt payment of the Amenities Fee.

6.02 Borrowing Power. The Association may borrow money in such amounts, at such rates, upon such terms and security, and for such periods of time as is necessary or appropriate.

6.03 Association's Rights in Spending Funds from Year to Year. The Association shall not be obligated to spend in any year all the sums received by it in such year (whether by way of Annual or Special Assessments, fees, or otherwise), and may carry forward as surplus any balance remaining. Nor shall the Association be obligated to apply any such surpluses to the reduction of the amount of the Annual Assessment in the succeeding year, but may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of the Association and the effectuation of its purpose.

6.04 Administration of Special Use Fees. The Association is authorized to bill for, sue for, collect, administer, and disperse all Special Use Fees and the payment thereof shall be secured by the Assessment Lien; provided, however, that all Special Use Fees collected shall, if imposed in connection with a particular improvement, be separately accounted for as to each separate improvement to which they pertain and shall be expended on the particular improvement to which they pertain.

ARTICLE VII

RIGHTS AND POWERS

7.01 Association's Rights and Powers as Set Forth in Articles and Bylaws. In addition to the rights and powers of the Association set forth in this Declaration, the Association shall have such rights and powers as are set forth in its Articles of

Incorporation (as amended from time to time) and its Bylaws. Such rights and powers, subject to the approval thereof by any agencies or institutions deemed necessary by Declarant, may encompass any and all things which a natural person could do or which now or hereafter may be authorized by law, provided such Articles and Bylaws are not inconsistent with the provisions of this Declaration and are necessary, desirable, or convenient for effectuating the purposes set forth in this Declaration. After incorporation of the Association, a copy of the Articles and Bylaws of the Association shall be available for inspection at the office of the Association during reasonable business hours. Copies of said Articles and Bylaws may be purchased for such reasonable fees as may be prescribed by the Association.

7.02 Association's Right of Enforcement. The Association, as the agent and representative of the Owners, shall have the right to enforce the Covenants set forth in this Declaration and/or any and all covenants, restrictions, reservations, charges, servitudes, assessments, conditions, liens, or easements provided for in any contract, deed, declaration, or other instrument affecting all or any part or parts of the Property. Any such instrument shall have been executed pursuant to, or subject to, the provisions of this Declaration, or otherwise shall indicate that the provisions of such instrument were intended to be enforced by the Association, by Declarant, or by any Subsidiary Association; provided, however, that any such instrument that is recorded subsequent to recordation of this Declaration shall at all times be subordinate and inferior to this Declaration whether or not so provided in such instrument.

7.03 Contracts with Owners for Performance of Association's Duties. Subject to the restrictions and limitations contained herein, the Association may enter into contracts and transactions with others, including Declarant, its subsidiaries, and affiliated companies, and such contracts or transactions shall not be invalidated or in any way affected by the fact that one or more directors of the Association is employed by or otherwise connected with Declarant, its subsidiaries and affiliates, provided that the fact of such interest shall be disclosed or known to the other directors acting upon such contract or transaction, and provided further that the transaction or contract is fair and reasonable; and any such director may be counted in determining the existence of a quorum at that meeting of the Board which shall authorize any such contract or transaction and may vote thereat to authorize any such contract or transaction with like force and effect as if he were not so interested.

7.04 Mergers, Consolidations, and Federations. The Association shall have the right and power to participate in mergers, consolidations, and federations with any other non-profit corporations or associations regardless of whether the objects, purposes, rights, and powers of such non-profit corporations or associations are less than, the same as, or greater than those of the Association. Any proposed merger, consolidation, or federation shall not be effective or voted upon by the Owners without prior approval of the Board of the Association. Any such mergers, consolidations, or federations shall be consummated only upon an affirmative vote of two-thirds (2/3) of the votes cast by the Voting Owners at an election held for such purpose in the manner provided in Section 13.03. Upon any such merger or consolidation, all of the properties, rights, and obligations of the other non-profit corporation or association shall be transferred to and assumed by the Association as the survivor, or alternatively, all the properties, rights, and obligations of the Association shall be transferred to and assumed by the surviving or newly created non-profit corporation or association.

ARTICLE VIII

MEMBERSHIP

8.01 Membership in the Association. Immediately upon the organization of the Association, each and every Owner, by virtue of being an Owner, automatically shall be a Member of the Association, and shall thereafter remain such for as long as such ownership continues. Such membership shall be appurtenant to and pass with the title of any Lot and may not be in any manner alienated or encumbered except as an appurtenance thereto as part and parcel thereof; provided, however, that no such change of ownership shall be effective for voting purposes, unless and until the Association is given actual notice and is provided satisfactory proof thereof. When more than one person holds an interest in any Lot, all such persons shall be Members.

8.02 Voting Rights. Voting rights, which shall be exercisable only at such time and in such manner as shall be provided in the Articles, shall be vested in all members who are Owners of Assessable Property. The Voting Owners, initially, shall comprise two classes:

Class A: The Class A Voting Owners shall, initially, include all such Owners, except Declarant; and each such Voting Owner shall be entitled to one vote for each Lot owned; provided, however, that there shall not be more than one Voting Owner on account of ownership in any single Lot. If the Voting Owner consists of more than one person, such persons shall decide who among themselves shall cast the vote.

Class B: The only Class B Voting Owner shall be the Declarant, who shall be entitled to five (5) votes for each Lot owned by Declarant. Declarant's Class B voting rights shall cease and be converted to Class A voting rights upon the first to occur of the following:

- (a) When the number of Dwelling Units constructed upon portions of the Property not owned by Declarant exceeds the number of Class B votes to which Declarant is entitled; or
- (b) On December 31, 1996.

From that date forward, unless and until the Class B Membership is reinstated, Declarant shall be entitled, as in the case of other Voting Owners, to only one vote for each Lot owned. Nothing contained herein shall preclude Declarant from constructing Condominium Units or other Permanent Improvements, or adding land pursuant to the provisions of Article XV, for the purpose of maintaining or reinstating the Class B Membership, and all Condominium Units, other Permanent Improvements and land so constructed or added shall be included in the determination of the existence and voting rights of the Class B Membership. The Class B Membership may be reinstated by the addition of such property.

8.03 Board of Directors. The Articles of Incorporation of the Association basically will provide that the Board, which shall have the exclusive right of determining and transacting the affairs of the Association, initially will consist of three (3) directors, each of whom, and each of whose replacement, shall be an employee, representative, or designee of Declarant, and who shall be elected and subject to removal by Declarant only. The directors of the Association may also serve as directors of one or more Subsidiary Associations.

ARTICLE IX

EASEMENTS AND RIGHTS OF ENJOYMENT IN
ASSOCIATION LANDS; RESERVATIONS OF DECLARANT

9.01 Owners' Easements and Rights of Enjoyment in Association Lands. Subject to the controls and limitations set forth in this Declaration, every Owner, by reason of such ownership, and his family members, licensees and invitees, shall have a right and easement of enjoyment in and to all Association Lands, and such easement shall be appurtenant to and shall pass with the title to every Lot upon transfer. All residents shall have a non-transferable privilege to use and enjoy all Association Lands for as long as they remain residents.

9.02 Rules Regulating Use of Association Lands. All rights, easements, and privileges granted and conferred under Section 9.01 shall be subject to the exclusive right of the Association to adopt from time to time reasonable rules and regulations pertaining to the use of Association Lands. Said rules and regulations shall be such that they serve to promote the best interests of the Owners with respect to the preservation of the Association Lands or the safety and convenience of the users thereof.

9.03 Fees Chargeable to Certain Classes of Users of Association Lands. All rights, easements, and privileges granted and conferred under Section 9.01 further shall be subject to the exclusive right of the Association to charge Owners and others initiation, admission, and other fees in connection with the use of any or all of the Association Lands. In establishing or adjusting the amounts of such fees from time to time, the Board in its absolute discretion may establish reasonable classifications as or among Owners and other persons. Such fees must be uniform within each such class but need not be uniform from class to class.

9.04 Suspension of Rights of Enjoyment in Connection with Enforcement of the Covenants. The Association shall have the right to suspend the aforesaid rights of enjoyment of any Owner (and the privilege of other persons claiming through such Owner) for (a) any period during which the Annual and Special Assessments or Maintenance Charges assessed to such Owner under Article III hereof remain delinquent and unpaid, or (b) any reasonable period up to but not in excess of ninety (90) days in connection with the enforcement of any of the Association's rules or regulations relating to Association Lands.

9.05 Reservations of Declarant. The following reservations are hereby made by Declarant:

(a) The utility easements shown on the Plat are dedicated with the reservation that such utility easements are for the use and benefit of any public utility operating in Montgomery County, Texas, as well as for the benefit of Declarant to allow for the construction, repair, maintenance and operation of a system or systems of electric light and power, telephone lines, television cable lines, gas, water, sanitary sewers, storm sewers and any other utility or service which Declarant may find necessary or proper.

(b) Declarant reserves the right from time to time to make changes in the location, shape, and size of, and additions to, the easements described in paragraph 9.05(a) for the purpose of more efficiently or desirably installing utilities therein and thereon.

(c) The title conveyed to any of the Property shall not be held or construed to include the title to the water, gas, electricity, telephone, storm sewer or sanitary sewer lines, poles, pipes, conduits or other appurtenances or facilities constructed by Declarant or public utility companies upon, under, along, across or through such utility easements; and the right (but no obligation) to construct, maintain, repair and operate such systems, utilities, appurtenances and facilities is reserved to Declarant, its successors and assigns.

(d) The right to sell or lease the lines, utilities, appurtenances and other facilities described in paragraph 9.05(c) to any municipality, governmental agency (including any water control or utility district created under Article XVI, Section 59 of the Texas Constitution covering the Property as well as other lands), public service corporation or other party is hereby expressly reserved to Declarant.

(e) Neither Declarant nor its successors or assigns shall be liable for any damage done by any of such parties or any of their agents or employees to shrubbery, trees, flowers or other property of a Owner situated on the Lots covered by the above described utility easements.

(f) The right to enter upon any Lot or Lots during installation of streets for the purpose of performing street excavation, construction, and paving is hereby reserved to Declarant, its successors and assigns, and neither Declarant, nor its successors or assigns shall be liable for any damage done by any such parties or any of their agents or employees to shrubbery, trees, flowers or other property of the Owner which is necessitated by such street construction.

ARTICLE X

ARCHITECTURAL CONTROL

No building, fence, wall, sign, exterior light, or other structure or apparatus, either permanent or temporary, shall be commenced, erected, placed, or maintained upon the Property (or any Lot constituting a part thereof), nor shall any exterior addition thereto, change therein or alteration, excavation, subdivision, or resubdivision thereof, including without limitation changes in or alteration of grade, landscaping, roadways, and walkways, be made until the plans and specifications showing the nature, kind, shape, height, materials, color, location, and other material attributes of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by Declarant or by an architectural committee composed of three (3) or more representatives appointed by Declarant. In the event Declarant, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required, and this Article X will be deemed to have been fully complied with.

ARTICLE XI

MAINTENANCE

11.01 Association Lands. The Association, or its duly delegated representative, shall maintain and otherwise manage all Association Land, including, but not limited to, the landscaping, walkways, riding paths, parking areas, drives, streets, and

recreational facilities, roofs, interiors and exteriors of the buildings and structures located upon said properties. The Board shall use a reasonable standard of care in providing for the repair, management, and maintenance of said property. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of said properties shall be taken by the Board or by its duly delegated representative.

11.02 Assessment of Costs of Maintenance and Repair of Association Lands. In the event that the need for maintenance or repair of Association Land is caused through the willful or negligent act of any Owner, his family, guests or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Owner's Lot is subject and shall be secured by the Assessment Lien.

11.03 Improper Maintenance of Other Portions of the Property. In the event any portion of the Property other than Association Lands, is so maintained as to present a public or private nuisance or as to substantially detract from the appearance or quality of the surrounding Lots or other areas of the Property which are substantially affected thereby or related thereto, the Board may by resolution make a finding to this effect, specifying the particular condition or conditions which exist, and pursuant thereto give notice thereof to the offending Owner that unless corrective action is taken within thirty (30) days, the Board will cause such action to be taken at said Owner's cost. If at the expiration of said thirty (30) day period of time the requisite corrective action has not been taken, the Board shall be authorized and empowered to cause such action to be taken and the cost thereof shall be added to and become a part of the assessment to which the offending Owner's Lot is subject and shall be secured by the Assessment Lien.

ARTICLE XII

USE RESTRICTIONS

12.01 All Properties. All Lots within the Property are hereby restricted as follows:

(a) Antennas. No exterior television, radio, or other antenna of any type shall be placed, allowed, or maintained upon any Lot without prior written approval and authorization of the Association.

(b) On Street Parking. On street parking is restricted to approved deliveries, pick-up or short-time guests and invitees and shall be subject to such reasonable rules and regulations as shall be adopted by the Association.

(c) Storage. No exterior storage of any items of any kind shall be permitted, except with prior written approval and authorization of the Association. Any such storage as is approved and authorized shall be in areas attractively screened or concealed (subject to all required approvals as to architectural control) from view from neighboring property, dwelling units, pathways, and streets. This provision shall apply, without limitation, to woodpiles, camping trailers, boat trailers, travel trailers, boats, mobile homes, and unmounted pick-up camper units. Also, without limitation, no automobile, truck, or other vehicle, regardless of ownership, age, condition, or appearance, shall remain on any Lot in any manner which could be construed as being stored, neglected, abandoned, or otherwise not in frequent use, except pursuant to written approval and authorization of the Association.

(d) Garbage. No garbage or trash shall be placed on the exterior of any building, except in containers meeting the specifications of the Association, and the placement, maintenance, and appearance of all such containers shall be subject to reasonable rules and regulations of the Association. All rubbish, trash, and garbage shall be regularly removed from each Lot and shall not be allowed to accumulate thereon.

(e) Outside Speakers and Amplifiers. No radio, stereo, broadcast, or loudspeaker units and no amplifiers of any kind shall be placed upon or outside, or be directed to the outside of any building without prior written approval and authorization of the Association.

(f) Outside Lighting. No outside lighting, other than indirect lighting, shall be placed, allowed, or maintained on any Lot without prior written approval and authorization of the Association.

(g) Animals. No animals, reptiles, fish, or birds of any kind shall be raised, bred, or kept on any Lot except pursuant to prior written approval of and in accordance with rules and regulations promulgated by the Association, provided, however, that dogs, cats, birds, or fish may be kept thereon as household pets so long as, in the discretion of the Association, such pet is not, or does not become, a nuisance, threat, or otherwise objectionable to other Owners.

(h) Re-subdivision. Except with respect to any of the Property owned by Declarant, no Lot shall be further subdivided and no portion less than all of any such Lot, or any easement or other interest therein, shall be conveyed by any Owner without the prior written authorization and approval of the Association.

(i) Diseases and Insects. No Owner shall permit any thing or condition to exist upon any Lot which shall induce, breed, or harbor plant disease or noxious insects.

(j) Sidewalk Encroachments. No tree, shrub, or plant of any kind on any Lot shall be allowed to overhang or otherwise encroach upon any sidewalk or any other pedestrian way from ground level to a height of seven (7) feet without the prior written approval and authorization of the Association.

(k) Machinery, Fixtures, and Equipment. No machinery, fixtures, or equipment of any type, including without limitation, air conditioning or refrigeration equipment and clothes lines, shall be placed, allowed, or maintained upon the ground on any Lot, except with prior written approval and authorization of the Association in areas attractively screened or concealed (subject to all required approvals as to architectural control) from view of neighboring property, dwelling units, pathways, and streets; and no such machinery, fixtures, or equipment shall be placed, allowed, or maintained anywhere other than on the ground (such as on the roof) except if screened or concealed (subject to all required approvals as to architectural control) in such manner that the screening or concealment thereof appears to be part of the integrated architectural design of the building and does not have the appearance of a separate piece or pieces of machinery, fixtures, or equipment.

(l) Utility and Service Lines. No gas, electric, power, telephone, water, sewer, cable television, or other utility or service lines of any nature or kind shall be placed, allowed, or

maintained upon or above the ground on any Lot, except to the extent, if any, underground placement thereof may be prohibited by law or would prevent the subject line from being functional. The foregoing shall not prohibit service pedestals and above ground switch cabinets and transformers where required.

(m) Burning and Incinerators. No open fires or shall be permitted on any Lot at any time and no incinerators or like equipment shall be placed, allowed, or maintained upon any Lot. The foregoing shall not be deemed to preclude the use, in customary fashion, of outdoor residential barbecues or grills.

(n) Signs. No exterior signs or advertisements of any kind may be placed, allowed, or maintained on any Lot without prior approval and authorization of the Association, except that mailboxes, residential nameplates, and "for sale" and "for rent" signs may be placed and maintained in conformity with such common specifications, including without limitation, reasonable restrictions as to size, as may be adopted by the Association.

(o) Repairs. No repairs of any detached machinery, equipment, or fixtures, including without limitation motor vehicles, shall be made upon any portion of any Lot within view of neighboring property, dwelling units, pathways, and streets, without prior written approval and authorization of the Association.

(p) Oil, Gas, and Mineral Activity. With respect only to the Property as defined herein (and excluding any additional land added pursuant to Article XV), it is expressly provided that no oil or gas exploration, drilling, development, or refining operations and no quarrying or mining operations of any kind, including oil wells, surface tanks, tunnels, or mineral excavations or shafts shall be permitted upon or under any Lot; and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted on any Lot. By instrument dated July 24, 1981, Developer's predecessor in title to the Property caused to be executed by the owner of the oil, gas, and other mineral lease executive rights in the Property, an agreement (the "Drill Site Agreement") designating two drill sites and certain Mineral Owner's Ingress and Egress Easements, from which oil, gas, coal, and other minerals and commodities of value in and under the Property and other properties in which the said Mineral Owner owns a mineral interest, or lands pooled therewith, would be required to conduct operations. As required by the Drill Site Agreement, Developer hereby reserves the right, without the joinder of any of the Owners of any of the Lots in the Property, to agree in writing with the Mineral Owner that the Mineral Owner, its successors or assigns, may purchase, free and clear of these Covenants but subject to the provisions of the Drill Site Agreement as to use and occupancy, additional drill sites at other locations within the Property other than portions of the Property which are platted for residential uses, for the purposes of providing, at a price and upon terms set forth in such future agreement, if any, substitute surface sites and easements to replace any of the "Surface Sites and Easements" (as defined in the Drill Site Agreement) that may be taken or rendered useless to the Mineral Owner by eminent domain or otherwise. With respect to additional land which may be added pursuant to Article XV, such land shall be subject to the foregoing unless Declarant at the time of such addition does not own all of the mineral rights therein. If Declarant does not own all of the mineral rights, Declarant shall cause such restrictions on exploration, drilling, development, refining,

mining, and quarrying to be placed on said additional land as Declarant in good faith can negotiate (with no monetary obligation required on the part of Declarant), and such land shall be subject to the foregoing provisions of this Section 12.01(p) except to the extent of any conflict herein with the rights of the owners of such mineral rights.

(q) Septic Tanks and Sewage Disposal. No septic tank or other means of sewage disposal may be installed unless previously approved in writing by all governmental authorities having jurisdiction with respect thereto, and by the Association and Declarant. No outside toilets of any kind are permitted, and no installation of any type of device for disposal of sewage shall be allowed which would result in raw or untreated or unsanitary sewage being carried into any body of water.

(r) Water Wells. At no time shall the drilling, usage or operation of any water well be permitted on any Lot.

(s) Firearms and Weapons. No Lot or any other portion of the Property shall be used or permitted for hunting or for the discharge of any pistol, rifle, shotgun, or any other firearm, or any bow and arrow or any other device capable of killing or injuring.

(t) Motor Vehicles. The operation of any and all motorized vehicles within the Property shall be subject to such rules and regulations as shall from time to time be established by Declarant or the Association.

(u) Change in Intended Use. No portion of the Property may be developed or redeveloped otherwise than in accordance with its original intended use, without the prior written authorization of the Association.

(v) Misuse and Mismaintenance. No Lot shall be maintained or utilized in such manner as to present an unsightly appearance (including but not limited to clothes drying within public view) or as to unreasonably offend the morale of or as to constitute a nuisance or unreasonable annoyance to, or as to endanger the health of, other Owners or residents of the Property; and no noxious or otherwise offensive condition or activity shall be allowed to exist or be conducted thereon.

(w) Violation of Statutes, Ordinances, and Regulations. No Lot shall be maintained or utilized in such manner as to violate any applicable statute, ordinance, or regulation of the United States of America, the State of Texas, the County of Montgomery, or any other governmental agency or subdivision having jurisdiction over the Property.

(x) Violation of Association Rules or of Covenants, Conditions, or Restrictions. No Lot shall be maintained or utilized in violation of the rules and regulations of the Association or any covenants, conditions, or restrictions applicable to and binding upon said Lot.

ARTICLE XIII

TERM; AMENDMENTS; TERMINATIONS

13.01 Term; Method of Termination. This Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect to and including

December 31, 2011. From and after said date, this Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Declaration by the then Voting Owners casting seventy-five percent (75%) of the total votes authorized at an election held for such purpose within six (6) months prior to the expiration of the initial effective period hereof or any ten (10) year extension. This Declaration may be terminated at any time if seventy-five percent (75%) of the votes authorized to be cast by each class of Voting Owners shall be cast in favor of termination at an election held for such purpose.

13.02 Amendments. This Declaration may be amended or changed in whole or in part at any time by the affirmative vote of fifty-one percent (51%) of the votes authorized to be cast by each class of Voting Owners and the written approval of the Board.

13.03 Election Procedures for Amendments and Termination. The affirmative votes required under Section 13.01 or 13.02 may be obtained and evidenced either by a written consent to any such amendment or termination, as the case may be, signed by the requisite percentage of Owners (which such consent shall be in recordable form and presented to the Board) or by the requisite vote by the Owners at a meeting of Owners duly called by at least ten (10) Owners or by the Board pursuant to notice in writing mailed to all of the Owners at their last known addresses on or prior to ten (10) days before the date of the meeting at which meeting the requisite percentage of Owners, in person or by proxy, vote to so amend or terminate this Declaration (and the Covenants herein). The notice of the meeting must set forth the proposal as to amendment or termination of this Declaration (and/or the Covenants therein) and the affirmative vote of the requisite percentage of Owners must be evidenced by minutes of the meeting duly certified by the Owners who called the meeting or the Board. In any event, a copy of the minutes must be delivered to the Board.

13.04 Recording of Amendments or Termination. Upon the requisite percentage of Owners duly voting to amend or terminate this Declaration (and/or the Covenants contained herein) and upon the other conditions set forth in Section 13.01 or 13.02 (as the case may be) and Section 13.03 of this Article being satisfied, then:

(a) In the case of amendment, each amendment shall be executed by the Board, placed in recordable form, and filed of record in the Real Property Records of Montgomery County, Texas, accompanied by a statement that the requisite percentage of Owners have voted to make such amendment to this Declaration.

(b) With respect to terminations, the Board shall cause to be recorded in the Real Property Records of Montgomery County, Texas, a certificate of termination duly signed by the Board.

13.05 Effect. Upon the recording of the certificate of termination as required by Section 13.04(b), these Covenants and this Declaration shall have no further force or effect. Upon the filing of an amendment in accordance with Section 13.04(a), this Declaration and the Covenants, as amended, shall remain in full force and effect.

13.06 Right of Amendment if Requested by Governmental Agency or Federally Chartered Lending Institutions. Anything in this Article to the contrary notwithstanding, Declarant reserves the right to amend all or any part of this Declaration to such an extent and with such language as may be requested by any federal, state, or local agency which requests such an amendment as a condition precedent to such agency's approval of this Declaration, or by any

federally chartered lending institution as a condition precedent to lending funds upon the security of the Property or any portion thereof. Any such amendment shall be effected by the recordation, by Declarant, of a Certificate of Amendment signed by a duly authorized agent of Declarant, with his signature acknowledged, specifying the federal, state, or local governmental agency or the federally chartered lending institution requesting the amendment and setting forth the amendatory language requested by such agency or institution. Recordation of such a Certificate shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such Certificate, when recorded, shall be binding upon the Property and all persons having an interest in the Property. Except as provided in this Section 13.06, Declarant shall not have any right to amend this Declaration otherwise than in accordance with and pursuant to the provisions of Section 13.02 hereof.

ARTICLE XIV

RESERVATION OF RIGHT TO RESUBDIVIDE AND REPLAT LOTS

Subject to the approval of any and all appropriate governmental agencies having jurisdiction, Declarant hereby reserves the right at any time while it is the Owner thereof to resubdivide and replat any Lot or Lots without the consent of any of the other Owners.

ARTICLE XV

SUBJECTING ADDITIONAL LANDS TO THE DECLARATION

From time to time the size of the Property may be increased, in the manner provided in this Article, by recording in the Real Property Records of Montgomery County, Texas, a supplement to this Declaration (hereinafter called "Supplemental Declaration"). The Supplemental Declaration shall be signed and acknowledged by or on behalf of the Board and by the Owner of record of the additional land to be included within the Property and subjected to the Covenants set forth in this Declaration. Each such Supplemental Declaration shall:

- (a) describe the land to be included as a part of the Property;
- (b) state that such land and the Permanent Improvements thereon are expressly subjected to all of the Covenants set forth in this Declaration; and
- (c) state that the Owner, for and on behalf of his heirs, executors, administrators, successors, and assigns, agrees that he shall be personally liable for the Annual and Special Assessments and Maintenance Charges imposed hereunder and shall be personally bound by all Covenants set forth in this Declaration.

ARTICLE XVI

OWNERSHIP OF UTILITIES AND AMENITIES

All of the Amenities and all utilities constructed by Declarant (including without limitation all such water, gas, electricity, telephone, television, storm sewer or sanitary sewer lines, poles, pipes, conduits or other appurtenances or facilities) shall be owned by Declarant and may be sold or dedicated by Declarant at any time to any private or public entity on such terms and in such manner as Declarant in its sole discretion may determine. Declarant shall have the absolute right to charge fees for the use of any and all of the

Amenities and such utilities, it being understood that no Owner shall have any right to the use of same merely by reason of his or its ownership of any portion of the Property.

ARTICLE XVII

MISCELLANEOUS

17.01 Interpretation of the Covenants. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive, and binding as to all persons and property benefited or bound by the Covenants and provisions hereof.

17.02 Severability. Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

17.03 Rule Against Perpetuities. If any interest purported to be created by this Declaration is challenged under the Rule against Perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the "lives in being" for computing the period of perpetuities shall be (a) those which would be used in determining the validity of the challenged interest, plus (b) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.

17.04 Change of Circumstances. Except as otherwise expressly provided in this Declaration, no change of conditions or circumstances shall operate to extinguish, terminate, or modify any of the provisions of this Declaration.

17.05 Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Declaration, the Association shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities, and duties, provided said rules and regulations are not inconsistent with the provisions of this Declaration.

17.06 Declarant's Disclaimer of Representations. Anything to the contrary in this Declaration notwithstanding, and except as otherwise may be expressly set forth on a recorded plat or other instrument recorded in the Real Property Records of Montgomery County, Texas, Declarant makes no warranties or representations whatsoever that the plans presently envisioned for the complete development of the community can or will be carried out, or that any land now owned or hereafter acquired by it is or will be subjected to this Declaration, or that any such land (whether or not it has been subjected to this Declaration) is or will be committed to or developed for a particular (or any) use, or that if such land is once used for a particular use, such use will continue in effect.

17.07 Successors and Assigns of Declarant. Any reference in this Declaration to Declarant shall include any successors or assigns of Declarant's rights and powers hereunder.

17.08 Gender and Number. Wherever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.

17.09 Captions and Titles. All captions, titles, or headings of the Articles and Sections in this Declaration are for the purpose of reference and convenience only, and are not to be deemed to limit, modify, or otherwise affect any of the provisions hereof, or to be used in determining the intent or context thereof.

17.10 Notices. Any notice required or permitted to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, delivery shall be deemed to have been made twenty-four (24) hours after a copy of the notice has been deposited in the United States mail, postage prepaid, registered or certified mail, addressed to each such person at the address given by such person to the party sending the notice or to the address of the Dwelling Unit of such person if no address has been given. Such address may be changed from time to time by notice in writing.

17.11 Prior Recorded Instruments. This Declaration and all of the provisions hereof are expressly subject to all prior recorded documents affecting the Property, including without limitation, that certain Reservation of Architectural Control, executed by Declarant and recorded in the Real Property Records of Montgomery County, Texas.

17.12 Enforcement of the Covenants. Notwithstanding anything to the contrary herein, in the event of any violation or attempted violation of any of the provisions hereof, including any of the Covenants, enforcement shall be authorized by any proceedings at law or in equity against any person or persons violating or attempting to violate any of such provisions, including proceedings to restrain or prevent such violation or attempted violation by injunction, whether prohibitive in nature or mandatory in commanding compliance with such provisions; and it shall not be a prerequisite to the granting of any such injunction to show inadequacy of legal remedy or irreparable harm. Likewise, any person entitled to enforce the provisions hereof may recover such damages as such person has sustained by reason of the violation of such provisions.

17.13 Suspension of the Covenants. The Association shall have the right during the period of construction, development, and sale, to grant reasonable and specifically limited exemptions from the Covenants to Declarant and any other developer or contractor. Any such exemptions shall be granted only upon specific written request, itemizing the exemption requested, the location thereof, the need therefor, and the anticipated duration thereof; and any authorization and approval thereof shall be similarly itemized. No such exemption shall be broader in terms of activity, location, or time than is reasonably required.

17.14 Approval and Subordination. The undersigned, James V. Blacklock, Individually and as Independent Executor of the Estate of C. E. Stanley, Deceased, Lillian V. Stanley and Moriel S. Blacklock, are joining in the execution hereof for the purpose of approving, and they do hereby approve, the terms of this Declaration and for the purpose of subordinating, and they do hereby subordinate, to all of the provisions hereof, any liens, security interests and rights which all or any of them now has or hereafter may have against that portion (and only that portion) of the Property which is located within the boundaries of that certain subdivision known as del Lago Section No. One, a subdivision of Montgomery County, Texas according to the plat thereof recorded in the Map Records of Montgomery County, Texas.

087-01-1675

IN WITNESS WHEREOF, LAKE CONROE INTERESTS, INC., a Texas corporation, has hereunto caused its name to be signed by the signature of its duly authorized official as of the day and year first above written.

LAKE CONROE INTERESTS, INC.

By L. H. Homan, V.P.
L. H. Homan, Vice President

James V. Blacklock
JAMES V. BLACKLOCK, INDIVIDUALLY and as
INDEPENDENT EXECUTOR of the Estate of
C. E. STANLEY, DECEASED.

Lillian V. Stanley
LILLIAN V. STANLEY

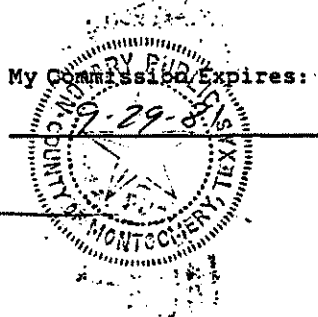
Moriel S. Blacklock
MORIEL S. BLACKLOCK

THE STATE OF TEXAS)
COUNTY OF MONTGOMERY)

BEFORE ME, the undersigned authority, on this day personally appeared L. H. HOMAN, Vice President of LAKE CONROE INTERESTS, INC., a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 17th day of August, 1981.

My Commission Expires:



J. Stanley Hale
Notary Public in and for
The State of Texas

087-01-1676

THE STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day personally appeared James V. Blacklock, Individually and as Independent Executor of the Estate of C. E. Stanley, Deceased, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacities therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 14th day of August, 1981



J. Stanley Hale
Notary Public in and for the State of Texas

My Commission Expires:
9-29-81

THE STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day personally appeared Lillian V. Stanley, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 14th day of August, 1981



J. Stanley Hale
Notary Public in and for the State of Texas

My Commission Expires:
9-29-81

THE STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day personally appeared Moriel S. Blacklock, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 14th day of August, 1981



J. Stanley Hale
Notary Public in and for the State of Texas

My Commission Expires:
9-29-81

087-01-1677

EXHIBIT "A"

BEING 246.8395 acres of land in the John Corner Survey, Abstract No. 8, the Thomas Corner Survey, Abstract No. 10, and the William Atkins Survey, Abstract No. 3, Montgomery County, Texas, and being a portion of the J. V. Blacklock et al property as described in deed recorded in Vol. 636, Page 1 of Montgomery County Deed Records, said 246.8395 acres being more particularly described as follows:

BEGINNING at an iron rod found marking the northwest corner of Walden on Lake Conroe, Section 11, map of which is recorded in Cabinet B, Sheet 180 of Montgomery County Map Records, in the south line of Walden Road (100 foot right-of-way recorded in Vol. 770, Page 923 of Montgomery County Deed Records) in the east line of J. V. Blacklock et al tract, S.43°12'19"W., 70.11 feet from the original northeast corner of same for the northeast corner of herein described tract;

THENCE S.43°12'19"W., along the east line of said Blacklock et al tract and the west line of Walden on Lake Conroe, Section 11 for a distance of 394.43 feet to an iron rod found for corner;

THENCE S.44°53'36"E., continuing along the east line of said J. V. Blacklock et al tract and the west line of Walden on Lake Conroe, Section 11, at 2692.27 feet pass the southwest corner of Section 11 and the northwest corner of Section 10 of Walden on Lake Conroe, map of which is recorded in Cabinet B, Sheet 9 of Montgomery County Map Records, and continue on in all a total distance of 3487.89 feet to an iron rod found for corner;

THENCE S.44°56'14"W., continuing along the east line of said J. V. Blacklock et al tract and the west line of Walden on Lake Conroe, Section 10 for a distance of 991.06 feet to an iron rod set for corner;

THENCE S.00°40'09"W., continuing along the east line of said J. V. Blacklock et al tract and the west line of Walden on Lake Conroe, Section 10 for a distance of 166.86 feet to an iron rod set for corner at the intersection of the 201 contour line of Lake Conroe as established by the San Jacinto River Authority;

THENCE along the 201 contour line of Lake Conroe with its meanders as follows:

1. N.67°48'03"W., 114.39 feet;
2. N.60°29'12"W., 178.49 feet;
3. N.64°25'09"W., 141.84 feet;
4. N.71°23'59"W., 101.45 feet;
5. N.61°44'15"W., 187.43 feet;
6. N.50°36'34"W., 166.36 feet;
7. N.67°22'13"W., 182.99 feet;
8. N.77°08'32"W., 390.84 feet;
9. S.32°51'08"W., 84.39 feet;
10. S.19°42'39"W., 79.88 feet;
11. S.03°19'44"W., 62.15 feet;
12. S.07°53'48"E., 113.99 feet;
13. S.57°49'57"E., 66.33 feet;
14. S.37°36'30"E., 93.53 feet;
15. S.22°24'40"E., 233.33 feet;
16. S.50°47'41"W., 134.44 feet;
17. N.75°42'21"W., 120.35 feet;
18. S.33°04'09"W., 136.44 feet;
19. S.12°07'52"E., 176.78 feet;
20. S.72°05'18"W., 88.17 feet;
21. N.70°12'34"W., 105.68 feet;
22. S.68°17'07"W., 77.12 feet;
23. N.75°58'11"W., 80.47 feet;
24. N.18°43'32"W., 146.74 feet;
25. N.43°04'23"W., 61.36 feet;
26. N.48°35'42"W., 73.71 feet;
27. N.59°28'22"W., 42.64 feet;
28. N.32°35'39"W., 119.80 feet;
29. N.72°24'58"W., 77.85 feet;

087-31-1678

30. N.85°31'09"W., 194.68 feet;
31. N.37°24'18"W., 170.21 feet;
32. N.05°16'38"W., 99.17 feet;
33. N.25°57'26"E., 105.31 feet;
34. N.06°30'34"E., 150.17 feet;
35. N.47°00'04"E., 193.09 feet;
36. N.25°03'29"E., 190.68 feet;
37. N.12°08'29"E., 206.80 feet;
38. N.06°54'39"W., 99.78 feet;
39. N.36°18'18"W., 94.67 feet;
40. N.24°28'02"W., 76.28 feet;
41. S.06°03'08"E., 80.18 feet;
42. S.27°26'55"E., 98.40 feet;
43. S.28°22'25"W., 135.88 feet;
44. S.43°25'18"W., 368.24 feet;
45. S.53°48'18"W., 176.60 feet;
46. S.76°02'05"W., 101.04 feet;
47. S.67°15'57"W., 173.81 feet;
48. N.87°01'08"W., 139.67 feet;
49. N.19°45'04"W., 127.74 feet;
50. N.22°29'58"W., 143.43 feet;
51. N.13°40'10"W., 169.68 feet;
52. N.44°54'16"W., 144.65 feet;
53. S.79°43'17"W., 141.11 feet;
54. N.54°46'56"W., 246.55 feet;
55. N.24°54'19"W., 160.09 feet;
56. N.14°42'16"W., 79.83 feet;
57. N.59°32'32"W., 91.30 feet;
58. N.69°28'58"W., 147.59 feet;
59. N.55°10'13"W., 78.10 feet;
60. N.43°39'41"W., 89.17 feet;
61. N.26°03'56"E., 70.35 feet;
62. N.01°24'14"E., 69.23 feet;
63. N.15°50'47"E., 154.89 feet;
64. N.17°55'55"E., 138.99 feet;
65. N.38°29'40"E., 51.58 feet;
66. N.26°23'41"W., 36.56 feet;
67. N.66°09'03"W., 84.03 feet;
68. N.61°07'33"W., 80.90 feet;
69. N.51°52'33"W., 61.57 feet;
70. N.61°42'33"W., 63.10 feet;
71. S.80°42'27"W., 187.20 feet;
72. S.88°32'08"W., 121.83 feet;
73. S.78°36'41"W., 88.57 feet to an iron rod found for the south-

east corner of a 62.2957 acre tract, deed of which is recorded under film code #55-01-1839 of the Real Property Records of Montgomery County for the southwest corner of herein described tract;

THENCE N.45°01'32"E., along the east line of said 62.2957 acre tract for a distance of 2094.90 feet to an iron rod found for the northeast corner of same and the northwest corner of herein described tract in the south line of Walden Road;

THENCE N.88°42'03"E., along the south line of Walden Road for a distance of 1531.24 feet to the point of beginning and containing 246.8395 acres of land.

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify that this instrument was filed
in File Number Sequence on the date and at the
time stamped herein by me, and was duly RECORDED
in the official Public Records of Real Property of
Montgomery County, Texas.

AUG 17 1991



Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

FILED FOR RECORD

1991 AUG 17 PM 2:04

Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

8857728

REAL PROPERTY RECORDS

AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS,
ASSESSMENTS, CHARGES, SERVITUDES,
LIENS, RESERVATIONS AND EASEMENTS

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, ASSESSMENTS, CHARGES, SERVITUDES, LIENS, RESERVATIONS, AND EASEMENTS (herein called the "Amended Declaration") is made as of the 10th day of November, 1988, pursuant to the affirmative vote of fifty-one percent (51%) of the votes authorized to be cast by Voting Owners in accordance with section 13.02 of the Original Declaration (as defined below).

R E C I T A L S:

A. On August 17, 1981, Lake Conroe Interests, Inc., a Texas corporation (the "Original Declarant"), did file a certain Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements (the "Original Declaration") in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8130826 covering the Property (as defined below).

B. Due to foreclosure of a substantial portion of the Property under defaulted loans extended to the Original Declarant by various lenders, the Original Declarant no longer holds title to any part of the Property.

C. The Owners (as defined below) desire to amend and restate the Original Declaration pursuant to the authority granted in sections 13.02 and 13.03 of the Original Declaration due to the change in ownership of the Property.

D. Pursuant to a meeting of the Owners held on April 4, 1988, duly called pursuant to section 13.03 of the Original Declaration, the affirmative vote of more than 51% of the required votes authorized to be cast by the Owners was received approving the amendment and restatement of the Original Declaration pursuant to the terms herein.

NOW, THEREFORE, the Original Declaration is hereby amended and restated pursuant to the terms herein and the Property shall be held, sold, and conveyed subject to the Covenants (as defined below).

ARTICLE I

DEFINITIONS

The following words, phrases, or terms used in this Declaration shall have the following meanings:

A. "Additional Properties" shall mean properties added in accordance with Article XV hereof.

B. "Amended Declaration" shall mean this Amended and Restated Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations, and Easements, as amended or supplemented from time to time.

C. "Amenities" shall mean the parts of the Open Areas which are designed for recreational or social activities, including without limitation the golf course, clubhouse, tennis courts, and swimming pool, which are presently owned by Del Lago Conference and Resort, Inc., a Texas corporation ("Del Lago, Inc.").

D. "Annual Assessment" shall mean the charge levied and assessed each year against each Lot.

E. "Assessable Property" shall mean the entire Property, except such part or parts thereof as may from time to time constitute Exempt Property.

F. "Assessment Lien" shall mean the lien created and imposed by Article IV.

G. "Association" shall mean Del Lago Owners Association, a Texas non-profit corporation, organized to administer and enforce the Covenants and to exercise the rights, powers, and duties set forth in this Amended Declaration.

H. "Association Land" shall mean such part or parts of the Property, together with the buildings, structures, and improvements thereon, if any, as may be owned at any time by the Association, for as long as the Association is the owner thereof.

I. "Board" shall mean the Board of Directors of the Association.

J. "By-laws" shall mean the By-laws of the Association as the same may from time to time be amended or supplemented.

K. "Condominium Unit" shall mean a condominium unit and all common elements appurtenant thereto, created by the formation of a condominium regime pursuant to Texas law and actually constructed and completed on a part of the Property.

L. "Covenants" shall mean the covenants, conditions, assessments, charges, servitudes, liens, reservations, and assessments set forth herein.

M. "Deed" shall mean a deed or other instruments conveying the fee simple title to all or any portion of the Property.

N. "Dwelling Unit" shall mean any portion of a building situated on the Property designed and intended for use and occupancy as a residence by a single family.

O. "Exempt Property" shall mean the following parts of the Property:

(1) All land and Permanent Improvements owned by or dedicated to and accepted by the United States, the State of Texas, Montgomery County, or any political subdivision thereof, for as long as such entity or political subdivision is the Owner thereof, or for so long as said dedication remains effective;

(2) All Association Land for as long as the Association is the Owner thereof; and

(3) All Open Areas as defined in Paragraph T below.

P. "Hotel Unit" shall mean a room within a building (other than a single family residence) operated as a motel or hotel in which members of the public obtain sleeping accommodations for consideration.

Q. "Lot" shall mean any lot, tract, or parcel of the Property (with the exception of any common area, if any, and any Open Areas reserved by the Original Declarant on any plat) shown upon a plat or plats of the Property or any part thereof now or hereafter filed for record in the Map and Plat Records of Montgomery County, Texas (as such plat or plats may be amended from time to time); provided, however, with respect to any such lot, tract or parcel on which there is constructed one or more Condominium Units or Hotel Units the term "Lot" shall, from the date of completion of the first such Condominium Unit or Hotel Unit, mean each Condominium Unit or Hotel Unit located thereon (together with its interest in the common elements of the condominium regime, if applicable), and the term "Lot" shall not thereafter be deemed to refer separately to any part of the common elements of such regime, including without limitation the land included therein.

R. "Maintenance Charges" shall mean any and all costs assessed pursuant to Section 11.02 and 11.03.

S. "Member" shall mean each and every Owner.

T. "Open Areas" shall mean those areas of the Property (including, without limitation, water plant, sewer plant, drill sites, golf course, clubhouse, tennis courts, conference center and swimming pool) which are not designated by number as lots on the Plat but excluding any such areas on which a permanent structure containing Hotel Units or Condominium Units are constructed. The ownership of such Open Areas were reserved to the Original Declarant and its successors and assigns pursuant to the Original Declaration and are presently owned by Del Lago, Inc., DL Utilities, Inc., a Texas corporation, and other assignees of the Original Declarant. The streets shown on such plats, unless otherwise stated on such plats, have not been dedicated to the public and are private streets owned by the Association.

U. "Owner" shall mean the person or persons, entity or entities, who either own of record fee simple title to a Lot, or have entered as an original party, successor or assignee, into a Contract for Deed for a Lot; the term "Owner" to exclude any person or persons, entity or entities, having an interest in a Lot merely as security for the performance of an obligation. For the purposes hereof, the term "Contract for Deed" shall be any executed contract containing as its title or as part of its title the term "Contract for Deed" pursuant to which a person is acquiring a Lot on an installment basis whereby the Seller does not transfer fee simple title to the Lot until such person has satisfied all of the terms and conditions of such contract.

V. "Permanent Improvements" shall mean all buildings, structures, and other matters and things which, at the time of the assessment of each Annual Assessment, are taxable by the State of Texas or a political subdivision thereof (including without limitation Montgomery County) as real property under applicable law.

W. "Plat" shall mean the subdivision plat of a portion of the Property presently on file in the Map and Plat Records of Montgomery County, Texas, and any other plat or plats of all or any portion of the Property now or hereafter filed for record in the Map and Plat Records of Montgomery County, Texas, (as such plat or plats may be amended from time to time).

X. "Property" shall mean:

(1) The land described on Exhibit "A" attached hereto and made a part hereof for all purposes; and

(2) From and after the addition of each parcel of land subjected to this Amended Declaration pursuant to Article XV hereof, each such new parcel of land.

Y. "Residential Lots" shall mean any Lot which is zoned or used for residential purposes.

Z. "Special Assessment" shall mean any assessment levied and assessed pursuant to Section 3.02.

AA. "Special Use Fees" shall mean special fees which an Owner or any other person is obligated by his Deed or by contract to pay to the Association over, above and in addition to any such assessments, charges, and fees as are levied, assessed, imposed or payable hereunder.

BB. "Subsidiary Association" shall mean any Texas non-profit corporation which is organized and exists pursuant to or for the purpose of administering and enforcing the provisions of any Subsidiary Declaration.

CC. "Subsidiary Declaration" shall mean any declaration of covenants, conditions, assessments, charges, servitudes, liens, reservations, easements, or restrictions applicable to any portion of the Property which is recorded after the effective date hereof or which is otherwise subject hereto.

DD. "Supplemental Declaration" shall mean a supplement to this Declaration recorded as provided in Article XV.

EE. "Voting Owners" shall mean those Owners who, pursuant to Section 8.02, have voting rights.

added by amendment 9/10/44 11/20/45
added by amended 9333449 12/23/93

PF. Vacant Lot
G.G. Improvement

H.H. added by amendment structure 9333449 6/23/93

ARTICLE II

COVENANTS BINDING ON PROPERTY, OWNERS, AND ASSOCIATION

2.01 Property Bound. From and after the date of recordation of this Declaration, the Property shall be subject to the Covenants, and the Covenants shall run with, be for the benefit of, bind, and burden the Property.

2.02 Owners Bound. From and after the date of recordation of this Amended Declaration, the Covenants shall be binding upon and inure to the benefit of each Owner and his heirs, executors, administrators, personal representatives, successors, and assigns, whether or not so provided or otherwise mentioned in the Deed. Each Owner, for himself, his heirs, executors, administrators, personal representatives, successors, and assigns, expressly agrees to pay, and to be personally liable for, the assessments provided for hereunder, and to be bound by all of the Covenants herein set forth. Each

Owner shall be and remain personally liable, regardless of whether he has transferred title to his Lot, for the amount of assessments (together with interest, costs, and attorneys' fees as provided in Section 3.04) which became due while he was an Owner. No Owner shall escape personal liability for the assessments herein provided by non-use of Association Land or by transfer or abandonment of his Lot.

2.03 Association and Subsidiary Association Bound. The Covenants shall be binding upon and shall inure to the benefit of the Association and any such Subsidiary Association.

ARTICLE III

ASSESSMENTS

3.01 Annual Assessments. In order to provide funds for the purposes and uses specified in Article VI hereof, the Board in each year shall assess against the Assessable Property such charges as the Board in its discretion deems appropriate. In determining the amount of assessment for the Assessable Property, the Board shall consider current maintenance costs, estimated increases of maintenance costs, and needs of the Association for the applicable year.

3.02 Special Assessments. In addition to the Annual Assessments authorized above, the Association may at any time and from time to time levy Special Assessments to meet other needs or requirements of the Association and the properties for which it is responsible, including without limitation, assessments for the cost of any construction, reconstruction, repair, or replacement of capital improvements upon the Association Land. The Board shall establish Special Assessments in the manner provided in the By-laws of the Association; provided, however, that no Special Assessment shall be levied without the prior approval of at least two-thirds (2/3) of all Voting Owners who are voting in person or by proxy at a meeting duly called for that purpose in accordance with the provisions of the By-laws.

3.03 Assessment Period. The Board shall establish either a calendar or fiscal year (herein called the "Assessment Period") for which the Annual Assessment is to be levied. The Board in its sole discretion may from time to time change the Assessment Period.

3.04 Allocation of Assessments. The Owners of all Assessable Property shall share in the responsibility for payment of the Annual Assessments and the Special Assessments as follows:

(a) All Residential Lots (including all Condominium Units and Hotel Units) shall bear the Annual and Special Assessments equally. The proportionate share of Annual and Special Assessments to be borne by any Lot which is not a Residential Lot shall be a percentage which the Board in its discretion shall determine; provided, however, that the ratio of (i) the proportion of such assessments allocated

to any such Lot which is not a Residential Lot to (ii) the proportion of such assessments borne by each Residential Lot, shall not exceed the fraction obtained by dividing (x) the number of square feet contained in such Lot which is not a Residential Lot (or if greater, the number of total square feet of enclosed, air conditioned floor space contained in buildings located thereon) by (y) 6,000. For example, if each Residential Lot is required to pay .5% of the total Annual and Special Assessments, then a commercial Lot with 12,000 square feet of land and 5,000 square feet of enclosed, air conditioned floor space could not be required to pay more than 1% of such assessments: .5% times (12,000 divided by 6,000) = 1%.

(b) The Board shall make the calculations required in subparagraph (a) above, and shall prepare and forward to each Owner a statement setting forth the amount of the Annual Assessment or Special Assessment assessed against each Lot, stated in terms of the total sum due and owing, and the amounts payable if paid in installments; provided that the dates of any installment payments shall be set forth, and no installment shall be due less than thirty (30) days from the date of the mailing of such statement.

(c) All delinquent payments of Annual Assessments and Special Assessments shall bear interest at the lesser of (i) eighteen percent (18%) per annum, or (ii) the maximum rate allowed under applicable law from such due date until paid, and the Owner shall be deemed to have agreed in writing to the payment of such interest and all costs, including attorneys' fees which may be incurred by the Association in collecting same.

3.05 Rules Regarding Billing and Collection Procedures. The Association shall have the right to adopt rules and regulations setting forth procedures for the purpose of making the assessments provided herein and for the billing and collection of the Annual and Special Assessments and the Maintenance Charges, provided that said procedures are not inconsistent with the provisions hereof.

ARTICLE IV

IMPOSITION OF LIEN; EXEMPTIONS; OWNERS' AGREEMENT

4.01 Imposition of Assessment Lien and Priority of the Lien. Each lot shall be charged with and subject to a continuing servitude and lien from the date of recordation of the Original Declaration as amended by this Amended Declaration for the amount of the Annual and Special Assessments assessed and levied against each such Lot and for Maintenance Charges. The lien (herein called the "Assessment Lien") against each such Lot shall be superior to any and all other charges, liens, or encumbrances which hereafter in any manner may arise or be imposed upon each such Lot, except that such Assessment Lien shall be subject and subordinate to liens for taxes and other public charges which by applicable law are expressly made superior.

4.02 Owners' Covenants. Each Owner, for himself, his heirs, executors, administrators, personal representatives, successors, and assigns, covenants and agrees:

(i) That he will pay to the Association when due the Annual and Special Assessments assessed by the Association in each year against his Lot, together with any Maintenance Charges imposed;

(ii) That he acquires his Lot subject to the Annual and Special Assessments and Maintenance Charges and Assessment Lien; and

(iii) That by accepting a Deed to his Lot, he shall be, and remain, personally liable for any and all Annual and Special Assessments and Maintenance Charges assessed against his Lot while he is (or was) the Owner thereof, regardless of whether such covenants or agreements are expressed in such Deed and regardless of whether he signed the Deed.

ARTICLE V

ENFORCEMENT OF PAYMENT OF ANNUAL AND SPECIAL ASSESSMENTS AND MAINTENANCE CHARGES AND OF ASSESSMENT LIEN

5.01 Association as Enforcing Body. The Association, as the agent and representative of the Owners, shall have the exclusive right to enforce the provisions of this Amended Declaration. However, if the Association shall fail or refuse to enforce this Amended Declaration for an unreasonable period of time, after written request to do so, then any Owner may enforce them on behalf of the Association by any appropriate action, whether at law or in equity.

5.02 Association's Enforcement Remedies. If the Owner of any Lot fails to pay the Annual or Special Assessments or installments when due, or to pay Maintenance Charges assessed; the Association may enforce the payment of the Annual or Special Assessments, Maintenance Charges, and/or the Assessment Lien by taking either or both of the following actions, concurrently or separately (and, by exercising either of the remedies hereinafter set forth, the Association does not prejudice the exercise of the other remedy):

(a) Bring an action at law and recover judgment against the Owner personally obligated to pay the Annual or Special Assessments or the Maintenance Charges;

(b) Enforce the Assessment Lien against the Lot by any means available at law or in equity, including without limitation a non-judicial foreclosure sale of the Lot, such sale to be conducted in the manner set forth in Section 51.002 of the Texas Property Code of the Revised Civil Statutes of Texas, as the same may be amended or supplemented from time to time. The Association or any other Owner may be the purchaser at any such foreclosure sale.

5.03 Subordination of the Lien to First Mortgage or Deed of Trust. The Assessment Lien provided for herein shall be subordinate to any first mortgage lien held by, or deed of trust which the beneficiary is an institutional lender which is chartered (or licensed) by the United States or any state within the United States. The sale or transfer of any Lot shall not affect the Assessment Lien, provided, however, that if the sale or transfer is pursuant to foreclosure of such a mortgage or deed of trust, or pursuant to any sale or proceeding in lieu thereof, the purchaser at the mortgage

foreclosure or deed of trust sale, or any grantee taking by deed in lieu of foreclosure, shall take the Lot free of the Assessment Lien for all Annual and Special Assessments and Maintenance Charges that have accrued up to the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure; but upon the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure, the Assessment Lien immediately shall become and remain superior to any and all other charges, liens, or encumbrances (except liens for taxes or other public charges which by applicable law are expressly made superior), and such mortgage or deed of trust foreclosure sale purchaser or grantee shall take subject to all Annual and Special Assessments, Maintenance Charges, and the Assessment Lien therefor accruing subsequent to the date of issuance of a sheriff's or trustee's deed or deed given in lieu of foreclosure.

5.04 Costs to be Borne by Owner in Connection with Enforcement. In any action taken pursuant to Section 5.02 of this Article, the Owner shall be personally liable for, and the Assessment Lien shall be deemed to secure the amount of, the Annual and Special Assessments and Maintenance Charges together with interest and the Association's costs and attorneys' fees.

ARTICLE VI

USE OF FUNDS; BORROWING POWER

6.01 Purpose For Which Association's Funds May Be Used. The Association shall apply all funds and property collected and received by it (including the Annual and Special Assessments, fees, loan proceeds, surplus funds, and all funds and property received by it from any other source) for the common good and benefit of the Property and the Owners by devoting said funds and property, among other things, to the acquisition, construction, alteration, maintenance, provision and operation, by any manner or method whatsoever, of any and all land, properties, improvements, facilities, services, projects, programs, studies, and systems, within or without the Property, which may be necessary, desirable, or beneficial to the general common interests of the Property and the Owners. The following are some, but not all, of the areas in which the Association may seek to aid, promote, and provide for such common benefit: landscaping, recreation, communications, education, transportation, health, utilities, public services, culture, and safety. The Association may also expend its funds for any purposes which any municipality may expend its funds under the laws of the State of Texas or such municipality's charter, including by way of illustration all purposes (enumerated or implied) for which the City of Houston may expend its funds pursuant to the charter of the City of Houston. Without limiting the foregoing, it is expressly provided that the Association shall have the responsibility for maintaining all of the streets and roads constructed on the Property and shown on the Plat. The record ownership of such streets shall be in the Association, and the Association shall hold title to same subject to the terms and provisions of this Amended Declaration and any Subsidiary Declaration.

6.02 Borrowing Power. The Association may borrow money in such amounts, at such rates, upon such terms and security, and for such periods of time as is necessary or appropriate.

6.03 Association's Rights in Spending Funds from Year to Year. The Association shall not be obligated to spend in any year all the sums received by it in such year (whether by way of Annual or Special Assessments, fees, or otherwise), and may carry forward as surplus any balance remaining. Nor shall the Association be obligated to apply any such surpluses to the reduction of the amount of the Annual Assessment in the succeeding year, but may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of the Association and the effectuation of its purpose.

6.04 Administration of Special Use Fees. The Association is authorized to bill for, sue for, collect, administer, and disperse all Special Use Fees and the payment thereof shall be secured by the Assessment Lien; provided, however, that all Special Use Fees collected shall, if imposed in connection with a particular improvement, to be separately accounted for as to each separate improvement to which they pertain and shall be expended on the particular improvements to which they pertain.

ARTICLE VII

RIGHTS AND POWERS

7.01 Association's Rights and Powers as Set Forth in Articles and By-laws. In addition to the rights and powers of the Association set forth in this Amended Declaration, the Association shall have such rights and powers as are set forth in its Articles of Incorporation and its By-laws (as amended from time to time). Such rights and powers may encompass any and all things which a natural person could do or which now or hereafter may be authorized by law, provided such Articles and By-laws are not inconsistent with the provisions of this Amended Declaration and are necessary, desirable, or convenient for effectuating the purposes set forth in this Amended Declaration. A copy of the Articles and By-laws of the Association shall be available for inspection at the office of the Association during reasonable business hours. Copies of said Articles and By-laws may be purchased for such reasonable fees as may be prescribed by the Association.

7.02 Association's Right of Enforcement. The Association, as the agent and representative of the Owners, shall have the right to enforce the Covenants set forth in this Declaration and/or any and all covenants, restrictions, reservations, charges, servitudes, assessments, conditions, liens, or easements provided for in any contract, deed, declaration, or instrument affecting all or any part or parts of the Property. Any such instrument shall have been executed pursuant to, or subject to, the provisions of this Amended Declaration, or otherwise shall indicate that the provisions of such instrument were intended to be enforced by the Association or by any Subsidiary Association; provided, however, that any such instrument that is recorded subsequent to recordation of this Amended Declaration shall at all times be subordinate and inferior to this Amended Declaration whether or not so provided in such instrument.

7.03 Contracts with Owners for Performance of Association's Duties. Subject to the restrictions and limitations contained herein, the Association may enter into contracts and transactions with others and such contracts or transactions shall not be invalidated or in any way affected by

the fact that one or more directors of the Association is employed by or otherwise connected with the contracting party, provided that the fact of such interest shall be disclosed or known to the other directors acting upon such contract or transaction, and provided further that the transaction or contract is fair and reasonable; and any such director may be counted in determining the existence of a quorum at that meeting of the Board which shall authorize any such contract or transaction and may vote thereat to authorize any such contract or transaction with like force and effect as if he were not so interested.

7.04 Mergers, Consolidations and Federations. The Association shall have the right and power to participate in mergers, consolidations, and federations with any other non-profit corporations or associations regardless of whether the objects, purposes, rights, and powers of such non-profit corporations or associations are less than, the same as, or greater than those of the Association. Any proposed merger, consolidation, or federation shall not be effective or voted upon by the Owners without prior approval of the Board of the Association. Any such mergers, consolidations, or federations shall be consummated only upon an affirmative vote of two-thirds (2/3) of the votes cast by the Voting Owners at an election held for such purpose in the manner provided in Section 13.03. Upon any such merger or consolidation, all of the properties, rights, and obligations of the other non-profit corporation or association shall be transferred to and assumed by the Association as the survivor, or alternatively, all the properties, rights, and obligations of the Association shall be transferred to and assumed by the surviving or newly created non-profit corporation or association.

ARTICLE VIII

MEMBERSHIP

8.01 Membership in the Association. Each and every Owner, by virtue of being an Owner, automatically shall be a Member of the Association, and shall thereafter remain such for as long as such ownership continues. Such membership shall be appurtenant to and pass with the title of any Lot and may not be in any manner alienated or encumbered except as an appurtenance thereto as part and parcel thereof; provided, however, that no such change of ownership shall be effective for voting purposes, unless and until the Association is given actual notice and is provided satisfactory proof thereof. When more than one person holds an interest in any Lot, all such persons shall be Members.

8.02 Voting Rights. Voting rights, which shall be exercisable only at such time and in such manner as shall be provided in the Articles, shall be vested in all Members who are Owners of Assessable Property. The Voting Owners shall be entitled to one vote for each Lot owned; provided, however, that there shall not be more than one Voting Owner on account of ownership in any single Lot. If the Voting Owner consists of more than one person, such persons shall decide who among themselves shall cast the vote.

8.03 Board of Directors. The Articles of Incorporation of the Association will provide that the Board, which shall have the exclusive right of determining and transacting the affairs of the Association, will consist of three (3) directors, each

of whom, and each of whose replacement, shall be a Voting Owner or an employee, representative, or designee of a Voting Owner, and who shall be elected and subject to removal by the Voting Owners pursuant to the By-laws. The directors of the Association may also serve as directors of one or more Subsidiary Associations. Further, the By-laws of the Association shall provide that the Board shall not have the authority to enter into contracts, agreements or to otherwise conduct business on behalf of the Association with any member of the Board or any affiliate of such member.

ARTICLE IX

EASEMENT AND RIGHTS OF ENJOYMENT IN ASSOCIATION LANDS; RESERVATIONS OF DECLARANT

9.01 Owners' Easements and Rights of Enjoyment in Association Lands. Subject to the controls and limitations set forth in this Amended Declaration, every Owner, by reason of such ownership, and his family members, licensees and invitees, shall have a right and easement of enjoyment in and to all Association Lands, and such easement shall be appurtenant to and shall pass with title to every Lot upon transfer. All residents shall have a non-transferable privilege to use and enjoy all Association Lands for as long as they remain residents.

9.02 Rules Regulating Use of Association Lands. All rights, easements, and privileges granted and conferred under Section 9.01 shall be subject to the exclusive right of the Association to adopt from time to time reasonable rules and regulations pertaining to the use of Association Lands. Said rules and regulations shall be such that they serve to promote the best interests of the Owners with respect to the preservation of the Association Lands or the safety and convenience of the users thereof.

9.03 Fee Chargeable to Certain Classes of Users of Association Lands. All rights, easements, and privileges granted and conferred under Section 9.01 further shall be subject to the exclusive right of the Association to charge Owners and others initiation, admission, and other fees in connection with the use of any or all of the Association Lands. In establishing or adjusting the amounts of such fees from time to time, the Board in its absolute discretion may establish reasonable classifications as or among Owners and other persons. Such fees must be uniform within each such class but need not be uniform from class to class.

9.04 Suspension of Rights of Enjoyment in Connection with Enforcement of the Covenants. The Association shall have the right to suspend the aforesaid rights of enjoyment of any Owner (and the privilege of other persons claiming through such Owner) for (a) any period during which the Annual and Special Assessments or Maintenance Charges assessed to such Owner under Article III hereof remain delinquent and unpaid, or (b) any reasonable period up to but not in excess of ninety (90) days in connection with the enforcement of any of the Association's rules or regulations relating to Association Lands.

9.05 Reservations of Association. The following reservations are hereby made by and for the Association:

(a) The utility easements shown on the Plat are dedicated with the reservation that such utility easements are for the use and benefit of any public utility operating in Montgomery County, Texas, as well as for the benefit of the Association, DL Utilities, Inc. and their successors and assigns to allow for the construction, repairs, maintenance and operation of a system or systems of electric light and power, telephone lines, television cable lines, gas, water, sanitary sewers, storm sewers and any other utility or service necessary or proper.

(b) The Association, and DL Utilities, Inc. reserves the right from time to time to make changes in the location, shape, and size of, and additions to, the easements described in paragraph 9.05(a) for the purpose of more efficiently or desirably installing utilities therein and thereon.

(c) The title conveyed to any of the Property shall not be held or construed to include the title to the water, gas, electricity, telephone, storm sewer or sanitary sewer lines, poles, pipes, conduits or other appurtenances or facilities constructed by the Original Declarant or public utility companies upon, under, along, across or through such utility easements; and the right (but no obligation) to construct, maintain, repair and operate such systems, utilities, appurtenances and facilities is reserved to the Association, DL Utilities, Inc., and their successors and assigns.

(d) The right to sell or lease the lines, utilities, appurtenances and other facilities described in paragraph 9.05(c) to any municipality, governmental agency (including any water control or utility district created under Article XVI, Section 59 of the Texas Constitution covering the Property as well as other lands), public service corporation or other party is hereby expressly reserved to the Association and DL Utilities, Inc.

(e) The Association, DL Utilities, Inc. and their successors or assigns shall not be liable for any damage done by any of such parties or any of their agents or employees to shrubbery, trees, flowers or other property of an Owner situated on the Lots covered by the above described utility easements.

(f) The right to enter upon any Lots or Lots during installation, repair and maintenance of streets for the purpose of performing street excavation, construction, and paving is hereby reserved to the Association, its successors and assigns, and neither the Association nor its successors or assigns shall be liable for any damage done by any such parties or any of their agents or employees to shrubbery, trees, flowers or other property of the Owner which is necessitated by such street construction, repair and maintenance.

ARTICLE X

ARCHITECTURAL CONTROL

No building, fence, wall, sign, exterior light, or other structure or apparatus, either permanent or temporary, shall be commenced, erected, placed, or maintained upon the Property (or

any Lot constituting a part thereof), nor shall any exterior addition thereto, change therein or alteration, excavation, subdivision, or re-subdivision thereof, including without limitation, changes in or alteration of grade, landscaping, roadways, and walkways, be made until the plans and specifications showing the nature, kind, shape, height, materials, color, location, and other material attributes of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by Del Lago, Inc., or by an architectural committee composed of three (3) or more representatives appointed by Del Lago, Inc. In the event Del Lago Inc., or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required, and this Article X will be deemed to have been fully complied with.

*Added
973/1154
5/16/97*

*10.02 Amended Declaration
10.24 - Enforcement*

ARTICLE XI

MAINTENANCE

11.01 Association Lands. The Association, or its duly delegated representative, shall maintain and otherwise manage all Association Land, including, but not limited to, the landscaping, walkways, riding paths, parking areas, drives, streets, and recreational facilities, roofs, interiors and exteriors of the buildings and structures located upon said properties. The Board shall use a reasonable standard of care in providing for the repair, management, and maintenance of said property. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of said properties shall be taken by the Board or by its duly delegated representative.

11.02 Assessment of Costs of Maintenance and Repair of Association Lands. In the event that the need for maintenance or repair of Association Land is caused through the willful or negligent act of any Owner, his family, guests or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Owner's Lot is subject and shall be secured by the Assessment Lien.

11.03 Improper Maintenance of Other Portions of the Property. In the event any portion of the Property other than Association Lands, is so maintained as to present a public or private nuisance or as to substantially detract from the appearance or quality of the surrounding Lots or other areas of the Property which are substantially affected thereby or related thereto, the Board may by resolution make a finding to this effect, specifying the particular condition or conditions which exist, and pursuant thereto give notice thereof to the offending Owner that unless corrective action is taken within thirty (30) days, the Board will cause such action to be taken at said Owner's costs. If at the expiration of said thirty (30) day period of time the requisite corrective action has not been taken, the Board shall be authorized and empowered to cause such action to be taken and the cost thereof shall be added to and become a part of the assessment to which the offending Owner's Lot is subject and shall be secured by the Assessment Lien.

*Amended
9/10/94 11/28/90*

11.04 Maintenance of Vacant Lots

*Added
9/10/94
11/28/90*

ARTICLE XII

USE RESTRICTIONS

12.01 All Properties. All Lots within the Property are hereby restricted as follows:

(a) Antennas. No exterior television, radio, or other antenna of any type shall be placed, allowed, or maintained upon any Lot without prior written approval and authorization of the Association.

(b) On Street Parking. On street parking is restricted to approved deliveries, pick-up or short-time guests and invitees and shall be subject to such reasonable rules and regulations as shall be adopted by the Association.

(c) Storage. No exterior storage of any items of any kind shall be permitted, except with prior written approval and authorization of the Association. Any such storage as is approved and authorized shall be in areas attractively screened or concealed (subject to all required approvals as to architectural control) from view from neighboring property, dwelling units, pathways, and streets. This provision shall apply, without limitation, to woodpiles, camping trailers, boat trailers, travel trailers, boats, mobile homes, and unmounted pick-up camper units. Also, without limitation, no automobile, truck, or other vehicle, regardless of ownership, age, condition, or appearance, shall remain on any Lot in any manner which could be construed as being stored, neglected, abandoned, or otherwise not in frequent use, except pursuant to written approval and authorization of the Association.

(d) Garbage. No garbage or trash shall be placed on the exterior of any building, except in containers meeting the specifications of the Association, and the placement, maintenance, and appearance of all such containers shall be subject to reasonable rules and regulations of the Association. All rubbish, trash and garbage shall be regularly removed from each Lot and shall not be allowed to accumulate thereon.

(e) Outside Speakers and Amplifiers. No radio, stereo, broadcast, or loudspeaker units and no amplifiers of any kind shall be placed upon or outside, or be directed to the outside of any building without prior written approval and authorization of the Association.

(f) Outside Lighting. No outside lighting, other than indirect lighting, shall be placed, allowed, or maintained on any Lot without prior written approval and authorization of the Association.

(g) Animals. No animals, reptiles, fish, or birds of any kind shall be raised, bred, or kept on any Lot except pursuant to prior written approval of and in accordance with rules and regulations promulgated by the Association, provided, however, that dogs, cats, birds, or fish may be kept thereon as household pets so long as, in the discretion of the Association, such pet is not, or does not become, a nuisance, threat, or otherwise objectionable to other Owners.

(h) Re-subdivision. No Lot shall be further subdivided and no portion less than all of any such Lot, or any easement or other interest therein, shall be conveyed by any Owner without the prior written authorization and approval of the Association.

(i) Diseases and Insects. No Owner shall permit any thing or condition to exist upon any Lot which shall induce, breed, or harbor plant disease or noxious insects.

(j) Sidewalk Encroachments. No tree, shrub, or plant of any kind on any Lot shall be allowed to overhang or otherwise encroach upon any sidewalk or any other pedestrian way from ground level to a height of seven (7) feet without the prior written approval and authorization of the Association.

(k) Machinery, Fixtures, and Equipment. No machinery, fixtures, or equipment of any type, including without limitation, air conditioning or refrigeration equipment and clothes lines, shall be placed, allowed, or maintained upon the ground on any Lot, except with prior written approval and authorization of the Association in areas attractively screened or concealed (subject to all required approvals as to architectural control) from view of neighboring property, dwelling units, pathways, and streets; and no such machinery, fixtures, or equipment shall be placed, allowed, or maintained anywhere other than on the ground (such as on the roof) except if screened or concealed (subject to all required approvals as to architectural control) in such manner that the screening or concealment thereof appears to be part of the integrated architectural design of the building and does not have the appearance of a separate piece or pieces of machinery, fixtures, or equipment.

(l) Utility and Service Lines. No gas, electric, power, telephone, water, sewer, cable television, or other utility or service lines of any nature or kind shall be placed, allowed, or maintained upon or above the ground on any Lot, except to the extent, if any, underground placement thereof may be prohibited by law or would prevent the subject line from being functional. The foregoing shall not prohibit service pedestals and above ground switch cabinets and transformers where required.

(m) Burning and Incinerators. No open fires shall be permitted on any Lot at any time and no incinerators or like equipment shall be placed, allowed or maintained upon any Lot. The foregoing shall not be deemed to preclude the use, in customary fashion, of outdoor residential barbecues or grills.

(n) Signs. No exterior signs or advertisements of any kind may be placed, allowed, or maintained on any Lot without prior approval and authorization of the Association, except that mailboxes, residential nameplates, and "for sale" and "for rent" signs may be placed and maintained in conformity with such common specifications, including without limitation, reasonable restrictions as to size, as may be adopted by the Association.

(o) Repairs. No repairs of any detached machinery, equipment, or fixtures, including without limitation motor vehicles, shall be made upon any portion of any Lot within

*Deleted:
replaced
amendment
9/23/95
6/23/96*

view of neighboring property, dwelling units, pathways, and streets, without prior written approval and authorization of the Association.

(p) Oil, Gas, and Mineral Activity. With respect only to the Property as defined herein (and excluding any additional land added pursuant to Article XV), it is expressly provided that no oil or gas exploration, drilling, development, or refining operations and no quarrying or mining operations of any kind, including oil wells, surface tanks, tunnels, or mineral excavations or shafts shall be permitted upon or under any Lot; and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted on any Lot. By instrument dated July 24, 1981, the Original Declarant's predecessor in title to the Property caused to be executed by the owner of the oil, gas, and other mineral lease executive rights in the Property, an agreement (the "Drill Site Agreement") designating two drill sites and certain Mineral Owner's Ingress and Egress Easements, from which oil, gas, coal, and other minerals and commodities of value in and under the Property and other properties in which the said Mineral Owner owns a mineral interest, or lands pooled therewith, would be required to conduct operations. As required by the Drill Site Agreement, the Original Declarant reserved the right in the Original Declaration, without the joinder of any of the Owners of any of the Lots in the Property, to agree in writing with the Mineral Owner that the Mineral Owner, its successors or assigns, may purchase, free and clear of these Covenants but subject to the provisions of the Drill Site Agreement as to use and occupancy, additional drill sites at other locations within the Property other than portions of the Property which are platted for residential uses, for the purposes of providing, at a price and upon terms set forth in such future agreement, if any, substitute surface sites and easement to replace any of the "Surface Sites and Easements" (as defined in the Drill Site Agreement) that may be taken or rendered useless to the Mineral Owner by eminent domain or otherwise. The foregoing right reserved by the Original Declarant is now held by Del Lago, Inc.

(q) Septic Tanks and Sewage Disposal. No septic tank or other means of sewage disposal may be installed unless previously approved in writing by all governmental authorities having jurisdiction with respect thereto, and by the Association. No outside toilets of any kind are permitted, and no installation of any type of device for disposal of sewage shall be allowed which would result in raw or untreated or unsanitary sewage being carried into any body of water.

(r) Water Wells. At no time shall the drilling, usage or operation of any water well be permitted on any Lot.

(s) Firearms and Weapons. No Lot or any other portion of the Property shall be used or permitted for hunting or for the discharge of any pistol, rifle, shotgun, or any other firearm, or any bow and arrow or any other device capable of killing or injuring.

(t) Motor Vehicles. The operation of any and all motorized vehicles within the Property shall be subject to

such rules and regulations as shall from time to time be established by the Association.

(u) Change in Intended Use. No portion of the Property may be developed or redeveloped otherwise than in accordance with its original intended use, without the prior written authorization of the Association.

(v) Misuse and Mismaintenance. No Lot shall be maintained or utilized in such manner as to present an unsightly appearance (including but not limited to clothes drying within public view) or as to unreasonably offend the morale of or as to constitute a nuisance or unreasonable annoyance to, or as to endanger the health of, other Owners or residents of the Property; and no noxious or otherwise offensive condition or activity shall be allowed to exist or be conducted thereon.

(w) Violation of Statutes, Ordinances, and Regulations. No Lot shall be maintained or utilized in such manner as to violate any applicable statute, ordinance, or regulation of the United States of America, the State of Texas, the County of Montgomery, or any other governmental agency or subdivision having jurisdiction over the Property.

(x) Violation of Association Rules or of Covenants, Conditions, or Restrictions. No Lot shall be maintained or utilized in violation of the rules and regulations of the Association or any covenants, conditions, or restrictions applicable to and binding upon said Lot.

(y) Civic Organizations. No civic, community or fraternal organization shall be formed which uses the name "Del Lago" without the prior approval of the Board.

(z) *Landscape restrictions*

ARTICLE XIII

TERM; AMENDMENTS; TERMINATIONS

13.01 Term; Method of Termination. This Amended Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect to and including December 31, 2011. From and after said date, this Amended Declaration, as amended from time to time, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Amended Declaration by the then Voting Owners casting seventy-five percent (75%) of the total votes authorized at an election held for such purpose within six (6) months prior to the expiration of the initial effective period hereof or any ten (10) year extension. This Amended Declaration may be terminated at any time if seventy-five percent (75%) of the votes authorized to be cast by Voting Owners shall be cast in favor of termination at an election held for such purpose.

13.02 Amendments. This Amended Declaration may be amended or changed in whole or in part at any time by the affirmative vote of fifty-one percent (51%) of the votes authorized to be cast by the Voting Owners and the written approval of the Board.

added by amendment 9353449 6/23/93
9731154 added 5-76-97
12.01 (cc) Scott 11-76 for the (bb) prohibited (cc) ptg & prohibited vehicle

13.03 Election Procedures for Amendments and Termination. The affirmative votes required under Section 13.01 or 13.02 may be obtained and evidenced either by a written consent to any such amendment or termination, as the case may be, signed by the requisite percentage of Owners (which such consent shall be in recordable form and presented to the Board) or by the requisite vote by the Owners at a meeting of Owners duly called by at least ten (10) Owners or by the Board pursuant to notice in writing mailed to all of the Owners at their last known addresses on or prior to ten (10) days before the date of the meeting at which meeting the requisite percentage of Owners, in person or by proxy, vote to so amend or terminate this Amended Declaration (and the Covenants herein). The notice of the meeting must set forth the proposal as to amendment or termination of this Declaration (and/or the Covenants therein) and the affirmative vote of the requisite percentage of Owners must be evidenced by minutes of the meeting duly certified by the Owners who called the meeting or the Board. In any event, a copy of the minutes must be delivered to the Board.

13.04 Recording of Amendments or Termination. Upon the requisite percentage of Owners duly voting to amend or terminate this Amended Declaration (and/or the Covenants contained herein) and upon the other conditions set forth in Section 13.01 or 13.02 (as the case may be) and Section 13.03 of this Article being satisfied, then:

(a) In the case of amendment, each amendment shall be executed by the Board, placed in recordable form, and filed of record in the Real Property Records of Montgomery County, Texas accompanied by a statement that the requisite percentage of Owners have voted to make such amendment to this Amended Declaration.

(b) With respect to terminations, the Board shall cause to be recorded in the Real Property Records of Montgomery County, Texas, a certificate of termination duly signed by the Board.

13.05 Effect. Upon the recording of the certificate of termination as required by Section 13.04(b), these Covenants and this Amended Declaration shall have no further force or effect. Upon the filing of an amendment in accordance with Section 13.04(a), this Amended Declaration and the Covenants, as amended, shall remain in full force and effect.

ARTICLE XIV

RESERVATION OF RIGHT TO RESUBDIVIDE AND REPLAT LOTS

Subject to the approval of any and all appropriate governmental agencies having jurisdiction, the Association hereby reserves the right at any time to consent to any resubdivision and replatting of any Lot or Lots.

ARTICLE XV

SUBJECTING ADDITIONAL LANDS TO THE DECLARATION

From time to time the size of the Property may be increased, in the manner provided in this Article, by recording in the Real Property Records of Montgomery County, Texas, a supplement to this Amended Declaration (hereinafter called "Supplemental Declaration"). The Supplemental Declaration

shall be signed and acknowledged by or on behalf of the Board and by the Owner of record of the additional land to be included within the Property and subjected to the Covenants set forth in this Amended Declaration. Each Supplemental Declaration shall:

(a) describe the land to be included as a part of the Property;

(b) state that such land and the Permanent Improvements thereon are expressly subjected to all of the Covenants set forth in this Declaration; and

(c) state that the Owner, for and on behalf of his heirs, executors, administrators, successors, and assigns, agrees that he shall be personally liable for the Annual and Special Assessments and Maintenance Charges imposed hereunder and shall be personally bound by all Covenants set forth in this Amended Declaration.

ARTICLE XVI

OWNERSHIP OF UTILITIES AND AMENITIES

All of the Amenities and all utilities constructed by the Original Declarant (including without limitation all such water, gas, electricity, telephone, television, storm sewer and sanitary sewer lines, poles, pipes, conduits or other appurtenances or facilities) are owned by Del Lago, Inc. and DL Utilities, Inc. and may be sold or dedicated by such entities at any time to any private or public entity on such terms and in such manner as such entities may determine in their sole discretion. Del Lago, Inc. and DL Utilities, Inc. shall have the absolute right to charge fees for the use of any and all of the Amenities and such utilities, it being understood that no Owner shall have any right to the use of same merely by reason of his or its ownership of any portion of the Property.

ARTICLE XVII

MISCELLANEOUS

17.01 Interpretation of the Covenants. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Amended Declaration. In the absence of any adjudication, the Association's construction or interpretation of the provisions hereof shall be final, conclusive, and binding as to all persons and property benefited or bound by the Covenants and provisions hereof.

17.02 Severability. Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

17.03 Rule Against Perpetuities. If any interest purported to be created by this Amended Declaration is challenged under the Rule against Perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the

"lives in being" for computing the period of perpetuities shall be (a) those which would be used in determining the validity of the challenged interest, plus (b) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.

17.04 Change of Circumstances. Except as otherwise expressly provided in this Amended Declaration, no change of conditions or circumstances shall operate to extinguish, terminate, or modify any of the provisions of this Declaration.

17.05 Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Amended Declaration, the Association shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities, and duties, provided said rules and regulations are not inconsistent with the provisions of this Amended Declaration.

17.06 Gender and Number. Wherever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.

17.07 Captions and Titles. All captions, titles, and headings of the Articles and Sections in this Amended Declaration are for the purpose of reference and convenience only, and are not to be deemed to limit, modify, or otherwise affect any of the provisions hereof, or to be used in determining the intent or context thereof.

17.08 Notices. Any notice required or permitted to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, delivery shall be deemed to have been made twenty-four (24) hours after a copy of the notice has been deposited in the United States mail, postage paid, registered or certified mail, addressed to each such person at the address given by such person to the party sending the notice or to the address of the Dwelling Unit of such person if no address has been given. Such address may be changed from time to time by notice in writing.

17.09 Enforcement of the Covenants. Notwithstanding anything to the contrary herein, in the event of any violation or attempted violation of any of the provisions hereof, including any of the Covenants, enforcement shall be authorized by any proceedings at law or in equity against any person or persons violating or attempting to violate any of such provisions, including proceedings to restrain or prevent such violation or attempted violation by injunction, whether prohibitive in nature or mandatory in commanding compliance with such provisions; and it shall not be a prerequisite to the granting of any such injunction to show inadequacy of legal remedy or irreparable harm. Likewise, any person entitled to

enforce the provisions hereof may recover such damages as such person has sustained by reason of the violation of such provisions.

DEL LAGO OWNERS ASSOCIATION

By: [Signature]
MARK HOLLAND, President

THE STATE OF TEXAS
COUNTY OF MONTGOMERY

This instrument was acknowledged before me this 10th day of November, 1988, by MARK HOLLAND, President of DEL LAGO OWNERS ASSOCIATION, a Texas non-profit corporation, on behalf of said corporation.



Eileen M. Dolan
Notary Public in and for
The State of T E X A S
Name: Eileen M. Dolan
(Printed)
My Commission Expires: 10/27/90

✓
RETURN TO:
Robert L. Powell
220 N. Thompson, Suite C
Conroe, Texas 77301

EXHIBIT "A"

BEING 246.8395 acres of land in the John Corner Survey, Abstract No. 8, the Thomas Corner Survey, Abstract No. 10, and the William Atkins Survey, Abstract No. 3, Montgomery County, Texas, and being a portion of the J. V. Blacklock, et al property as described in deed recorded in Vol. 636, Page 1 of Montgomery County Deed Records, said 246.8395 acres being more particularly described as follows:

BEGINNING at an iron rod found marking the northwest corner of Walden on Lake Conroe, Section 11, map of which is recorded in Cabinet B, Sheet 180 of Montgomery County Map Records, in the south line of Walden Road (100 feet right-of-way recorded in Vol. 770, Page 923 of Montgomery County Deed Records) in the east line of J. V. Blacklock, et al tract, S. 43° 12' 19" W., 70.11 feet from the original northeast corner of same for the northeast corner of herein described tract;

THENCE S. 43° 12' 19" W., along the east line of said Blacklock, et al tract and the west line of Walden on Lake Conroe, Section 11 for a distance of 394.43 feet to an iron rod found for corner;

THENCE S. 43° 53' 36" E., continuing along the east line of said J. V. Blacklock, et al tract and the west line of Walden on Lake Conroe, Section 11, at 2692.27 feet pass the southwest corner of Section 11 and the northwest corner of Section 10 of Walden on Lake Conroe, map of which is recorded in Cabinet B, Sheet 9 of Montgomery County Map Records, and continue on in all a total distance of 3487.89 feet to an iron rod found for corner;

THENCE S. 44° 56' 14" W., continuing along the east line of said J. V. Blacklock, et al tract and the west line of Walden on Lake Conroe, Section 10 for a distance of 991.06 feet to an iron rod set for corner;

THENCE S. 00° 40' 09" W., continuing along the east line of said J. V. Blacklock, et al tract and the west line of Walden on Lake Conroe, Section 10 for a distance of 166.86 feet to an iron rod set for corner at the intersection of the 201 contour line of Lake Conroe as established by the San Jacinto River Authority;

THENCE along the 201 contour line of Lake Conroe with its meanders as follows:

1. N. 67° 48' 03" W., 114.39 feet;
2. N. 60° 29' 12" W., 178.49 feet;
3. N. 64° 25' 09" W., 141.84 feet;
4. N. 71° 23' 59" W., 101.45 feet;
5. N. 61° 44' 15" W., 187.43 feet;
6. N. 50° 36' 34" W., 166.36 feet;
7. N. 67° 22' 13" W., 182.99 feet;
8. N. 77° 08' 32" W., 390.84 feet;
9. S. 32° 51' 08" W., 84.39 feet;
10. S. 19° 42' 39" W., 79.88 feet;
11. S. 03° 19' 44" W., 62.15 feet;
12. S. 07° 53' 48" E., 113.99 feet;
13. S. 57° 49' 57" E., 66.33 feet;
14. S. 37° 36' 30" E., 93.53 feet;
15. S. 22° 24' 40" E., 233.33 feet;
16. S. 50° 47' 41" W., 134.44 feet;
17. N. 75° 42' 21" W., 120.35 feet;
18. S. 33° 04' 09" W., 136.44 feet;
19. S. 12° 07' 52" E., 176.78 feet;

20. S. 72° 05' 18" W., 88.17 feet;
 21. N. 70° 12' 34" W., 105.68 feet;
 22. S. 68° 17' 07" W., 77.12 feet;
 23. N. 75° 58' 11" W., 80.47 feet;
 24. N. 18° 43' 32" W., 146.74 feet;
 25. N. 43° 04' 23" W., 61.36 feet;
 26. N. 48° 35' 42" W., 73.71 feet;
 27. N. 59° 28' 22" W., 42.64 feet;
 28. N. 32° 35' 39" W., 119.80 feet;
 29. N. 72° 24' 58" W., 77.85 feet;
 30. N. 85° 31' 09" W., 194.68 feet;
 31. N. 37° 24' 18" W., 170.21 feet;
 32. N. 05° 16' 38" W., 99.17 feet;
 33. N. 25° 57' 26" E., 105.31 feet;
 34. N. 06° 30' 34" E., 150.17 feet;
 35. N. 47° 00' 04" E., 193.09 feet;
 36. N. 25° 03' 29" E., 190.68 feet;
 37. N. 12° 08' 29" E., 206.80 feet;
 38. N. 06° 54' 39" W., 99.78 feet;
 39. N. 36° 18' 18" W., 94.67 feet;
 40. N. 24° 28' 02" W., 76.28 feet;
 41. S. 06° 03' 08" E., 80.18 feet;
 42. S. 27° 26' 55" E., 98.40 feet;
 43. S. 28° 22' 25" E., 135.88 feet;
 44. S. 43° 25' 18" E., 368.24 feet;
 45. S. 53° 48' 18" W., 176.60 feet;
 46. S. 76° 02' 05" W., 101.04 feet;
 47. S. 67° 15' 57" W., 173.81 feet;
 48. N. 87° 01' 08" W., 139.67 feet;
 49. N. 19° 45' 04" W., 127.74 feet;
 50. N. 22° 29' 58" W., 143.43 feet;
 51. N. 13° 40' 10" W., 169.68 feet;
 52. N. 44° 54' 16" W., 144.65 feet;
 53. S. 79° 43' 17" W., 141.11 feet;
 54. N. 54° 46' 56" W., 246.55 feet;
 55. N. 24° 54' 19" W., 160.09 feet;
 56. N. 14° 42' 16" W., 79.83 feet;
 57. N. 59° 32' 32" W., 91.30 feet;
 58. N. 69° 28' 58" W., 147.59 feet;
 59. N. 55° 10' 13" W., 78.10 feet;
 60. S. 43° 39' 41" W., 89.17 feet;
 61. N. 26° 03' 56" E., 70.35 feet;
 62. N. 01° 24' 14" E., 69.23 feet;
 63. N. 15° 50' 47" E., 154.89 feet;
 64. N. 17° 55' 55" E., 138.99 feet;
 65. N. 38° 29' 40" E., 51.58 feet;
 66. N. 26° 23' 41" W., 36.56 feet;
 67. N. 66° 09' 03" W., 84.03 feet;
 68. N. 61° 07' 33" W., 80.90 feet;
 69. N. 51° 52' 33" W., 61.57 feet;
 70. N. 61° 42' 33" W., 63.10 feet;
 71. S. 80° 42' 27" W., 187.20 feet;
 72. S. 88° 32' 08" W., 121.83 feet;
 73. S. 78° 36' 41" W., 88.57 feet to an iron rod found

for the southeast corner of a 62.2957 acre tract, deed of which is recorded under film code #55-01-1839 of the Real Property Records of Montgomery County for the southwest corner of herein described tract;

THENCE N. 45° 01' 32" E., along the east line of said 62.2957 acre tract for a distance of 2094.90 feet to an iron rod found for the northeast corner of same and the northwest corner of herein described tract in the south line of Walden Road;

THENCE N. 88° 42' 03" E., along the south line of Walden Road for a distance of 1531.24 feet to the point of beginning and containing 246.8395 acres of land.

STATE OF TEXAS
 COUNTY OF MONTGOMERY)
 I hereby certify that this instrument was filed
 in File Number Sequence on the date and at the
 time stamped herein by me, and was duly RECORDED
 in the official Public Records of Real Property of
 Montgomery County, Texas

NOV 14 1988



Roy Harris

COUNTY CLERK
 MONTGOMERY COUNTY, TEXAS

FILED FOR RECORD

88 NOV 14 PM 2:34

Roy Harris

COUNTY CLERK
 MONTGOMERY COUNTY, TEXAS

8358792

567-01-2423

OFFICIAL REAL PROPERTY RECORDS

AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS, RESERVATIONS AND EASEMENTS
DEL LAGO SECTION NO. 1 (PATIO LOTS)

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS AND EASEMENTS (herein called the "Amended Declaration") is made as of the 10th day of November, 1988, pursuant to the affirmative vote of fifty one percent (51%) of the votes authorized to be cast by Voting Owners in accordance with section 13.02 of the Original Master Declaration (as defined below).

R E C I T A L S:

A. On August 17, 1981, Lake Conroe Interests, Inc., a Texas corporation (the "Original Declarant"), did file a certain Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements (the "Original Master Declaration") in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8130826.

B. In addition, on August 17, 1981, the Original Declarant did file a certain Declaration of Covenants, Conditions, Restrictions, Reservations and Easements Del Lago Section No. 1 (Patio Lots) (the "Original Supplemental Declaration"), filed for record in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8130828.

C. Due to foreclosure of a substantial portion of the Property (hereinafter defined) under defaulted loans extended to the Original Declarant by various lenders, the Original Declarant no longer holds title to any part of the Property.

D. Pursuant to the affirmative vote of fifty one percent (51%) of the votes authorized to be cast by Voting Owners in accordance with section 13.02 of the Original Master Declaration at a meeting of the Owners held on April 4, 1988, duly called pursuant to Section 13.03 of the Original Master Declaration, the Voting Owners have amended and restated the Original Master Declaration pursuant to that certain Amended and Restated Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements of even date herewith (the "Master Declaration") filed in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8857728.

E. Further, pursuant to the affirmative vote of fifty one percent (51%) of the votes authorized to be cast by Voting Owners pursuant to section 13.03 of the Original Master Declaration at a meeting of the Owners held on April 4, 1988, duly called pursuant to Section 13.03 of the Original Master Declaration, the Voting Owners desire to amend and restate the Supplemental Declaration pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, the Original Supplemental Declaration is hereby amended and restated pursuant to the terms herein and the Property shall be held, sold and conveyed subject to the Covenants.

ARTICLE I

DEFINITIONS

The following words, phrases or terms used in this Amended Declaration shall have the following meanings:

567-01-2424

A. "Amended Declaration" shall mean this Amended and Restated Declaration of Covenants, Conditions, Restrictions, Reservations and Easements.

B. "Architectural Control Committee" shall mean Del Lago, Inc. or, if and when applicable, a committee appointed by Del Lago, Inc.

C. "Covenants" shall mean the covenants, conditions, restrictions, reservations, easements and other provisions set forth herein.

D. "Del Lago, Inc." shall mean Del Lago Conference and Resort, Inc., a Texas corporation, and any of its successors and assigns.

E. "Master Declaration" shall mean the Amended and Restated Declaration, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements described in paragraph D of the Recitals herein.

F. "Plat" shall mean the subdivision plat creating the Subdivision, as amended or supplemented from time to time.

G. "Property" shall mean:

(1) At the time of recordation of this Amended Declaration, the land described on Exhibit "A" attached hereto and made a part hereof for all purposes; and

(2) From and after the addition of each parcel of land subjected to this Amended Declaration pursuant to Article X hereof, each such new parcel of land.

H. "Subdivision" shall mean the residential subdivision located in Montgomery County, Texas, and known as "Del Lago, Section One," according to the plat of said subdivision recorded under County Clerk's File No. 8130629 in the Map and Plat Records of Montgomery, Texas, as the same may be amended or supplemented from time to time.

I. Reference is made to Article I of the Master Declaration for the definition of words, phrases and terms used but not defined herein, and except as herein otherwise provided, or unless inconsistent with the context hereof, words, phrases and terms shall have the meanings set forth in Article I of the Master Declaration, but shall relate to the Property as defined herein.

ARTICLE II

COVENANTS BINDING ON PROPERTY, OWNERS AND ASSOCIATION

2.01 Property Bound. From and after the date of recordation of this Amended Declaration, the Property shall be subject to the Covenants, and the Covenants shall run with, be for the benefit of, bind, and burden the Property.

2.02 Owners Bound. From and after the date of recordation of this Amended Declaration, the Covenants shall be binding upon and inure to the benefit of each Owner and his heirs, executors, administrators, personal representatives, successors, and assigns, whether or not so provided or otherwise mentioned in the Deed. Each Owner, for himself, his heirs, executors, administrators, personal representatives, successors and assigns, expressly agrees to pay, and to be personally liable for, the Maintenance Charges provided for in Article VI hereof, and to be bound by all of the Covenants herein set forth. Each Owner shall be and remain personally

liable, regardless of whether he has transferred title to his Lot, for the amount of the Maintenance Charges (together with interest, costs and attorneys' fees as provided in Article V) which became due while he was an Owner.

2.03 Association and Subsidiary Association Bound. The Covenants shall be binding upon and shall inure to the benefit of the Association and any such Subsidiary Association.

ARTICLE III

DESIGNATION OF TYPES OF LOTS

3.01 Golf Course Lots. All Lots in the Property having a common boundary with the golf course as shown on the Plat are hereby designated as "Golf Course Lots".

3.02 Lakefront Lots. All Lots in the Property having a common boundary with Lake Conroe are hereby designated as "Lakefront Lots".

3.03 Determination of Designation. The Architectural Control Committee shall have the exclusive and final right and authority to classify or designate any Lot as being any one of the above described designations in the event of any reasonable doubt as to the classification of such Lot.

ARTICLE IV

GENERAL RESTRICTIONS

4.01 Single-Family Residential Purposes. All Lots in the Property shall be used only for single-family residential purposes. No noxious or offensive activity of any sort shall be permitted, nor shall anything be done on any Lot which may be or become an annoyance or nuisance to the neighborhood. No Lot in the Property shall be used for any commercial, business or professional purposes. The renting or leasing of any improvements thereon or portion thereof without the prior written consent of the Association, is prohibited.

4.02 Types of Structures. No building shall be erected, altered or permitted to remain on any Lot in the Property other than one (1) single-family residential dwelling not to exceed two (2) stories in height and a private garage (or other covered car parking facility) for not more than three (3) automobiles and other bona fide servants' quarters; provided, however, that the servants' quarters structure shall not exceed the main dwelling in area, height or number of stories.

4.03 Minimum Square Footage. The living area of the main residential structure (exclusive of porches, whether open or screened, garage or other car parking facility, terraces, driveways and servants' quarters) on each Lot shall be not less than 1,400 square feet for a one-story Dwelling Unit and not less than 1,600 square feet for a one and one-half or two story Dwelling Unit. 1800'

*amended
9/3/06
5/23/10*

*amended
9/3/06
6/23/10*

4.04 Setbacks. One side of each Lot shall be designated by the Architectural Control Committee as the zero lot line. Dwelling Units may be constructed flush with the zero lot line. The side of a Dwelling Unit adjacent to or facing the zero lot line may not contain windows or doors unless otherwise approved by the Architectural Control Committee. No Permanent Improvement or any part thereof, including roof overhang, may be nearer than five (5) feet to the lot line opposite the zero lot line. No Permanent Improvement may be located on any Lot nearer to the front street line of such Lot than the setback established on the Plat.

4.05 Walls, Fences, Hedges and Other Screening Material.

Where a wall, fence, planter, hedge or other screening material is not specifically prohibited under the Special Restrictions set forth in Article V, the following (as to any permitted wall, fence, planter, hedge or other screening material) shall apply: No wall, fence, planter, hedge or other screening material in excess of two (2) feet high shall be erected or maintained nearer to the front lot line than the front building setback line, nor on corner lots nearer to the side lot line than the building setback line parallel to the side street. No rear or side fence, wall, hedge or other screening material shall be more than five (5) feet high. Notwithstanding the foregoing, no wall, fence, planter, hedge or other screening material shall be permitted to unduly interfere with the view from any other Lot, as determined by the Architectural Control Committee in its sole discretion.

4.06 Bulk Heading. Lakefront Lots may be bulk headed at the Owner's expense. All plans for such bulk heading must be submitted to and approved by the Architectural Control Committee, the San Jacinto River Authority, the U.S. Corps of Engineers and any other applicable governmental authority. All bulk heads must be constructed strictly in accordance with the approved plans and specifications.

4.07 Driveways. All driveways shall be entirely of concrete (except however, some other material may be used with the prior written consent of the Architectural Control Committee) and shall be paved before any Dwelling Unit may be occupied. No driveway or other roadway may be constructed on any Lot in such a manner as to furnish access to any adjoining Lots or other property without the prior written consent of the Architectural Control Committee.

4.08 Walks. Walks from the street curb to the Dwelling Unit shall have a minimum width of four (4) feet and shall be constructed entirely of concrete (except however, some other material may be used with the prior written consent of the Architectural Control Committee).

4.09 Boat Docks. Owners of Lakefront Lots may construct boat docks to the extent permitted by applicable governmental regulations, provided the plans for any such construction must be submitted to and approved by the Architectural Control Committee, the San Jacinto River Authority, the U.S. Corps of Engineers and any other applicable governmental authority.

4.10 Construction Materials. All materials used in the construction of the exterior of any Dwelling Unit or other structure must be approved by the Architectural Control Committee before commencement of construction. Only new construction materials shall be used (except for used brick if and as approved by the Architectural Control Committee on a case by case basis). No concrete block shall be used in construction unless the blocks are covered up by the final exterior finish material. All Dwelling Units shall be built on a slab, solid concrete beam foundation, or a pier and beam foundation approved by the Architectural Control Committee. In no event shall any used building be moved onto any Lot.

4.11 Prosecution of Construction. With reasonable diligence, and in all events within six (6) months from the commencement of construction, unless completion is prevented by war, labor strike or an act of God, any Dwelling Unit or other structure commenced upon any Lot shall be completed as to its exterior, and all temporary structures shall be removed.

4.12 Water Wells. At no time shall the drilling, usage or operation of any water well be permitted on any Lot.

4.13 Air Conditioners and Heaters. No window or wall type air conditioner or heater shall be permitted to be used, erected, placed or maintained on or in any Permanent Improvement.

4.14 Garbage Disposal. Each kitchen in each Dwelling Unit situated on a Lot shall be equipped with a garbage disposal unit, which shall at all times be kept in a serviceable condition.

4.15 Utilities. Each and every Dwelling Unit shall be required to be connected to the water distribution system and sanitary sewer collection system in the Subdivision as soon as such utilities are available in the easements adjacent to or within the respective Lot upon which the Dwelling Unit is located. Individual underground electrical service drops must be installed to each Dwelling Unit. Each Owner shall comply with the requirements of the applicable utility company regarding such underground service installations, including without limitation the payment of any lawful charges which might be incurred for the installation of the underground service as set forth in applicable utility company rules, regulations and terms and conditions of service, as the same may be amended from time to time without notice.

4.16 Drying Yard. The drying of clothes in public view is prohibited.

*Added 2000-038790
3-10-2000*

*4.17 - Campsite Olds S. P.
4.18 - Sew. manhole Pool
4.19 - Recor to Gravel driveway*

ARTICLE V

SPECIAL RESTRICTIONS

5.01 Golf Course Lots. In addition to the General Restrictions set forth in Article IV, the following restrictions shall apply to Golf Course Lots:

(a) No wall, fence, planter, hedge or other screening device shall be constructed or permitted without the prior written consent of the Architectural Control Committee.

(b) Any garage or other structure must be attached to the main residence and must not be nearer than fifteen (15) feet to the common boundary separating such Lot from the golf course without the prior written approval of the Architectural Control Committee.

(c) No Owner of any Golf Course Lot shall grow or permit the growth of any variety of grass or other vegetation which is inimical to standard golf course grasses or vegetation.

ARTICLE VI

IMPROPER MAINTENANCE BY OWNER

In the event any portion of any Lot in the Property or any Dwelling Unit thereon is, in the judgment of the Board of Directors, so maintained by the Owner thereof as to not comply with these Covenants, the Board may by resolution make a finding to such effect, specifying the particular condition or conditions which exist, and pursuant thereto deliver notice thereof to the offending Owner that unless corrective action is taken within ten (10) days, the Association will cause such action to be taken at such Owner's cost. If after the expiration of said ten (10) day period of time the requisite corrective action has not been taken, the Association shall be authorized and empowered to cause such action to be taken and the costs (herein called the "Maintenance Charges") thereof shall be assessed against the Lot and the Dwelling Unit of the

offending Owner and shall be secured by the Assessment Lien as provided in the Master Declaration. Written notice of such assessment shall be delivered to the offending Owner which notice shall specify the amount of such Maintenance Charges and shall demand payment thereof within thirty (30) days after the date of said notice. Accrual of interest on unpaid Maintenance Charges collection of the Maintenance Charges, and enforcement of the Assessment Lien shall be governed by all of the provisions of the Master Declaration with respect to such matters.

ARTICLE VII

PARTY WALLS

7.01 General Rules of Law to Apply. Any wall which is built as a part of the original construction of two Dwelling Units and placed on the dividing line between two Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

7.02 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

7.03 Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under rules of law regarding liability for negligence or willful acts or omissions.

7.04 Weather Proofing. Notwithstanding any other provision of this Article, an Owner who by his negligence or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

7.05 Right to Contribution Runs with the Land. The right of any Owner to contributions from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

7.06 Architectural Control Committee Approval. No party walls shall be constructed on any Lot without the prior written approval of the Architectural Control Committee. The inclusion in this Amended Declaration of this Article VII and Article VIII shall not imply any obligation to approve party walls, it being expressly provided that the Architectural Control Committee may approve or disapprove any party wall as it deems proper in its sole discretion.

ARTICLE VIII

INSURANCE

8.01 Applicability. The provisions of this Article VIII shall apply only to those Lots (if any), and the Owners thereof, on which are constructed Dwelling Units having one or more party walls as defined in Section 7.01.

8.02 Fire Insurance - Dwelling Unit Improvements on Lots. Each Owner shall purchase at his expense and maintain fire and

hazard insurance coverage with respect to the Dwelling Unit on his Lot. Any such insurance shall be for the highest insurable value of such Dwelling Unit and shall contain a replacement cost endorsement. Such insurance shall contain a loss payable endorsement in favor of the Trustee hereinafter described. Upon the request of the Association, each Owner shall furnish to the Association, immediately, evidence of such insurability.

8.03 Trustee. All available insurance proceeds, payable under insurance policies described in Section 8.01 hereof, and subject to the rights of the mortgagees under Section 8.03 hereof, shall be paid to the Trustee, to be held and expended for the benefit of the Owners, mortgagees, and others as their respective interests shall appear. The Trustee shall be a commercial bank, savings and loan association, title company or other entity in Harris County or Montgomery County, Texas, designated by the Association which, at the request of the Association, has agreed in writing to accept such trust. In the event repair or reconstruction is authorized, the Association shall have the duty to contract for such work as provided for herein.

8.04 Mortgagee's Right. With respect to insurance coverage under Section 8.01 of this Article, any mortgagee of record shall have the option to apply insurance proceeds payable to it in reduction of the obligations secured by its mortgage. For purposes hereof a "mortgagee" shall mean a person or entity to whom a mortgage is made or who is a beneficiary of a deed of trust. For purposes hereof, "available insurance proceeds" shall mean the net insurance proceeds to be paid to the Owner or the Trustee after the mortgagee has made his election hereunder.

8.05 Owner's Additional Insurance. An Owner may carry such additional personal liability and property damage insurance respecting his individual Dwelling Unit as he may desire.

8.06 Damage and Destruction; Reconstruction. If any Dwelling Unit is damaged by fire or other casualty, the Owner of such Dwelling Unit shall immediately take all actions consistent herewith to rebuild such Dwelling Unit (with insurance proceeds, if available, or at his own cost) pursuant to the original plans and specifications for such Dwelling Unit. If said damage is limited to a single Lot or Dwelling Unit, all available insurance proceeds shall be paid by the Trustee to the Owner of such Lot or Dwelling Unit and the Owner shall use the same to rebuild or repair such Dwelling Unit in accordance with the original plans and specifications therefor. If such damage extends to two or more Lots or Dwelling Units, then:

(a) Reconstruction or Repair by Association. If the available insurance proceeds initially offered or paid by the insurer do not exceed the sum of Twenty Thousand and no/100 Dollars (\$20,000.00) and the cost of repairing or rebuilding does not exceed the amount of available insurance proceeds by more than Three Thousand and no/100 Dollars (\$3,000.00), such insurance proceeds shall be paid to the Trustee hereinbefore designated in Section 8.02 hereof. The Association shall thereupon contract to repair or rebuild the damaged portions of the Dwelling Units in accordance with the original plans and specifications therefor and the funds held in the insurance trust fund shall be used for this purpose. If the available insurance proceeds are insufficient to pay all the costs of repairing and rebuilding, the Association in order to make up any deficiency shall levy a special assessment on all Owners of the Dwelling Units so damaged and their Dwelling Units on a pro rata basis determined in accordance with the amount of

567-01-2430

damage done to each of the Dwelling Units (which determination shall be made by Board in its sole discretion);

(b) Other Situations. If subparagraph (a) is inapplicable, then:

(1) Payment to Trustee. All available insurance proceeds shall be paid to the Trustee designated by the Association to be held for the benefit of the Owners of the damaged Dwelling Units as their respective interests may appear. The Association is authorized to enter on behalf of such Owners into a construction agreement, consistent with these restrictions, with such Trustee and a contractor relating to the rebuilding of such damaged Dwelling Units, all in accordance with the following procedure;

(2) Procedure. The Association shall obtain firm bids (including the right but not the obligation to obtain payment and performance bonds) from three (3) or more responsible contractors to rebuild the damaged Dwelling Units in accordance with their original plans and specifications and shall, as soon as possible thereafter, call a special meeting of the Owners of such damaged Dwelling Units to consider such bids. Each such bid shall be itemized so that the total cost in rebuilding the damaged Dwelling Unit of such Owner will be set forth separately. At the meeting, such Owners shall accept the lowest bid as to rebuilding all of the damaged Dwelling Units, unless by 100% vote such Owners elect to accept a higher bid for such work. Upon acceptance of such bid, if the available insurance proceeds are insufficient to pay all the costs of repairing and rebuilding, the Association in order to make up any deficiency shall levy a special assessment on all Owners of the Dwelling so damaged and their Dwelling Units on a pro rata basis determined in accordance with the amount of damage done to each of the Dwelling Units (which determination shall be made by the Board in its sole discretion).

If the Owner shall fail to pay any special assessment made pursuant to subparagraphs (a) and (b) of this Section 8.05 within thirty (30) days after the levy thereof, the Association may make up the deficiency by payment thereof, but said deficiency shall be replenished from the Owner of the damaged Dwelling Unit whether such Dwelling Unit is or is not so reconstructed. Any such deficiency shall be deemed to be a Maintenance Charge as defined in Article VI. Upon payment by such Owners or by the Association for the benefit of such Owners (as provided herein), the Association shall let the contract to the successful bidder.

ARTICLE IX

TERM; AMENDMENTS; TERMINATIONS

9.01 Term; Method of Termination. This Amended Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect to and including December 31, 2011. From and after said date, this Amended Declaration, as amended, shall be automatically extended, or shall be terminated upon the exact same terms and conditions, and in accordance with the exact same procedures, as set forth in Section 13.01, 13.03 and 13.04 of the Master Declaration; it being the express intention of the foregoing to require for any such termination the requisite

percentage vote of all Voting Owners, as defined in the Master Declaration with respect to the entire Property therein defined.

9.02 Amendments. This Amended Declaration may be amended or changed upon the exact same terms and conditions, and in accordance with the exact same procedures, as set forth in Sections 13.02, 13.03, 13.04 and 13.06 of the Master Declaration; it being the express intention of the foregoing to require for any such amendment the requisite percentage vote of all Voting Owners, as defined in the Master Declaration with respect to the entire Property therein defined.

9.03 Effect. Upon the recording of the certificate of termination as required by Section 13.04(b) of the Master Declaration, these Covenants and this Amended Declaration shall have no further force or effect. Upon the filing of an amendment in accordance with Section 13.04(a) of the Master Declaration, this Amended Declaration and the Covenants, as amended, shall remain in full force and effect.

ARTICLE X

SUBJECTING ADDITIONAL LANDS TO THE DECLARATION

From time to time the size of the Property may be increased, in the manner provided in this Article, by recording in the Real Property Records of Montgomery County, Texas, a supplement to this Amended Declaration (hereinafter called "Supplemental Declaration"). The Supplemental Declaration shall be signed and acknowledged by or on behalf of the Board and by the Owner of record of the additional land to be included within the Property and subjected to the Covenants set forth in this Amended Declaration. Each such Supplemental Declaration shall:

(a) describe the land to be included as a part of the Property;

(b) state that such land and the Permanent Improvements thereon are expressly subjected to all of the Covenants set forth in this Amended Declaration; and

(c) state that the Owner, for and on behalf of this heirs, executors, administrators, successors, and assigns, agrees that he shall be personally liable for the Annual and Special Assessments and Maintenance Charges imposed hereunder and shall be personally bound by all Covenants set forth in this Amended Declaration.

ARTICLE XI

MISCELLANEOUS

11.01 Interpretation of the Covenants. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Amended Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive, and binding as to all persons and property benefited or bound by the Covenants and provisions hereof.

11.02 Severability. Any determination by any court of competent jurisdiction that any provision of this Amended Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

11.03 Rule Against Perpetuities. If any interest purported to be created by this Amended Declaration is challenged under the rule against perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the "lives in being" for computing the period of perpetuities shall be (a) those which would be used in determining the validity of the challenged interest, plus (b) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.

11.04 Change of Circumstances. Except as otherwise expressly provided in this Amended Declaration, no change of conditions or circumstances shall operate to extinguish, terminate, or modify any of the provisions of this Amended Declaration.

11.05 Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Amended Declaration, the Association shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities, and duties, provided said rules and regulations are not inconsistent with the provisions of this Amended Declaration.

11.06 Gender and Number. Wherever the context of this Amended Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.

11.07 Captions and Titles. All captions, titles or headings of the Articles and Sections in this Amended Declaration are for the purpose of reference and convenience only, and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof, or to be used in determining the intent or context thereof.

11.08 Notices. Any notice required or permitted to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, delivery shall be deemed to have been made twenty-four (24) hours after a copy of the notice has been deposited in the United States mail, postage prepaid, registered or certified mail, addressed to each such person at the address given by such person to the party sending the notice or to the address of the Dwelling Unit of such person if no address has been given. Such address may be changed from time to time by notice in writing.

11.09 Enforcement of the Covenants. Notwithstanding anything to the contrary herein, in the event of any violation or attempted violation of any of the provisions hereof, including any of the Covenants, enforcement shall be authorized by any proceedings at law or in equity against any person or persons violating or attempting to violate any of such provisions, including proceedings to restrain or prevent such violation or attempted violation by injunction, whether prohibitive in nature or mandatory in commanding compliance with such provisions; and it shall not be a prerequisite to the granting of any such injunction to show inadequacy of legal remedy or irreparable harm. Likewise, any person entitled to enforce the provisions hereof may recover such damages as such

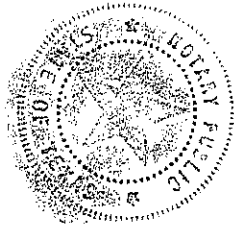
person has sustained by reason of the violation of such provisions.

DEL LAGO OWNERS ASSOCIATION

By: *[Signature]*
MARK HOLLAND, President

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me this 10th day of November, 1988, by MARK HOLLAND, President of DEL LAGO OWNERS ASSOCIATION, a Texas non-profit corporation, on behalf of said corporation.



Eileen M. Dolan
Notary Public in and for
The State of T E X A S
Name: *Eileen M. Dolan*
(Printed)
My Commission Expires: 10/27/90

RETURN TO:
Robert L. Powell
220 N. Thompson, Suite C
Conroe, Texas 77301

EXHIBIT "A"

All of Lots 1 through 58 (inclusive) in Block 4 and all of the land constituting same as shown on plat of Del Lago Section No. 1, a subdivision of Montgomery County, Texas, as recorded in Volume C, Page 168B of the Map and Plat Records of Montgomery County, Texas.

FILED FOR RECORD

88 NOV 21 PM 3: 10

Roy Harris

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS)
COUNTY OF MONTGOMERY)
I hereby certify that this instrument was filed
in File Number Sequence on the date and at the
time stamped herein by me and was duly RECORDED
in the official Public Records of Real Property of
Montgomery County, Texas

NOV 21 1988



Roy Harris

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

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OFFICIAL REAL PROPERTY RECORDS

AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS, RESERVATIONS AND EASEMENTS
DEL LAGO SECTION NO. 1

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS AND EASEMENTS (herein called the "Amended Declaration") is made as of the 10th day of November, 1988, pursuant to the affirmative vote of fifty one percent (51%) of the votes authorized to be cast by Voting Owners in accordance with section 13.02 of the Original Master Declaration (as defined below).

R E C I T A L S:

A. On August 17, 1981, Lake Conroe Interests, Inc., a Texas corporation (the "Original Declarant"), did file a certain Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements (the "Original Master Declaration") in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8130826.

B. In addition, on August 17, 1981, the Original Declarant did file a certain Declaration of Covenants, Conditions, Restrictions, Reservations and Easements Del Lago Section No. 1 (the "Original Supplemental Declaration"), filed for record in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8130827.

C. Due to foreclosure of a substantial portion of the Property (hereinafter defined) under defaulted loans extended to the Original Declarant by various lenders, the Original Declarant no longer holds title to any part of the Property.

D. Pursuant to the affirmative vote of fifty one percent (51%) of the votes authorized to be cast by Voting Owners in accordance with section 13.02 of the Original Master Declaration at a meeting of the Owners held on April 4, 1988, duly called pursuant to Section 13.03 of the Original Master Declaration, the Voting Owners have amended and restated the Original Master Declaration pursuant to that certain Amended and Restated Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements of even date herewith (the "Master Declaration") filed in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8857728.

E. Further, pursuant to the affirmative vote of fifty one percent (51%) of the votes authorized to be cast by Voting Owners pursuant to section 13.03 of the Original Master Declaration at a meeting of the Owners held on April 4, 1988, duly called pursuant to Section 13.03 of the Original Master Declaration, the Voting Owners desire to amend and restate the Supplemental Declaration pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, the Original Supplemental Declaration is hereby amended and restated pursuant to the terms herein and the Property shall be held, sold and conveyed subject to the Covenants.

ARTICLE I

DEFINITIONS

The following words, phrases or terms used in this Amended Declaration shall have the following meanings:

A. "Amended Declaration" shall mean this Amended and Restated Declaration of Covenants, Conditions, Restrictions, Reservations and Easements.

B. "Architectural Control Committee" shall mean Del Lago, Inc. or, if and when applicable, a committee appointed by Del Lago, Inc.

C. "Covenants" shall mean the covenants, conditions, restrictions, reservations, easements and other provisions set forth herein.

D. "Del Lago, Inc." shall mean Del Lago Conference and Resort, Inc., a Texas corporation, and any of its successors and assigns.

E. "Master Declaration" shall mean the Amended and Restated Declaration, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements described in paragraph D of the Recitals herein.

F. "Plat" shall mean the subdivision plat creating the Subdivision, as amended or supplemented from time to time.

G. "Property" shall mean:

(1) At the time of recordation of this Amended Declaration, the land described on Exhibit "A" attached hereto and made a part hereof for all purposes; and

(2) From and after the addition of each parcel of land subjected to this Declaration pursuant to Article IX hereof, each such new parcel of land.

H. "Subdivision" shall mean the residential subdivision located in Montgomery County, Texas, and known as "del Lago, Section One," according to the plat of said subdivision recorded under County Clerk's File No. 8130629 in the Map and Plat Records of Montgomery, Texas, as the same may be amended or supplemented from time to time.

I. Reference is made to Article I of the Master Declaration for the definition of words, phrases and terms used but not defined herein, and except as herein otherwise provided, or unless inconsistent with the context hereof, words, phrases and terms shall have the meanings set forth in Article I of the Master Declaration, but shall relate to the Property as defined herein.

ARTICLE II

COVENANTS BINDING ON PROPERTY, OWNERS AND ASSOCIATION

2.01 Property Bound. From and after the date of recordation of this Amended Declaration, the Property shall be subject to the Covenants, and the Covenants shall run with, be for the benefit of, bind, and burden the Property.

2.02 Owners Bound. From and after the date of recordation of this Amended Declaration, the Covenants shall be binding upon and inure to the benefit of each Owner and his heirs, executors, administrators, personal representatives, successors, and assigns, whether or not so provided or otherwise mentioned in the Deed. Each Owner, for himself, his heirs, executors, administrators, personal representatives, successors and assigns, expressly agrees to pay, and to be personally liable for, the Maintenance Charges provided for in Article VI hereof, and to be bound by all of the Covenants herein set forth. Each Owner shall be and remain personally liable, regardless of whether he has transferred title to his

Lot, for the amount of the Maintenance Charges (together with interest, costs and attorneys' fees as provided in Article V) which became due while he was an Owner.

2.03 Association and Subsidiary Association Bound. The Covenants shall be binding upon and shall inure to the benefit of the Association and any such Subsidiary Association.

ARTICLE III

DESIGNATION OF TYPES OF LOTS

3.01 Golf Course Lots. All Lots in the Property having a common boundary with the golf course as shown on the Plat are hereby designated as "Golf Course Lots".

3.02 Lakefront Lots. All Lots in the Property having a common boundary with Lake Conroe are hereby designated as "Lakefront Lots".

3.03 Determination of Designation. The Architectural Control Committee shall have the exclusive and final right and authority to classify or designate any Lot as being any one of the above described designations in the event of any reasonable doubt as to the classification of such Lot.

ARTICLE IV

GENERAL RESTRICTIONS

4.01 Single-Family Residential Purposes. All Lots in the Property shall be used only for single-family residential purposes. No noxious or offensive activity of any sort shall be permitted, nor shall anything be done on any Lot which may be or become an annoyance or nuisance to the neighborhood. No Lot in the Property shall be used for any commercial, business or professional purposes. The renting or leasing of any improvements thereon or portion thereof without the prior written consent of the Association, is prohibited.

4.02 Types of Structures. No building shall be erected, altered or permitted to remain on any Lot in the Property other than one (1) detached single-family residential dwelling not to exceed two (2) stories in height and a private garage (or other covered car parking facility) for not more than three (3) automobiles and other bona fide servants' quarters; provided, however, that the servants' quarters structure shall not exceed the main dwelling in area, height or number of stories.

4.03 Minimum Square Footage. The living area of the main residential structure (exclusive of porches, whether open or screened, garage or other car parking facility, terraces, driveways and servants' quarters) on each Lot shall be not less than 1,500 square feet for a one-story Dwelling Unit and not less than 1,750 square feet for a one and one-half or two story Dwelling Unit. *2000' minimum*

4.04 Setbacks. Except with respect to walls, fences, planters, hedges or other screening material, no Permanent Improvement or any part thereof, including roof overhang, may be nearer than fifteen (15) feet to any side street line, nor may any Permanent Improvement or any part thereof, including roof overhang, be nearer than five (5) feet to any adjacent lot line. No Dwelling Unit may be located nearer than fifteen (15) feet to the rear property line of the Lot, and no Permanent Improvement may be located on any Lot nearer to the front street line of such Lot than the setback established on the

*Amended
9/6/16/2
5/25/96*

Plat. Where any setback line established on the Plat is more restrictive than the foregoing, such setback line shall control.

4.05 Walls, Fences, Hedges and Other Screening Material. Where a wall, fence, planter, hedge or other screening material is not specifically prohibited under the Special Restrictions set forth in Article V, the following (as to any permitted wall, fence, planter, hedge or other screening material) shall apply: No wall, fence, planter, hedge or other screening material in excess of two (2) feet high shall be erected or maintained nearer to the front lot line than the front building setback line, nor on corner lots nearer to the side lot line than the building setback line parallel to the side street. No rear or side fence, wall, hedge or other screening material shall be more than five (5) feet high. Notwithstanding the foregoing, no wall, fence, planter, hedge or other screening material shall be permitted to unduly interfere with the view from any other Lot, as determined by the Architectural Control Committee in its sole discretion.

4.06 Bulk Heading. Lakefront Lots may be bulk headed at the Owner's expense. All plans for such bulk heading must be submitted and approved by the Architectural Control Committee, the San Jacinto River Authority, the U.S. Corps of Engineers and any other applicable governmental authority. All bulk heads must be constructed strictly in accordance with the approved plans and specifications.

4.07 Driveways. All driveways shall be entirely of concrete (except however, some other material may be used with the prior written consent of the Architectural Control Committee) and shall be paved before any Dwelling Unit may be occupied. No driveway or other roadway may be constructed on any Lot in such a manner as to furnish access to any adjoining Lots or other property without the prior written consent of the Architectural Control Committee.

4.08 Walks. Walks from the street curb to the Dwelling Unit shall have a minimum width of four (4) feet and shall be constructed entirely of concrete (except however, some other material may be used with the prior written consent of the Architectural Control Committee).

4.09 Boat Docks. Owners of the Lakefront Lots may construct boat docks to the extent permitted by applicable governmental regulations, provided the plans for any such construction must be submitted to and approved by the Architectural Control Committee, the San Jacinto River Authority, the U.S. Corps of Engineers and any other applicable governmental authority.

4.10 Construction Materials. All materials used in the construction of the exterior of any Dwelling Unit or other structure must be approved by the Architectural Control Committee before commencement of construction. Only new construction materials shall be used (except for used brick if and as approved by the Architectural Control Committee on a case by case basis). No concrete block shall be used in construction unless the blocks are covered up by the final exterior finish material. All Dwelling Units shall be built on a slab, solid concrete beam foundation, or a pier and beam foundation approved by the Architectural Control Committee. In no event shall any used building be moved onto any Lot.

4.11 Prosecution of Construction. With reasonable diligence, and in all events within six (6) months from the commencement of construction, unless completion is prevented by war, labor strike or an act of God, any Dwelling Unit or other

structure commenced upon any Lot shall be completed as to its exterior, and all temporary structures shall be removed.

4.12 Water Wells. At no time shall the drilling, usage or operation of any water well be permitted on any Lot.

4.13 Air Conditioners and Heaters. No window or wall type air conditioner or heater shall be permitted to be used, erected, placed or maintained on or in any Permanent Improvement.

4.14 Garbage Disposal. Each kitchen in each Dwelling Unit situated on a Lot shall be equipped with a garbage disposal unit, which shall at all time be kept in a serviceable condition.

4.15 Utilities. Each and every Dwelling Unit shall be required to be connected to the water distribution system and sanitary sewer collection system in the Subdivision as soon as such utilities are available in the easements adjacent to or within the respective Lot upon which the Dwelling Unit is located. Individual underground electrical service drops must be installed to each Dwelling Unit. Each Owner shall comply with the requirements of the applicable utility company regarding such underground service installations, including without limitation the payment of any lawful charges which might be incurred for the installation of the underground service as set forth in applicable utility company rules, regulations and terms and conditions of service, as the same may be amended from time to time without notice.

*Added 2000-03-27-89
6/10/2000*

4.16 Drying Yard. The drying of clothes in public view is prohibited.

*4.17 composite Bldg site
4.18 Swimming Pools
4.19 Review to Grand Jurors*

ARTICLE V

SPECIAL RESTRICTIONS

5.01 Golf Course Lots. In addition to the General Restrictions set forth in Article IV, the following restrictions shall apply to Golf Course Lots:

(a) No wall, fence, planter, hedge or other screening device shall be constructed or permitted without the prior written consent of the Architectural Control Committee.

(b) Any garage or other structure must be attached to the main residence and must not be nearer than fifteen (15) feet to the common boundary separating such Lot from the golf course without the prior written approval of the Architectural Control Committee.

(c) No Owner of any Golf Course Lot shall grow or permit the growth of any variety of grass or other vegetation which is inimical to standard golf course grasses or vegetation.

ARTICLE VI

IMPROPER MAINTENANCE BY OWNER

In the event any portion of any Lot in the Property or any Dwelling Unit thereon is, in the judgment of the Board of Directors, so maintained by the Owner thereof as to not comply with these Covenants, the Board may by resolution make a finding to such effect, specifying the particular condition or conditions which exist, and pursuant thereto deliver notice thereof to the offending Owner that unless corrective action is taken within ten (10) days, the Association will cause such

action to be taken at such Owner's cost. If after the expiration of said ten (10) day period of time the requisite corrective action has not been taken, the Association shall be authorized and empowered to cause such action to be taken and the costs (herein called the "Maintenance Charges") thereof shall be assessed against the Lot and the Dwelling Unit of the offending Owner and shall be secured by the Assessment Lien as provided in the Master Declaration. Written notice of such assessment shall be delivered to the offending Owner which notice shall specify the amount of such Maintenance Charges and shall demand payment thereof within thirty (30) days after the date of said notice. Accrual of interest on unpaid Maintenance Charges collection of the Maintenance Charges, and enforcement of the Assessment Lien shall be governed by all of the provisions of the Master Declaration with respect to such matters.

ARTICLE VII

TERM; AMENDMENTS; TERMINATIONS

7.01 Term; Method of Termination. This Amended Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect to and including December 31, 2011. From and after said date, this Amended Declaration, as amended from time to time, shall be automatically extended, or shall be terminated upon the exact same terms and conditions, and in accordance with the exact same procedures, as set forth in Section 13.01, 13.03 and 13.04 of the Master Declaration; it being the express intention of the foregoing to require for any such termination the requisite percentage vote of all Voting Owners, as defined in the Master Declaration with respect to the entire Property therein defined.

7.02 Amendments. This Amended Declaration may be amended or changed upon the exact same terms and conditions, and in accordance with the exact same procedures, as set forth in Sections 13.02, 13.03, 13.04 and 13.06 of the Master Declaration; it being the express intention of the foregoing to require for any such amendment the requisite percentage vote of all Voting Owners, as defined in the Master Declaration with respect to the entire Property therein defined.

7.03 Effect. Upon the recording of the certificate of termination as required by Section 13.04(b) of the Master Declaration, these Covenants and this Amended Declaration shall have no further force or effect. Upon the filing of an amendment in accordance with Section 13.04(a) of the Master Declaration, this Declaration and the Covenants, as amended, shall remain in full force and effect.

ARTICLE VIII

SUBJECTING ADDITIONAL LANDS TO THE DECLARATION

From time to time the size of the Property may be increased, in the manner provided in this Article, by recording in the Real Property Records of Montgomery County, Texas, a supplement to this Amended Declaration (hereinafter called "Supplemental Declaration"). The Supplemental Declaration shall be signed and acknowledged by or on behalf of the Board and by the Owner of record of the additional land to be included within the Property and subjected to the Covenants set forth in this Declaration. Each such Supplemental Declaration shall:

- (a) describe the land to be included as a part of the Property;

567-01-2441

(b) state that such land and the Permanent Improvements thereon are expressly subjected to all of the Covenants set forth in this Amended Declaration; and

(c) state that the Owner, for and on behalf of this heirs, executors, administrators, successors, and assigns, agrees that he shall be personally liable for the Annual and Special Assessments and Maintenance Charges imposed hereunder and shall be personally bound by all Covenants set forth in this Amended Declaration.

ARTICLE IX

MISCELLANEOUS

9.01 Interpretation of the Covenants. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Amended Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive, and binding as to all persons and property benefited or bound by the Covenants and provisions hereof.

9.02 Severability. Any determination by any court of competent jurisdiction that any provision of this Amended Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

9.03 Rule Against Perpetuities. If any interest purported to be created by this Amended Declaration is challenged under the rule against perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the "lives in being" for computing the period of perpetuities shall be (a) those which would be used in determining the validity of the challenged interest, plus (b) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.

9.04 Change of Circumstances. Except as otherwise expressly provided in this Amended Declaration, no change of conditions or circumstances shall operate to extinguish, terminate, or modify any of the provisions of this Amended Declaration.

9.05 Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Amended Declaration, the Association shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities, and duties, provided said rules and regulations are not inconsistent with the provisions of this Amended Declaration.

9.06 Gender and Number. Wherever the context of this Amended Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.

9.07 Captions and Titles. All captions, titles or headings of the Articles and Sections in this Amended Declaration are for the purpose of reference and convenience only, and are not to be deemed to limit, modify or otherwise affect any of the

provisions hereof, or to be used in determining the intent or context thereof.

9.08 Notices. Any notice required or permitted to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, delivery shall be deemed to have been made twenty-four (24) hours after a copy of the notice has been deposited in the United States mail, postage prepaid, registered or certified mail, addressed to each such person at the address given by such person to the party sending the notice or to the address of the Dwelling Unit of such person if no address has been given. Such address may be changed from time to time by notice in writing.

9.9 Enforcement of the Covenants. Notwithstanding anything to the contrary herein, in the event of any violation or attempted violation of any of the provisions hereof, including any of the Covenants, enforcement shall be authorized by any proceedings at law or in equity against any person or persons violating or attempting to violate any of such provisions, including proceedings to restrain or prevent such violation or attempted violation by injunction, whether prohibitive in nature or mandatory in commanding compliance with such provisions; and it shall not be a prerequisite to the granting of any such injunction to show inadequacy of legal remedy or irreparable harm. Likewise, any person entitled to enforce the provisions hereof may recover such damages as such person has sustained by reason of the violation of such provisions.

DEL LAGO OWNERS ASSOCIATION

By: [Signature]
MARK HOLLAND, President

THE STATE OF TEXAS
COUNTY OF MONTGOMERY

This instrument was acknowledged before me this 10th day of November, 1988, by MARK HOLLAND, President of DEL LAGO OWNERS ASSOCIATION, a Texas non-profit corporation, on behalf of said corporation.



Eileen M. Dolan
Notary Public in and for
The State of TEXAS
Name: Eileen M. Dolan
(Printed)
My Commission Expires: 10/27/90

RETURN TO:
Robert L. Powell
220 N. Thompson, Suite C
Conroe, Texas 77301

EXHIBIT "A"

All of Lots 1 through 42 (inclusive) in Block 3 and all of Lots 1 through 99 (inclusive) in Block 5 and all of the land constituting same as shown on a plat of Del Lago Section No. One, a subdivision of Montgomery County, Texas, as recorded in Volume C, Page 168B of the Map and Plat Records of Montgomery County, Texas.

STATE OF TEXAS)
COUNTY OF MONTGOMERY)
I hereby certify that this instrument was filed
in File Number Sequence on the date and at the
time stamped hereon by me, and was duly RECORDED
in the official Public Records of Real Property of
Montgomery County, Texas

NOV 21 1988



Roy Harris

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

FILED FOR RECORD

08 NOV 21 PM 3:12

Roy Harris

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

SECTION I
Blocks 4 (Presidio—patio)

Article I Definitions (#8130826)

- A. Additional Properties
- B. Amenities
- C. Annual Assessment
- D. Assessable Property
- E. Assessment Lien
- F. Association
- G. Association Land
- H. Board
- I. Bylaws
- J. Condominium Unit
- K. Covenants
- L. Declarant
- M. Declaration
- N. Deed
- O. Dwelling Unit
- P. Exempt Property
- Q. Lot
- R. Maintenance Charges
- S. Member
- T. Open Areas
- U. Owner
- V. Permanent Improvements
- W. Plat
- X. Property
- Y. Residential Lots
- Z. Special Assessment
- AA. Special Use Fees
- BB. Subsidiary Association
- CC. Subsidiary Declaration
- DD. Supplemental Declaration
- EE. Voting Owners

Definitions (#8130828)

Replaces A thru I above (See "definition I" below)

- A. Architectural Control Committee
- B. Covenants
- C. Declarant
- D. Declaration
- E. Declaration of Covenants
- F. Plat
- G. Property
- H. Subdivision
- I. Reference to Article I of Declaration of Covenants used by not defined herein and except as herein otherwise provided, or unless inconsistent with the context hereof, words,

phrases and terms shall have the meaning set forth in
Article I in Document #8130826

A through EE above restated in #8857728

A through I per #8858792

- A. Amended Declaration
- B. Architectural Control Committee
- C. Covenants
- D. Del Lago, Inc.
- E. Master Declaration
- F. Plat
- G. Property
- H. Subdivision
- I. Reference to Article I of Declaration of Covenants used by
not defined herein and except as herein otherwise provided,
or unless inconsistent with the context hereof, words,
phrases and terms shall have the meaning set forth in Article
I in Document #8130826

Added FF. Vacant Lot 1/7/91, Effective 12/1/90, #9191144
Added GG. Improvement 6/29/93, #9333449
Added HH. Structure 6/29/93, #9333449

**Article II Covenants Binding on Property, Owners and Association (#8130826,
8130828, 8857728, 8858792)**

- 2.01 Property Bound
- 2.02 Owners Bound
- 2.03 Association and Subsidiary Association Bound

Article III Assessments (#8130826, 8857728)

- 3.01 Annual Assessments
- 3.02 Special Assessments
- 3.03 Assessment Period
- 3.04 Allocation of Assessments
- 3.05 Rules Regarding Billing & Collection Procedures

Designation of Types of Lots (#8130828, 8858792)

- 3.01 Golf Course Lots
- 3.02 Lakefront Lots
- 3.03 Determination of Designation

**Article IV Imposition of Lien; Exemptions; Owners' Agreement (#8130826,
8857728)**

- 4.01 Imposition of Assessment Lie & Priority of Lien
- 4.02 Owners' Promises

General Restrictions (#8130828, 8858792)

- 4.01 Single-Family Residential Purposes
- 4.02 Types of Structures
- 4.03 Minimum Square Footage
Amended 5/28/96, #9631664

- 4.04 Setbacks
Amended 6/23/93, #9333448: **Established Zero Lot line requirement, 5' from opposite lot line, 15' from rear line & not nearer to street than the setback established on Plat**
- 4.05 Walls, Fences Hedges, and Other Screening Materials
- 4.06 Bulk Heading
- 4.07 Driveways
- 4.08 Walks
- 4.09 Boat Docks
- 4.10 Construction Materials
- 4.11 Prosecution of Construction
- 4.12 Water Wells
- 4.13 Air Conditioners and Heaters
- 4.14 Garbage Disposal
- 4.15 Utilities
- 4.16 Drying Yard
- 4.17 Added 5/10/00, Composite Building Site
#2000-038790,
Allows building one home on 2 lots
- 4.18 Added 5/10/00 Swimming Pools
#2000-038790
Allows building of pools & states requirements
- 4.19 Added 5/10/00, Power to Grant Variances
#2000-038790
Allows ACC to authorized waivers & variances for "just cause" & states requirements

- Article V Enforcement of Payment of Annual & Special Assessments & Maintenance Charges & Assessment Lien (#8130826, 8857728)**
- 5.01 Association as Enforcing Body
 - 5.02 Association's Enforcement Remedies
 - 5.03 Subordination of the Lien to First Mortgage or Deed of Trust
 - 5.04 Cost to be borne by Owner in Connection with Enforcement
- Special Restrictions (#8130828, 8858792)**
- 5.01 Golf Course Lots
 - a. No walls, fences, planters, hedges, screening without ACC consent
 - b. Garage or other structure must be attached to main residence & must not be nearer than 15' to common boundary separating such Lot from golf course without ACC approval
 - c. May not grow any variety of grass or other vegetation which is not inimical to standard golf course

- Article VI Use of Funds; Borrowing Power (#8130826, 8857728)**
- 6.01 Purposes for Which Association's Funds May be used

- 6.02 Borrowing Power
- 6.03 Association's rights in Spending Funds from year to Year
- 6.04 Administration of Special use Fees

Improper Maintenance by Owner (#8130828, 8858792)

One Paragraph describing deadlines to meet any Lot in the Property or Dwelling Unit is judged as to not comply with these Covenants. Basically, it reads a 10-day warning to Owner. If not resolved, the Association shall take action at Owner's cost. Written notice of the cost shall be delivered to offending Owner with demand of payment in 30 days.

Article VII Rights & Powers ((#8130826, 8857728)

- 7.01 Association's Rights & Powers as Set Forth in Articles & Bylaws
- 7.02 Association's Right of Enforcement
- 7.03 Contracts with Owners for Performance of Association's Duties
- 7.04 Mergers, Consolidations, & Federations

Party Walls (#8130828, 8858792)

- 7.01 General Rules of Law to Apply
- 7.02 Sharing of Repair & Maintenance
- 7.03 Destruction by Fire or Other Casualty
- 7.04 Weather Proofing
- 7.05 Right to Contribution Runs with the Land
- 7.06 Architectural Control Committee Approval

Article VIII Memberships (#8130826, 8857728)

- 8.01 Membership in Association
- 8.02 Voting Rights
- 8.03 Board of Directors

Insurance (#8130828, 8858792)

- 8.01 Applicability
- 8.02 Fire Insurance – Dwelling Unit Improvements on Lots
- 8.03 Trustee
- 8.04 Mortgagee's Rights
- 8.05 Owner's Additional Insurance
- 8.06 Damage & Destruction; Reconstruction
 - a. Reconstruction or Repair by Association
 - b. Other Situations
 - 1. Payment to Trustees
 - 2. Procedure

Article IX Easements & Rights of Enjoyment in Association Lands; Reservations of Declarant (#8130826, 8857728)

- 9.01 Owners' Easements & Rights of Enjoyment in Association Lands

- 9.02 Rules Regulating Use of Association Lands
- 9.03 Fees Chargeable to Certain Classes of Users of Association lands
- 9.04 Suspension of Rights of Enjoyment in Connection with Enforcement of Covenants
- 9.05 Reservations of Declarant

Term; Amendments; Terminations (#8130828, 8858792)

- 9.01 Term; Method of Termination
- 9.02 Amendments
- 9.03 Effect

Article X Architectural Control (#8130826, 8857728)
One paragraph statement

Subjecting Additional Lands To The Declaration (#8130828, 8858792)

One Paragraph saying "from to time to time the size of the Property may be increased in the manner provided in this Article by a "Supplemental Declaration" that shall

- a. Describe land
- b. State land & Permanent Improvements are subject to all Covenants
- c. Owner responsible for annual Assessments & Maintenance charges

Article Amended in its entirety, #9333449

- 10.01 Architectural Control Committee
- 10.02 Rules and Regulations

Amended Effective 5/16/97, #9731154

The foregoing must be approved by ACC

- 1. Window locations, treatments & exposed coverings
- 2. Probable view from second story
- 3. Obstruction of sunlight onto adjacent Property
- 4. Roof top solar collectors
- 5. Flagpoles, flaps, pennants, ribbons, streamers, windsocks, weather vanes
- 6. Fire & burglar alarms which emit lights or sounds
- 7. Playground & recreational equipment
- 8. Exterior lights
- 9. Ornamental statuary, sculpture and/or yard art visible from any street or common area
- 10. Location of residential dwelling on the Lot
- 11. Barbecue pits or similar equipment

- 10.03 Liberal Construction
- 10.04 Amendment of Rules
- 10.05 Owner Responsibility

- 10.06 No Waiver of Rights
- 10.07 Finality of Approval
- 10.08 Building Codes
- 10.09 Meetings of the ACC
- 10.10 Voting
- 10.11 Action by Single ACC Member
- 10.12 Appeal of Adverse Action
- 10.13 Record Keeping
- 10.14 Construction and Alteration of Improvements
- 10.15 Improvements to Existing Residential Structures
- 10.16 Disapproval of Applications by ACC
- 10.17 Written Statement of Disapproval
- 10.18 Filing of Approved Plans
- 10.19 Inspection of Lots and Improvements
- 10.20 Certificate of Compliance
- 10.21 Certificate Prima Facie Evidence
- 10.22 Authority to Charge Fees
- 10.23 Violation of Article X
- 10.24 Enforcement
 - Amended Effective 5/16/97, #9731154
 - Rights of ACC to enter upon Lots**
- 10.25 Imposition of Lien
- 10.26 Waivers

- Article XI Maintenance (#813082, 8857728)**
- 11.01 Association Lands
 - 11.02 Assessment of Costs of Maintenance & Repair of Association Lands
 - 11.03 Improper Maintenance of Other Portions of the Property
 - Amended Effective 12/1/90 #9101144
 - 11.04 Maintenance of Vacant Lots
 - Amended Effective 12/1/90, #9101144

Miscellaneous (#8130828, All repeated in # 8858792 EXCEPT 11.06, 11.07, 11.11, 11.13, 11.14)

- 11.01 Interpretation of the Covenants
- 11.02 Severability
- 11.03 Rule Against Perpetuities
- 11.04 Change of Circumstances
- 11.05 Rules & Regulations
- 11.06 Declarant's Disclaimer of Representations (REMOVED)
- 11.07 Successors & Assigns of Declarant (REMOVED)
- 11.08 **Now 11.06** Gender & Number
- 11.09 **Now 11.07** Captions & Titles
- 11.10 **Now 11.08** Notices
- 11.11 Prior Recorded Instruments (REMOVED)
- 11.12 **Now 11.09** Enforcement of the Covenants
- 11.13 Suspension of the Covenants (REMOVED)

11.14 Easements (REMOVED)

Article XII Use Restrictions (#8130826, 8857728)

12.01 All Properties

- a) Antennas
- b) On Street Parking
- c) Storage
- d) Garbage
- e) Outside Speakers & Amplifiers
- f) Outside Lighting
- g) Animals
- h) Re-subdivision
- i) Diseases & Insects
- j) Sidewalk Encroachments
- k) Machinery, Fixtures & Equipment
- l) Utility and Service Lines
- m) Burning & Incinerators
- n) Signs

Amended Effective 6/25/96, #9639645

Deletes original & substitutes this

Amendment:

1. One contractor sign (4'X4') in front only
2. One realtor sign (3'X3') front only
3. No more than 2 directional and/or Open House signs (8"V X 24"H)
4. No subcontractor signs
5. No signs on vacant lots

- o) Repairs
- p) Oil, Gas & Mineral Activity
- q) Septic Tanks & Sewage Disposal
- r) Water Wells
- s) Firearms & Weapons
- t) Motor Vehicles
- u) Change in Intended Use
- v) Misuse & Mis-maintenance
- w) Violation of Statutes, Ordinances & Regulations
- x) Violation of Association Rules or of Covenants, Conditions, or Restrictions
- y) Civic Organizations

Added (z) Landscape Restrictions 6/29/93, #9333449

Added (aa) Satellite Dishes & Antenna Effective 5/16/97, #9731154,

Added (bb) Prohibited Items Effective 5/16/97, #9731154, Items listed:

1. Clotheslines, reels, hanging circles & other exterior clothes drying devices
2. Above ground swimming pools
3. Window unit air conditioners

4. Storage of more than 10 gallons of fuel other than fuel stored in gas tanks of motor vehicles
5. Unregistered, inoperable or unlicensed motor vehicles, including all terrain vehicles
6. Exterior storage sheds
7. Wood Piles
8. Dog Houses & Dog Runs

Added (cc) Parking & Prohibited Vehicles Effective 5/16/97, #9731154, This deals with:

1. No parking/storing vehicles on Lot
2. Size of operating vehicle parked in driveway
3. No non-motorized vehicles, trailer, boats, marine crafts, hover crafts, aircrafts, machinery
4. No repair work, dismantling or assembling of motor vehicles or machinery
5. May get temporary variance for guests

Article XIII Terms Amendments; Terminations (#8130826, 8857728)

- 13.01 Term; Method of Termination
- 13.02 Amendments
- 13.03 Election Procedures for Amendments & Termination
- 13.04 Recording of Amendments or Termination
- 13.05 Effect
- 13.06 Right of Amendment if Requested by Governmental Agency or Federally Chartered Lending Institutions

Article XIV Reservation of Right to Resubdivide & Replat Lots (#8130826, 8857728)

Article XV Subjecting Additional Lands to the Declaration (#8130826, 8857728)

Article XVI Ownership of Utilities & Amenities (#8130826, 8857728)

Article XVII Miscellaneous (#8130826, All repeated in #8857728 EXCEPT 17.06, 17.07, 17.11, 17.13, 17.14)

- 17.01 Interpretation of the Covenants
- 17.02 Sever Ability
- 17.03 Rule Against Perpetuities
- 17.04 Change of Circumstances
- 17.05 Rules & Regulations
- 17.06 Declarant's Disclaimer of Representations (REMOVED)
- 17.07 Successors & Assigns of Declarant (REMOVED)
- 17.08 ~~Now 17.06~~ Gender & Number
- 17.09 ~~Now 17.07~~ Captions & Titles
- 17.10 ~~Now 17.08~~ Notices

- 17.11 Prior Recorded Instruments (REMOVED)
- 17.12 **Now 17.09** Enforcement of the Covenants
Amended, effective 5/16/97, #9731154
Deals with recovering legal fees
- 17.13 Suspension of the Covenants (REMOVED)
- 17.14 Approval & Subordination (REMOVED)

SECTION I

Blocks 3 (Laguna), 4 (Presidio--non-patio), & 5 (La Costa)

Article I Definitions (#8130826)

- A. Additional Properties
- B. Amenities
- C. Annual Assessment
- D. Assessable Property
- E. Assessment Lien
- F. Association
- G. Association Land
- H. Board
- I. Bylaws
- J. Condominium Unit
- K. Covenants
- L. Declarant
- M. Declaration
- N. Deed
- O. Dwelling Unit
- P. Exempt Property
- Q. Lot
- R. Maintenance Charges
- S. Member
- T. Open Areas
- U. Owner
- V. Permanent Improvements
- W. Plat
- X. Property
- Y. Residential Lots
- Z. Special Assessment
- AA. Special Use Fees
- BB. Subsidiary Association
- CC. Subsidiary Declaration
- DD. Supplemental Declaration
- EE. Voting Owners

Definitions (#8130827)

Replaces A thru I above (See " definition I" below)

- A. Architectural Control Committee
- B. Covenants
- C. Declarant
- D. Declaration
- E. Declaration of Covenants
- F. Plat
- G. Property
- H. Subdivision

- I. Reference to Article I of Declaration of Covenants used by not defined herein and except as herein otherwise provided, or unless inconsistent with the context hereof, words, phrases and terms shall have the meaning set forth in Article I in Document #8130826

A through EE above restated in #8857728

A through I per #8858793)

- A. Amended Declaration
- B. Architectural Control Committee
- C. Covenants
- D. Del Lago, Inc.
- E. Master Declaration
- F. Plat
- G. Property
- H. Subdivision
- I. Reference to Article I of Declaration of Covenants used by not defined herein and except as herein otherwise provided, or unless inconsistent with the context hereof, words, phrases and terms shall have the meaning set forth in Article I in Document #8130826

Added FF. Vacant Lot 1/7/91, Effective 12/1/90, #9191144

Added GG. Improvement 6/29/93, #9333449

Added HH. Structure 6/29/93, #9333449

Article II Covenants Binding on Property, Owners and Association (#8130826, 8130827, 8857728, 8858793)

- 2.01 Property Bound
- 2.02 Owners Bound
- 2.03 Association and Subsidiary Association Bound

Article III Assessments (#8130826, 8857728)

- 3.01 Annual Assessments
- 3.02 Special Assessments
- 3.03 Assessment Period
- 3.04 Allocation of Assessments
- 3.05 Rules Regarding Billing & Collection Procedures

Designation of Types of Lots (#8130827, 8858793)

- 3.01 Golf Course Lots
- 3.02 Lakefront Lots
- 3.03 Determination of Designation

Article IV Imposition of Lien; Exemptions; Owners' Agreement (#8130826, 8857728)

- 4.01 Imposition of Assessment Lie & Priority of Lien
- 4.02 Owners' Promises

General Restrictions (#8130827, 8858793)

- 4.01 Single-Family Residential Purposes

- 4.02 Types of Structures
- 4.03 Minimum Square Footage
Amended 5/28/96, #9631662
- 4.04 Setbacks
- 4.05 Walls, Fences Hedges, and Other Screening
Materials
- 4.06 Bulk Heading
- 4.07 Driveways
- 4.08 Walks
- 4.09 Boat Docks
- 4.10 Construction Materials
- 4.11 Prosecution of Construction
- 4.12 Water Wells
- 4.13 Air Conditioners and Heaters
- 4.14 Garbage Disposal
- 4.15 Utilities
- 4.16 Drying Yard
- 4.17 Added 5/10/00, Composite Building Site
#2000-038789,
Allows building one home on 2 lots
- 4.18 Added 5/10/00 Swimming Pools
#2000-038789
Allows building of pools & states requirements
- 4.19 Added 5/10/00, Power to Grant Variances
#2000-038789
**Allows ACC to authorized waivers & variances for
"just cause" & states requirements**

Article V Enforcement of Payment of Annual & Special Assessments & Maintenance Charges & Assessment Lien (#8130826, 8857728)

- 5.01 Association as Enforcing Body
- 5.02 Association's Enforcement Remedies
- 5.03 Subordination of the Lien to First Mortgage or Deed of Trust
- 5.04 Cost to be borne by Owner in Connection with Enforcement

Special Restrictions (#8130827, 8858793)

- 5.01 Golf Course Lots
 - a. No walls, fences, planters, hedges, screening without ACC consent
 - b. Garage or other structure must be attached to main residence & must not be nearer than 15' to common boundary separating such Lot from golf course without ACC approval
 - c. May not grow any variety of grass or other vegetation which is not inimical to standard golf course

Article VI Use of Funds; Borrowing Power (#8130826, 8857728)

- 6.01 Purposes for Which Association's Funds May be used
- 6.02 Borrowing Power

- 6.03 Association's rights in Spending Funds from year to Year
- 6.04 Administration of Special use Fees

Improper Maintenance by Owner (#8130827, 8858793)

One Paragraph describing deadlines to meet any Lot in the Property or Dwelling Unit is judged as to not comply with these Covenants. Basically, it reads a 10-day warning to Owner. If not resolved, the Association shall take action at Owner's cost. Written notice of the cost shall be delivered to offending Owner with demand of payment in 30 days.

Article VII Rights & Powers ((#8130826, 8857728)

- 7.01 Association's Rights & Powers as Set Forth in Articles & Bylaws
- 7.02 Association's Right of Enforcement
- 7.03 Contracts with Owners for Performance of Association's Duties
- 7.04 Mergers, Consolidations, & Federations

Term; Amendments; Terminations (#8130827, 8858793)

- 7.01 Term; Method of Termination
- 7.02 Amendments
- 7.03 Effects

Article VIII Memberships (#8130826, 8857728)

- 8.01 Membership in Association
- 8.02 Voting Rights
- 8.03 Board of Directors

Subjecting Additional Lands To The Declaration (#8130827, 8858793)

One Paragraph saying "from to time to time the size of the Property may be increased in the manner provided in this Article by a "Supplemental Declaration" that shall

- a. Describe land
- b. State land & Permanent Improvements are subject to all Covenants
- c. Owner responsible for annual Assessments & Maintenance charges

Article IX Easements & Rights of Enjoyment in Association Lands; Reservations of Declarant (#8130826, 8857728)

- 9.01 Owners' Easements & Rights of Enjoyment in Association Lands
- 9.02 Rules Regulating Use of Association Lands
- 9.03 Fees Chargeable to Certain Classes of Users of Association lands
- 9.04 Suspension of Rights of Enjoyment in Connection with Enforcement of Covenants

9.05 Reservations of Declarant

Miscellaneous (#8130827, All repeated in # 8858793 EXCEPT 9.06, 9.07, 9.11, 9.13, 9.14)

- 9.01 Interpretation of the Covenants
- 9.02 Severability
- 9.03 Rule Against Perpetuities
- 9.04 Change of Circumstances
- 9.05 Rules & Regulations
- 9.06 Declarant's Disclaimer of Representations (REMOVED)
- 9.07 Successors & Assigns of Declarant (REMOVED)
- 9.08 **Now 9.06** Gender & Number
- 9.09 **Now 9.07** Captions & Titles
- 9.10 **Now 9.08** Notices
- 9.11 Prior Recorded Instruments (REMOVED)
- 9.12 **Now 9.09** Enforcement of the Covenants
- 9.13 Suspension of the Covenants (REMOVED)
- 9.14 Easements (REMOVED)

Article X Architectural Control (#8130826, 8857728)
One paragraph statement

Article Amended in its entirety, #9333449

- 10.01 Architectural Control Committee
- 10.02 Rules and Regulations

Amended Effective 5/16/97, #9731154

The foregoing must be approved by ACC

1. Window locations, treatments & exposed coverings
2. Probable view from second story
3. Obstruction of sunlight onto adjacent Property
4. Roof top solar collectors
5. Flagpoles, flaps, pennants, ribbons, streamers, windsocks, weather vanes
6. Fire & burglar alarms which emit lights or sounds
7. Playground & recreational equipment
8. Exterior lights
9. Ornamental statuary, sculpture and/or yard art visible from any street or common area
10. Location of residential dwelling on the Lot
11. Barbecue pits or similar equipment

- 10.03 Liberal Construction
- 10.04 Amendment of Rules
- 10.05 Owner Responsibility
- 10.06 No Waiver of Rights
- 10.07 Finality of Approval
- 10.08 Building Codes
- 10.09 Meetings of the ACC
- 10.10 Voting

- 10.11 Action by Single ACC Member
- 10.12 Appeal of Adverse Action
- 10.13 Record Keeping
- 10.14 Construction and Alteration of Improvements
- 10.15 Improvements to Existing Residential Structures
- 10.16 Disapproval of Applications by ACC
- 10.17 Written Statement of Disapproval
- 10.18 Filing of Approved Plans
- 10.19 Inspection of Lots and Improvements
- 10.20 Certificate of Compliance
- 10.21 Certificate Prima Facie Evidence
- 10.22 Authority to Charge Fees
- 10.23 Violation of Article X
- 10.24 Enforcement
 - Amended Effective 5/16/97, #9731154
 - Rights of ACC to enter upon Lots**
- 10.25 Imposition of Lien
- 10.26 Waivers

Article XI Maintenance (#813082, 8857728)

- 11.01 Association Lands
- 11.02 Assessment of Costs of Maintenance & Repair of Association Lands
- 11.03 Improper Maintenance of Other Portions of the Property
 - Amended Effective 12/1/90 #9101144
- 11.04 Maintenance of Vacant Lots
 - Amended Effective 12/1/90, #9101144

Article XII Use Restrictions (#8130826, 8857728)

- 12.01 All Properties
 - a) Antennas
 - b) On Street Parking
 - c) Storage
 - d) Garbage
 - e) Outside Speakers & Amplifiers
 - f) Outside Lighting
 - g) Animals
 - h) Re-subdivision
 - i) Diseases & Insects
 - j) Sidewalk Encroachments
 - k) Machinery, Fixtures & Equipment
 - l) Utility and Service Lines
 - m) Burning & Incinerators
 - n) Signs
 - Amended Effective 6/25/96, #9639645
 - Deletes original & substitutes this Amendment:**
 - 1. One contractor sign (4'X4') in front only
 - 2. One realtor sign (3'X3') front only

3. No more than 2 directional and/or Open House signs (8"V X 24"H)
 4. No subcontractor signs
 5. No signs on vacant lots
- o) Repairs
 - p) Oil, Gas & Mineral Activity
 - q) Septic Tanks & Sewage Disposal
 - r) Water Wells
 - s) Firearms & Weapons
 - t) Motor Vehicles
 - u) Change in Intended Use
 - v) Misuse & Mis-maintanance
 - w) Violation of Statutes, Ordinances & Regulations
 - x) Violation of Association Rules or of Covenants, Conditions, or Restrictions
 - y) Civic Organizations

Added (z) Landscape Restrictions 6/29/93, **#9333449**

Added (aa) Satellite Dishes & Antenna Effective 5/16/97, **#9731154,**

Added (bb) Prohibited Items Effective 5/16/97, **#9731154, Items listed:**

1. Clotheslines, reels, hanging circles & other exteriors clothes drying devices
2. Above ground swimming pools
3. Window unit air conditioners
4. Storage of more than 10 gallons of fuel other tan fuel stored in gas tanks of motor vehicles
5. Unregistered, inoperable or unlicensed motor vehicles, including all terrain vehicles
6. Exterior storage sheds
7. Wood Piles
8. Dog Houses & Dog Runs

Added (cc) Parking & Prohibited Vehicles Effective 5/16/97, **#9731154,** This deals with:

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Article XVII Miscellaneous (#8130826, [REMOVED] All repeated in #8857728 EXCEPT 17.06, 17.07, 17.11, 17.13, 17.14)

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- 17.02 Sever Ability
- 17.03 Rule Against Perpetuities
- 17.04 Change of Circumstances
- 17.05 Rules & Regulations
- 17.06 Declarant's Disclaimer of Representations ([REMOVED] REMOVED)
- 17.07 Successors & Assigns of Declarant ([REMOVED] REMOVED)
- 17.08 **Now 17.06** Gender & Number
- 17.09 **Now 17.07** Captions & Titles
- 17.10 **Now 17.08** Notices
- 17.11 Prior Recorded Instruments ([REMOVED] REMOVED)
- 17.12 **Now 17.09** Enforcement of the Covenants
Amended, effective 5/16/97, #9731154
Deals with recovering legal fees
- 17.13 Suspension of the Covenants ([REMOVED] REMOVED)
- 17.14 Approval & Subordination ([REMOVED] REMOVED)

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567-01-2444

REAL PROPERTY RECORDS

AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS, RESERVATIONS AND EASEMENTS
DEL LAGO SECTION NO. 2 (SINGLE FAMILY)

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS AND EASEMENTS (herein called the "Amended Declaration") is made as of the 10th day of November, 1988, pursuant to the affirmative vote of fifty one percent (51%) of the votes authorized to be cast by Voting Owners in accordance with section 13.02 of the Original Master Declaration (as defined below).

R E C I T A L S:

A. On August 17, 1981, Lake Conroe Interests, Inc., a Texas corporation (the "Original Declarant"), did file a certain Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements (the "Original Master Declaration") in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8130826.

B. In addition, on August 2, 1982, the Original Declarant did file a certain Declaration of Covenants, Conditions, Restrictions, Reservations and Easements Del Lago Section No. 2 (Single Family) (the "Original Supplemental Declaration"), filed for record in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8231497.

C. Due to foreclosure of a substantial portion of the Property (hereinafter defined) under defaulted loans extended to the Original Declarant by various lenders, the Original Declarant no longer holds title to any part of the Property.

D. Pursuant to the affirmative vote of fifty one percent (51%) of the votes authorized to be cast by Voting Owners in accordance with section 13.02 of the Original Master Declaration at a meeting of the Owners held on April 4, 1988, duly called pursuant to Section 13.03 of the Original Master Declaration, the Voting Owners have amended and restated the Original Master Declaration pursuant to that certain Amended and Restated Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements of even date herewith (the "Master Declaration") filed in the Official Real Property Records of Montgomery County, Texas, under Clerk's File No. 8857728.

E. Further, pursuant to the affirmative vote of fifty one percent (51%) of the votes authorized to be cast by Voting Owners pursuant to section 13.03 of the Original Master Declaration at a meeting of the Owners held on April 4, 1988, duly called pursuant to Section 13.03 of the Original Master Declaration, the Voting Owners desire to amend and restate the Supplemental Declaration pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, the Original Supplemental Declaration is hereby amended and restated pursuant to the terms herein and the Property shall be held, sold and conveyed subject to the Covenants.

ARTICLE I

DEFINITIONS

The following words, phrases or terms used in this Amended Declaration shall have the following meanings:

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A. "Amended Declaration" shall mean this Amended and Restated Declaration of Covenants, Conditions, Restrictions, Reservations and Easements, and any and all amendments, modifications and supplements thereto.

B. "Architectural Control Committee" shall mean Del Lago, Inc. or, if and when applicable, a committee appointed by Del Lago, Inc.

C. "Covenants" shall mean the covenants, conditions, restrictions, reservations, easements and other provisions set forth in this Amended Declaration.

D. "Del Lago, Inc." shall mean Del Lago Conference and Resort, Inc., a Texas corporation, and any of its successors and assigns.

E. "Master Declaration" shall mean the Amended and Restated Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements described in paragraph D of the Recitals herein.

F. "Plat" shall mean the subdivision plat creating the Subdivision, as amended or supplemented from time to time.

G. "Property" shall mean:

(1) At the time of recordation of this Amended Declaration, the land described on Exhibit "A" attached hereto and made a part hereof for all purposes; and

(2) From and after the addition of each parcel of land subjected to this Amended Declaration pursuant to Article VIII hereof, each such new parcel of land.

H. "Subdivision" shall mean the residential subdivision located in Montgomery County, Texas, and known as "Del Lago, Section Two," according to the plat of said subdivision recorded under Cabinet D, Sheets 32B and 33A in the Map and Plat Records of Montgomery, Texas, as the same may be amended or supplemented from time to time.

I. Reference is made to Article I of the Master Declaration for the definition of words, phrases and terms used but not defined herein, and except as herein otherwise provided, or unless inconsistent with the context hereof, words, phrases and terms shall have the meanings set forth in Article I of the Master Declaration, but shall relate to the Property as defined herein.

ARTICLE II

COVENANTS BINDING ON PROPERTY, OWNERS AND ASSOCIATION

2.01 Property Bound. From and after the date of recordation of this Amended Declaration, the Property shall be subject to the Covenants, and the Covenants shall run with, be for the benefit of, bind, and burden the Property.

2.02 Owners Bound. From and after the date of recordation of this Amended Declaration, the Covenants shall be binding upon and inure to the benefit of each Owner and his heirs, executors, administrators, personal representatives, successors, and assigns, whether or not so provided or otherwise mentioned in the Deed. Each Owner, for himself, his heirs, executors, administrators, personal representatives, successors and assigns, expressly agrees to pay, and to be

567-01-2446

personally liable for, the Maintenance Charges provided for in Article VI hereof, and to be bound by all of the Covenants herein set forth. Each Owner shall be and remain personally liable, regardless of whether he has transferred title to his Lot, for the amount of the Maintenance Charges (together with interest, costs and attorneys' fees as provided in Article V of the Master Declaration) which became due while he was an Owner.

2.03 Association and Subsidiary Association Bound. The Covenants shall be binding upon and shall inure to the benefit of the Association and any such Subsidiary Association.

ARTICLE III

DESIGNATION OF TYPES OF LOTS

3.01 Golf Course Lots. All Lots in the Property having a common boundary with the golf course as shown on the Plat are hereby designated as "Golf Course Lots".

3.02 Lakefront Lots. All Lots in the Property having a common boundary with Lake Conroe are hereby designated as "Lakefront Lots".

3.03 Determination of Designation. The Architectural Control Committee shall have the exclusive and final right and authority to classify or designate any Lot as being any one of the above described designations in the event of any reasonable doubt as to the classification of such Lot.

ARTICLE IV

GENERAL RESTRICTIONS

4.01 Single-Family Residential Purposes. All Lots in the Property shall be used only for single-family residential purposes. No noxious or offensive activity of any sort shall be permitted, nor shall anything be done on any Lot which may be or become an annoyance or nuisance to the neighborhood. No Lot in the Property shall be used for any commercial, business or professional purposes. The renting or leasing of any improvements thereon or portion thereof without the prior written consent of the Association, is prohibited.

4.02 Types of Structures. No building shall be erected, altered or permitted to remain on any Lot in the Property other than one (1) detached single-family residential dwelling not to exceed two (2) stories in height and a private garage (or other covered car parking facility) for not more than three (3) automobiles and other bona fide servants' quarters; provided, however, that the servants' quarters structure shall not exceed the main dwelling in area, height or number of stories.

*amended
9/6/31/663
5/25/40*

4.03 Minimum Square Footage. The living area of the main residential structure (exclusive of porches, whether open or screened, garage or other car parking facility, terraces, driveways and servants' quarters) on each Lot shall be not less than 1,500 square feet for a one-story Dwelling Unit and not less than 1,750 square feet for a one and one-half or two story Dwelling Unit. *2000 sq ft*

4.04 Setbacks. Except with respect to walls, fences, planters, hedges or other screening material, no Permanent Improvement or any part thereof, including roof overhang, may be nearer than fifteen (15) feet to any side street line, nor may any Permanent Improvement or any part thereof, including roof overhang, be nearer than five (5) feet to any adjacent lot

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line. No Dwelling Unit may be located nearer than fifteen (15) feet to the rear property line of the Lot, and no Permanent Improvement may be located on any Lot nearer to the front street line of such Lot than the setback established on the Plat. Where any setback line established on the Plat is more restrictive than the foregoing, such setback line shall control.

4.05 Walls, Fences, Hedges and Other Screening Material. Where a wall, fence, planter, hedge or other screening material is not specifically prohibited under the Special Restrictions set forth in Article V, the following (as to any permitted wall, fence, planter, hedge or other screening material) shall apply: No wall, fence, planter, hedge or other screening material in excess of two (2) feet high shall be erected or maintained nearer to the front lot line than the front building setback line, nor on corner lots nearer to the side lot line than the building setback line parallel to the side street. No rear or side fence, wall, hedge or other screening material shall be more than five (5) feet high. Notwithstanding the foregoing, no wall, fence, planter, hedge or other screening material shall be permitted to unduly interfere with the view from any other Lot, as determined by the Architectural Control Committee in its sole discretion.

4.06 Bulk Heading. Lakefront Lots may be bulk headed at the Owner's expense. All plans for such bulk heading must be approved by the Architectural Control Committee, the San Jacinto River Authority, the U.S. Corps of Engineers and any other applicable governmental authority. All bulk heads must be constructed strictly in accordance with the approved plans and specifications.

4.07 Driveways. All driveways shall be entirely of concrete (except however, some other material may be used with the prior written consent of the Architectural Control Committee) and shall be paved before any Dwelling Unit may be occupied. No driveway or other roadway may be constructed on any Lot in such a manner as to furnish access to any adjoining Lots or other property without the prior written consent of the Architectural Control Committee.

4.08 Walks. Walks from the street curb to the Dwelling Unit shall have a minimum width of four (4) feet and shall be constructed entirely of concrete (except however, some other material may be used with the prior written consent of the Architectural Control Committee).

4.09 Boat Docks. Owners of Lakefront Lots may construct boat docks to the extent permitted by applicable governmental regulations, provided the plans for any such construction must be submitted to and approved by the Architectural Control Committee, the San Jacinto River Authority, the U.S. Corps of Engineers and any other applicable governmental authority.

4.10 Construction Materials. All materials used in the construction of the exterior of any Dwelling Unit or other structure must be approved by the Architectural Control Committee before commencement of construction. Only new construction materials shall be used (except for used brick if and as approved by the Architectural Control Committee on a case by case basis). No concrete block shall be used in construction unless the blocks are covered up by the final exterior finish material. All Dwelling Units shall be built on a slab, solid concrete beam foundation, or a pier and beam foundation approved by the Architectural Control Committee. In no event shall any used building be moved onto any Lot.

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4.11 Prosecution of Construction. With reasonable diligence, and in all events within six (6) months from the commencement of construction, unless completion is prevented by war, labor strike or an act of God, any Dwelling Unit or other structure commenced upon any Lot shall be completed as to its exterior, and all temporary structures shall be removed.

4.12 Air Conditioners and Heaters. No window or wall type air conditioner or heater shall be permitted to be used, erected, placed or maintained on or in any Permanent Improvement.

4.13 Garbage Disposal. Each kitchen in each Dwelling Unit situated on a Lot shall be equipped with a garbage disposal unit, which shall at all times be kept in a serviceable condition.

4.14 Utilities. Each and every Dwelling Unit shall be required to be connected to the water distribution system and sanitary sewer collection system in the Subdivision as soon as such utilities are available in the easements adjacent to or within the respective Lot upon which the Dwelling Unit is located. Individual underground electrical service drops must be installed to each Dwelling Unit. Each Owner shall comply with the requirements of the applicable utility company regarding such underground service installations, including without limitation the payment of any lawful charges which might be incurred for the installation of the underground service as set forth in applicable utility company rules, regulations and terms and conditions of service, as the same may be amended from time to time without notice.

4.15 Drying Yard. The drying of clothes in public view is prohibited.

Added 2000-03-27/31/2000
4.16 Composite Blde S. 7e
4.17 Swimming Pools
4.18 Power to Giant Varnices
ARTICLE V
SPECIAL RESTRICTIONS

5.01 Golf Course Lots. In addition to the General Restrictions set forth in Article IV, the following restrictions shall apply to Golf Course Lots:

- (a) No wall, fence, planter, hedge or other screening device shall be constructed or permitted without the prior written consent of the Architectural Control Committee.
- (b) Any garage or other structure must be attached to the main residence and must not be nearer than fifteen (15) feet to the common boundary separating such Lot from the golf course without the prior written approval of the Architectural Control Committee.
- (c) No Owner of any Golf Course Lot shall grow or permit the growth of any variety of grass or other vegetation which is inimical to standard golf course grasses or vegetation.

ARTICLE VI

IMPROPER MAINTENANCE BY OWNER

In the event any portion of any Lot in the Property or any Dwelling Unit thereon is, in the judgment of the Board of Directors, so maintained by the Owner thereof as to not comply with these Covenants, the Board may by resolution make a finding to such effect, specifying the particular condition or

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conditions which exist, and pursuant thereto deliver notice thereof to the offending Owner that unless corrective action is taken within ten (10) days, the Association will cause such action to be taken at such Owner's cost. If after the expiration of said ten (10) day period of time the requisite corrective action has not been taken, the Association shall be authorized and empowered to cause such action to be taken and the costs (herein called the "Maintenance Charges") thereof shall be assessed against the Lot and the Dwelling Unit of the offending Owner and shall be secured by the Assessment Lien as provided in the Master Declaration. Written notice of such assessment shall be delivered to the offending Owner which notice shall specify the amount of such Maintenance Charges and shall demand payment thereof within thirty (30) days after the date of said notice. Accrual of interest on unpaid Maintenance Charges, collection of the Maintenance Charges, and enforcement of the Assessment Lien shall be governed by all of the provisions of the Master Declaration with respect to such matters.

ARTICLE VII

TERM; AMENDMENTS; TERMINATIONS

7.01 Term; Method of Termination. This Amended Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect to and including December 31, 2011. From and after said date, this Amended Declaration, as amended from time to time, shall be automatically extended, or shall be terminated upon the exact same terms and conditions, and in accordance with the exact same procedures, as set forth in Sections 13.01, 13.03 and 13.04 of the Master Declaration; it being the express intention of the foregoing to require for any such termination the requisite percentage vote of all Voting Owners, as defined in the Master Declaration with respect to the entire Property therein defined.

7.02 Amendments. This Amended Declaration may be amended or changed upon the exact same terms and conditions, and in accordance with the exact same procedures, as set forth in Sections 13.02, 13.03, 13.04 and 13.06 of the Master Declaration; it being the express intention of the foregoing to require for any such amendment the requisite percentage vote of all Voting Owners, as defined in the Master Declaration with respect to the entire Property therein defined.

7.03 Effect. Upon the recording of the certificate of termination as required by Section 13.04(b) of the Master Declaration, these Covenants and this Amended Declaration shall have no further force or effect. Upon the filing of an amendment in accordance with Section 13.04(a) of the Master Declaration, this Amended Declaration and the Covenants, as amended, shall remain in full force and effect.

ARTICLE VIII

SUBJECTING ADDITIONAL LANDS TO THE DECLARATION

From time to time the size of the Property may be increased, in the manner provided in this Article, by recording in the Real Property Records of Montgomery County, Texas, a supplement to this Amended Declaration (hereinafter called "Supplemental Declaration"). The Supplemental Declaration shall be signed and acknowledged by or on behalf of the Board and by the Owner of record of the additional land to be included within the Property and subjected to the Covenants set

567-01-2450

forth in this Amended Declaration. Each such Supplemental Declaration shall:

(a) describe the land to be included as a part of the Property;

(b) state that such land and the Permanent Improvements thereon are expressly subjected to all of the Covenants set forth in this Declaration; and

(c) state that the Owner, for and on behalf of his heirs, executors, administrators, successors, and assigns, agrees that he shall be personally liable for the Annual and Special Assessments and Maintenance Charges imposed hereunder and shall be personally bound by all Covenants set forth in this Amended Declaration.

ARTICLE IX

MISCELLANEOUS

9.01 Interpretation of the Covenants. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Amended Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive, and binding as to all persons and property benefited or bound by the Covenants and provisions hereof.

9.02 Severability. Any determination by any court of competent jurisdiction that any provision of this Amended Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

9.03 Rule Against Perpetuities. If any interest purported to be created by this Amended Declaration is challenged under the rule against perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the "lives in being" for computing the period of perpetuities shall be (a) those which would be used in determining the validity of the challenged interest, plus (b) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.

9.04 Change of Circumstances. Except as otherwise expressly provided in this Amended Declaration, no change of conditions or circumstances shall operate to extinguish, terminate, or modify any of the provisions of this Amended Declaration.

9.05 Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Amended Declaration, the Association shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities, and duties, provided said rules and regulations are not inconsistent with the provisions of this Amended Declaration.

9.06 Gender and Number. Wherever the context of this Amended Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words

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used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.

9.07 Captions and Titles. All captions, titles or headings of the Articles and Sections in this Amended Declaration are for the purpose of reference and convenience only, and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof, or to be used in determining the intent or context thereof.

9.08 Notices. Any notice required or permitted to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, delivery shall be deemed to have been made twenty-four (24) hours after a copy of the notice has been deposited in the United States mail, postage prepaid, registered or certified mail, addressed to each such person at the address given by such person to the party sending the notice or to the address of the Dwelling Unit of such person if no address has been given. Such address may be changed from time to time by notice in writing.

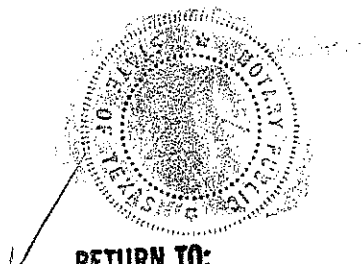
9.09 Enforcement of the Covenants. Notwithstanding anything to the contrary herein, in the event of any violation or attempted violation of any of the provisions hereof, including any of the Covenants, enforcement shall be authorized by any proceedings at law or in equity against any person or persons violating or attempting to violate any of such provisions, including proceedings to restrain or prevent such violation or attempted violation by injunction, whether prohibitive in nature or mandatory in commanding compliance with such provisions; and it shall not be a prerequisite to the granting of any such injunction to show inadequacy of legal remedy or irreparable harm. Likewise, any person entitled to enforce the provisions hereof may recover such damages as such person has sustained by reason of the violation of such provisions.

DEL LAGO OWNERS ASSOCIATION

By: [Signature]
MARK HOLLAND, President

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me this 10th day of November, 1988, by MARK HOLLAND, President of DEL LAGO OWNERS ASSOCIATION, a Texas non-profit corporation, on behalf of said corporation.



Eileen M. Dolan
Notary Public in and for
The State of T E X A S
Name: Eileen M. Dolan
(Printed)
My Commission Expires: 10/27/90

RETURN TO:
Robert L. Powell
220 N. Thompson, Suite C
Conroe, Texas 77301

EXHIBIT "A"

All of Lots 1 through 27 (inclusive) in Block 1, all of Lots 1 through 58 (inclusive) in Block 6 and all of Lots 1 through 99 (inclusive) in Block 5 and all of the land constituting same as shown on a plat of Del Lago Section No. Two, a subdivision of Montgomery County, Texas, as recorded in Cabinet D, Sheets 32B and 33A of the Map and Plat Records of Montgomery County, Texas.

FILED FOR RECORD

88 NOV 21 PM 3:12

Roy Harris

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS }
COUNTY OF MONTGOMERY }
I hereby certify that this instrument was filed
in File Number Sequence on the date and at the
time stamped hereon by me, and was duly RECORDED
in the official Public Records of Real Property of
Montgomery County, Texas.

NOV 21 1988



Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

SECTION 2
**Blocks 1 (Alba), 2 (Balboa), 6 (Balboa Cir. Cottages), & 7 (Villas,
Cottages, Hotel)**

Article I Definitions (#8130826)

- A. Additional Properties
- B. Amenities
- C. Annual Assessment
- D. Assessable Property
- E. Assessment Lien
- F. Association
- G. Association Land
- H. Board
- I. Bylaws
- J. Condominium Unit
- K. Covenants
- L. Declarant
- M. Declaration
- N. Deed
- O. Dwelling Unit
- P. Exempt Property
- Q. Lot
- R. Maintenance Charges
- S. Member
- T. Open Areas
- U. Owner
- V. Permanent Improvements
- W. Plat
- X. Property
- Y. Residential Lots
- Z. Special Assessment
- AA. Special Use Fees
- BB. Subsidiary Association
- CC. Subsidiary Declaration
- DD. Supplemental Declaration
- EE. Voting Owners

Definitions (#8231497)

Replaces A thru I above (See " definition I" below)

- A. Architectural Control Committee
- B. Covenants
- C. Declarant
- D. Declaration
- E. Declaration of Covenants
- F. Plat
- G. Property

- H. Subdivision
- I. Reference to Article I of Declaration of Covenants used by not defined herein and except as herein otherwise provided, or unless inconsistent with the context hereof, words, phrases and terms shall have the meaning set forth in Article I in Document #8130826

A through EE above restated in #8857728

A through I per #8858794)

- A. Amended Declaration
- B. Architectural Control Committee
- C. Covenants
- D. Del Lago, Inc.
- E. Master Declaration
- F. Plat
- G. Property
- H. Subdivision
- I. Reference to Article I of Declaration of Covenants used by not defined herein and except as herein otherwise provided, or unless inconsistent with the context hereof, words, phrases and terms shall have the meaning set forth in Article I in Document #8130826

Added FF. Vacant Lot 1/7/91, Effective 12/1/90, #9191144

Added GG. Improvement 6/29/93, #9333449

Added HH. Structure 6/29/93, #9333449

Article II Covenants Binding on Property, Owners and Association (#8130826, 8231497, 8857728, 8858794)

- 2.01 Property Bound
- 2.02 Owners Bound
- 2.03 Association and Subsidiary Association Bound

Article III Assessments (#8130826, 8857728)

- 3.01 Annual Assessments
- 3.02 Special Assessments
- 3.03 Assessment Period
- 3.04 Allocation of Assessments
- 3.05 Rules Regarding Billing & Collection Procedures

Designation of Types of Lots (#8231497, 8858794)

- 3.01 Golf Course Lots
- 3.02 Lakefront Lots
- 3.03 Determination of Designation

Article IV Imposition of Lien; Exemptions; Owners' Agreement (#8130826, 8857728)

- 4.01 Imposition of Assessment Lie & Priority of Lien
- 4.02 Owners' Promises

General Restrictions (#8231497—Did not list “Water Wells”, 8858794)

- 4.01 Single-Family Residential Purposes
- 4.02 Types of Structures
- 4.03 Minimum Square Footage
Amended 5/28/96, #9631663
- 4.04 Setbacks
- 4.05 Walls, Fences Hedges, and Other Screening
Materials
- 4.06 Bulk Heading
- 4.07 Driveways
- 4.08 Walks
- 4.09 Boat Docks
- 4.10 Construction Materials
- 4.11 Prosecution of Construction
- 4.12 Air Conditioners and Heaters
- 4.13 Garbage Disposal
- 4.14 Utilities
- 4.15 Drying Yard
- 4.16 Added 5/10/00, Composite Building Site
#2000-038791,
Allows building one home on 2 lots
- 4.18 Added 5/10/00 Swimming Pools
#2000-038791
Allows building of pools & states requirements
- 4.19 Added 5/10/00, Power to Grant Variances
#2000-038791
**Allows ACC to authorized waivers & variances for
“just cause” & states requirements**

Article V Enforcement of Payment of Annual & Special Assessments & Maintenance Charges & Assessment Lien (#8130826, 8857728)

- 5.01 Association as Enforcing Body
- 5.02 Association's Enforcement Remedies
- 5.03 Subordination of the Lien to First Mortgage or Deed of
Trust
- 5.04 Cost to be borne by Owner in Connection with
Enforcement

Special Restrictions (#8231497, 8858794)

- 5.01 Golf Course Lots
 - a. No walls, fences, planters, hedges, screening without
ACC consent
 - b. Garage or other structure must be attached to main
residence & must not be nearer than 15' to common
boundary separating such Lot from golf course without
ACC approval
 - c. May not grow any variety of grass or other vegetation
which is not inimical to standard golf course

Article VI Use of Funds; Borrowing Power (#8130826, 8857728)

- 6.01 Purposes for Which Association's Funds May be used

- 6.02 Borrowing Power
- 6.03 Association's rights in Spending Funds from year to Year
- 6.04 Administration of Special use Fees

Improper Maintenance by Owner (#8231497, 8858794)

One Paragraph describing deadlines to meet any Lot in the Property or Dwelling Unit is judged as to not comply with these Covenants. Basically, it reads a 10-day warning to Owner. If not resolved, the Association shall take action at Owner's cost. Written notice of the cost shall be delivered to offending Owner with demand of payment in 30 days.

Article VII Rights & Powers ((#8130826, 8857728)

- 7.01 Association's Rights & Powers as Set Forth in Articles & Bylaws
- 7.02 Association's Right of Enforcement
- 7.03 Contracts with Owners for Performance of Association's Duties
- 7.04 Mergers, Consolidations, & Federations

Term; Amendments; Terminations (#8231497, 8858794)

- 7.01 Term; Method of Termination
- 7.02 Amendments
- 7.03 Effects

Article VIII Memberships (#8130826, 8857728)

- 8.01 Membership in Association
- 8.02 Voting Rights
- 8.03 Board of Directors

Subjecting Additional Lands To The Declaration (#8231497, 8858794)

One Paragraph saying "from to time to time the size of the Property may be increased in the manner provided in this Article by a "Supplemental Declaration" that shall

- a. Describe land
- b. State land & Permanent Improvements are subject to all Covenants
- c. Owner responsible for annual Assessments & Maintenance charges

Article IX Easements & Rights of Enjoyment in Association Lands; Reservations of Declarant (#8130826, 8857728)

- 9.01 Owners' Easements & Rights of Enjoyment in Association Lands
- 9.02 Rules Regulating Use of Association Lands
- 9.03 Fees Chargeable to Certain Classes of Users of Association lands
- 9.04 Suspension of Rights of Enjoyment in Connection with

Enforcement of Covenants
9.05 Reservations of Declarant

Miscellaneous (#8231497, All repeated in # 8858794 EXCEPT 9.06, 9.07, 9.11, 9.13, 9.14)

- 9.01 Interpretation of the Covenants
- 9.02 Severability
- 9.03 Rule Against Perpetuities
- 9.04 Change of Circumstances
- 9.05 Rules & Regulations
- 9.06 Declarant's Disclaimer of Representations (REMOVED)
- 9.07 Successors & Assigns of Declarant (REMOVED)
- 9.08 **Now 9.06** Gender & Number
- 9.09 **Now 9.07** Captions & Titles
- 9.10 **Now 9.08** Notices
- 9.11 Prior Recorded Instruments (REMOVED)
- 9.12 **Now 9.09** Enforcement of the Covenants
- 9.13 Suspension of the Covenants (REMOVED)
- 9.14 Easements (REMOVED)

Article X Architectural Control (#8130826, 8857728)
One paragraph statement

Article Amended in its entirety, #9333449

- 10.01 Architectural Control Committee
- 10.02 Rules and Regulations

Amended Effective 5/16/97, #9731154

The foregoing must be approved by ACC

1. Window locations, treatments & exposed coverings
2. Probable view from second story
3. Obstruction of sunlight onto adjacent Property
4. Roof top solar collectors
5. Flagpoles, flaps, pennants, ribbons, streamers, windsocks, weather vanes
6. Fire & burglar alarms which emit lights or sounds
7. Playground & recreational equipment
8. Exterior lights
9. Ornamental statuary, sculpture and/or yard art visible from any street or common area
10. Location of residential dwelling on the Lot
11. Barbecue pits or similar equipment

- 10.03 Liberal Construction
- 10.04 Amendment of Rules
- 10.05 Owner Responsibility
- 10.06 No Waiver of Rights
- 10.07 Finality of Approval
- 10.08 Building Codes
- 10.09 Meetings of the ACC

- 10.10 Voting
- 10.11 Action by Single ACC Member
- 10.12 Appeal of Adverse Action
- 10.13 Record Keeping
- 10.14 Construction and Alteration of Improvements
- 10.15 Improvements to Existing Residential Structures
- 10.16 Disapproval of Applications by ACC
- 10.17 Written Statement of Disapproval
- 10.18 Filing of Approved Plans
- 10.19 Inspection of Lots and Improvements
- 10.20 Certificate of Compliance
- 10.21 Certificate Prima Facie Evidence
- 10.22 Authority to Charge Fees
- 10.23 Violation of Article X
- 10.24 Enforcement

Amended Effective 5/16/97, #9731154

Rights of ACC to enter upon Lots

- 10.25 Imposition of Lien
- 10.26 Waivers

Article XI Maintenance (#813082, 8857728)

- 11.01 Association Lands
- 11.02 Assessment of Costs of Maintenance & Repair of Association Lands
- 11.03 Improper Maintenance of Other Portions of the Property
Amended Effective 12/1/90 #9101144
- 11.04 Maintenance of Vacant Lots
Amended Effective 12/1/90, #9101144

Article XII Use Restrictions (#8130826, 8857728)

- 12.01 All Properties
 - a) Antennas
 - b) On Street Parking
 - c) Storage
 - d) Garbage
 - e) Outside Speakers & Amplifiers
 - f) Outside Lighting
 - g) Animals
 - h) Re-subdivision
 - i) Diseases & Insects
 - j) Sidewalk Encroachments
 - k) Machinery, Fixtures & Equipment
 - l) Utility and Service Lines
 - m) Burning & Incinerators
 - n) Signs

Amended Effective 6/25/96, #9639645

Deletes original & substitutes this Amendment:

1. One contractor sign (4'X4') in front only
2. One realtor sign (3'X3') front only

3. No more than 2 directional and/or Open House signs (8"V X 24"H)
 4. No subcontractor signs
 5. No signs on vacant lots
- o) Repairs
 - p) Oil, Gas & Mineral Activity
 - q) Septic Tanks & Sewage Disposal
 - r) Water Wells
 - s) Firearms & Weapons
 - t) Motor Vehicles
 - u) Change in Intended Use
 - v) Misuse & Mis-maintanance
 - w) Violation of Statutes, Ordinances & Regulations
 - x) Violation of Association Rules or of Covenants, Conditions, or Restrictions
 - y) Civic Organizations

Added (z) Landscape Restrictions 6/29/93, **#9333449**

Added (aa) Satellite Dishes & Antenna Effective 5/16/97, **#9731154,**

Added (bb) Prohibited Items Effective 5/16/97, **#9731154, Items listed:**

1. Clotheslines, reels, hanging circles & other exteriors clothes drying devices
2. Above ground swimming pools
3. Window unit air conditioners
4. Storage of more than 10 gallons of fuel other tan fuel stored in gas tanks of motor vehicles
5. Unregistered, inoperable or unlicensed motor vehicles, including all terrain vehicles
6. Exterior storage sheds
7. Wood Piles
8. Dog Houses & Dog Runs

Added (cc) Parking & Prohibited Vehicles Effective 5/16/97, **#9731154,** This deals with:

1. No parking/storing vehicles on Lot
2. Size of operating vehicle parked in driveway
3. No non-motorized vehicles, trailer, boats, marine crafts, hover crafts, aircrafts, machinery
4. No repair work, dismantling or assembling of motor vehicles or machinery
5. May get temporary variance for guests

Article XIII Terms Amendments; Terminations (#8130826, 8857728)

13.01 Term; Method of Termination

- 13.02 Amendments
- 13.03 Election Procedures for Amendments & Termination
- 13.04 Recording of Amendments or Termination
- 13.05 Effect
- 13.06 Right of Amendment if Requested by Governmental Agency or Federally Chartered Lending Institutions

Article XIV Reservation of Right to Resubdivide & Replat Lots (#8130826, 8857728)

Article XV Subjecting Additional Lands to the Declaration (#8130826, 8857728)

Article XVI Ownership of Utilities & Amenities (#8130826, 8857728)

Article XVII Miscellaneous (#8130826, [REMOVED] All repeated in #8857728 EXCEPT 17.06, 17.07, 17.11, 17.13, 17.14)

- 17.01 Interpretation of the Covenants
- 17.02 Sever Ability
- 17.03 Rule Against Perpetuities
- 17.04 Change of Circumstances
- 17.05 Rules & Regulations
- 17.06 Declarant's Disclaimer of Representations ([REMOVED] REMOVED)
- 17.07 Successors & Assigns of Declarant ([REMOVED] REMOVED)
- 17.08 **Now 17.06** Gender & Number
- 17.09 **Now 17.07** Captions & Titles
- 17.10 **Now 17.08** Notices
- 17.11 Prior Recorded Instruments ([REMOVED] REMOVED)
- 17.12 **Now 17.09** Enforcement of the Covenants
Amended, effective 5/16/97, #9731154
Deals with recovering legal fees
- 17.13 Suspension of the Covenants ([REMOVED] REMOVED)
- 17.14 Approval & Subordination ([REMOVED] REMOVED)

9101144

AMENDMENTS TO AMENDED DECLARATIONS
APPLICABLE TO DEL LAGO SECTIONS
ONE AND TWO

STATE OF TEXAS)
)
COUNTY OF MONTGOMERY)

Pursuant to Article XIII of the Amended and Restated Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements (hereafter "Amended Declarations"), the Amended Declarations are further amended as follows:

RECITALS

1. This instrument amends the Amended Declarations duly recorded at Clerk's File No. 8857728, in the Official Records of Real Property of Montgomery County, Texas.
2. The amendments set forth below have been approved pursuant to the affirmative vote of more than fifty-one percent (51%) of the votes authorized to be cast by the voting owners, in the time and manner prescribed by Article XIII of the Amended Declarations. These amendments also have received the written approval of the Board of Directors of Del Lago Owners Association.

AMENDMENTS

1. Article I DEFINITIONS is amended by adding a new paragraph FF, as follows:

FF. "Vacant Lot" shall mean a lot (as defined herein) upon which no permanent improvements have been constructed.

2. Article XI, Section 11.03 Improper Maintenance of Other Portions of the Property is amended to read as follows:

11.03 Improper Maintenance of Other Portions of the Property. In the event any portion of the property (other than association lands and vacant lots) is so maintained as to present a public or private nuisance or as to substantially detract from the appearance or quality of the surrounding lots or other areas of the property, the Board, by resolution, may make a finding to this effect, specifying the particular condition or conditions which exist. The Board shall give written notice to the offending owner that, unless corrective action is taken within thirty (30) days, the Board will undertake corrective action at the owner's expense. If, at the expiration of the 30-day notice period, corrective action has not been taken, the Board shall be

authorized and empowered to cause corrective action to be taken and the cost shall be added to and become part of the annual assessment to which the offending owner's lot is subject and shall be secured by the assessment lien.

3. Article XI MAINTENANCE is amended by adding a new Section 11.04, as follows:

11.04 Maintenance of Vacant Lots. To insure uniformity in the upkeep of vacant lots, the Board is authorized and empowered to maintain vacant lots, individually or collectively. The cost of such maintenance (including mowing charges and costs of removing debris) shall be added to and become part of the annual assessment to which the owner's vacant lot is subject, and shall be secured by the assessment lien. The owner of a vacant lot may request exemption from the Association's vacant lot maintenance program by making written application to the Board and by satisfying all regulations or policies pertaining to such exemption as, from time to time, may be promulgated by the Board.

EFFECTIVE DATE

These amendments shall be effective December 1, 1990.

DATED November 28, 1990

DEL LAGO OWNERS ASSOCIATION

By [Signature]
MARK HOLLAND
President

ATTEST:

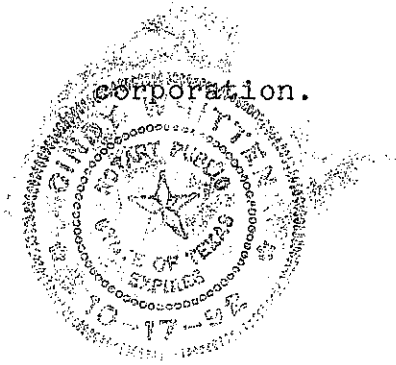
[Signature]
ROBERT D. BODER
Secretary

ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF MONTGOMERY)

This instrument was acknowledged before me on Dec. 14, 1990, by MARK HOLLAND, President of Del Lago Owners Association, a Texas non-profit corporation, on behalf of the

697-01-1164



corporation.

Cindy Whitten

Notary Public in and for the State of Texas

Printed Name: Cindy Whitten

Commission Expires: 10-17-92

RETURN TO:

✓
Del Lago Owners Association
600 Del Lago Blvd.
Montgomery, TX 77356

FILED FOR RECORD

91 JAN -7 PM 3:36

Roy Harris

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY)
I hereby certify that this instrument was filed
in File Number Sequence on the date and at the
time stamped hereon and was duly RECORDED
in the official Public Records of Real Property of
Montgomery County, Texas.

JAN - 7 1991



Roy Harris

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

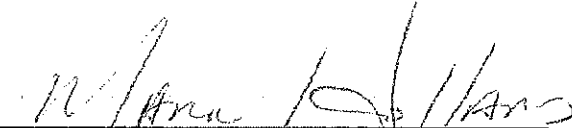
RESOLUTION ADOPTED BY
UNANIMOUS WRITTEN CONSENT

We, the undersigned directors of Del Lago Owners Association, Incorporated, being all the directors of the board, by this writing, do hereby consent to take the following actions and adopt the following resolutions:

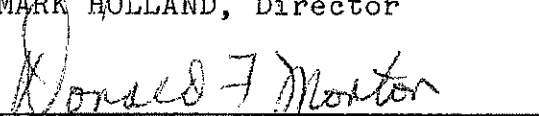
RESOLVED that the Amendments to Amended Declarations Applicable to Del Lago Sections One and Two, dated November 28, 1990, a true and correct copy of which is attached, be and is hereby approved.

This consent is executed pursuant to Art. 1396-9.10 of the Texas Non-Profit Corporation Act.

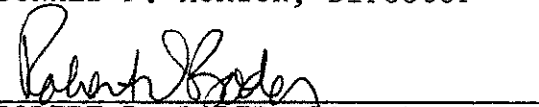
DATED November 28, 1990



MARK HOLLAND, Director



DONALD F. MORTON, Director



ROBERT D. BODER, Director

AMENDMENTS TO DEDICATORY INSTRUMENTS
DEL LAGO SECTION ONE AND SECTION TWO

933344

The Amended and Restated Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements pertaining to Del Lago Section One and Section Two (hereafter "Amended Declarations") is further amended, as follows:

Recitals

1. This instrument amends the dedicatory instrument recorded at Clerk's File No. 8857728 and Film Code No. 566-01-1675, et seq., as amended by that certain dedicatory instrument recorded at Clerk's File No. 9101144 and Film Code No. 697-01-1162, of the Real Property Records of Montgomery County, Texas.

2. The amendments set forth below generally pertain to and are intended to define the function and authority of the Architectural Control Committee (ACC) of the holder of the power of architectural control, to regulate construction and improvement of lots in Del Lago Section One and Section Two.

3. The present holder of architectural control for Del Lago Section One and Section Two is D L OPERATIONS, INC., a Texas corporation. See that certain instrument entitled "Memorandum of Assignment of Power of Architectural Control As to Del Lago Section One and Section Two", dated June 22, 1993, recorded at Clerk's File No. 9332389 of the Real Property Records of Montgomery County, Texas. The ACC is an instrumentality of the corporation.

4. Del Lago Owners Association, a Texas non-profit corporation, pursuant to applicable dedicatory instruments, has responsibility for enforcing compliance with the Amended Declarations, including violations of architectural control requirements.

5. The amendments set forth below have been approved pursuant to a written consent signed by the owner or owners having more than fifty-one (51%) of the votes authorized to be cast by the voting owners of Del Lago Section One and Section Two, and by the written approval of the Board of Directors of Del Lago Owners Association, as prescribed by Section 9.02 of the Amended Declarations.

Amendments

Article I Definitions is amended by adding a new paragraph GG, as follows:

GG. "Improvement" shall mean any physical change to any

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93 JUN 29 PM 3:32

Roy Harris

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS)
COUNTY OF MONTGOMERY)
I hereby certify that this instrument was filed
in File Number Sequence on the date and at the
time stamped herein by me and was duly RECORDED
in the official Public Records of Real Property of
Montgomery County, Texas.

JUN 29 1993



Roy Harris

structure that in any way alters the size, shape or physical appearance of any structure on the property.

Article I Definitions is further amended by adding a new paragraph HH, as follows:

HH. "Structure" shall mean the following:

(1) any thing or device, other than trees, shrubbery (less than two feet high if in the form of a hedge) and landscaping, the placement of which upon any lot may affect the physical appearance of such lot, including (but not limited to) any building, garage, porch, shed, greenhouse, bathhouse or boathouse, cabana, coop or cage, covered or uncovered patio, swimming pool, play apparatus, clothesline, curbing, paving or fence, wall or hedge more than two (2) feet in height, signboard, temporary or permanent living quarters (including any house trailer) or any other temporary or permanent improvement to any lot;

(2) any excavation, fill, ditch, diversion dam or other thing or device which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across any lot; or

(3) any change in the grade of any lot of more than six (6) inches from that existing at the time of purchase by the Owner.

Article X Architectural Control is amended in its entirety to read as follows:

ARTICLE X
ARCHITECTURAL CONTROL

10.01 Architectural Control Committee. The power of architectural control created by the Amended Declarations shall be exercised by the Architectural Control Committee (ACC), which shall be comprised of not less than three (3) or more than five (5) individuals (who need not be owners or owners' representatives). At least one (1) committee member shall have experience in architecture, engineering, contracting, building code enforcement or a related field.

10.02 Rules and Regulations. The ACC shall promulgate rules, regulations and policies necessary or appropriate for the regulation of construction or improvement of lots within the property. Such rules, regulations and policies may include ones specifying the form and content of applications for construction of structures or improvements on lots, and

criteria for approving or disapproving applications, based on architectural style, height, overall size, color, location on the lot, details of construction or other aspects of the proposed structure or improvement, as well as harmony of external appearance and location of the proposed structure or improvement in relation to surrounding structures and topography.

*Note:
Amendment
May 16th, 1997
added paragraph
ref: 261-00-1485*

10.03 Liberal Construction. Any rule, regulation or policy promulgated by the ACC shall be liberally construed to give effect to its purposes and intent.

10.04 Amendment of Rules. The rules, regulations and policies promulgated by the ACC may be amended or rescinded at the ACC's sole discretion, following consultation with Del Lago Owners Association. It shall be the responsibility of Del Lago Owners Association to inform Del Lago owners of substantive amendments or rescissions and to convey to the ACC, the substance of any owner or public comments regarding proposed amendments or rescissions.

10.05 Owner Responsibility. It shall be the responsibility of the owner or other person applying for permission to construct any structure or improvement on a lot to inform himself of current architectural control requirements, as of the date his application is received by the ACC.

10.06 No Waiver of Rights. Approval of any plans or specifications for construction of any structure or improvement as to any particular lot (or owner) shall not obligate the ACC to approve (or be deemed a waiver of its right to disapprove) the same or similar plans and specifications for construction of any structure or improvement on another lot. Each application shall be considered on its individual merits, without regard to ACC action as to previous applications.

10.07 Finality of Approval. Formal written approval of an application relating to a lot shall be final as to that lot, and such approval shall not be revoked or rescinded thereafter, provided:

(1) The structures or uses shown or described on or in the plans and specifications, do not violate any prohibition contained in the Amended Declarations; and

(2) The plans and specifications, as approved, and any condition attached to them, have been adhered to and complied with in regard to all structures or improvements on and uses of the subject lot.

10.08 Building Codes. Unless and until a political subdivision of the State of Texas regulates such matters by law within the property, the ACC may adopt building codes governing all types of construction within the property, a fire code, a housing code, and such other similar codes as the ACC deems necessary and desirable. To the extent possible, these codes shall (1) be performance based and (2) encourage the use of new technologies, techniques and materials. The adoption by the ACC of a nationally recognized, model code shall be deemed to comply with these criteria. These building codes and other codes will be made available for inspection by all interested parties at the principal office of the ACC.

10.09 Meetings of the ACC. The ACC will hold regular meetings at least quarterly, or more often as may be determined by the members of the ACC. Special meetings of the ACC may be called by the Chairman or by a majority of the members of the ACC then in office. Regular and special meetings of the ACC shall be held at such time as the Chairman shall specify, at the principal office of the ACC or such other place as the ACC may decide. Notice of each special meeting of the ACC shall be mailed or telecopied to each member at his residence or his usual place of business, at least three (3) days before the meeting is to be held. Such notices need not specify the purpose or purposes for which the meeting has been called. At each meeting of the ACC, the presence of a majority of the members then in office shall be necessary to constitute a quorum for the transaction of business. In the absence of a quorum, a majority of the members present at any meeting may adjourn the meeting until a quorum is obtained. The ACC may adopt such rules and procedures as may be necessary or desirable to conduct its meetings.

10.10 Voting. Except as hereinafter provided, the affirmative vote of a majority of the ACC members present at any meeting at which a quorum is present shall be required to:

- (1) adopt or promulgate any rule, regulation, or policy;
- (2) make any finding, determination, ruling or order;
- (3) issue any permit, authorization or approval pursuant to directives or authorizations contained herein;
- (4) grant any waiver or variance; or
- (5) act upon any other business properly called before the ACC.

10.11 Action by Single ACC Member. Each member of the ACC shall be authorized to act for and on behalf of the ACC with regard to approving, disapproving or conditionally approving

applications for construction of structures or improvements on lots, so long as the exercise of that authority comports with this article and the rules, regulations and policies of the ACC. Individual members exercising the authority of the ACC in such matters shall keep complete and accurate records of their actions, which shall be filed among the records of the ACC. Except as otherwise provided, the action of a single ACC member in approving, disapproving or conditionally approving any application shall be binding on the ACC.

10.12 Appeal of Adverse Action. An applicant whose application has been disapproved or conditionally approved by a single ACC member, may submit a written request for reconsideration to the ACC within ten (10) days of the mailing date of the ACC's notice to the applicant. Following receipt of the request for reconsideration, the ACC, as soon as possible, shall independently review the facts and circumstances relating to the original decision. The decision of a majority of the ACC members with respect to the request for reconsideration shall be final.

10.13 Record Keeping. The ACC shall maintain both minutes and a record of votes for each of its meetings.

10.14 Construction and Alteration of Improvements. No structure shall be commenced, moved, erected, placed, moved onto, or permitted to remain on any lot, nor shall any existing structure upon any lot be altered in any way which materially changes the exterior appearance thereof, nor shall any new use be commenced on any lot, unless a complete set of plans and specifications (including a full description of any new use), satisfactory to the ACC, shall have been submitted to and approved in writing by the ACC. Such plans and specifications shall be in the form and contain the information as may from time to time be required by the ACC, but in any event shall include:

- (1) a complete set of professionally drafted construction plans and specifications or, in lieu thereof, plans and specifications satisfactory to the ACC;
- (2) a site plan of the lot showing the nature, exterior color scheme, kind, shape, height, proposed construction and landscaping materials, and location with respect to the particular lot (including proposed front, rear and side set-backs and free spaces, if any are proposed) of all structures, the location thereof with respect to structures on adjoining portions of the property, and the number and location of all parking spaces and driveways on the lot;
- (3) a grading plan for the particular lot; and
- (4) a full and complete description of the intended

use of the lot.

10.15 Improvements to Existing Residential Structures. No structure shall be commenced, erected, placed, moved onto, or permitted to remain on, and no improvement shall be made on any lot designated for residential use on which there already is a structure or permanent improvement, unless an application in the form prescribed by the ACC shall have been submitted to and approved in writing by the ACC.

10.16 Disapproval of Applications by ACC. The reasons for which the ACC shall have the right to disapprove any application submitted by an applicant shall include (but shall not be limited to) the following:

- (1) failure of an applicant's plan or specifications to comply with any of the restrictions or provisions of the Amended Declarations;
- (2) failure of an application to include the information specified by the ACC;
- (3) failure of an applicant, his agent or designee to comply with any of the rules and regulations promulgated pursuant to this Article (including payment of fees and deposits);
- (4) objection to the exterior design, appearance or materials of any proposed structure or improvement;
- (5) incompatibility of any proposed structure or improvement or use with existing structures or uses upon other lots in the property;
- (6) objection to the location of any proposed structure upon any lot or with reference to other lots in the property;
- (7) objection to the grading plan for any lot;
- (8) objection to the color scheme, finish, proportions, style of architecture, height, bulk, safety or appropriateness of any proposed structure or improvement;
- (9) objection to the parking areas proposed for any lot on the grounds of:
 - (a) incompatibility with proposed uses and structures on the lot; or
 - (b) insufficiency of the size of the parking area in relation to the proposed use of the lot.
- (10) objection for any other reason which, in the judgment of the ACC, would render the proposed structure(s), improvement(s) or use(s) incompatible with the general plan of improvement of the property or with structures or uses on other lots in the vicinity.

- (11) objection for any other reason not included in the rules or regulations, if in the judgment of the ACC, such reason is made to promote the best interests of the property and owners.

10.17 Written Statement of Disapproval. If an application submitted hereunder is disapproved, or if plans and specifications submitted therewith are approved subject to modifications or subject to specific conditions, and if the applicant so requests in writing, the ACC shall furnish the applicant a written statement specifying the grounds for disapproval or qualified approval. If the applicant also requests, the ACC will make reasonable efforts to advise the applicant in regard to the submission of an acceptable proposal.

10.18 Filing of Approved Plans. Upon approval by the ACC of any application, a copy of the plans and specifications submitted therewith, on which the approval is clearly marked, shall be deposited with the ACC as a permanent record. Such records will be accessible to owners and other interested parties. A copy of the approved plans and specifications, on which the approval is clearly marked, also shall be returned to the applicant.

10.19 Inspection of Lots and Improvements. An agent of the ACC may enter upon and inspect any lot and any structure(s) or improvement(s) thereon during regular business hours and following reasonable notice, for the purpose of ascertaining whether such lot and the structure(s) or improvement(s) thereon are in compliance with the Amended Declarations. Neither the ACC or its agent shall be deemed to have committed a trespass by reason of such entry and inspection, provided the inspection is carried out in accordance with the terms of this section.

10.20 Certificate of Compliance. Upon completion of construction of a structure or improvement approved by the ACC, and upon written request by the owner of the lot, the ACC shall issue a Certificate of Compliance in a form suitable for recordation. The certificate shall identify the lot and the structure(s) or improvement(s), the use(s) to be conducted thereon, and the plans and specifications on file with the ACC pursuant to which the structure was erected or improvement was made and shall specify that the structure or improvement complies with the approved plans and specifications. The certificate shall not be construed as a certification of the acceptability, sufficiency or approval by the ACC of the actual construction of the structure or improvement or of the workmanship or materials incorporated therein. Preparation and recordation of the certificate shall be at the owner's expense.

10.21 Certificate Prima Facie Evidence. A Certificate of Compliance issued by the ACC shall be *prima facie* evidence of the facts stated therein and, as to any bona fide purchaser or encumbrancer in good faith and for value, or as to any title insurer, such a certificate shall be conclusive evidence that the lot and all structures, improvements and uses described in the certificate comply with the Amended Declarations as of the date of certification.

10.22 Authority to Charge Fees. The ACC may charge and collect a reasonable fee for processing an application submitted to the ACC for approval. Such charges shall be payable at the time and place and in the manner prescribed by the ACC. The ACC also may charge and collect such other fees or deposits as are reasonable and necessary to administer these provisions. All fees and deposits are subject to change by the ACC without prior notice.

10.23 Violation of Article X. If any structure shall be erected, placed or maintained, or if any improvement shall be made or any new use commenced on any lot other than in accordance with plans and specifications approved by the ACC, such structure, improvement or use shall constitute a violation of the Amended Declarations. Upon written notice from the Del Lago Owners Association or the ACC, as appropriate, any such structure or improvement shall be removed or corrected and any such use shall be terminated so as to extinguish the violation.

10.24 Enforcement. If the owner of a lot upon which a violation exists has not taken reasonable steps to extinguish the violation within fifteen (15) days subsequent to the mailing of written notice specifying the violation, the Del Lago Owners Association or ACC shall have the right, through the agents or employees of either, to enter upon such lot during regular business hours (following notice) and to take such steps as are specified in the notice of violation, to extinguish the violation. Neither the Del Lago Owners Association or the ACC, their agents or employees, shall be deemed to have committed a trespass by reason of such entry and remedial action. In addition, Del Lago Owners Association and the ACC specifically reserve all enforcement rights and remedies available under the law.

10.25 Imposition of Lien. The cost incurred by Del Lago Owners Association or the ACC in remedying the violation shall be a binding, personal obligation of the owner, as well as a lien enforceable in the same manner as the lien for the maintenance assessment provided for in the Amended Declarations, provided, however, that this lien shall not be enforceable against a bona fide purchaser or encumbrancer of the lot in good faith and for value, unless a suit to en-

force the lien has been filed in the appropriate court and notice thereof has been filed in the Office of the County Clerk of Montgomery County, Texas, prior to the recordation of the interest of the purchaser or encumbrancer in that office.

10.26 Waivers. No waiver of compliance or variance with respect to any provision of the Amended Declarations or any rule, regulation or policy promulgated by the ACC, shall be permitted unless approved by a majority of the members of the ACC then in office. The ACC shall not approve any waiver or variance except for "just cause", in which case the specific reasons therefore shall be reduced to writing and filed among the records of the ACC.

Article XII Use Restrictions is amended by adding a new subsection (z), as follows:

(z) Landscape Restrictions. No tree having a diameter of six (6) inches or more (measured from a point two feet above ground level) shall be removed from any lot without the express written authorization of the Architectural Control Committee (ACC). The ACC may promulgate rules and regulations regarding the preservation of trees and other natural resources and wildlife to protect and preserve the ecology of the property. The ACC may mark certain trees, regardless of size, as not removable without written authorization. In carrying out the provisions of this section, the ACC and its agents or designees (following reasonable notice) may come upon any lot during reasonable hours, for the purpose of inspecting and marking trees. The ACC, its agents or designees, shall not be deemed to have committed a trespass or wrongful act solely by reason of any such entry or inspection.

Effective Date

These amendments shall become effective on the date this instrument is recorded among the Real Property Records of Montgomery County, Texas and shall apply to all applications for approval of plans and specifications that are subsequently acted on by the Architectural Control Committee, including any pending as of the effective date.

SIGNED June 23, 1993

DEL LAGO OWNERS ASSOCIATION

By *J. S. Empie*

Secretary's Certification

I, Barry Silverton, Secretary of Del Lago Owners Association, do hereby certify that the foregoing amendment was approved by means of a written consent to such amendment signed by the owner or owners having more than fifty-one percent (51%) of the votes authorized to be cast by the voting owners of Del Lago Sections One and Two, and by the written approval of the Board of Directors of Del Lago Owners Association, as prescribed by applicable dedicatory instruments.

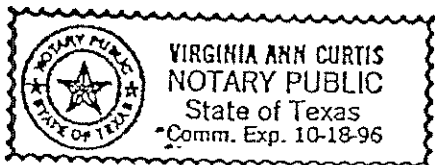
DATED 6-19, 1993

Barry Silverton
BARRY SILVERTON
Secretary

Corporate Acknowledgment

STATE OF TEXAS *
*
COUNTY OF MONTGOMERY *

This instrument was acknowledged before me on June 23, 1993, by J. S. EMPIE, President of Del Lago Owners Association, a Texas non-profit corporation, on behalf of the Corporation.



Virginia Ann Curtis
Notary Public in and for the
State of Texas
Commission Expires: 10-18-96

**SECOND AMENDMENT TO AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS, ASSESSMENTS, CHARGES,
SERVITUDE, LIENS, RESERVATIONS AND EASEMENTS**

This SECOND AMENDMENT TO AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, ASSESSMENTS, CHARGES, SERVITUDE, LIENS, RESERVATIONS AND EASEMENTS (this "Second Amendment") is amended and effective as of the 25th day of June, 1996 for the purpose of amending the AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, ASSESSMENTS, CHARGES, SERVITUDES, LIENS, RESERVATIONS AND EASEMENTS filed of record on November 14, 1988 in the Public Records of Real Property of Montgomery County, Texas under County Clerk's File No. 8857728 and subsequently amended by instrument recorded under Montgomery County Clerk's File No. 9101144 (as amended, the "Amended Declaration"). Capitalized terms as used herein shall have the same meaning as those same terms used in the Amended Declaration.

RECITALS

- A. Article XII, Section 12.01 (n) of the Amended Declaration provides that no signs or advertisement are allowed on any Lot without the prior approval and authorization of the association except as set out therein.
- B. As provided by Article XIII, Section 13.02, 13.03 and 13.04 of the Amended Declaration, the undersigned, being the owner of at least 51% of the votes authorized to be cast by the Voting Owners, and the Board desire to modify Article XII, Section 12.01 (n) of the Amended Declaration.

AMENDMENT

Article XII, Section 12.01(n) of the Amended Declaration is hereby deleted in its entirety and substituted with the following:

- (n) **Signs.** No signs of any type shall be erected, constructed, placed or permitted to remain on any Lot, without the prior written approval by the architectural committee appointed by Del Lago, Inc. The procedures for obtaining the architectural control committee's approval shall be the same as those set forth in Article X hereof. To be approved by the architectural committee, such installation must strictly comply with the following minimum conditions and such other conditions as the architectural committee may require from time to time:
 - 1. One (1) contractor sign (not to exceed 4' x 4' in size) placed in the front of the Lot facing the street may be allowed during construction.

171-00-1240

- 2. Upon completion of construction, one (1) realtor sign (not to exceed 3' x 3' in size) placed in the front of the Lot facing the street during the sale of the home may be allowed.
- 3. In addition to one (1) realtor sign, no more than two (2) directional and/or "Open House" signs may also be utilized, but only when an agent or other sales representative is present on the Lot. Dimensions of the directional and "Open House" signs shall be no larger than 8" vertically x 24" horizontally.
- 4. No subcontractor signs shall be allowed on any Lot.
- 5. No signs of any type will be allowed on any vacant Lot.


DEL LAGO PARTNERS, L. P.,
a Texas limited partnership

By: 
Robin Sainty, CEO

STATE OF TEXAS)

COUNTY OF MONTGOMERY)

This instrument was sworn to and subscribed before me on the 25th day of June, 1996, by Robin Sainty, CEO of Del Lago Partners, L. P., a Texas limited partnership on behalf of said partnership.


Notary Public in and for the
State of Texas

Veronica E. Empie
Notary Public - Printed

My commission expires: 10/30/96




171-00-1241


APPROVAL BY BOARD OF DIRECTORS

This Second Amendment to the Amended Declaration as referenced above is hereby approved by the Board of Directors of the Association. The requisite percentage of owners have voted to make this Second Amendment to the Amended Declaration pursuant to the procedures set fourth in Article XIII, Sections 13.02, 13.03, and 13.04 of the Amended Declaration.


**BOARD OF DIRECTORS OF DEL
LAGO OWNERS ASSOCIATION**



Larry Pullara, Director



Robin Sainty, Director




Joan King, Director

171-00-1242

STATE OF TEXAS)

COUNTY OF MONTGOMERY)

This instrument was sworn to and subscribed before me on the 25th day of June, 1996, by Larry Pullara, director of Del Lago Owners Association, a Texas nonprofit corporation, on behalf of said corporation.

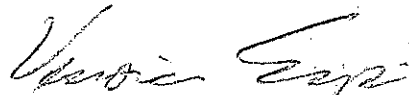


Notary Public in and for the
State of Texas

STATE OF TEXAS)

COUNTY OF MONTGOMERY)

This instrument was sworn to and subscribed before me on the 25th day of June, 1996, by Robin Sainty, director of Del Lago Owners Association, a Texas nonprofit corporation, on behalf of said corporation.




Notary Public in and for the
State of Texas

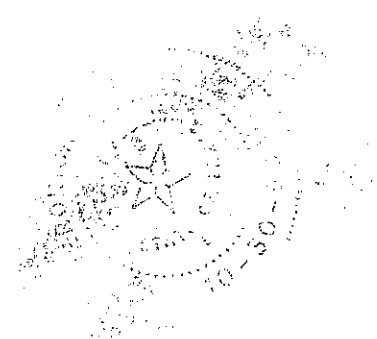
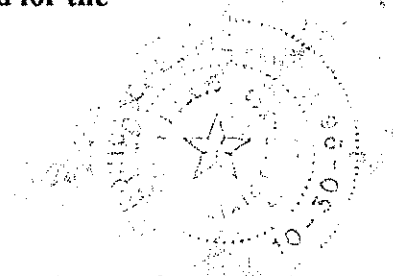
STATE OF TEXAS)

COUNTY OF MONTGOMERY)

This instrument was sworn to and subscribed before me on the 25th day of June, 1996, by Joan King, director of Del Lago Owners Association, a Texas nonprofit corporation, on behalf of said corporation.



Notary Public in and for the
State of Texas




171-00-1243

AFTER RECORDING RETURN TO:

Del Lago Owners Association
P. O. BOX 478
Montgomery, TX. 77356


FILED FOR RECORD
96 JUL -2 AM 7:11
MARK TURNBULL, CO. CLERK
MONTGOMERY COUNTY, TEXAS

 DEPUTY

STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify that this instrument was filed in
File Number Sequence on the date and at the time
stamped herein by me and was duly RECORDED in
the official Public Records of Real Property of
Montgomery County, Texas.

JUL - 2 1996




COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

9731154

261-00-1885

15/5

**THIRD AMENDMENT TO AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS, ASSESSMENTS, CHARGES,
SERVITUDES, LIENS, RESERVATIONS AND EASEMENTS**

This THIRD AMENDMENT TO AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, ASSESSMENTS, CHARGES, SERVITUDES, LIENS, RESERVATIONS AND EASEMENTS (this "Third Amendment") is made and effective as of the 16th day of May, 1997 for the purpose of amending the AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, ASSESSMENTS, CHARGES, SERVITUDES, LIENS, RESERVATIONS AND EASEMENTS filed of record on November 14, 1988 in the Public Records of Real Property of Montgomery County, Texas, under County Clerk's File No. 8857728 and subsequently amended by instruments recorded under Montgomery County Clerk's File Nos. 9333449, 9101144 and 9639645 (as amended, the "Amended Declaration"). Capitalized terms as used herein shall have the same meanings as those same terms used in the Amended Declaration.

RECITALS

As provided by Article XIII, Sections 13.02, 13.03 and 13.04 of the Amended Declaration, the undersigned, being the owner of at least 51% of the votes authorized to be cast by the Voting Owners, and the Board desire to modify Articles X, XII and XVII of the Amended Declaration.

AMENDMENT

1. The following is added after the first paragraph in Article X, Section 10.02 of the Amended Declaration:

In addition to the foregoing, the following must be approved in writing by the ACC prior to their installation or erection in accordance with the procedure set out in this Article X:

- (1) The location of all windows and the type of proposed window treatments and exposed window coverings.
- (2) The probable view from second story windows and balconies and decks.
- (3) Obstructions of sunlight onto adjacent Property.
- (4) Roof tops solar collectors.
- (5) Flagpoles, flags, pennants, ribbons, streamers, windsocks and weather vanes.
- (6) Fire and burglar alarms which emit lights or sounds.

261-00-1886

- (7) Playground and recreational equipment, including but not limited to playhouses, forts, lawn furniture, docks and piers, placed anywhere on the exterior of the dwelling located on the Lot.
- (8) Exterior lights.
- (9) Ornamental statuary, sculpture and/or yard art visible from any street or common area excluding those which may be a part of an otherwise approved landscape plan.
- (10) Location of the residential dwelling on the Lot.
- (11) Barbecue pits or similar equipment used for outdoor cooking.

2. Article X, Section 10.24 of the Amended Declaration is amended to read as follows:

10.24 Enforcement. The Association or ACC shall have the right, through the agents or employees of either, to enter upon Lots during regular business hours and to take such steps as are necessary to extinguish the violation. Neither the Association or the ACC, their agents or employees, shall be deemed to have committed a trespass by reason of such entry and remedial action. In addition, the Association and the ACC specifically reserve all enforcement rights and remedies available under the law.

3. The following is added to Article XII, as Sections 12.01(aa), (bb) and (cc) of the Amended Declaration:

(aa) Satellite Dishes and Antenna.

1. No antenna or satellite dish which exceeds one meter (39 inches) in diameter is permitted on any Lot, unless approved in writing by the ACC.
2. Each Lot shall be permitted to have no more than one antenna or satellite dish and any related mast, as applicable, for each category of the following categories of video programming providers, to-wit: direct broadcast satellites, multi-channel multi-point distribution (wireless cable) providers, and television broadcast stations.
3. On or before installing any such antenna, satellite dish, and any related mast, the Association must receive at its then current address from the Owner of the applicable Lot, written notification of such installation, indicating the type and color of antenna, satellite dish, and any related mast to be installed, and the method, manner, and site of installation. The site must be shown on a plot plan.

4. In addition to the foregoing requirements, no such antenna, satellite dish, or any related mast shall be erected, constructed, placed, or permitted to remain on any Lot unless such installation strictly complies with the following minimum conditions:
- (i) The antenna, satellite dish and any mast must be located to the rear one-half (1/2) of the Lot and must serve only improvements on the particular Lot in which it is located.
 - (ii) No antenna, satellite dish and any mast, including its base and anchoring structure, shall extend above the roofline of the house located on the Lot or be visible from any street, unless approved by the architectural committee.
 - (iii) To the extent feasible, no antenna, satellite dish or mast shall be constructed or placed or permitted to remain on any utility easement or other easement or right-of-way located on any Lot.
 - (iv) The antenna, satellite dish and any mast must be securely mounted to a base, so as to be able to withstand the effects of high winds or other extraordinary weather conditions; however, no guy wires or similar mounting apparatus will be allowed.
 - (v) No advertising slogans, logos, banners, signs or any other printing or illustration whatsoever shall be permitted upon or be attached to the antenna, satellite dish or mast.
 - (vi) No satellite dish or antenna shall ever be used for the transmission of any signal whatsoever and said antenna or satellite dish shall be for the purpose of receiving only normal signals through airwaves for television viewing purposes only.
 - (vii) No antenna or satellite dish shall be permitted to cause any distortion or interference whatsoever with respect to any other electronic device in the subdivision.
 - (viii) The antenna, satellite dish and any mast shall be one solid color only, either white or black or shades of either brown, gray or tan.
- (bb) Prohibited Items. The following are not allowed on the Lots within the Property:
- (1) Clotheslines, reels, hanging circles and other exterior clothes drying devices.

261-00-1888

- (2) Above ground swimming pools.
- (3) Window unit air conditioners.
- (4) Storage of more than ten (10) gallons of fuel other than fuel stored in gas tanks of motor vehicles.
- (5) Unregistered, inoperable, or unlicensed motor vehicles, including all terrain vehicles.
- (6) Exterior storage sheds.
- (7) Wood piles.
- (8) Dog Houses and Dog Runs.

(cc) Parking and Prohibited Vehicles. No motor vehicles shall be parked or stored on any part of any Lot, easement, right of way, or any other area unless such vehicle is concealed from public view inside a garage or other approved enclosure, except passenger automobiles, passenger vans, or pickup trucks which are in operable condition; have current license plates and a current inspection sticker; are in daily use as motor vehicles on the streets and highways of the State of Texas; and do not exceed six (6) feet, six (6) inches in height, seven (7) feet, seven (7) inches in width and twenty one (21) feet in length, may be parked in the driveway on such Lot. No non-motorized vehicles, trailers, boats, marine crafts, hover crafts, aircrafts, machinery or equipment of any kind may be parked or stored on any part of any Lot, easement, right of way, or any other area unless concealed from public view inside a garage or other approved enclosure. The term "approved enclosure" shall mean an enclosure that has been approved in writing by the architectural committee. No repair work, dismantling or assembling of motor vehicles or other machinery or equipment shall be done or permitted on any street, driveway, or any portion of the Property. This Section shall not apply to any vehicle, machinery, or maintenance temporarily parked and in use for the construction, repair or maintenance of the Property's facilities or of a house or of any other structure on any Lot. Owners or occupants of Lots may seek a temporary variance from this restriction for their guests; however, any such request for a variance must receive the prior approval of the architectural committee. The Board of Directors of the Association may adopt rules and regulations regulating parking on the streets in the Property.

4. The following is added to Article XVII of the Declaration after the first sentence in Section 17.09:

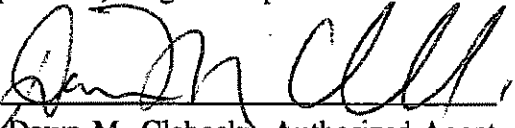
In the event any action to enforce the Covenants is initiated against an Owner or occupant of a Lot by the Association or other Owner, the Association or other

261-00-1889

Owner, as the case may be, shall be entitled to recover reasonable attorneys' fees from the Owner or occupant of a Lot who violated the Covenants.

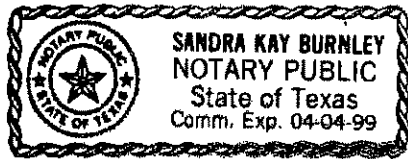
DEL LAGO PARTNERS L.P.,
a Texas limited partnership

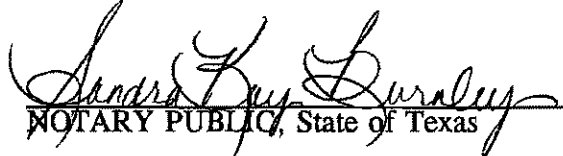
By: Del Lago Partners Inc., a Texas corporation, its general partner

By: 
Dawn M. Cleboski, Authorized Agent

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was sworn to and subscribed before me on the 16th day of May, 1997, by Dawn M. Cleboski, Authorized Agent of Del Lago Partners Inc., a Texas corporation, general partner of Del Lago Partners L.P., a Texas limited partnership, on behalf of said corporation and partnership.




NOTARY PUBLIC, State of Texas

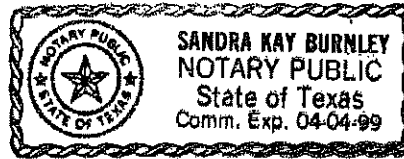
261-00-1891

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was sworn to and subscribed before me on the 16th day of May, 1997, by Patti Culwell, as a Director of Del Lago Owners Association, a Texas non-profit corporation, on behalf of said corporation

Sandra Kay Burnley
NOTARY PUBLIC, State of Texas

AFTER RECORDING RETURN TO:
~~Howard M. Bookstaff~~
~~Hoover, Bax & Slovacek, L.L.P.~~
~~5847 San Felipe, Suite 2200~~
~~Houston, TX 77057~~
File No. 10-3948-01



*Del Lago Owners Assn.
P.O. Box 478
Montgomery, Tx 77356*

STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify that this instrument was filed in
File Number Sequence on the date and at the time
stamped herein by me and was duly RECORDED in
the official Public Records of Real Property of
Montgomery County, Texas.

MAY 28 1997

FILED FOR RECORD
97 MAY 28 PM 1:08
MARK TURNBULL, CO. CLERK
MONTGOMERY COUNTY, TEXAS
[Signature] DEPUTY

Mark Turnbull
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

AMENDED AND RESTATED BYLAWS OF
DEL LAGO OWNERS ASSOCIATION

ARTICLE I

Definitions

As used herein, the term "Declaration" shall mean that certain ~~Amended and Restated Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements dated~~ November 10, 1988, executed by the Association by and through its Board of Directors, recorded under County Clerk's File No. 8857728 in the Official Real Property Records of Montgomery County, Texas, and relating to certain real property located in Montgomery County, Texas, as more particularly described therein; and the terms used herein, unless otherwise indicated, shall have the same meanings as set forth in the Amended Declaration.

ARTICLE II

Offices

Section 2.01. Principal Office. The principal office of Del Lago Owners Association (the "Association") shall be located at 600 Del Lago Blvd., Montgomery, TX 77356. The Association may maintain such other business offices within the State of Texas as the Board may from time to time establish.

Section 2.02. Registered Office and Registered Agent. The Association shall have and continuously maintain in the State of Texas, a registered office and a registered agent whose office is identical with the registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the Association in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE III

Members

Section 3.01. Membership. Each and every owner, by virtue of being an owner, automatically shall be a member of the Association and, thereafter, shall remain such for as long as such ownership continues. The voting owners shall include all owners of assessable property and each such voting owner shall be entitled to one vote for each lot owned; provided, however, that there shall not be more than

one voting owner on account of ownership in any single lot. If the voting owner consists of more than one person, such persons shall decide who among themselves shall cast the vote.

Section 3.02. Certificate of Membership. The Association may (but shall not be obligated to) issue to each member, certificates, cards or other instruments evidencing membership rights. Such documents, if issued, may be in such form or forms as the Board of Directors may approve, and shall be signed by the President or a vice president, and by the Secretary or an assistant secretary, of the Association. If issued, such documents shall be consecutively numbered and a record of such issuance maintained.

Section 3.03. Transfer of Membership. Membership in the Association shall be appurtenant to and pass with the title of any lot and may not be in any manner alienated or encumbered, except as an appurtenance thereto, as part and parcel thereof; provided, however, that no such change in ownership shall be effective for voting purposes, unless and until the Association is given actual notice and is provided satisfactory proof thereof. When more than one person holds an interest in any lot, all such persons shall be members.

Section 3.04. Suspension of Membership Rights. The membership right of a member (and the privileges of other persons claiming through such member) may be suspended by the Board of Directors for (a) any period during which the annual and special assessments or maintenance charges assessed to such member pursuant to the amended declaration remain delinquent and unpaid, or (b) any reasonable period up to but not in excess of ninety (90) days in connection with the enforcement of any of the Association's rules and regulations relating to Association lands.

ARTICLE IV

Members' Meetings

Section 4.01. Annual Meetings. An annual meeting of members for the election of directors and for the transaction of all other business which may come before the meeting shall be held at the principal office of the Association or such other place designated by the Board of Directors at 7:30 P.M. local time, on the third Monday in October of each year, unless such day is a legal holiday, in which case such meeting shall be held at such hour on the first day thereafter which is not a legal holiday, or, at such other place and time as may be designated by the Board of Directors. Failure to hold any annual meeting or meetings shall not work a forfeiture or dissolution of the Association.

Section 4.02. Special Meetings. Except as otherwise provided by law or by the articles of incorporation, special meetings of the members may be called by the President, the Board of Directors or the holders of not less than one-tenth of the votes entitled to be cast at such meeting, special meetings shall be held at the principal office of the Association or at such other place, and at such time, as may be stated in the notice calling such meeting. Business transacted at any special meeting of members shall be limited to the purpose stated in the notice of such meeting given in accordance with the provisions of Section 4.03.

Section 4.03. Notice of Meetings - Waiver. Written or printed notice of each meeting of members stating the place, day and hour of any meeting and, in case of a special members' meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of such meeting, either personally or by mail, by or at the discretion of the President, the Board of Directors, or the persons calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears in the records of the Association, with postage thereon prepaid. Such further or earlier notice shall be given as may be required by law. The signing by a member or a written waiver of notice of any members' meeting, whether before or after the time stated in such waiver, shall be equivalent to the receiving by him of all notice required to be given with respect to such meeting. Attendance by a member, whether in person or by proxy, at a members' meeting shall constitute a waiver of notice of such meeting. No notice or any adjournment of any meeting shall be required.

Section 4.04. Fixing of Record Date. For the purpose of determining members entitled to notice of, or to vote at, any meeting of members or any adjournment thereof, the Board of Directors of the Association may provide that as of a certain date not less than ten (10) days nor more than fifty (50) days preceding the meeting, only such individuals and legal entities being members as of such date shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof.

Section 4.05. Quorum and Presiding Officers. Except as otherwise provided by law or these bylaws, the holders of a majority of the votes entitled to be cast at the meeting and represented in person or by proxy shall constitute a quorum at a meeting of members, but the members present at any meeting, although representing less than a quorum, may from time to time adjourn the meeting to some other day and hour, without notice other than announcement at the meeting. The members present at a duly organized meeting may continue to

transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. The vote of the holders of a majority of the votes entitled to be cast and being present, in person or by proxy, at a meeting at which a quorum is present, shall be the act of the members meeting, unless the vote of a greater number is required by law or the Amended Declaration. The President shall preside at, and the Secretary shall keep the records of, each meeting of members and, in the absence of either such officer, his duties shall be performed by any officer authorized by these bylaws or any person appointed by resolution duly adopted at the meeting.

Section 4.06. Proxies. A member may vote either in person or by proxy executed in writing by such member, or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy. A proxy shall be revocable unless expressly provided therein to be irrevocable (and in no event shall it be irrevocable for more than eleven months) or unless otherwise made irrevocable by law.

Section 4.07. Balloting. Upon the demand of any member, the vote upon any question before the meeting shall be by ballot. At each meeting, inspectors of election may be appointed by the presiding officer of the meeting; and, at any meeting for the election of directors. Inspectors shall be so appointed on the demand of any member present or represented by proxy and entitled to vote in such election of directors. No director or candidate for the office of director shall be appointed as such inspector. The number of votes cast by members in the election of directors shall be recorded in the minutes.

Section 4.08. No Cumulative Voting. No member shall have the right to cumulate his vote in any election of directors.

Section 4.09. Record of Members. The Association shall keep at its principal office, a record of its members, giving the names and addresses of each member.

Section 4.10. Action Without Meeting. Any action required by statute to be taken at a meeting of the members of the Association, or any action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof, and such consent shall have the same force and effect as a unanimous vote of the members. Any such signed consent, or a signed copy thereof, shall be placed in the minute book of the Association.

ARTICLE V

Board of Directors

Section 5.01. Number, Qualifications and Term. The affairs of the Association shall be managed and controlled by the Board of Directors. Subject to any restrictions imposed by law, by the articles of incorporation, by the Amended Declaration or by these bylaws, the Board of Directors may exercise all the powers of the Association. Specifically, but without limitation, the Board of Directors shall be entitled to take such actions, and to give and withhold such consents, as may be required of the Association under the provisions of the Amended Declaration. The Board of Directors shall consist of three (3) persons, each of whom, and each of whose replacement, shall be a voting owner or an employee, representative, or designee of a voting owner. Directors need not be residents of Texas. Except as otherwise provided in Section 5.03 of these bylaws, each position on the Board of Directors shall be filled by election at the annual meetings of members. Each person elected as a Director shall hold office (unless removed in accordance with Section 5.02 of these bylaws) until the next annual meeting of the members, and until his successor shall have been duly elected and qualified.

Section 5.02. Removal. Any director or the entire Board of Directors may be removed from office at any time by a vote of a majority of the voting owners voting in person or by proxy at the annual meeting or at a special meeting of the members called for such purpose, at which a quorum is present.

Section 5.03. Vacancies. In the event a vacancy occurs on the Board of Directors, the remaining directors may appoint a qualified individual to fill the vacancy until the next annual meeting; provided, however, that if the date of the next annual meeting is more than 90 days from the date of the occurrence of the vacancy, the President shall call a special meeting of the members within 60 days of the occurrence of the vacancy, for the purpose of electing a director to fill the unexpired term of his predecessor. Any qualified candidate may run for election to the board at such special meeting. Any position on the Board of Directors to be filled by reason of an increase in the number of directors will only be filled by an election held at the annual meeting or a special meeting of the members called for such purpose.

Section 5.04. Regular Meetings. Regular meetings of the Board of Directors shall be held immediately following each annual meeting of members, at the place of such meeting, and at such other times and places as the Board of Directors shall determine. No notice of any kind of such regular

meetings need be given to either old or new members of the Board of Directors.

Section 5.05. Special Meetings. Special meetings of the Board of Directors shall be held at any time by call of the Chairman of the Board, the President or any two directors. The Secretary shall give notice of each special meeting to each director at his usual business or residence address by mail at least five (5) days before the meeting. Except as otherwise provided by law, by the articles of incorporation or by these bylaws, such notice need not specify the business to be transacted at, or the purpose of, such meeting. No notice shall be necessary for any adjournment of any such meeting. The signing of a written waiver of notice of any special meeting by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to receiving such notice. Attendance of a director at a meeting shall also constitute a waiver of notice of such meeting, except where a director attends a meeting for the express and announced purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 5.06. Quorum. A majority of the number of directors fixed by these bylaws shall constitute a quorum for the transaction of business and the act of not less than a majority of such quorum of the Directors shall be required in order to constitute the act of the Board of Directors, unless the act of a greater number shall be required by law, by the articles of incorporation or by these bylaws. Directors present by proxy may not be counted toward a quorum.

Section 5.07. Procedure at Meetings. The Board of Directors, at each regular meeting held immediately following the annual meeting of members, shall appoint one of their number as Chairman of the Board of Directors. The Chairman of the Board shall preside at meetings of the Board. In his absence at any meeting, any officer authorized by these bylaws or any member of the board selected by the members present shall preside. The Secretary of the Association shall act as secretary at all meetings of the Board. In his absence, the presiding officer of the meeting may designate any person to act as secretary. At meetings of the Board of Directors, the business shall be transacted in such order as the board may from time to time determine.

Section 5.08. Presumption of Assent. Any director of the Association who is present at a meeting of the Board of Directors at which action on any Association matter is taken, shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such

dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 5.09. Action Without a Meeting. Any action required by statute to be taken at a meeting of the Directors of the Association, or which may be taken at such meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by each director entitled to vote at such meeting, and such consent shall have the same force and effect as a unanimous vote of directors. Such signed consent, or a signed copy thereof, shall be placed in the minute book of the Association.

Section 5.10. Compensation. Directors, as such, shall not receive any compensation for their service but, by resolution of the Board of Directors, reimbursement for reasonable expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board of Directors or at any meeting of a committee of directors, if any, to which such director may be elected in accordance with the following Section 5.11.

Section 5.11. Committees. The Board of Directors, by resolution adopted by a majority of the number of directors fixed by these bylaws, may designate one or more committees, which committees shall consist of two or more persons, all of whom shall be directors, owners, or representatives of owners. Such committees may exercise such authority of the Board of Directors in the affairs of the Association as the Board of Directors may by resolution duly delegate to it, except as prohibited by law. The designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon him by law. Any member of the committees may be removed by the Board of Directors by the affirmative vote of a majority of the number of directors fixed by the bylaws whenever in the judgment of the board, the best interests of the Association will be served thereby. The committees shall keep regular minutes of their proceedings and report same to the Board of Directors when required. The minutes of the proceedings of the committees shall be placed in the minute book of the Association.

Section 5.12. Prohibited Transactions. The Board of Directors shall not have the authority to enter into contracts, agreements or to otherwise conduct business on behalf of the Association with any member of the board or any affiliate of such member.

ARTICLE VI

Officers

Section 6.01. Number. The officers of the Association shall consist of a president, one or more vice presidents, a secretary and a treasurer and, in addition, such other officers and assistant officers and agents as may be deemed necessary or desirable. Officers shall be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person except that the President and Secretary shall not be the same person. Officers need not be members of the Association.

Section 6.02. Election and Term. Officers shall be chosen by the Board of Directors, annually, at the meeting of the Board of Directors following the annual members' meeting. Each officer shall hold office until his successor has been chosen and qualified, or until his death, resignation or removal.

Section 6.03. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby; but, such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not, of itself, create any contract rights.

Section 6.04. Vacancies. Any vacancy, in any office, for any cause, may be filled by the Board of Directors at any meeting.

Section 6.05. Duties. The officers of the Association shall have such powers and duties, except as modified by the Board of Directors, as generally pertain to their offices, respectively, as well as such powers and duties as from time to time shall be conferred by the Board of Directors and by these bylaws.

Section 6.06. The President. The President shall have general direction of the affairs of the Association and general supervision over its several officers, subject however, to the control of the Board of Directors. At each annual meeting, and from time to time, he shall report to the members and to the Board of Directors, all matters within his knowledge which, in his opinion, the interests of the Association may require to be brought to the notice of such persons. He may sign, with the Secretary or an assistant secretary, any or all certificates or other instruments evidencing membership in the Association. He shall preside at all meetings of the members, shall sign and execute in

the name of the Association (i) all contracts or other instruments authorized by the Board of Directors, and (ii) all contracts or instruments in the usual and regular course of the affairs of the Association, pursuant to Section 7.02 hereof, except in cases when the signing and execution thereof shall be expressly delegated or permitted by the board or by these bylaws to some other officer or agent of the Association; and, in general, shall perform all duties incident to the office of president, and such other duties as from time to time may be assigned to him by the Board of Directors or as are prescribed by these bylaws.

Section 6.07. Vice Presidents. At the request of the President or, in his absence or disability, the Vice Presidents, in the order of their election, shall perform the duties of the President, and, when so acting, shall have all the powers of, and be subject to all restrictions upon, the President. Any action taken by a vice president in the performance of the duties of the President shall conclusive evidence of the absence or inability to act of the President at the time such action was taken. The Vice Presidents shall perform such other duties as may, from time to time, be assigned to them by the Board of Directors or the President. A vice president may sign, with the Secretary or an assistant secretary, certificates or other instruments evidencing membership in the Association.

Section 6.08. Secretary. The Secretary shall keep the minutes of all meetings of the members, of the Board of Directors, and of the committees of the Board of Directors (if any), in any one or more books provided for such purpose and shall see that all notices are duly given in accordance with the provisions of these bylaws or as required by law. He shall be custodian of the Association's records and of the seal (if any) of the Association and see, if the Association has a seal, that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; shall have general charge of the books and papers of the Association, all of which shall, at any reasonable time, be open for any proper purpose; and, in general, shall perform all duties and exercise all powers incident to the office of the Secretary and such other duties and powers as the Board of Directors or the President, from time to time, may assign to or confer on him.

Section 6.09. Treasurer. The Treasurer shall keep complete and accurate records of account showing, at all times, the financial condition of the Association. He shall be the legal custodian of all money, notes, securities and other valuables which may, from time to time, come into the possession of the Association. He shall furnish at meetings of the Board of Directors, or whenever requested; a statement of the financial condition of the Association, and

shall perform such other duties as these bylaws may require or the Board of Directors may prescribe.

Section 6.10. Assistant Officers. Any assistant secretary or assistant treasurer appointed by the Board of Directors shall have power to perform, and shall perform, all duties incumbent upon the secretary or treasurer of the Association, respectively, subject to the general direction of such respective officers, and shall perform such other duties as these bylaws may require or the Board of Directors may prescribe.

Section 6.11. Salaries. The salaries or other compensation of the officers for services rendered shall be fixed, from time to time, by the Board of Directors. No officer shall be prevented from receiving such salary or other compensation by reason of the fact that he is also a director of the Association.

Section 6.12. Delegation. The Board of Directors may temporarily delegate the powers and duties of any officer of the Association, in case of his absence or for any other reason, to any other officer, and may authorize the delegation by any officer of the Association of any of his powers and duties to any agent or employee, subject to the general supervision of such officer.

ARTICLE VII

Miscellaneous

Section 7.01. Dividends. No dividend shall be paid, and no part of the income of the Association shall be distributed, to the members, directors or officers of the Association. The Association may pay compensation in a reasonable amount to the members, directors or officers for services rendered.

Section 7.02. Contracts. The President shall have the power and authority to execute, on behalf of the Association, contracts or instruments in the usual and regular course of the Association's affairs and, in addition, the Board of Directors may authorize any officer or officers, agent or agents, of the Association to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors or by these bylaws, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement, or to pledge its credit or to render it pecuniarily liable for any purpose or in any amount.

Section 7.03. Checks, Drafts, etc. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officers or employees of the Association, as shall from time to time be authorized pursuant to these bylaws or by resolution of the Board of Directors.

Section 7.04. Depositories. All funds of the Association shall be deposited, from time to time, to the credit of the Association in such banks or other depositories as the Board of Directors may, from time to time, designate, and upon such terms and conditions as shall be fixed by the Board of Directors. The Board of Directors may, from time to time, authorize the opening and maintaining within any such depository as it may designate, general and special accounts, and may make such special rules and regulations with respect thereto as it may deem expedient.

Section 7.05. Seal. The Association's seal, if any, shall be in such form as the Board of Directors shall approve, and such seal, or a facsimile thereof, may be impressed on, affixed to, or in any manner reproduced upon, instruments of any nature required to be executed by officers of the Association.

Section 7.06. Fiscal Year. The fiscal year of the Association shall begin and end on such dates as the Board of Directors at any time shall determine.

Section 7.07. Books and Records. The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, Board of Directors and committees established pursuant to Section 5.11 hereof, and shall keep at its registered office or principal place of business, a record of its members, giving the names and addresses of all members. All books and records of the Association may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time. The Board of Directors shall, within sixty (60) days after the end of the Association's fiscal year, deliver to the owners, upon request, annual financial statements (unaudited) of the Association.

Section 7.08. Resignations. Any director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 7.09. Indemnification of Officers and Directors. Each person who may have served as a director or officer of the Association shall be indemnified by the Association

against any liability imposed upon him and for any expense reasonably incurred by him in connection with any claim made against him or by virtue of any action having been brought against him by reason of his having been a director or officer, and against such sums as counsel selected by the Board of Directors shall deem reasonable payment made in settlement of any such claim, action, suit or proceedings primarily with a view to avoiding expenses of litigation. No director or officer shall be indemnified, however, with respect to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in performance of his duties, or with respect to any matters which shall be settled by the payment of sums which counsel selected by the Board of Directors shall not deem reasonable payment made primarily with a view to avoiding expenses of litigation, or with respect to matters for which such indemnification would be unlawful or against public policy. Any right of indemnification granted by this Section 7.09 shall be in addition to and not in lieu of any other such right to which any director or officer of the Association may at any time be entitled under the laws of the State of Texas. If any indemnification which would otherwise be granted by this administrative body is determined to be illegal or against public policy, then any director or officer with respect to whom such adjudication was made, and any other officer or director, shall be indemnified to the fullest extent permitted by law and public policy, it being the express intent of the Association to indemnify its officers and directors to the fullest extent possible in conformity with these bylaws, all applicable laws, and public policy.

Section 7.10. Assessments. The Board of Directors of the Association shall establish, levy and assess and collect the assessments, charges and fees more particularly described in the Amended Declaration. The provisions of the Amended Declaration concerning such assessments, charges and fees are incorporated herein by reference and are made a part hereof for all purposes.

Section 7.11. Rules and Regulations. The Board of Directors shall adopt and publish (or cause to be published) rules and regulations governing the use of the Association's land, and any such rules and regulations so adopted shall be binding upon any and all owners and their respective invitees. Such rules and regulations shall additionally be subject to amendment from time to time by the Board of Directors.

ARTICLE VIII

Amendments

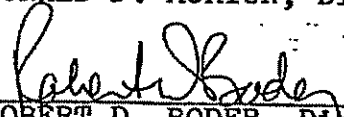
Amendments and other changes to the bylaws shall be

approved by two-thirds vote of the voting owners, voting in person or by proxy, at a meeting at which a quorum is present.

ADOPTED this 24th day of October, 1988.



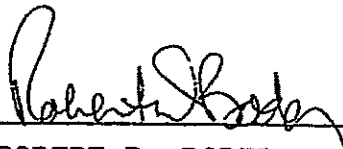
MARK HOLLAND, Director

DONALD F. MORTON, Director


ROBERT D. BODER, Director

CERTIFICATION

I, ROBERT D. BODER, Secretary of the Corporation do hereby certify that the foregoing Amended and Restated Bylaws of Del Lago Owners Association, is a true and correct copy of the bylaws adopted by the Board of Directors and approved by the members at a meeting held on October 24, 1988.



ROBERT D. BODER
Secretary

6120152 / ML / KB

GF# 07415037
08/Kojak
Stewart Title of Montgomery County
377-11-2239

AFTER RECORDING RETURN TO:
ATTN: Darlene Meisinger
STEWART TITLE
P. O. BOX 1806
AUSTIN, TX 78767

**FIRST AMENDMENT TO
AMENDED AND RESTATED BYLAWS OF
DEL LAGO OWNERS ASSOCIATION**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DEL LAGO OWNERS ASSOCIATION (this "Amendment") is made as of the 22nd day of June, 2007, for the purpose of amending the Amended and Restated Bylaws of Del Lago Owners Association adopted on October 24, 1988 (the "Amended Bylaws").

RECITALS

A Pursuant to Article VIII of the Amended Bylaws, the owners of at least two-thirds of the votes authorized to be cast by the Voting Owners approved and adopted the amendment of the Amended Bylaws pursuant to the terms and conditions of this Amendment.

B The Board of Directors also has approved and adopted the amendment of the Amended Bylaws pursuant to the terms and conditions of this Amendment

NOW, THEREFORE, the Amended Bylaws are hereby amended pursuant to the terms and conditions of this Amendment.

1 Interested Party Transactions. Section 5.12 of the of the Amended Bylaws is hereby deleted and replaced by the following:

Section 5.12 Interested Party Transactions. Subject to the restrictions and limitations contained herein, the Association may enter into contracts and transactions with others, and such contracts or transactions shall not be invalidated or in any way affected by the fact that one or more officers, directors or members of the Association is employed by, has a financial interest in or is otherwise connected with the contracting party, provided that:

(a) the material facts as to the relationship or interest as to the contract or transaction are disclosed to or known by: (i) the Board of Directors, a committee of the Board of Directors, or the members of the Association, and the Board of Directors, the committee, or the members in good faith and with ordinary care authorize the contract or transaction by the affirmative vote of the majority of the disinterested Directors, committee members or members, regardless of whether the disinterested Directors, committee members or members constitute a quorum, or (ii) the members of the Association entitled to vote on the authorization of the contract or transaction, and the contract or transaction is specifically approved in good faith and with ordinary care by a vote of the members, or

(b) the contract or transaction is fair to the Association when the contract or transaction is authorized, approved, or ratified by the Board of Directors, a committee of the Board of Directors, or the members.

2007-073901

An otherwise valid contract or transaction shall be valid notwithstanding the fact that a director, officer, or member of the Association is present at or participates in the meeting of the Board of Directors, of a committee of the Board of Directors, or of the members that authorizes the contract or transaction, or votes to authorize the contract or transaction. Common or interested directors, committee members or Members may be included in determining the presence of a quorum at a meeting of the Board, a committee of the board, or Members that authorizes the contract or transaction

2 Recitals. The recitals set forth above are incorporated into this Amendment as if set forth herein.

3 Ratification. The Amended Bylaws as herein amended are ratified and affirmed.

4 Conflict. In the event of a conflict between the terms of this Amendment and the Amended Bylaws, the terms of this Amendment will control

5 Multiple Counterparts. This Amendment may be executed in a number of identical counterparts. If so executed, each of such counterparts shall be deemed an original for all purposes, and all such counterparts shall, collectively, constitute one agreement.

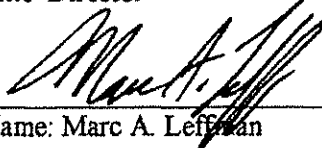
6 Headings. The use of headings, captions and numbers of the contents of particular sections are inserted only for the convenience of identifying and indexing various provisions in this Amendment and shall not be construed as a part of this Amendment or as a limitation on the scope of any of the terms or provisions of this Amendment

(Signature Page Follows)

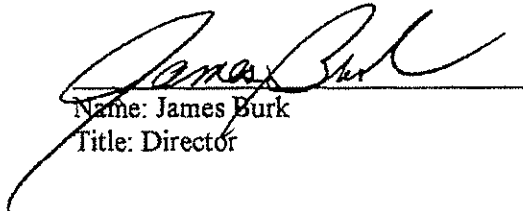
ADOPTED this _____ day of June, 2007



Name: Ra'anan G. Ben-Zu
Title Director



Name: Marc A. Leffman
Title: Director



Name: James Burk
Title: Director

CERTIFICATION

I, Judi Garrett, Secretary of the Association, do hereby certify that the foregoing First Amendment to Amended and Restated Bylaws of Del Lago Owners Association is a true, correct and complete copy of the First Amendment to Amended and Restated Bylaws adopted by the Board of Directors and two-thirds of the members of the Association.



Name: Judi Garrett
Title: Secretary

STATE OF GEORGIA)

COUNTY OF FULTON)

This instrument was sworn to and subscribed before me on the 14th day of June, 2007, by Ra'anah G. Ben-Zur, a Director of Del Lago Owners Association, a Texas non-profit corporation, on behalf of said corporation.


Notary Public



STATE OF GEORGIA)

COUNTY OF FULTON)

This instrument was sworn to and subscribed before me on the 14th day of June, 2007, by Marc A. Leffman, a Director of Del Lago Owners Association, a Texas non-profit corporation, on behalf of said corporation

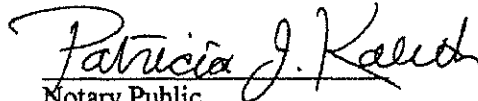

Notary Public



STATE OF TEXAS)

COUNTY OF Montgomery)

This instrument was sworn to and subscribed before me on the 15 day of June, 2007, by James Burk, a Director of Del Lago Owners Association, a Texas non-profit corporation, on behalf of said corporation.


Notary Public



377-11-2243

FILED FOR RECORD

07 JUN 26 PM 1:30

Mark Turnbull
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in
File Number Sequence on the date and at the time
stamped herein by me and was duly RECORDED in
the Official Public Records of Real Property at
Montgomery County, Texas.

JUN 26 2007



Mark Turnbull
County Clerk
Montgomery County, Texas

RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded.

6120152 / ML / KB

OFF# 07415037
06/Kojak
Stewart Title of Montgomery County
377-11-2239

AFTER RECORDING RETURN TO:

ATTN: Darlene Hairinger
STEWART TITLE
P. O. BOX 1806
AUSTIN, TX 78767

**FIRST AMENDMENT TO
AMENDED AND RESTATED BYLAWS OF
DEL LAGO OWNERS ASSOCIATION**

2007-073901

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(b) the contract or transaction is fair to the Association when the contract or transaction is authorized, approved, or ratified by the Board of Directors, a committee of the Board of Directors, or the members.

An otherwise valid contract or transaction shall be valid notwithstanding the fact that a director, officer, or member of the Association is present at or participates in the meeting of the Board of Directors, of a committee of the Board of Directors, or of the members that authorizes the contract or transaction, or votes to authorize the contract or transaction. Common or interested directors, committee members or Members may be included in determining the presence of a quorum at a meeting of the Board, a committee of the board, or Members that authorizes the contract or transaction

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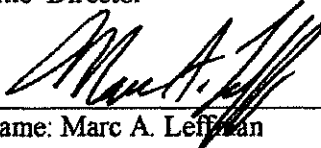
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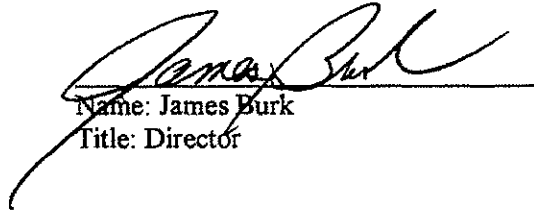
ADOPTED this _____ day of June, 2007



Name: Ra'anan G. Ben-Zu
Title: Director



Name: Marc A. Leffman
Title: Director



Name: James Burk
Title: Director

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Name: Judi Garrett
Title: Secretary

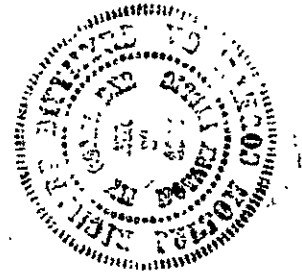
377-11-2242

STATE OF GEORGIA)

COUNTY OF FULTON)

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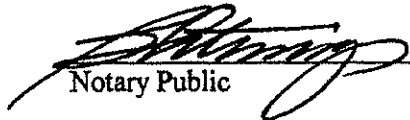

Notary Public

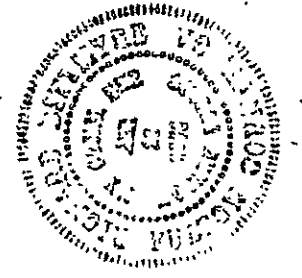


STATE OF GEORGIA)

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Notary Public



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COUNTY OF Montgomery)

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Notary Public



377-11-2243

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Mark Turnbull

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
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