

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
TEALWOOD, SECTIONS ONE (1) THROUGH THREE (3)**

THE STATE OF TEXAS COUNTY OF HARRIS

WHEREAS, various covenants, conditions and restrictions were previously imposed upon the real property comprising Tealwood, Sections One (1) through Three (3), a residential subdivision in Harris County, Texas, by instruments duly recorded in the Deed Records of Harris County, Texas, as follows:

Tealwood, Section One (1)	Instrument recorded in Volume 5571, Page 261, et seq. of the Deed Records.
Tealwood, Section Two (2)	Instrument recorded in Volume 6526, Page 166, et seq. of the Deed Records.
Tealwood, Section Three (3)	Instrument recorded in Volume 6739, Page 81, et seq. of the Deed Records.

and, WHEREAS, the restrictions applicable to Tealwood, Sections One (1), Two (2) and Three (3), were amended by instrument entitled "Amendment of Deed Restrictions of Tealwood Subdivision, Sections One, Two and Three" duly recorded in the Official Public Records of Real Property of Harris County, Texas on December 31, 1981 under Harris County Clerk's File No. H278774; and

WHEREAS, the restrictions applicable to Tealwood, Sections One (1), Two (2) and Three (3), were further amended by instrument entitled "Amendments of Deed Restrictions of Tealwood Subdivision Sections One, Two and Three" duly recorded in the Official Public Records of Real Property of Harris County, Texas on December 28, 1988, under Harris county Clerk's File No. L986484; and

WHEREAS, the restrictions for each section of Tealwood provide that the provisions thereof may be amended at the end of any successive ten (10) year term (the ten year successive terms beginning January 1, 1989) by a written instrument executed by the owners of a majority of the lots in each such section of Tealwood; and

WHEREAS, the undersigned, being the owners of at least a majority of the lots in each section of Tealwood desire to amend the restrictions applicable to each section of Tealwood and, at the same time, consolidate all three (3) sections of Tealwood into a comprehensive set of uniform covenants, conditions and restrictions;

NOW, THEREFORE, the undersigned lot owners do hereby amend and restate the restrictions for Tealwood, Sections One (1) through Three (3), to be governed by the covenants, conditions and restrictions set forth in this instrument, as follows:

ARTICLE I

Definitions

As used in this Declaration, the terms set forth below shall have the following meanings:

A. ANNUAL MAINTENANCE CHARGE - The assessment made and levied by the Association against each Owner and his Lot in accordance with the provisions of this Declaration.

B. ARCHITECTURAL REVIEW COMMITTEE - The Architectural Review Committee established and empowered in accordance with Article III of this Declaration.

C. ARTICLES OF INCORPORATION - The Articles of Incorporation of the Association.

D. ASSOCIATION - Tealwood Homeowners Association, Inc., a Texas non-profit corporation, its successors and assigns.

E. BOARD or BOARD OF DIRECTORS - The Board of Directors of the Association.

F. COMMON AREAS - Any real property owned or maintained by the Association for the common use and benefit of the Owners.

- G. BYLAWS** - The Bylaws of the Association.
- H. LOT or LOTS** - Each of the lots shown on the Plat.
- I. MAINTENANCE FUND** - Any accumulation of the annual maintenance charges collected by the Association in accordance with the provisions of this Declaration and interest, penalties, assessments and other sums and revenues collected by the Association pursuant to the provisions of this Declaration.
- J. MEMBER or MEMBERS** - All Lot Owners who are members of the Association as provided in Article IV hereof.
- K. MORTGAGE** - A security interest, mortgage, deed of trust, or lien instrument granted by an Owner to secure the payment of a loan made to such Owner, duly recorded in the office of the County Clerk of Harris County, Texas, and creating a lien or security interest encumbering a Lot and some or all improvements thereon.
- L. OWNER or OWNERS** - Any person or persons, firm, corporation or other entity or any combination thereof that is the record owner of fee simple title to a Lot, including contract sellers, but excluding those having an interest merely as a security for the performance of an obligation.
- M. PLAT or PLATS** - The plat for each section of Tealwood, Sections One (1) through Three (3), recorded in the Map Records of Harris County, Texas, and any replat thereof.
- N. PLANS** - The final construction plans and specifications (including a related site plan) of any Residential Dwelling, building or improvement of any kind to be erected, placed, constructed, maintained or altered on any portion of the Property.
- O. PROPERTY** - All of Tealwood, Sections One (1) through Three (3), a subdivision in Harris County, Texas, according to the plats thereof recorded in the Map Records of Harris County, Texas.
- P. RESIDENTIAL DWELLING** - The single family residence and appurtenances constructed on a Lot.
- Q. RESTRICTIONS** - The covenants, conditions, restrictions, easements, reservations and stipulations that shall be applicable to and govern the improvement, use, occupancy, and conveyance of all the Lots in the Subdivision as set out in this Declaration or any amendment thereto.
- R. RULES AND REGULATIONS** - Rules adopted from time to time by the Board concerning the management and administration of the Subdivision for the use, benefit and enjoyment of the Owners.
- S. SUBDIVISION** - The Property, together with all improvements now or hereafter situated thereon and all rights and appurtenances thereto.

ARTICLE II
General Provisions Relating to Use and Occupancy

SECTION 2.1. USE RESTRICTIONS.

A. GENERAL. The Property shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions, restrictions, easements, charges, and liens set forth in this Declaration. No Lot may be subdivided.

B. SINGLE FAMILY RESIDENTIAL USE. Each Owner shall use his Lot and the Residential Dwelling on his Lot for single family residential purposes only. As used herein, the term "single family residential purposes" shall be deemed to specifically prohibit, but without limitation, the use of any Lot for a duplex apartment, a garage apartment or any other apartment or for any multi-family use or for any business, professional or other commercial activity of any type, unless such business, professional or commercial activity is unobtrusive and merely incidental to the primary use of the Lot and the Residential Dwelling for residential purposes. No Owner shall use or permit such Owner's Lot or Residential Dwelling to be used for any purpose that would (i) void any insurance in force with respect to the Subdivision; (ii) make it impossible to obtain any insurance required by these Restrictions; (iii) constitute a public or private nuisance, which determination may be made by the Board in its sole discretion; (iv) constitute a violation of the provisions of the Declaration or any applicable law or (v) unreasonably interfere with the use and occupancy of the Subdivision by other Owners. Lots may be leased for residential purposes. No Owner shall be permitted to lease his Lot for hotel or transient purposes, which for purposes of this Section is defined as a period of less than six (6) months. No Owner shall be permitted to lease less than the entire Lot. Every lease shall be in writing. Every lease shall provide that the lessee shall be bound by and subject to all of the obligations under this Declaration and a failure to do so shall be a default under the lease. The Owner making such lease shall not be relieved from any obligation to comply with the provisions of this Declaration. For the purpose of this Section, a full-time, live-in domestic servant or "nanny" shall be considered a member of the family occupying a lot.

C. PASSENGER VEHICLES. Except as provided in Article II, Section 2.1, D, below, no Owner, lessee, tenant or occupant of a Lot, including all persons who reside with such Owner, lessee or occupant on the Lot, shall park, keep or store any vehicle on any Lot which is visible from any street in the Subdivision or any neighboring Lot other than a passenger vehicle or pick-up truck. For purposes of this Declaration, the term "passenger vehicle" is limited to any vehicle which displays a passenger vehicle license plate issued by the State of Texas or which, if displaying a license plate issued by another state, would be eligible to obtain a passenger vehicle license plate from the State of Texas, and a sport utility vehicle used as a family vehicle (whether or not the sport utility vehicle displays a passenger or truck vehicle license plate); the term "pick-up truck" is limited to a three-quarter (3/4) ton capacity pick-up truck which has not been adapted or modified for commercial use. No inoperable vehicle shall be parked, kept or stored on any Lot which is visible from any street in the Subdivision or any neighboring Lot. For purposes of this Declaration, a vehicle is operable only if it is capable of being driven on a public street and displays all current and necessary licenses and permits. No permitted vehicle shall be parked on a Lot in public view without being used off of the premises for longer than fourteen (14) consecutive days. The Owner or occupant of a Lot who leaves town for an extended time may apply to the Architectural Review Committee for an extension of the 14 day period, provided that each vehicle is kept clean and neat in appearance during the entire period that the Owner or occupant of the Lot is absent.

D. OTHER VEHICLES. No mobile home trailers, recreational vehicles or boats shall be parked, kept or stored on the Property for a period exceeding forty-eight (48) consecutive hours if visible from any street in the Subdivision or any neighboring Lot. Provided that, a mobile home trailer, recreational vehicle or boat may be parked in the garage on a Lot or other structure approved by the Architectural Review Committee.

E. VEHICLE REPAIRS. No passenger vehicle, pick-up truck, mobile home trailer, recreational vehicle, boat or other vehicle of any kind shall be constructed, reconstructed, or repaired on any Lot within the Subdivision if visible from any street in the Subdivision or any neighboring Lot.

F. NUISANCES. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot and no odors shall be permitted to arise therefrom, so as to render any such Lot or any portion thereof unsanitary, unsightly, offensive or detrimental to any other Lot or to its occupants. No nuisance shall be permitted to exist or operate upon any Lot. For the purpose of this provision, a nuisance shall be any activity or condition on a Lot which is reasonably considered to be an annoyance to surrounding residents of ordinary sensibilities and which might be calculated to reduce the desirability of the property. The Board of Directors is authorized to determine whether any condition or activity on a Lot constitutes a nuisance or is offensive and its determination shall be final and binding on all Owners. No exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on any Lot and then only if properly maintained and operated.

G. REPAIR OF BUILDINGS. No Residential Dwelling or other building or structure upon any Lot shall be permitted to fall into disrepair, and each such Residential Dwelling, building, or structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished by the Owner of the Lot at such Owner's sole cost and expense. The Board of Directors shall have the exclusive authority to determine whether an Owner is maintaining his Lot in a reasonable manner and the Board of Director's determination shall be final. In the event the Owner of a Lot fails to keep the exterior of the Residential Dwelling or other building or structure on the Lot in good condition and repair, and such failure continues after ten (10) days written notice from the Association; the Association may at its option, without liability to the Owner or occupant in trespass or otherwise, enter upon said Lot and repair and/or paint the exterior of the Residential Dwelling or other building or structure on the Lot and otherwise cause the Residential Dwelling or other building or structure on the Lot to be placed in good condition and repair, and to do every other thing necessary to secure compliance with this Declaration, and may charge the Owner of the Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of such Lot, to pay such charge, plus fifty percent (50%) of such costs for overhead and supervision, immediately upon receipt of the corresponding statement. Payment of such charges shall be secured by the lien created in Article V of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum shall begin to accrue on such sum on the thirtieth (30) day after a written invoice is delivered to the Owner.

H. TRASH CONTAINERS. No garbage or trash shall be maintained on a Lot so as to be visible from any street in the Subdivision or any neighboring Lot except to make the same available for collection and then only the shortest time reasonably necessary to effect such collection. Garbage and trash made available for collection shall be placed in tied trash bags or covered containers, or as otherwise provided in any trash disposal contract entered into by the Association.

I. CLOTHES DRYING. No outside clothesline or other outside facilities for drying or airing clothes shall be erected, placed or maintained on any Lot if visible from any street in the Subdivision or a neighboring Lot.

J. RIGHT TO INSPECT. During reasonable hours, any member of the Architectural Review Committee, any member of the Board, or any authorized representative of any of them, shall have the right to enter upon and inspect any Lot, and the exterior of the improvements thereon, for the purpose of ascertaining whether or not the provisions of the Declaration have been or are being complied with, and such persons shall not be deemed guilty of trespass by reason of such entry.

K. ANIMALS. No animals or birds, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any Lot and then only if they are kept thereon solely as domestic pets and not for commercial purposes. No animal or bird shall be allowed to make an unreasonable amount of noise, or to become a nuisance. No structure for the care, housing or confinement of any animal or bird shall be maintained so as to be visible from any street in the Subdivision or a neighboring Lot without the written consent of the Architectural Review Committee. The Board shall have the authority to determine, in its sole and absolute discretion, whether, for the purposes of this paragraph, a particular animal or bird is a generally recognized house or yard pet, or a nuisance, or whether the number of animals or birds kept on any Lot is reasonable.

L. DISEASES AND INSECTS. No Owner shall permit any thing or condition to exist upon any Lot which shall induce, breed or harbor infectious plant diseases or noxious insects.

M. RESTRICTION ON FURTHER SUBDIVISION. No Lot shall be further subdivided, and no portion less than all of any such Lot, nor any easement or other interest therein, shall be conveyed by any Owner.

N. SIGNS. No signs whatsoever (including but not limited to commercial, political and similar signs) shall be erected or maintained on any Lot if visible from any street in the Subdivision or a neighboring Lot except:

- (i) Street signs and such other signs as may be required by law;
- (ii) During the time of construction of any Residential Dwelling, building or other improvement (defined to be from the date that construction commences until the fourteenth day after substantial completion of the Residential Dwelling, building or other improvement), one job identification sign having a face area not larger than three square feet; and
- (iii) A "for sale" or "for lease" sign, of a reasonable type, size and appearance, which is similar to other signs customarily used in Harris County, Texas.
- (iv) Not more than two (2) political signs having a face area not larger than four (4) square feet each for a period of time commencing three (3) weeks before the corresponding election day and ending two (2) days after the election day, unless otherwise provided by law.

SECTION 2.2. DECORATION, MAINTENANCE, ALTERATION AND REPAIRS.

A. Subject to the provisions of Article III, each Owner shall have the right to modify, alter, repair, decorate, redecorate or improve the Residential Dwelling on such Owner's Lot, provided that all such action is performed with a minimum inconvenience to other Owners and does not constitute a nuisance. Notwithstanding the foregoing, the Architectural Review Committee shall have the authority to require any Owner to remove or eliminate any object situated on such Owner's Residential Dwelling or Lot that is visible from any street in the Subdivision or any other Lot if, in the Architectural Review Committee's sole judgment, such object detracts from the visual attractiveness of the Subdivision.

B. Each Owner shall maintain the Residential Dwelling and other improvements on his Lot in good order and repair at all times.

SECTION 2.3. TYPE OF CONSTRUCTION AND MATERIALS.

A. TYPES OF STRUCTURES. No structures shall be erected, altered, placed or permitted to remain on any Lot other than (i) one detached, single family dwelling not to exceed the height limitations set forth in Section 2.4, paragraph B, together with an attached or detached private garage for not less than two (2) nor more than three (3) vehicles and (ii) permitted accessory buildings, all of which are subject to approval by the Architectural Review Committee.

B. STORAGE. Without the prior written consent of the Architectural Review Committee, no building materials of any kind or character shall be placed or stored upon any Lot more than thirty (30) days before the construction of a Residential Dwelling, structure or other improvement is commenced. All materials permitted to be placed on a Lot shall be placed within the property lines of the Lot. After the commencement of construction of any Residential Dwelling, structure or improvement on a Lot, the work thereon shall be prosecuted diligently, to the end

that the Residential Dwelling, structure or improvement shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Upon the completion of the construction, any unused materials shall be removed immediately from the Lot.

C. TEMPORARY STRUCTURES. No structures of a temporary character, trailer or mobile home (with or without wheels and whether or not attached to a foundation), modular or prefabricated home, tent, shack, barn or any other out-building structure or building, shall be placed on any Lot, either temporarily or permanently, except a permanent Residential Dwelling, a detached or attached garage, and one (1) or more accessory building(s) approved by the Architectural Review Committee. No residence house, garage or other structure appurtenant thereto, shall be moved upon any Lot from another location.

D. GARAGES/CARPORTS. Garages must be provided for all residences. No carports shall be constructed on any Lot without the prior written consent of the Architectural Review Committee. A porte cochere may be permitted on a Lot if approved by the Architectural Review Committee. No garage shall be built or placed on any Lot unless it is approved by the Architectural Review Committee. No garage shall be placed or maintained on any easement. All garages shall be enclosed by garage doors made of metal, wood or some other acceptable material with a paneled design in order to be harmonious in quality and color with the exterior of the appurtenant Residential Dwelling. No carport or porte cochere may be used for the storage of materials or property other than permitted vehicles which are in operating condition and regular use. No garage may be used as a living area unless plans therefor are approved by the Architectural Review Committee and then only if another garage or carport approved by the Architectural Review Committee is constructed contemporaneously with the conversion of the existing garage into a living area.

E. AIR CONDITIONERS. No window, roof or wall type air conditioner that is visible from any street in the Subdivision or any neighboring Lot, shall be used, placed or maintained on or in any Residential Dwelling, garage or other building.

F. ANTENNAS. Antennas for direct broadcast satellites which are forty inches or smaller in diameter, antennas for multichannel multipoint distribution services which are forty inches or smaller when measured diagonally, and normal television antennas may be installed on a Lot, provided that they are placed in the least obtrusive location which still enables the reception of an acceptable quality signal. All other antennas are prohibited. No antenna shall be erected or placed on a Lot without the prior written consent of the Architectural Review Committee.

G. EXTERIOR FINISH. The exterior of the Residential Dwelling on each Lot must be comprised of at least fifty-one percent (51%) brick. All brick, stonework and mortar must be approved by the Architectural Review Committee as to type, size, color and application. Concrete steps, stoops or porches must be finished in tile, brick or stone, unless otherwise approved by the Architectural Review Committee. No concrete, concrete block or cinder block shall be used as an exposed building surface. Any concrete, concrete block or cinder block utilized in the construction of a Residential Dwelling or for retaining walls and foundations shall be finished in the same materials utilized for the remainder of the Residential Dwelling. Metal flashing, valleys, vents and gutters installed on a Residential Dwelling shall blend or be painted to blend with the color of the exterior materials to which they are adhered or attached.

H. EXTERIOR LIGHTING AND STREET NUMBERS. All exterior lighting on a Lot must be approved by the Architectural Review Committee. All street numbers displayed on a Lot must be approved by the Architectural Review Committee.

I. ROOFING. The Architectural Review Committee shall have the right to establish specific requirements for the type of roofing materials which may be utilized for any Residential Dwelling. All roofing materials shall be combustion resistant. No solar or other energy collection panel, equipment or device shall be installed or maintained on any Lot or Residential Dwelling, including, without limitation, the roof of any Residential Dwelling, if visible from any street. No plumbing or heating vents, stacks and other projections of any nature shall be placed on the roof on the front of any Residential Dwelling. All such vents, stacks and other projections from the roof of any Residential Dwelling shall be located on the rear roof of such Residential Dwelling and shall be painted the same color as the roofing material, unless otherwise approved by the Architectural Review Committee.

J. WINDOW TREATMENTS AND DOORS. Reflective glass shall not be permitted on the exterior of any Residential Dwelling. No foil or other reflective materials shall be installed on any windows or used for sunscreens, blinds, shades or other purposes except as approved in writing by the Architectural Review Committee. Burglar bars shall not be permitted on the exterior of any windows except as approved by the Architectural Review

Committee. Screen doors shall not be used on the front or side of any Residential Dwelling. No aluminum or metal doors with glass fronts (e.g., storm doors) shall be allowed on the front of any Residential Dwelling.

K. HVAC EQUIPMENT. All exterior heating, ventilating and air-conditioning compressor units and equipment shall be located at the rear of the Residential Dwelling or at the side of the Lot screened from view in a manner approved by the Architectural Review Committee.

L. RECREATIONAL FACILITIES. Free-standing playhouses and treehouses are permitted only with the approval of the Architectural Review Committee. The type, color and location of a basketball goal on a Lot must be approved by the Architectural Review Committee. Barbecue grills or other types of outdoor cooking equipment shall be located only at the side or rear of the Residential Dwelling.

M. LANDSCAPING.

(1) A plan for landscaping proposed in conjunction with the construction of a new Residential Dwelling, building or structure on a Lot shall be submitted to the Architectural Review Committee for approval pursuant to the provisions of Article III.

(2) No hedge or shrubbery planting which obstructs sight-lines of streets and roadways shall be placed or permitted to remain on any Lot where such hedge or shrubbery interferes with traffic sight-lines for roadways within the Subdivision. The determination of whether any such obstruction exists shall be made by the Architectural Review Committee, whose determination shall be final, conclusive and binding on all Owners.

(3) No rocks, rock walls or other substances shall be placed on any Lot as a front or side yard border. No bird baths, fountains, reflectors, flag poles, statues, lawn sculptures, artificial plants, rock gardens, rock walls, free-standing bird houses or other fixtures and accessories shall be placed or installed within the front or side yards of any Lot, unless approved by the Architectural Review Committee.

(4) No vegetable, herb or similar gardens or plants shall be planted or maintained in the front yard of any Lot or the side yard adjacent to a street abutting a corner Lot.

(5) No Owner shall allow the grass on his Lot to grow to a height in excess of six (6) inches, measured from the surface of the ground.

(6) Seasonal or holiday decorations (e.g., Christmas trees and lights, pumpkins, Easter decorations) shall be removed from each Lot or Residential Dwelling within a reasonable period of time after such holiday passes.

(7) Landscaping may be covered to prevent damage from the elements but only for a period necessary for that purpose. Sheets, tarps and similar types of coverings must be removed from landscaping as soon as an immediate threat of damage from inclement weather passes.

(8) Trees and bushes on a Lot shall be maintained in a reasonably neat and attractive condition. The Architectural Review Committee shall have the sole discretion to determine whether a tree or bush is overgrown and in need of trimming or pruning. Dead trees or bushes shall be promptly removed from a Lot.

N. SWIMMING POOLS, TENNIS COURTS AND OTHER AMENITY STRUCTURES. Swimming pools, outdoor hot tubs, reflecting ponds, saunas, whirlpools, lap pools, tennis courts, playhouses, and other amenity structures may be constructed, installed, and maintained on any Lot subject to the prior written approval of the plans for the same by the Architectural Review Committee and this Declaration. The Architectural Review Committee shall have the right to adopt further rules and regulations governing these amenities on Lots within the Subdivision. Each swimming pool or lap pool on a Lot must be treated with chemicals so that the pool is at all times usable and the water is at all times clear.

O. DRIVEWAYS AND SIDEWALKS. All driveways and sidewalks for each Lot shall be constructed of concrete. Other materials (e.g., brick) may be used but only if approved by the Architectural Review Committee. All driveways and sidewalks shall be paved; chert, gravel and loose stone driveways and sidewalks are prohibited. No driveway or sidewalk shall be painted or stained without the prior written approval of the Architectural Review Committee. The location and width of a driveway to be constructed on a Lot must be approved by the Architectural Review Committee prior to the commencement of construction. The Owner of a Lot shall not allow grass and/or weeds to grow in the expansion joints of a driveway or sidewalk. Any portion of a driveway or sidewalk which is unreasonably offensive in appearance (due to cracks or permanent oil stains) shall be repaired or replaced upon request by the Architectural Review Committee.

P. LOT MAINTENANCE. The Owners or occupants of all Lots shall at all times keep all weeds and grass, landscaping beds, and trees and shrubs, maintained and trimmed in a neat, attractive and healthful manner. In no event shall an Owner use any Lot for storage of materials and equipment (except for normal residential requirements or incident to construction of improvements thereon as herein permitted) or permit the accumulation of

garbage, trash or rubbish of any kind thereon. Owners shall not burn anything on any Lot. The Owners or occupants of any Lots at the intersection of streets, where the rear yard or portion of the Lot is visible to full public view, shall construct and maintain a suitable enclosure approved in writing by the Architectural Review Committee to screen the following from public view: yard equipment, wood piles and storage piles that are incident to the normal residential requirements of a typical family. In the event the Owner or occupant of any Lot fails to maintain the Lot in a reasonable manner as required by this Section and such failure continues after ten (10) days written notice from the Association, the Association may, at its option, without liability to the Owner or occupant in trespass or otherwise, enter upon said Lot and cause the Lot to be mowed, edged and cleaned, cause the landscaping beds to be weeded and cleaned, cause shrubs and trees to be trimmed or pruned, and to do every other thing necessary to secure compliance with this Declaration, and may charge the Owner or occupant of such Lot for the cost of such work. The Board of Directors shall have the exclusive authority to determine whether an Owner is maintaining his Lot in a reasonable manner and the Board of Director's determination shall be final. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of such Lot, to pay such charge, plus fifty percent (50%) of such costs for overhead and supervision, immediately upon receipt of the corresponding statement. Payment of such charges shall be secured by the lien created in Article V of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum shall begin to accrue on such sum on the thirtieth (30th) day after a written invoice is delivered to the Owner.

Q. EXTERIOR COLORS. Iridescent colors or tones considered to be brilliant are not permissible. For the purpose of this paragraph, "brilliant" is construed to mean a color that is not in the general texture of both the overall community and natural setting of the Subdivision. The purpose of this covenant is to maintain harmony of the exterior paint colors of the buildings throughout the Subdivision with earth tones and forest tones. The Architectural Review Committee is hereby vested with the sole discretion of determining whether any color proposed to be used on the exterior of any improvement on a Lot is harmonious with the external design of the buildings throughout the Subdivision.

SECTION 2.4. SIZE AND LOCATION OF RESIDENCES.

A. MINIMUM ALLOWABLE AREA OF INTERIOR LIVING SPACE. The minimum allowable area of interior living space in a Residential Dwelling on a Lot in the Subdivision is two thousand five hundred (2,500) square feet. For purposes of this Declaration, the term "interior living space" excludes steps, porches, exterior balconies and garages.

B. MAXIMUM ALLOWABLE HEIGHT OF BUILDING. No Residential Dwelling shall exceed a reasonable height required for two and one-half (2 1/2) stories of living space (above finished grade) plus a pitched roof. No Residential Dwelling shall have more than two (2) stories of living space above finished grade, except in a case where a third (3rd) story of living space is contained within the volume defined by the roof plans of the Residential Dwelling. Notwithstanding the foregoing, no Residential Dwelling shall exceed a height of forty-five (45) feet above finished grade.

C. LOCATION OF IMPROVEMENTS - SETBACKS. No structure of any kind and, unless first approved in writing by the Architectural Review Committee, no wall, fence or hedge may be placed or maintained nearer to the front lot lines or nearer to the side street than the building set back lines shown on the Plat. Except as herein provided, no structure, exclusive of fences, shall be placed or maintained nearer than ten (10) feet to any interior side lot line of any Lot located in the city of Bunker Hill Village, Texas, and no structure, exclusive of fences, shall be placed or maintained nearer than five (5) feet to any interior lot line of any Lot located in the City of Houston, Texas; provided, however, that in the City of Bunker Hill Village, Texas, an accessory building not sharing a common wall with the main building may be placed or maintained not less than five (5) feet from the interior side lot lines, and provided further that in the City of Houston, Texas, an accessory building which is located seventy-five (75) feet or more from the front lot line may be placed or maintained not less than three (3) feet from the interior lot line. No balcony, cornice, porch, eave roof or roof overhang of any kind may extend more than thirty (30) inches beyond the building lines herein prescribed.

The Architectural Review Committee may grant variances from these setbacks, in the manner provided in Article III, Section 3.13, when, in its sole discretion, a variance is deemed necessary or appropriate.

D. DRAINAGE. No Owner of a Lot shall be permitted to construct improvements on such Lot or to grade such Lot or permit such Lot to remain in or be placed in such condition that rain water falling on such Lot drains to any other Lot.

SECTION 2.5. WALLS AND FENCES.

A. FENCES. In no event shall any fence or wall be constructed of chain link or wire. The type of materials utilized for (including the color thereof), the height and the location of all fences and walls must be approved by the Architectural Review Committee; provided that, no fence or wall on a Lot shall exceed ten (10) feet in height.

B. MAINTENANCE OF FENCES. Ownership of any wall or fence erected on a Lot shall pass with title to such Lot and it shall be the Lot Owner's responsibility to maintain such wall or fence. Any wall or fence erected on the property line of two (2) adjacent Lots shall be the joint responsibility of the Owners of such Lots. In the event the Owner or occupant of any Lot fails to maintain said wall or fence and such failure continues after thirty (30) days' written notice thereof from the Association, the Association, may, at its option, without liability to the Owner or occupant in trespass or otherwise, enter upon said Lot and cause the fence or wall to be repaired or maintained or to do any other thing necessary to secure compliance with this Declaration, and to place said wall or fence in a satisfactory condition, and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of such Lot, to pay such charge, plus fifty percent (50%) of such costs for overhead and supervision, immediately upon receipt of the corresponding statement. Payment of such charges shall be secured by the lien created in Article V of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum shall begin to accrue on such sum on the thirtieth (30th) day after written invoice is delivered to the Owner. Each Lot is subjected to an easement in favor of the adjacent Lot Owner to accommodate minor encroachments due to errors in the location of a wall or fence separating the Lots, and for the purpose of maintaining and/or repairing such fence.

SECTION 2.6. RESERVATIONS/EASEMENTS

A. COMMON AREAS. The Common Areas are reserved for the common use, benefit, and enjoyment of the Owners, subject to such reasonable rules and regulations governing the use thereof as may be promulgated by the Association. An Owner's right to use the Common Areas is appurtenant to title to a Lot. Each Owner shall observe and comply with any reasonable rules and regulations promulgated and published by the Association relating to the Common Areas and shall be deemed to acknowledge and agree that all such rules and regulations, if any, are for the mutual and common benefit of the Owners.

B. PUBLIC UTILITIES. Easements for the installation, removal, replacement, and maintenance of equipment for public utilities as shown on the Plat are reserved herein. No building or other permanent structure should be constructed or placed on any easement shown on the Plat.

ARTICLE III **Architectural Approval**

SECTION 3.1. ARCHITECTURAL REVIEW COMMITTEE. As used in this Declaration, the term "Architectural Review Committee" shall mean a committee of three (3) members, all of whom shall be members of the Board of Directors of the Association. Two (2) of the members of the Architectural Review Committee shall be appointed to serve on the Architectural Review Committee by the President of the Association, and the remaining member shall be the Director/Vice President of the Association in charge of architecture, elected by the members of the Board. The two appointed members of the Architectural Review Committee may be removed at any time by the majority vote of the remaining Board members, and shall serve for such term as may be designated by the Board or until resignation or removal by the Board.

SECTION 3.2. APPROVAL OF IMPROVEMENTS REQUIRED. In order to preserve the architectural and aesthetic appearance and the natural setting and beauty of the Subdivision, to establish and preserve a harmonious design for the Subdivision and to protect and promote the value of the Property, the Lots and Residential Dwellings and all Improvements thereon, no Improvements of any nature shall be commenced, erected, installed, placed, moved onto, altered, replaced, relocated, permitted to remain on or maintained on any Lot or Residential Dwelling by any Owner, which affect the exterior appearance of any Lot or Residential Dwelling unless plans and specifications therefor have been submitted to and approved by the Architectural Review Committee in accordance with the terms and provisions of this Article. Without limiting the foregoing, the construction and installation of any dwellings, sidewalks, driveways, parking lots, decks, patios, courtyards, landscaping, swimming pools, tennis courts,

greenhouses, playhouses, awnings, walls, fences, exterior lights, garages, guest or servant's quarters, or any other outbuildings, shall not be undertaken, nor shall any exterior addition to or change or alteration be made (including, without limitation, painting or staining of any exterior surface) to any Residential Dwelling or Improvements, unless the plans and specifications for the same have been submitted to and approved by the Architectural Review Committee in accordance with the terms and provisions of this Article.

The Architectural Review Committee is hereby authorized and empowered to approve all plans and specifications and the construction of all Residential Dwellings and other Improvements on any part of the Property. Prior to the commencement of any Residential Dwelling or other Improvements on any Lot or Residential Dwelling, the Owner thereof shall submit to the Architectural Review Committee plans and specifications and related data for all such improvements, which shall include the following:

- (i) A check in the amount of the then applicable Submission Fee, if any, made payable to "Tealwood Homeowners Association, Inc." The Board of Directors of the Association shall have the authority to adopt a Submission Fee or schedule of Submission Fees depending upon the type and scope of proposed construction, and increase or decrease the Submission Fee(s), if any, as deemed appropriate.
- (ii) Two (2) copies of an accurately drawn and dimensioned site development plan indicating the location of any and all Improvements and the relationship of the same to any set-back requirements applicable to the Lot or Residential Dwelling.
- (iii) If a new Residential Dwelling is to be constructed on a Lot, two (2) copies of a foundation plan, floor plans and exterior elevation drawing of the front, back, and sides of the Residential Dwelling to be constructed on the Lot.
- (iv) Two (2) copies of written specifications and, if requested by the Architectural Review Committee, samples indicating the nature, color, type, shape, height and location of all exterior materials to be used in the construction Improvements, including, without limitation, the type and color of all brick, stone, stucco, roofing and other materials to be utilized on the exterior of a Residential Dwelling and the color of paint or stain to be used on all doors, shutters, trim work, eaves and cornices on the exterior of such Residential Dwelling.
- (v) Two (2) copies of the lighting plan, including specifications, for any exterior lighting to be utilized with respect to such Lot or Residential Dwelling.
- (vi) A written statement of the estimated date of commencement, if the proposed Improvement is approved, and the estimated date of completion.
- (vii) Such other plans, specifications or other information or documentation as may be required by the Architectural Guidelines.

The Architectural Review Committee shall, in its sole discretion, determine whether the plans and specifications and other data submitted by any Owner for approval are acceptable. Further, the Architectural Review Committee may require more detailed information for major construction projects than required for minor projects. One copy of all plans, specifications and related data so submitted to the Architectural Review Committee shall be retained in the records of the Architectural Review Committee and the other copy shall be returned to the Owner submitting the same marked "approved", "approved as noted" or "disapproved".

The Architectural Review Committee shall have the right to disapprove any plans and specifications upon any ground which is consistent with the objectives and purposes of this Declaration, including purely aesthetic considerations, any failure to comply with any of the provisions of this Declaration or the Architectural Guidelines, if hereafter promulgated by the Architectural Review Committee, failure to provide requested information, objection to exterior design, appearance or materials, objection on the ground of incompatibility of any such proposed Improvement with the scheme of development of the Subdivision, objection to the location of any proposed Improvements on any such Lot or Residential Dwelling, objection to the landscaping plan for such Lot or Residential

Dwelling, objection to the color scheme, finish, proportions, style of architecture, height, bulk or appropriateness of any Improvement or any other matter which, in the sole judgment of the Architectural Review Committee, would render the proposed Improvement inharmonious with the general plan of development of the Subdivision. The Architectural Review Committee shall have the right to approve any submitted plans and specifications with conditions or stipulations by which the Owner of such Lot or Residential Dwelling shall be obligated to comply and must be incorporated into the plans and specifications for such Improvements or Residential Dwelling. Approval of plans and specifications by the Architectural Review Committee for Improvements to one particular Lot or Residential Dwelling shall not be deemed an approval or otherwise obligate the Architectural Review Committee to approve similar plans and specifications of any of the features or elements for the Improvements for any other Lot or Residential Dwelling within the Subdivision.

Any revisions, modifications or changes in any plans and specifications previously approved by the Architectural Review Committee must be approved by the Architectural Review Committee in the same manner specified above.

If construction of the Residential Dwelling or the Improvements has not substantially commenced within ninety (90) days of approval by the Architectural Review Committee of the plans and specifications for such Residential Dwelling or other Improvements, then no construction may be commenced (or continued) on such Lot or Residential Dwelling and the Owner of such Lot or Residential Dwelling shall be required to resubmit all plans and specifications for any Residential Dwelling or other Improvements to the Architectural Review Committee for approval in the same manner specified above.

SECTION 3.3. ADDRESS OF COMMITTEE. The address of the Architectural Review Committee shall be at the principal office of the Association.

SECTION 3.4. ARCHITECTURAL GUIDELINES. The Architectural Review Committee from time to time may promulgate, supplement or amend the Architectural Guidelines, which provide an outline of acceptable standards for proposed Improvements. Such Architectural Guidelines shall be subject to the approval of the Board of Directors. This Section shall not be construed to require the Architectural Review Committee to promulgate Architectural Guidelines, it being the intent of this Section to merely authorize the Architectural Review Committee to promulgate Architectural Guidelines if and when it determines that Architectural Guidelines may be beneficial.

SECTION 3.5. FAILURE OF COMMITTEE TO ACT ON PLANS. Any request for approval of a proposed Improvement on a Lot shall be deemed approved by the Architectural Review Committee, unless disapproval or a request for additional information or materials is transmitted to the applicant by the Architectural Review Committee within forty-five (45) days after the date of receipt by the Architectural Review Committee of all required materials; provided, however, that no such deemed approval shall operate to permit any Owner to construct or maintain any Improvement on a Lot that violates any provision of this Declaration or the Architectural Guidelines, if any, the Architectural Review Committee at all times retaining the right to object to any Improvement on a Lot that violates any provision of this Declaration or the Architectural Guidelines.

SECTION 3.6. PROSECUTION OF WORK AFTER APPROVAL. After approval of any proposed Improvement on a Lot, the proposed Improvement shall be prosecuted diligently and continuously and shall be completed within the time frame approved by the Architectural Review Committee and in strict conformity with the description of the proposed Improvement in the materials submitted to the Architectural Review Committee. No building materials shall be placed upon a Lot until the Owner is ready to commence construction. Owners shall keep the job site and all surrounding areas clean during the progress of construction. All construction trash, debris and rubbish on each Lot shall be properly disposed of at least weekly. In no event shall any used construction material be buried on or beneath any Lot or Residential Dwelling. No Owner shall allow dirt, mud, gravel or other substances to collect or remain on any street. All construction vehicles must be parked on the Lot or in areas designated by the Architectural Review Committee. Construction on a Lot is permitted only between the hours of 7:00 o'clock a.m. and 6:00 o'clock p.m., Monday through Saturday.

SECTION 3.7. NOTICE OF COMPLETION. Promptly upon completion of the Improvement on a Lot, the applicant shall deliver a notice of completion ("Notice of Completion") to the Architectural Review Committee and, for all purposes hereunder, the date of receipt of such Notice of Completion by the Architectural Review Committee shall be deemed to be the date of completion of such Improvement, provided that the Improvement is, in fact, completed as of the date of receipt of the Notice of Completion.

SECTION 3.8. INSPECTION OF WORK. The Architectural Review Committee or its duly authorized representative shall have the right to inspect any Improvement on a Lot before or after completion, provided that the right of inspection shall terminate sixty (60) days after the Architectural Review Committee shall have received a Notice of Completion from the Applicant.

SECTION 3.9. NOTICE OF NONCOMPLIANCE. If, as a result of inspections or otherwise, the Architectural Review Committee finds that any Improvement on a Lot has been constructed or undertaken without obtaining the approval of the Architectural Review Committee, or has been completed other than in strict conformity with the description and materials furnished by the applicant to the Architectural Review Committee, or has not been completed within the required time period after the date of approval by the Architectural Review Committee, the Architectural Review Committee shall notify the applicant in writing of the noncompliance ("Notice of Noncompliance"), which notice shall be given, in any event, within sixty (60) days after the Architectural Review Committee receives a Notice of Completion from the applicant. The Notice of Noncompliance shall specify the particulars of the noncompliance and shall require the applicant to take such action as may be necessary to remedy the noncompliance. If the applicant does not comply with the Notice of Noncompliance within the period specified by the Architectural Review Committee, the Association may, acting through the Board, at its option but with no obligation to do so, (a) record a Notice of Noncompliance against the real property on which the noncompliance exists in the Official Public Records of Real Property of Harris County, Texas; (b) remove the noncomplying Improvement on the Lot; and/or (c) otherwise remedy the noncompliance (including, if applicable, completion of the Improvement in question), and, if the Board elects to take any action with respect to such violation, the applicant shall reimburse the Association upon demand for all expenses incurred therewith. The permissive (but not mandatory) right of the Association to remedy or remove any noncompliance (it being understood that no Owner may require the Board to take such action) shall be in addition to all other rights and remedies that the Association may have at law, in equity, under this Declaration, or otherwise. The Owner agrees by the purchase of such Lot to pay all charges incurred by the Association to remedy or remove any noncompliance, plus fifty percent (50%) of such costs for overhead and supervision, immediately upon receipt of the corresponding statement. Payment of such charges shall be secured by the lien created in Article V of the Declaration. Interest thereon at the rate of eighteen percent (18%) per annum shall begin to accrue on such sum on the thirtieth (30) day after a written invoice is delivered to the Owner.

SECTION 3.10. FAILURE OF COMMITTEE TO ACT AFTER NOTICE OF COMPLETION. If, for any reason other than the applicant's act or neglect, the Architectural Review Committee fails to notify the applicant of any noncompliance within sixty (60) days after receipt by the Architectural Review Committee of a written Notice of Completion from the applicant, the Improvement on a Lot shall be deemed in compliance if the Improvement on a Lot in fact was completed as of the date of Notice of Completion; provided, however, that no such deemed approval shall operate to permit any Owner to construct or maintain any Improvement on a Lot that violates any provision of this Declaration or the Architectural Guidelines, if any, the Architectural Review Committee at all times retaining the right to object to any Improvement on a Lot that violates this Declaration or the Architectural Guidelines.

SECTION 3.11. APPEAL TO ASSOCIATION BOARD. If the Committee denies or refuses approval of the proposed Improvement or modification to Improvements on any Lot, or if the Board gives any Notice of Non-Compliance, the Owner may appeal to the Board by giving written notice of such appeal to the Association, the Committee and the Board within twenty (20) days after such denial or notice, as applicable. The Board shall hear the appeal with reasonable promptness after reasonable notice of such hearing to the Owner and shall decide, with reasonable promptness, whether or not the proposed Improvements or modification of Improvements on a Lot shall be approved or whether or not there has been such non-compliance. The decision of the Board shall be final and binding on all persons. During the pendency of the appeal, the prior decision of the Committee or the Board shall remain in effect.

SECTION 3.12. NO IMPLIED WAIVER OR ESTOPPEL. No action or failure to act by the Architectural Review Committee or by the Board of Directors shall constitute a waiver or estoppel with respect to future action by the Architectural Review Committee or the Board of Directors, with respect to any Improvement on a Lot. Specifically, the approval by the Architectural Review Committee of any Improvement on a Lot shall not be deemed a waiver of any right or an estoppel against withholding approval or consent for any similar Improvement on another Lot or any similar proposals, plans, specifications, or other materials submitted with respect to any other Improvement on a Lot by such person or otherwise.

SECTION 3.13. POWER TO GRANT VARIANCES. The Architectural Review Committee may authorize variances from compliance with any of the provisions of Article II of this Declaration (except for the provisions relating to single family residential construction and use or applicable building codes of any municipality

having jurisdiction), including restrictions upon placement of structures, the time for completion of construction of Improvements on a Lot, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic, environmental, or other relevant considerations may require. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Architectural Review Committee. If any such variance is granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall the granting of any variance affect the jurisdiction of the Architectural Review Committee other than with respect to the subject matter of the variance, nor shall the granting of a variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned.

SECTION 3.14. REIMBURSEMENT OF ARCHITECTURAL REVIEW COMMITTEE MEMBERS.

The members of the Architectural Review Committee shall be entitled to reimbursement for reasonable expenses incurred by them in the performance of their duties hereunder as the Board from time to time may authorize or approve.

SECTION 3.15. ESTOPPEL CERTIFICATES. The Board of Directors, upon the reasonable request of any interested party and after confirming any necessary facts with the Architectural Review Committee, shall furnish a certificate with respect to the approval or disapproval of any Improvement on a Lot or with respect to whether any Improvement on a Lot was made in compliance herewith. Any person, without actual notice of any falsity or inaccuracy of such a certificate, shall be entitled to rely on such certificate with respect to all matters set forth therein.

SECTION 3.16. NONLIABILITY FOR ARCHITECTURAL REVIEW COMMITTEE ACTION.

None of the members of the Architectural Review Committee, the Association or any member of the Board of Directors shall be liable for any loss, damage, or injury arising out of or in any way connected with the performance of the duties of the Architectural Review Committee, except to the extent caused by the willful misconduct or bad faith of the party to be held liable. In reviewing any matter, the Committee shall not inspect, guarantee or warrant the workmanship of the Improvement, including its design, construction, safety, whether structural or otherwise, conformance with building codes, or other governmental laws or regulations or whether the Improvement is suitable or fit for its intended purpose. Furthermore, none of the members of the Architectural Review Committee, or any member of the Board of Directors shall be personally liable for debts contracted for or otherwise incurred by the Association or for any torts committed by or on behalf of the Association, or for a tort of another of such individuals, whether such other individuals were acting on behalf of the Association, the Architectural Review Committee, the Board of Directors, or otherwise. Finally, neither the Association, the Board, the Architectural Review Committee, or their officers, agents, members, or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, Improvements, or portion thereof, or for failure to repair or maintain the same.

SECTION 3.17. CONSTRUCTION PERIOD EXCEPTION. During the course of actual construction of any permitted structure or Improvement on a Lot, and provided construction is proceeding with due diligence, the Architectural Review Committee may temporarily suspend the provisions of Article II contained in this Declaration as to the property upon which the construction is taking place to the extent necessary to permit such construction; provided, however, that during the course of any such construction, nothing shall be done that will result in a violation of any of the provisions of this Declaration upon completion of construction or that will constitute a nuisance or unreasonable interference with the use and enjoyment of other property within the Subdivision.

SECTION 3.18. SUBSURFACE CONDITIONS. The approval of plans and specifications by the Architectural Review Committee for any Residential Dwelling or other Improvement on a Lot shall not be construed in any respect as a representation or warranty by the Architectural Review Committee to the Owner submitting such plans or to any of the successors or assigns of such Owner that the surface or subsurface conditions of such Lot are suitable for the construction of the Improvements contemplated by such plans and specifications. It shall be the sole responsibility of each Owner to determine the suitability and adequacy of the surface and subsurface conditions of any Lot for the construction of any contemplated Improvements thereon.

ARTICLE IV

Management and Operation of Subdivision

SECTION 4.1. MANAGEMENT BY ASSOCIATION. Management and operation of the Subdivision shall be administered by the Association. The Association shall have the right, power and obligation to provide for the management, acquisition, construction, maintenance, repair, replacement, administration, and operation of the Subdivision as herein provided for and as provided for in the Bylaws and any Rules and Regulations promulgated by the Board of Directors. The business and affairs of the Association shall be managed by its Board of Directors. The Association, acting through the Board, shall be entitled to enter into such contracts and agreements concerning the Subdivision as the Board deems reasonably necessary or appropriate to maintain and operate the Subdivision in accordance with the Declaration, including without limitation, the right to grant utility and other easements for uses the Board shall deem appropriate and the right to enter into agreements with adjoining or nearby land owners or governmental entities on matters of maintenance, trash pick-up, repair, administration, security, traffic, operation of recreational facilities, or other matters of mutual interest.

SECTION 4.2. MEMBERSHIP IN ASSOCIATION. Each Owner, whether one or more persons or entities, of a Lot shall, upon and by virtue of becoming such Owner, automatically become and shall remain a Member of the Association until his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership in the Association shall be appurtenant to and shall automatically follow the ownership of each Lot and may not be separated from such ownership.

SECTION 4.3. VOTING OF MEMBERS. Each Member shall have one vote per Lot owned. In the event that ownership interests in a Lot are owned by more than one Member of the Association, such Members shall exercise their right to vote in such manner as they may among themselves determine, but in no event shall more than one vote be cast for each Lot. Such Owners shall appoint one of them as the Member who shall be entitled to exercise the vote of that Lot at any meeting of the Association. Such designation shall be in writing to the Board and shall be revocable at any time by actual written notice to the Board. The Board shall be entitled to rely on any such designation until written notice revoking such designation is received by the Board. In the event that a Lot is owned by more than one Member of the Association and no single Member is designated to vote on behalf of the Members having an ownership interest in such Lot, the single Member exercising the vote for such Lot shall be deemed to have been designated as the Member entitled to exercise the vote for that Lot. All Members of the Association may attend meetings of the Association and all voting Members may exercise their vote at such meetings either in person or by proxy. The Association shall have the right to suspend an Owner's voting rights for non-payment of any assessments due on the Owner's Lot and/or for infractions of this Declaration or any Rules and Regulations promulgated by the Association.

SECTION 4.4. CONTRACT SERVICES. The Board shall have the authority to contract for services as appropriate to provide for the construction, maintenance, repair, landscaping, solid waste pick-up and any other services or projects needed in the Subdivision.

SECTION 4.5. BOARD ACTIONS IN GOOD FAITH. Any action, inaction or omission by the Board made or taken in good faith shall not subject the Board or any individual member of the Board to any liability to the Association, its Members or any other party.

ARTICLE V

Maintenance Expense Charge and Maintenance Fund

SECTION 5.1. MAINTENANCE FUND. All annual maintenance charges collected by the Association and all interest, penalties, assessments and other sums and revenues collected by the Association constitute the Maintenance Fund. The Maintenance Fund shall be held, managed, invested and expended by the Board, at its discretion, for the benefit of the Subdivision and the Owners of Lots therein. The Board shall by way of illustration and not by way of limitation, expend the Maintenance Fund for the administration, management, and operation of the Subdivision; for the maintenance, repair and improvement of the Common Areas; for the maintenance of any easements granted to the Association; for the enforcement of this Declaration by action at law or in equity, or otherwise, and the payment of court costs as well as reasonable and necessary legal fees; and for all other purposes that are, in the discretion of the Board, desirable in order to maintain the character and value of the Subdivision and the Lots therein. The Board and its individual members shall not be liable to any person as a result of actions taken by the Board with respect to the Maintenance Fund, except for willful neglect or intentional wrongdoings.

SECTION 5.2. COVENANTS FOR ANNUAL MAINTENANCE CHARGES AND ASSESSMENTS. Each and every Lot in the Subdivision is hereby severally subjected to and impressed with an annual maintenance

charge or assessment in an amount to be determined annually by the Board, which annual maintenance charge shall run with the land. Each Owner of a Lot, by accepting a deed to any such Lot, whether or not it shall be so expressed in such deed, is hereby conclusively deemed to covenant and agree, as a covenant running with the land, to pay to the Association, its successors or assigns, each and all of the charges and assessments against his Lot and/or assessed against him by virtue of his ownership thereof, as the same shall become due and payable, without demand. The charges and assessments herein provided for shall be a charge and a continuing lien upon each Lot, together with all Improvements thereon, as hereinafter more particularly stated. Each charge or assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time the obligation to pay such assessment accrued, but no Member shall be personally liable for the payment of any assessment made or becoming due and payable after his ownership ceases. No Member shall be exempt or excused from paying any such charge or assessment by waiver of the use or enjoyment of the Common Areas, or any part thereof, or by abandonment of his Lot or his interest therein.

SECTION 5.3. BASIS AND MAXIMUM ANNUAL ASSESSMENT. Commencing in the year in which this amendment of Section 5.3 becomes effective, the annual assessment is \$700 per Lot. The annual assessment may be increased, effective January 1 of each year, by an amount equal to no more than a ten percent (10%) increase over the prior year's annual assessment without a vote of the members of the Association. The annual assessment for a particular year will be based upon the budget for that year adopted by the Board of Directors. The annual assessment levied against each Lot must be uniform.

SECTION 5.4. DETERMINATION OF ANNUAL ASSESSMENT. As soon as practical before the end of each year, the Board of Directors of the Association shall fix the amount of the annual assessment to be levied against each Lot in the next calendar year. Written notice of the figure at which the Board of Directors of the Association has set the annual assessment shall be sent to every Owner.

SECTION 5.5. SPECIAL ASSESSMENTS. If the Board at any time, or from time to time, determines that the annual maintenance charges assessed for any period are insufficient to provide for the continued operation of the Subdivision or any other purposes contemplated by this Declaration, then the Board shall have the authority to levy such special assessments ("special assessments") as it shall deem necessary to provide for such continued maintenance and operation. No special assessment shall be effective until the same is approved in writing by Members holding at least a majority of the votes in the Association. Any such special assessment shall be payable in the manner determined by the Board and the payment thereof may be enforced in the manner herein specified for the payment of the annual maintenance charges.

SECTION 5.6. ENFORCEMENT OF ANNUAL MAINTENANCE CHARGE. The annual maintenance charge assessed against each Lot shall be due and payable, in advance, on the first (1st) day of each January thereafter. Any annual maintenance charge which is not paid and received by the Association by the thirty-first (31st) day of each January thereafter shall be deemed to be delinquent, and, without notice, shall bear interest at the rate of eighteen percent (18%) per annum or the maximum rate of interest allowed by law, whichever is less, from the date originally due until paid. Further, the Board of Directors of the Association shall have the authority to impose a monthly late charge on any delinquent annual maintenance charge. The monthly late charge, if imposed, shall be in addition to interest. To secure the payment of the annual maintenance charge, special assessments levied hereunder and any other sums due hereunder (including, without limitation, interest, late fees, attorney's fees or delinquency charges), there is hereby created and fixed a separate and valid and subsisting lien upon and against each Lot and all Improvements thereto for the benefit of the Association, and superior title to each Lot is hereby reserved in and to the Association. The lien described in this Section 5.6 and the superior title herein reserved shall be deemed subordinate to any mortgage for the purchase or improvement of any Lot and any renewal, extension, rearrangements or refinancing thereof. The collection of such annual maintenance charge and other sums due hereunder may, in addition to any other applicable method at law or in equity, be enforced by suit for a money judgment and in the event of such suit, the expense incurred in collecting such delinquent amounts, including interest, costs and attorney's fees shall be chargeable to and be a personal obligation of the defaulting Owner. Further, the voting rights of any owner in default in the payment of the annual maintenance charge, or other charge owing hereunder for which an Owner is liable, and/or any services provided by the Association, may be suspended by action of the Board for the period during which such default exists. Notice of the lien referred to in the preceding paragraph may, but shall not be required to, be given by the recordation in the office of the County Clerk of Harris County, Texas of an affidavit, duly executed, and acknowledged by an authorized representative of the Association, setting forth the amount owned, the name of the Owner or Owners of the affected Lot, according to the books and records of the Association, and the legal description of such Lot. Each Owner, by acceptance of a deed to his Lot, hereby expressly recognizes the existence of such lien

as being prior to his ownership of such Lot and hereby vests in the Association the right and power to bring all actions against such Owner or Owners personally for the collection of such unpaid annual maintenance charge and other sums due hereunder as a debt, and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including both judicial and non-judicial foreclosure pursuant to Chapter 51 of the Texas Property Code (as same may be amended or revised from time to time hereafter) and in addition to and in connection therewith, by acceptance of the deed to his Lot, each Owner expressly grants, bargains, sells and conveys to the President of the Association from time to time serving, as trustee (and to any substitute or successor trustee as hereinafter provided for) such Owner's Lot, and all rights appurtenant thereto, in trust, for the purpose of securing the aforesaid annual maintenance charge, and other sums due hereunder remaining unpaid hereunder by such Owner from time to time and grants to such trustee a power of sale. The trustee herein designated may be changed any time and from time to time by execution of an instrument in writing signed by the President of the Association and filed in the office of the County Clerk of Harris County, Texas. In the event of the election by the Board to foreclose the lien herein provided for nonpayment of sums secured by such lien, then it shall be the duty of the trustee, or his successor, as hereinabove provided, to enforce the lien and to sell such Lot, and all rights appurtenant thereto, in accordance with the provisions of Chapter 51 of the Texas Property Code as same may hereafter be amended. At any foreclosure, judicial or non-judicial, the Association shall be entitled to bid up to the amount of the sum secured by its lien, together with costs and attorney's fees, and to apply as a cash credit against its bid all sums due to the Association covered by the lien foreclosed. From and after any such foreclosure the occupants of such Lot shall be required to pay a reasonable rent for the use of such Lot and such occupancy shall constitute a tenancy-at-sufferance, and the purchaser at such foreclosure sale shall be entitled to the appointment of a receiver to collect such rents and, further, shall be entitled to sue for recovery of possession of such Lot by forcible detainer without further notice.

SECTION 5.7. NOTICE OF SUMS OWING. Upon the written request of an Owner, the Association shall provide to such Owner a written statement setting out the then current total of all maintenance charges, special assessments, and other sums, if any, owing by such Owner with respect to his Lot. In addition to such Owner, the written statement from the Association so advising the Owner may also be addressed to and be for the benefit of a prospective lender or purchaser of the Lot, as same may be identified by said Owner to the Association in the written request for such information. The Association shall be entitled to charge the Owner a reasonable fee for such statement.

SECTION 5.8. FORECLOSURE OF MORTGAGE. In the event of a foreclosure of a mortgage on a Lot, the purchaser at the foreclosure sale shall not be responsible for maintenance charges, special assessments, or other sums, if any, which accrued and were payable to the Association by the prior Owner of the Lot, but said purchaser and its successors shall be responsible for maintenance charges, special assessments, and other sums, if any, becoming due and owing to the Association with respect to said Lot after the date of foreclosure.

SECTION 5.9 RESERVE ASSESSMENT. A "Reserve Assessment" is a sum payable to the Association by the purchaser of a Lot upon the transfer of title to the Lot as provided herein. The amount of the Reserve Assessment is \$300.00. The Reserve Assessment is due and payable on the date the deed conveying the Lot to the purchaser is recorded or, if a contract for deed or similar instrument, the date the contract for deed is executed. Payment of the Reserve Assessment is in default if the Reserve Assessment is not paid on or before the due date for such payment. A Reserve Assessment in default will bear interest at the rate of twelve percent (12%) per annum or the maximum, non-usurious rate, whichever is less, from the due date until paid and late charges at the same rate applicable to the Annual Maintenance Charge. No Reserve Assessment paid by an Owner will be refunded to the Owner by the Association. The Association may enforce payment of the Reserve Assessment in the same manner which the Association may enforce payment of Annual Maintenance Charges and special assessments pursuant to this Article V.

All Reserve Assessments collected by the Association must be deposited into a reserve account established and maintained by the Association for capital improvements and/or the repair or refurbishment of the Common Areas.

SECTION 5.10 ADMINISTRATIVE FEES AND RESALE CERTIFICATES. The Board of Directors of the Association may establish and change, from time to time, if deemed appropriate, a fee sufficient to cover the expense associated with providing information in connection with the sale of a Lot in the Subdivision and changing the ownership records of the Association ("Administrative Fee"). An Administrative Fee will be paid to the Association or the managing agent of the Association, if agreed upon by the Association, upon each transfer of title to a Lot. The Administrative Fee must be paid by the purchaser of the Lot, unless otherwise agreed by the seller and purchaser of the Lot. The Association is also authorized to establish and change, from time to time, if deemed appropriate, a fee sufficient to cover the expense associated with providing a Resale Certificate in connection with the sale of a Lot. The fee for a Resale Certificate will be

paid to the Association or the managing agent of the Association, if agreed to by the Association. The fee for a Resale Certificate is in addition to, not in lieu of, the Administrative Fee.

ARTICLE VI
Insurance; Security

SECTION 6.1. GENERAL PROVISIONS. The Board shall have the authority to determine whether or not to obtain insurance for the Association and, if insurance is obtained, the amounts thereof. In the event that insurance is obtained, the premiums for such insurance shall be an expense of the Association which shall be paid out of the Maintenance Fund.

SECTION 6.2. INDIVIDUAL INSURANCE. Each Owner, tenant or other person occupying a Residential Dwelling shall be responsible for insuring his Lot and his Residential Dwelling, its contents and furnishings. Each Owner, tenant or other person occupying a Residential Dwelling shall, at his own cost and expense, be responsible for insuring against the liability of such Owner, tenant or occupant.

SECTION 6.3. SECURITY. The Association, its directors, officers, managers, employees, agents and attorney ("Association and Related Parties"), shall not in any way be considered an insurer or guarantor of security within the Property. The Association and Related Parties shall not be liable for any loss or damage by reason of failure to provide adequate security or the ineffectiveness of security measures undertaken. Owners, lessees and occupants of all Lots, on behalf of themselves, and their guests and invitees, acknowledge that the Association and Related Parties do not represent or warrant that any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices, or other security systems (if any are present) will prevent loss by fire, smoke, burglary, theft, hold-up or otherwise, nor that fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices or other security systems will in all cases provide the detection or protection for which the system is designed or intended. Owners, lessees, and occupants of Lots on behalf of themselves, and their guests and invitees, acknowledge and understand that the Association and Related Parties are not an insurer and that each Owner, lessee and occupant of any Lot and on behalf of themselves and their guests and invitees assumes all risks for loss or damage to persons, to Residential Dwellings and to the contents of their Residential Dwelling and further acknowledges that the Association and Related Parties have made no representations or warranties nor has any Owner or lessee on behalf of themselves and their guests or invitees relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices or other security systems recommended or installed or any security measures undertaken within the Property.

SECTION 6.4. USE OF COMMON AREAS. The Association, its directors, officers, managers, employees, agents and attorneys ("Association and Related Parties") shall not in any way be considered an insurer or guarantor of the safety of any person using the Common Areas. The Owners, lessees and occupants of any Lot, on behalf of themselves and their guests and invitees, assume all risks for injury to themselves, members of their family, and guests and invitees, relating to the use of the Common Areas.

ARTICLE VII
Fire or Casualty: Rebuilding

SECTION 7.1. REBUILDING. In the event of a fire or other casualty causing damage or destruction to a Lot or the Residential Dwelling located thereon, the Owner of such damaged or destroyed Lot or Residential Dwelling shall within one hundred twenty (120) days after such fire or casualty contract to repair or reconstruct the damaged portion of such Lot or Residential Dwelling and shall cause such Lot or Residential Dwelling to be fully repaired or reconstructed in accordance with plans presented to and approved by the Architectural Review Committee, and shall promptly commence repairing or reconstructing such Residential Dwelling, to the end that the Residential Dwelling shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Alternatively, such damaged or destroyed Residential Dwelling shall be razed and the Lot restored as nearly as possible to its original condition within one hundred twenty (120) days of its damage or destruction. The Architectural Review Committee shall have the authority to extend the one hundred twenty (120) period to reconstruct or raze the damaged Residential Dwelling, if, in the judgment of the Architectural Review Committee, circumstances warrant an

extension. In the event that the repair and reconstruction of the Residential Dwelling has not been commenced within one hundred twenty (120) days after such fire or casualty and the damaged or destroyed Residential Dwelling has not been razed and the Lot restored to its original condition (and no extension has been granted by the Architectural Review Committee), the Association and/or any contractor engaged by the Association, shall upon ten (10) days written notice to the Owner at the Owner's last known mailing address according to the records of the Association, have the authority but not the obligation to enter upon the Lot, raze the Residential Dwelling and restore the Lot as nearly as possible to its original condition. The Owner agrees by the purchase of such Lot, to pay all costs incurred by the Association to raze the Residential Dwelling and to restore the Lot to its original condition plus fifty percent (50%) of such costs for overhead and supervision, immediately upon receipt of a corresponding statement. Payment of such charges shall be secured by the lien created in Article V of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum shall begin to accrue on such sum on the thirtieth (30) day after a written invoice is delivered to the Owner.

ARTICLE VIII

Amendment, Duration, Annexation and Merger

SECTION 8.1. AMENDMENT. Except as otherwise provided by law, the provisions of this Declaration may be amended by an instrument signed by the Secretary of the Association certifying that Owners representing not less than a majority of the Lots in the Subdivision have voted in favor of such amendment, in writing, setting forth the amendments, and duly recorded in the office of the County Clerk of Harris County, Texas.

SECTION 8.2. DURATION. This Declaration shall remain in full force and effect until January 1, 2019, and shall be extended automatically for successive ten (10) year periods; provided however, that this Declaration may be terminated on January 1, 2019, or on the commencement of any successive ten year period by filing for record in the office of the County Clerk of Harris County, Texas, an instrument in writing signed by members having not less than seventy-five percent (75%) of the total votes in the Association.

SECTION 8.3. DEANNEXATION OF LAND. Land made subject to this Declaration may be deannexed by an instrument signed by Owners representing not less than two-thirds (2/3) of the Lots in the Subdivision and filed for record in the Official Public Records of Real Property of Harris County, Texas.

SECTION 8.4. EFFECTIVE DATE/EXISTING VIOLATIONS. The provisions of this Declaration shall become effective on January 1, 1999. Any circumstances, conditions, or improvements which exist prior to the effective date of this Declaration and which are not in compliance with the provisions of this Declaration shall not be required to be abated or removed. Provided, however, if any such circumstances, conditions or improvements are voluntarily or involuntarily removed, abated or discontinued after the effective date of this Declaration, such circumstances, conditions or improvements may not be renewed or replaced in a manner inconsistent with this Declaration. Notwithstanding the foregoing, this provision shall not be construed to affect the right of the Association or any Lot Owner to proceed with or initiate action against any person who is in violation of the provisions of the prior restrictive covenants after the effective date of this Declaration so long as the acts or circumstances constituting a violation of the prior restrictive covenants also violate the provisions of this Declaration.

ARTICLE IX

Miscellaneous

SECTION 9.1. SEVERABILITY. In the event of the invalidity or partial invalidity or partial unenforceability of any provision in this Declaration, the remainder of this Declaration shall remain in full force and effect.

SECTION 9.2. NUMBER AND GENDER. Pronouns, whenever used herein, and of whatever gender, shall include natural persons and corporations, entities and associations of every kind and character, and the singular shall include the plural, and vice versa, whenever and as often as may be appropriate.

SECTION 9.3. ARTICLES AND SECTIONS. Article and section headings in this Declaration are for convenience of reference and shall not affect the construction or interpretation of this Declaration. Unless the context otherwise requires, references herein to articles and sections are to articles and sections of this Declaration.

SECTION 9.4. DELAY IN ENFORCEMENT. No delay in enforcing the provisions of these Restrictions with respect to any breach or violation thereof shall impair, damage or waive the right of any party entitled to enforce

the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time.

SECTION 9.5. LIMITATION OF LIABILITY. Notwithstanding anything provided herein to the contrary, neither the Architectural Review Committee, the Association, nor any agent, employee, representative, member, officer or director thereof, shall have any liability of any nature whatsoever for any damage, loss or prejudice suffered, claimed, paid or incurred by any Owner on account of (a) any defects in any plans and specifications submitted, reviewed, or approved in accordance with the provisions of Article III above, (b) any defects, structural or otherwise, in any work done according to such plans and specifications, (c) the failure to approve or the disapproval of any plans, drawings, specifications or other data submitted by an Owner for approval pursuant to the provisions of Article III, (d) the construction or performance of any work related to such plans, drawings and specifications, (e) bodily injuries (including death) to any Owner, occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of any such Owner or occupant, or other damage to any Residential Dwelling, Improvements or the personal property of any Owner, occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of such Owner or occupant, which may be caused by, or arise as a result of, any defect, structural or otherwise, in any Residential Dwelling or Improvements or the plans and specifications thereof or any past, present or future soil and/or subsurface conditions, known or unknown and (f) any other loss, claim, damage, liability or expense, including court costs and attorney's fees suffered, paid or incurred by any Owner arising out of or in connection with the use and occupancy of any Lot, Residential Dwelling, or any other Improvements situated thereon.

SECTION 9.6. ENFORCEABILITY. This Declaration shall run with the Subdivision and shall be binding upon and inure to the benefit of and be enforceable by the Association, each Owner and occupant of a Lot in the Subdivision, or any portion thereof, and their respective heirs, legal representatives, successors and assigns. If notice and an opportunity to be heard are given, the Association shall be entitled to impose reasonable fines for violations of the provisions of this Declaration or any rules and regulations adopted by the Association or the Architectural Review Committee pursuant to any authority conferred on either of them by this Declaration and to collect reimbursement of actual attorney's fees and other reasonable costs incurred by them relating to violations of the Declaration. Such fines, fees and costs may be added to the Owner's assessment account and collected in the manner provided in Article V of this Declaration.

SECTION 9.7. REMEDIES. In the event any one or more persons, firms, corporations or other entities shall violate or attempt to violate any of the provisions of the Declaration, the Association, each Owner or occupant of a Lot within the Subdivision, or any portion thereof, may institute and prosecute any proceeding at law or in equity to abate, preempt or enjoin any such violation or attempted violation or to recover monetary damages caused by such violation or attempted violation. Upon the violation of any of the provisions of this Declaration by any Owner, in addition to all other rights and remedies available to it at law, in equity or otherwise, the Association, acting through the Board, shall have the right to suspend the right of such Owner to vote in any regular or special meeting of the members during the period of the violation.

IN WITNESS WHEREOF, the undersigned property owners have executed this Declaration on the date set opposite each name, to become effective on December 31, 1998, which is the end of the successive ten (10) year term in effect as of the date of recording this Declaration.