

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
GRAND RIVER**

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**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
GRAND RIVER**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, made as of the date hereinafter set forth by Ft. Bend/Grand River, Ltd., a Texas limited partnership (hereinafter referred to as the "Declarant").

WITNESSETH:

WHEREAS, the Declarant is the owner of the approximately 730.069 acre tract of land in Fort Bend County, Texas which has been platted and subdivided as Grand River, a subdivision of land in Fort Bend County, Texas according to the plat thereof recorded under Slide Nos. 1650/A and 1650/B, 1651/A and 1651/B, 1652/A and 1652/B, 1653/A and 1653/B and 1654/A in the Map Records of Fort Bend County, Texas (the "Subdivision"); and

WHEREAS, the Declarant intends by this Declaration to impose mutually beneficial restrictions under a general plan of improvements for the benefit of all owners of the property within the Subdivision and the undersigned desires to provide a flexible and reasonable procedure for the overall development of such property and to establish a method for the administration, maintenance, preservation, use, and enjoyment of such property.

NOW, THEREFORE, the Declarant hereby declares that the property within the Subdivision is hereby subjected to the provisions of this Declaration and such property shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the real property subject to this Declaration, and shall be binding on all persons having any right, title, or interest in all or any portion of such property, their respective heirs, legal representatives, successors, successors-in-title, and assigns and shall inure to the benefit of each and every owner of all or any portion thereof.

**ARTICLE I
DEFINITIONS**

The following words, when used in this Declaration, shall have the following meanings:

SECTION 1. "Architectural Review Committee" or "ARC" refers to the committee created pursuant to Section 2 of Article VI hereof for the purpose of reviewing plans and specifications for the construction of proposed improvements or

the alteration of existing improvements on the Lots within the Subdivision as set forth in Article VI hereof.

SECTION 2. "Articles of Incorporation" shall mean the Articles of Incorporation of the Ft. Bend/Grand River Homeowners Association, Inc. and any amendments thereto, as filed with the Secretary of State of the State of Texas.

SECTION 3. "Assessment" shall mean the annual assessments levied by the Association for purposes of obtaining funds to pay Association Expenses as provided herein, special assessments, and/or an other amounts or sums due by any Owner to the Association pursuant to the provisions of this Declaration.

SECTION 4. "Association" shall mean Ft. Bend/Grand River Homeowners Association, Inc., a non-profit, non-stock, membership corporation incorporated under the laws of the State of Texas, its successors and assigns.

SECTION 5. "Association Expenses" shall mean and include the actual and estimated expenses of operating the Association and maintaining reasonable reserves, all as may be found to be necessary and appropriate by the Board of Directors of the Association pursuant to this Declaration and the Association's By-Laws and Articles of Incorporation.

SECTION 6. "Board of Directors" or "Board" shall mean the governing body of the Association whose members shall be appointed by the Declarant during the Class B Control Period and thereafter shall be elected by the Members.

SECTION 7. "Builder" shall mean and refer to any Person who acquires a Lot from the Declarant for the purpose of constructing and selling a Single Family Residence.

SECTION 8. "By-Laws" shall mean the By-Laws of the Association, as amended from time to time.

SECTION 9. "Class B Control Period" means the period of time ending on the date on which the Declarant no longer owns a majority of the Lots in the Subdivision, during which period the Declarant is entitled to appoint the members of the Board of Directors.

SECTION 10. "Common Area" shall mean all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment or benefit of the Owners and Occupants, together with those areas, if any, which by contract or agreement become the responsibility of the Association. Road

rights-of-ways and easement areas within or adjacent to the Subdivision may, at the discretion of the Board of Directors, be part of the Common Area.

SECTION 11. "Construction Guidelines" shall mean and refer to certain standards and requirements for the construction of improvements adopted by the Architectural Review Committee which must be complied with by an Owner in order to obtain approval of the plans and specifications for proposed improvements on a Lot in the Subdivision as required by this Declaration. The Construction Guidelines may contain provisions applicable to all of the Lots within the Subdivision as well as provisions which are applicable only to certain groups of Lots such as a group of Lots of more or less than a specified size or a group of Lots located within a particular geographic portion of the subdivision.

SECTION 12. "Declarant" shall mean and refer to Ft. Bend/Grand River, Ltd., a Texas limited partnership, and to its successors and assigns, provided that in the case of an assignee in an instrument of conveyance or by a separate written instrument placed of record in the real property records of Fort Bend County, Texas, such assignee is designated as the "Declarant" by the Declarant hereunder at such time. Upon such designation of an assignee as a successor Declarant, all rights of the former Declarant in and to such status as "Declarant" hereunder shall cease.

SECTION 13. "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions for Grand River as it may hereafter be amended.

SECTION 14. "Equestrian Trails" shall mean and refer to the portion of each Lot which is within twenty-five (25) feet of the right-of-way of an internal Street within the Subdivision over which an easement is herein created for the benefit of the Association for equestrian purposes.

SECTION 15. "Landscaping Guidelines" shall mean and refer to written landscape design, installation and maintenance criteria for the Lots which are adopted by the Architectural Review Committee. The Landscaping Guidelines may be included within and be a part of the Construction Guidelines.

SECTION 16. "Lot" shall mean any of the numbered lots shown on the plat of the Subdivision, excluding reserve tracts, but including lots created by the platting of a reserve tract or the replatting of a Lot; provided, however, no Lot created by the replatting of a Lot may contain less than five (5) acres unless otherwise approved by the Board of Directors. The Owner of two (2) adjacent Lots shall have the right to consolidate such Lots into a single Lot either by replatting such Lots or by constructing a Single Family Residence across the common line of such Lots. Upon any such replatting or the construction of a Single Family Residence across the common Lot line, the former Lot shall thereafter be considered as a single Lot for all

purposes of this Declaration. The term "Lots" shall mean and refer to each Lot and all of them.

SECTION 17. "Member" shall mean a Person entitled to membership in the Association, as provided herein.

SECTION 18. "Mortgage" shall mean a deed of trust, mortgage or other similar security instrument granting, creating, or conveying a lien or security interest upon a Lot.

SECTION 19. "Mortgagee" shall mean a beneficiary or holder of a Mortgage.

SECTION 20. "Occupant" shall mean any person occupying all or any portion of a Single Family Residence within the Subdivision for any period of time, regardless of whether such person is a tenant of the Owner of such property.

SECTION 21. "Owner" shall mean the record owner, whether one or more Persons of the fee simple title to a Lot, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation or those owning an interest in the mineral estate.

SECTION 22. "Person" shall mean any natural person, corporation, joint venture, partnership, association, trust or other legal entity.

SECTION 23. "Single Family" shall mean and refer to any number of persons related by blood, adoption or marriage living with not more than one (1) person who is not so related as a single household unit, or no more than two (2) persons who are not so related and the children of either of such individuals living together as a single household unit, and the household employees of either such household unit.

SECTION 24. "Single Family Residence" shall mean a detached residence constructed on a single Lot.

SECTION 25. "Street" shall mean any street, boulevard, road, alley, lane, avenue, or thoroughfare within or adjacent to the Subdivision.

SECTION 26. "Subdivision" shall mean Grand River, a subdivision of land in Fort Bend County, Texas according to the plat thereof recorded under Slide Nos. 1650/A and 1650/B, 1651/A and 1651/B, 1652/A and 1652/B, 1653/A and 1653/B and 1654/A in the Map Records of Fort Bend County, Texas.

ARTICLE II
FT. BEND/GRAND RIVER HOMEOWNERS ASSOCIATION, INC.

SECTION 1. ORGANIZATION. The Association has been organized and formed as a non-profit corporation under the laws of the State of Texas. The principal purposes of the Association are the collection, expenditure, and management of the maintenance funds, enforcement of the restrictions contained herein, providing for the maintenance and preservation of the Common Area and the facilities of the Association, and architectural control of the Lots.

SECTION 2. MEMBERSHIP. Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot owned. In the event the Owner of a Lot is more than one (1) Person, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership in the Association may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the By-Laws. The membership rights of a Lot owned by a corporation or partnership shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Board, subject to the provisions of this Declaration and the By-Laws.

SECTION 3. VOTING. The Association shall have two classes of membership, Class "A" and Class "B", as follows:

- (a) **CLASS A.** Class "A" Members shall be all Owners with the exception of the Class "B" Member. Class "A" Members shall be entitled to one (1) vote for each Lot of which they are the Owner. In any situation where more than one Person holds the interest in a Lot required for membership in the Association, the vote for such Lot shall be exercised as those Persons among themselves determine and advise the Secretary of the Association in writing prior to any meeting. In the absence of such advice, the vote for such Lot shall be void in the event more than one Person seeks to exercise it.

- (b) **CLASS B.** The Class "B" Member shall be the Declarant who shall also be entitled to one (1) vote for each Lot of which it is the Owner. The Class "B" Member shall be entitled to appoint and remove the members of the Board of Directors during the Class B Control Period. The Class "B" Membership shall cease and be converted to Class "A" Membership upon the expiration of the

Class B Control Period and thereafter the Declarant shall be a Class "A" Member with respect to the Lots it owns.

SECTION 4. POWER TO ADOPT RULES AND REGULATIONS. The Board may adopt, amend, repeal and enforce rules and regulations ("Rules and Regulations"), fines and levies as may be deemed necessary or desirable with respect to the implementation of this Declaration, the operation of the Association, the use and enjoyment of the Common Area, and the use of any other property, facilities or improvements owned or operated by the Association.

ARTICLE III **COVENANT FOR MAINTENANCE ASSESSMENTS**

SECTION 1. PURPOSE OF ASSESSMENTS. The annual assessments provided for in this Declaration shall be used by the Association to maintain and keep in good repair the Common Area and for the general purposes of promoting the common benefit of the Owners and Occupants in the Subdivision. The judgment of the Board of Directors as to the expenditure of assessments shall be final and conclusive. Funds obtained by the Association may be used to finance all or any of the following:

- i. Operation, mowing, maintenance, repair, and improvement of the Common Area, including fences, entryways, road esplanades and cul de' sacs and easements within, adjacent to and in the vicinity of the Subdivision;
- ii. Payment of taxes and premiums for insurance coverage in connection with the Common Area and for directors and officers liability insurance;
- iii. Paying the cost of labor, equipment (including expense of leasing any equipment), material, and any associated management or supervisory services and fees;
- iv. Paying the cost and fees of a manager or firm retained to carry out the duties of the Association or to manage the affairs and property of the Association;
- v. Purchasing, installing, maintaining or replacing landscaping in the Common Area;
- vi. Designing, purchasing and installing any improvements to the Common Area;
- vii. Removing debris from the Common Area;

- viii. Contracting for the installation and maintenance of lights, including street lights, in the Subdivision, and paying the costs of electricity for such lights;
- ix. Collecting and disposing of trash, garbage, rubbish and other similar materials if the Board decides to provide such service to the Subdivision;
- x. Payment of legal fees and expenses incurred to collect assessments and enforce this Declaration;
- xi. Employing policemen or watchmen and/or a security service;
- xii. Contracting for insect and pest control such as mosquito fogging;
- xiv. Carrying out the duties of the Board of Directors of the Association;
- xv. Creation and funding of such reserve funds as the Board of Directors of the Association deems necessary; and
- xvi. Carrying out such purposes of the Association as generally benefit the Members of the Association.

SECTION 2. TYPES OF ASSESSMENTS. Each Owner by acceptance of a deed to any Lot in the Subdivision, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association annual assessments as specified in this Section 2 and special assessments as specified in Section 3 of this Article III.

(a) Annual Assessments. Annual assessments shall be levied by the Board on the Lots to enable it to pay the Association Expenses. The initial annual assessment shall commence on the date that the first Lot in the Subdivision is conveyed by the Declarant or on such later date as the Board determines. If such assessment commences on a date other than January 1, such assessment shall be adjusted according to the number of months remaining in the calendar year. Thereafter, annual assessments shall be levied for each calendar year in advance.

(b) Maximum Annual Assessment. The maximum annual assessments for 1998 shall be \$300.00 per Lot. Each year thereafter the maximum annual assessment may be increased by resolution adopted by the Board of Directors, at its sole discretion, by an amount equal to a fifteen percent (15%) increase over the maximum assessment for the previous year without a vote of the Members of the Association.

The maximum annual assessment per Lot may be increased above fifteen percent (15%) by a vote of two-thirds (2/3rds) of each class of Members who are voting in person or by proxy, at a meeting of the Members duly called for such purpose.

(c) Rates of Assessment. Assessments shall be fixed at uniform rates on all Lots. *see "Lot" Definition*

SECTION 3. SPECIAL ASSESSMENTS. In addition to the annual assessments authorized herein, the Board may levy one or more special assessments in any year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, or repair or replacement of a capital improvement located upon the Common Area, including fixtures and personal property related thereto; provided, however, except as otherwise hereinafter provided any such special assessment must have the written consent of the Class "B" Member, as long as such membership exists, and a per Lot special assessment in an amount greater than ten percent (10%) of the most recent annual assessment per Lot must be approved by majority vote of the Class "A" Members present in person or by proxy at a meeting of the Members.

If a special assessment is approved as herein required and levied, it shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed. Special assessments shall be allocated among all Owners in the same manner as annual assessments.

SECTION 4. CREATION OF LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS. All Assessments, together with interest commencing on the due date at the rate of twelve percent (12%) per annum or such other rate of interest set from time to time by the Board of Directors not in excess of the maximum lawful rate, costs (specifically including, but not limited to, any flat charges or percentage fees charged by any collection agencies used by the Association in collecting Assessments), and reasonable attorney's fees and court costs actually incurred, shall be a charge on the land and shall be secured by a continuing lien upon the land against which each Assessment is made. Each such Assessment, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, shall also be the personal obligation of the Person who was the Owner of such Lot at the time the Assessment fell due. Each such Owner shall be personally liable for his or her portion of each Assessment coming due while he or she is the Owner of the Lot, and each Assessment thereafter coming due unless and until such Owner notifies the Association of the sale or conveyance of the Lot against which the Assessment is made as hereinafter provided in this Section 4.

In order to extinguish any Person's personal liability with regard to Assessments coming due following the sale or conveyance of the Lot owned by such Person, such

Person shall be obligated to notify the Association of such Person's sale or conveyance of the Lot against which Assessments may be levied. In that regard, each Person who at any time owned a Lot against which Assessments may be levied shall no longer be liable or responsible for payment of Assessments coming due after the date upon which such Person furnishes to the Association a copy of the executed instrument of conveyance by which fee title to the Lot previously owned by such Person was conveyed or transferred to another Person, and the mailing address of the Person to whom such Lot was conveyed or transferred. Upon receipt of such information, the Association shall cause the name and address of the new Owner to be substituted for that of the prior Owner on the records of the Association, and the prior Owner shall no longer be liable or responsible for Assessments subsequently coming due. Each Person owning Lot against which Assessments may be made shall have the obligation to notify the Association of any change in its address, and notice of any such change shall become effective five (5) days after written notice thereof has been provided to the Association. With regard to mailing notices of Assessments payable by any Person to the Association, the Association shall be deemed to have satisfied any obligation that it might have to provide written notices or bills if the same are mailed or delivered to the Owner at the address of such Owner as reflected on the records of the Association, and no such Owner or other Person liable for the payment of any Assessment shall escape such liability or be entitled to any deferral or abatement of interest or any late charges or collection costs with regard to delinquent Assessments on the basis of such Person's failure to receive notice thereof if the Association did mail or deliver such notice to the most recent address of the Person according to the records of the Association.

Annual assessments shall be payable annually on a date specified by the Board of Directors; provided, however, the Board may, at its option, require payment of such Assessments in monthly or quarterly installments. Special assessments shall be paid in such manner and on such date or dates as may be fixed by the Board.

SECTION 5. COMPUTATION. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Association during each calendar year or such other fiscal year as the Board may adopt. In the event that the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the then current year shall continue for the succeeding year. The Board shall attempt to cause the budget and the Assessments to be levied against each Owner for the following year to be delivered to each Member at least thirty (30) days prior to the end of the current year.

SECTION 6. LIEN FOR ASSESSMENTS. All sums assessed against any property subject to this Declaration pursuant to this Declaration, together with interest, collection and other costs, and reasonable attorney's fees actually incurred, as provided herein, shall be secured by a lien on the property owned by each Owner

in favor of the Association. All Persons acquiring liens or encumbrances on any property subject to this Declaration after this Declaration shall have been recorded in the real property records of Fort Bend County, Texas shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for Assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

SECTION 7. SUBORDINATION OF THE LIEN TO FIRST MORTGAGES. The lien securing the Assessments provided for herein shall be subordinate to (i) liens of ad valorem taxes and (ii) the lien of any first Mortgage which has been recorded in the real property records of Fort Bend County, Texas. Sale or transfer of any Lot subject to this Declaration shall not affect the lien hereby created. However, the sale or transfer of any Lot pursuant to foreclosure of a first Mortgage or any conveyance in lieu thereof, shall extinguish the lien of such Assessments as to payments which become due prior to such sale or transfer. No such sale or transfer shall relieve such property from liability for any Assessments thereafter becoming due or from the lien thereof.

SECTION 8. EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION. Any Assessments which are not paid in full by the date specified by the Board shall be delinquent. Any delinquent Assessment shall commence to bear interest on the due date at the interest rate specified in Section 4 above. If the Assessment is not paid when due, the lien herein retained and created against the affected Lot shall secure the Assessment due, interest thereon from the date due and payable, all costs of collection, court costs, reasonable attorney's fees actually incurred, and any other amount provided or permitted by law. In the event that the Assessment remains unpaid after ninety (90) days, the Association may, as the Board shall determine, institute suit for collection against the Owner personally obligated to pay the Assessment or foreclose the lien created and reserved hereby against the Lot of such Owner.

The Association's lien is created by recordation of this Declaration, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien shall be or is required. By acquiring a Lot, an Owner grants to the Association a power of sale in connection with the Association lien. By written resolution, the Board of Directors of the Association may appoint, from time to time, an officer, agent, trustee, or attorney of the Association to exercise the power of sale on behalf of the Association. The Association shall exercise its power of sale pursuant to the Texas Property Code, and any applicable revision(s), amendment(s), or recodifications thereof in effect at the time of the exercise of such power of sale. The Association has the right to foreclose its lien judicially or by nonjudicial foreclosure pursuant to the power of sale created hereby. Costs of foreclosure may be added to the amount owed by the Owner to the Association. An Owner may not petition a court to set aside a sale solely because the purchase price at the foreclosure

sale was insufficient to fully satisfy the Owner's debt. The Association may bid for and purchase the Lot at the foreclosure sale utilizing funds of the Association. The Association may own, lease, encumber, exchange, sell, or convey a Lot. The purchaser at any such foreclosure sale shall be entitled to sue for recovery of possession of the Lot by an action of forcible detainer without the necessity of giving any notice to the former owner or owners of the Lot sold at foreclosure. The Owner shall have no right of redemption after or resulting from a foreclosure sale of the Association's lien. Nothing herein shall prohibit the Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien. At any time before a nonjudicial foreclosure sale, an Owner of a Lot may avoid foreclosure by paying all amounts due the Association. Foreclosure of a tax lien attaching against a Lot under Chapter 32, Tax Code, shall not discharge the Association's lien under this paragraph for amounts becoming due to the Association after the date of foreclosure of the tax lien.

No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, by non-use of Common Area or abandonment of the Lot owned by such Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of Declarant and each other Owner.

All payments shall be applied first to costs and attorney's fees, then to interest, and then to delinquent Assessments.

ARTICLE IV **RIGHTS IN THE COMMON AREA AND EASEMENTS**

SECTION 1. OWNER'S RIGHTS OF ENJOYMENT. Subject to the further provisions of this Section, every Member shall have a right of enjoyment to the recreational facilities or amenities hereafter located upon the Common Area, if any. Such right and easement shall be appurtenant to and shall pass with the title to the Lot owned by such Member. Such rights shall be subject to the following rights of the Association:

- (a) The Association shall have the right to charge reasonable admission and other fees for the use of any facility situated upon the Common Area.

- (b) The Association shall have the right to borrow money and to mortgage, pledge, deed in trust, or hypothecate any or all of the Common Area as security for money borrowed or debts incurred.
- (c) The Association shall have the right to take such steps as are reasonably necessary to protect the Common Area against foreclosure of any such mortgage.
- (d) The Association shall have the right to suspend the enjoyment rights of any Member for any period during which any assessment or other amount owed by such Member to the Association remains unpaid in excess of thirty (30) days.
- (e) The Association shall have the right to establish reasonable rules and regulations governing the Members' use and enjoyment of the Common Area, and to suspend the enjoyment rights of any Member for any period not to exceed sixty (60) days for any infraction of such rules and regulations.
- (f) The Association shall have the right to dedicate, sell or convey all or any part of the Common Area and the right to grant or dedicate easements over the Common Area to public or private utility companies.
- (g) The Association shall have the right to enter into agreements pursuant to which individuals who are not Members of the Association are granted the right to use the Common Area and the facilities located thereupon.

SECTION 2. DELEGATION OF USE. Each Member shall have the right to extend his rights of enjoyment to the Common Area to the members of his family and to such guests or other persons as may be permitted by the Association. An Owner shall be deemed to have made a delegation of all such rights to the Occupants of any leased residence.

SECTION 3. EASEMENTS-GENERAL. Easements for the installation and maintenance of utilities are reserved as shown and provided for on the plat of the Subdivision and/or as dedicated by separate instruments. Neither Declarant nor any utility company or authorized political subdivision using the easements referred to herein shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, shrubbery, trees, flowers, improvements or other property of the Owner situated on the land covered by such easements as a result of construction, maintenance or repair work conducted by such parties or their assigns, agents, employees or servants.

SECTION 4. EASEMENTS FOR UTILITIES AND PUBLIC SERVICES.

(a) There is hereby granted to the Association, to the City of Richmond, to Fort Bend County, and to each other public authority or agency or public or private utility company, including, without limitation, the U.S. Post Service, a perpetual easement upon, over, under, and across (i) the Common Area, and (ii) those portions of all Lots as are reasonably necessary, for the purpose of installing, replacing, repairing, maintaining, and using master television antenna and/or cable systems, security and similar systems, cluster mailboxes, and all utilities, including, but not limited to, storm sewers, drainage systems and retention ponds, electrical, gas, telephone, water, and sewer lines, street lights, street signs and traffic signs; provided, however, that such easements shall not unreasonably affect the developability, marketability or value of any Lot. To the extent possible, utility lines and facilities serving the Subdivision and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permissible for the providing utility company or other supplier or servicer, with respect to the portions of the Subdivision encumbered, (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes, or shrubbery, (iii) to excavate or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems.

(b) There is also hereby granted to the City of Richmond, to Fort Bend County and to such other governmental authority or agency as shall from time to time have jurisdiction over the Subdivision (or any portion thereof) with respect to law enforcement and fire protection, the perpetual, non-exclusive right and easement upon, over and across all of the Subdivision for purposes of performing such duties and activities related to law enforcement and fire protection in the Subdivision as shall be required or appropriate from time to time by such governmental authorities under applicable law.

SECTION 5. EASEMENTS FOR ASSOCIATION.

(a) There is hereby granted a general right and easement to the Association, its directors, officers, agents, and employees, including, but not limited to, any manager employed by the Association and any employees of such manager, to enter upon any Lot or any portion thereof in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner or Occupant of the residence directly affected thereby.

(b) There is further hereby granted to the Association, for the use and enjoyment of its Members, a perpetual easement and the right to use the Equestrian

Trails for equestrian purposes. The Association may, at its option, permit the use of the Equestrian Trails by individuals or groups who are not Members of the Association for specific events approved by the Board from time to time.

SECTION 6. SECURITY SERVICES.

THE ASSOCIATION MAY, BUT SHALL NOT BE OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE SUBDIVISION DESIGNED TO MAKE THE SUBDIVISION SAFER THAN IT OTHERWISE MIGHT BE. NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE SUBDIVISION, HOWEVER, AND NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS, THE DECLARANT, OR ANY SUCCESSOR DECLARANT AND THE ARC DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE ASSOCIATION OR THE ARC MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY LOT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE ARC, THE DECLARANT, OR ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS AND TO THE CONTENTS OF LOTS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, ARC, THE DECLARANT, OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTIES.

SECTION 7. RIGHTS OF DECLARANT DURING CONSTRUCTION AND SALE PERIOD. Notwithstanding any provisions contained in this Declaration, until the Declarant has developed and sold all of its land within the Subdivision, it shall be expressly permissible for Declarant and any Builder approved by Declarant to maintain and carry on, upon such portion of the Subdivision as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be required, convenient, or incidental to Declarant's and such Builder's development, construction, and sales activities related to their properties, including, but without limitation: the right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Subdivision; the right to carry on sales and promotional activities in the Subdivision; the right to place signs in the Common Area and in road rights-of-way within the Subdivision; and the right to construct and operate business offices, construction trailers, model residences, information and sales offices. Declarant and any such Builder may use residences owned or leased by Declarant or such Builder as model residences and sales offices.

SECTION 8. NO PARTITION. There shall be no partition of the Common Area or any part thereof, nor shall any Person acquiring any interest in the Subdivision or any part thereof seek any judicial partition of the Common Area as long as the Subdivision remains subject to this Declaration. This Article shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

ARTICLE V **INSURANCE AND CASUALTY LOSSES**

SECTION 1. INSURANCE. The Association's Board of Directors, or its duly authorized agent, shall have the authority, but not the obligation, to obtain blanket all-risk casualty insurance for all insurable improvements on the Common Area, or if blanket all-risk coverage is not reasonably available, an insurance policy providing fire and extended coverage. Such insurance policies shall be in such amount or amounts as the Board of Directors deems appropriate.

The Board may also obtain a public liability policy covering the Common Area, insuring the Association and its Members for all damages or injury caused by the negligence of the Association, its agents, the Members or Occupants, in such amount as the Board deems appropriate.

In addition to the other insurance discussed in this Section, the Board may also obtain, as an Association Expense payable from annual Assessments, (i) worker's compensation insurance, and the Board shall obtain such insurance if and to the extent required by law, (ii) directors' and officers' liability coverage, and (iii) a fidelity

bond or fidelity insurance on directors, officers, employees, and other Persons handling or responsible for the Association's funds.

SECTION 2. DAMAGE AND DESTRUCTION. Immediately after damage or destruction by fire or other casualty of all or any part of the property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and the repair or reconstruction of the damaged or destroyed property, to the extent insurance proceeds are available for such purpose. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition which existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. In the event that insurance proceeds are unavailable to repair or reconstruct the Common Area the damaged or destroyed property shall be restored to its natural state and maintained by the Association in a neat and attractive condition. If insurance proceeds are insufficient to cover a repair or reconstruction, the Board may levy a special assessment to cover the shortfall, subject to the requirements of Section 3 of Article III above.

ARTICLE VI **ARCHITECTURAL STANDARDS**

SECTION 1. PURPOSE. In order to establish and preserve a harmonious and aesthetically pleasing design for the Subdivision and to protect and promote the value of the Subdivision, the Lots in the Subdivision shall be subject to the restrictions set forth in this Article VI.

SECTION 2. ARCHITECTURAL REVIEW COMMITTEE. There is hereby established the Grand River Architectural Review Committee (herein called the "Architectural Review Committee" or the "ARC"), which shall have exclusive jurisdiction over all original construction on the Lots in the Subdivision and over modifications, additions, or alterations made on or to the residences and other improvements on Lots within the Subdivision. The Architectural Review Committee shall (i) adopt the Construction Guidelines for the construction of improvements in the Subdivision and the Landscaping Guidelines, and (ii) establish application and review procedures for plans and specifications. The Architectural Review Committee shall make the Construction Guidelines available to Owners who seek to construct improvements or modify improvements on a Lot and who shall conduct their operations strictly in accordance therewith.

The Architectural Review Committee shall initially consist of a minimum of one (1) or a maximum of three (3) individuals designated by the Declarant. During the Class B Control Period, the Declarant shall have the right to appoint all members of the Architectural Review Committee, as well as the right to remove any member. There

shall be no surrender of this right prior to that time, except by a written instrument executed by Declarant and recorded in the real property records of Fort Bend County, Texas. Upon the expiration of such right, the Architectural Review Committee shall thereafter consist of three (3) individuals, all of whom shall be appointed by and may be removed at any time by the Board of Directors. The Architectural Review Committee is authorized, but not obligated, to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the Architectural Review Committee in performing its functions set forth herein.

SECTION 3. ARCHITECTURAL APPROVAL. No construction of improvements, or modifications, additions, or alterations to existing improvements, shall be commenced or maintained on a Lot, including, without limitation, the construction or installation of sidewalks, driveways, parking lots, mail boxes, decks, patios, courtyards, swimming pools, tennis courts, barns, stables or other equestrian facilities, greenhouses, playhouses, basketball goals, awnings, walls, fences, exterior lights, garages, guest or servants' quarters, or other outbuildings, nor shall any exterior addition to or change or alteration therein be made (including, without limitation, painting or staining of any exterior surface), unless and until two (2) copies of the plans and specifications and related data (including, if required by the Architectural Review Committee, a survey showing the location of trees of six (6) inches in diameter at a height of four (4) feet above ground and other significant vegetation on such Lot) showing the nature, color, type, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the Architectural Review Committee. One copy of such plans, specifications, and related data so submitted shall be retained in the records of the Architectural Review Committee, and the other copy shall be returned to the Owner marked "approved," "approved with conditions as noted," or "disapproved." The Architectural Review Committee may establish a reasonable fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof.

Notwithstanding the foregoing, no permission or approval shall be required to paint in accordance with an originally-approved color scheme, or to rebuild in accordance with originally-approved plans and specifications. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his improvements, or to paint the interior of the improvements on his property any color desired. The Architectural Review Committee shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association. Disapproval of plans and specifications may be based by the Architectural Review Committee upon any ground which is consistent with the objects and purposes of this Declaration as determined by the Architectural Review Committee from time to time, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious.

SECTION 4. LANDSCAPING APPROVAL. To preserve the aesthetic appearance of the the Subdivision, no landscaping, grading, excavation, or filling of any nature whatsoever shall be implemented and installed on a Lot in the Subdivision by any Owner unless and until the plans therefor have been submitted to and approved in writing by the Architectural Review Committee. In the installation of landscaping and maintenance of his Lot, each Owner shall comply with the Landscaping Guidelines.

SECTION 5. APPROVAL NOT A GUARANTEE OR VARIANCE. The review and approval of plans pursuant to this Article is made on the basis of aesthetic considerations only and no approval of plans and specifications and no publication of the Construction Guidelines shall be construed as representing or implying that such plans, specifications, or guidelines will, if followed, result in properly designed improvements. Such approvals and design guidelines shall in no event be construed as representing or guaranteeing that any improvements built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, the Association, the Architectural Review Committee, nor any of their respective officers, partners, directors or members, shall be responsible or liable in damages or otherwise to any Person who submits plans for approval by reason of mistake of judgment, negligence or nonfeasance arising out of the approval or disapproval of any plans or specifications, any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances and regulations, nor any defects in construction undertaken pursuant to such plans and specifications. The purpose of such reviews primarily seeks to conform the aesthetic appearances of development within the Subdivision.

In addition, the approval of plans pursuant to this Article shall not be deemed to be a variance from the specific restrictions of Article VII of this Declaration or the Construction Guidelines. All variances must be issued in accordance with the provisions of Section 8 of this Article.

SECTION 6. RIGHT TO INSPECT. Any member of the Board of Directors, the Architectural Review Committee, or their representatives shall have the right, but not the obligation during reasonable hours to enter upon and inspect any Lot to determine whether or not the improvements on such Lot are being constructed in accordance with approved plans and specifications. Such Person or Persons shall not be deemed guilty of trespass by reason of such entry. In the event the Board or the Architectural Review Committee shall determine that improvements are not being constructed in accordance with approved plans and specifications, the Board or the Architectural Review Committee shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications. In addition to any other remedies available to the Association, the Board may record in the appropriate land records a notice of violation naming the violating Owner.

SECTION 7. NO WAIVER OF FUTURE APPROVALS. The approval or approval by the Architectural Review Committee of any plans and specifications for work done or proposed, or in connection with any other matter requiring the approval and consent of the Architectural Review Committee hereunder, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

SECTION 8. VARIANCES. The Architectural Review Committee may grant variances from compliance with the specific restrictions of this Declaration and from the Construction Guidelines when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall be effective unless in writing or estop the Architectural Review Committee from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing, shall not be considered a hardship warranting a variance.

ARTICLE VII **SPECIFIC RESTRICTIONS**

SECTION 1. SINGLE FAMILY RESIDENCES. Each and every Lot in the Subdivision is hereby restricted to not more than one (1) Single Family Residence and related outbuildings and improvements, including guest houses, servants quarters, barns, stables and greenhouses, and use for single-family residential purposes exclusively and no Single Family Residence shall be occupied by more than a Single Family. It is not the intent of the Declarant to exclude from a Single Family Residence any individual who is authorized to so remain by any state or federal law. If it is found that this provision contained is in violation of any law, then this Section shall be interpreted to be as restrictive as possible to preserve as much of the original section as allowed by law.

No business or business activity shall be carried on, in or upon any Lot at any time except with the written approval of the Board. No deliveries of stock or merchandise for sale or distribution, no traffic of customers or clients to or from a Lot, and no storage of materials, products or stock are permitted on any Lot. Garage sales or yard sales (or any similar vending of merchandise) conducted on any Lot shall be considered a business activity and are therefore prohibited. The Board may permit a community garage sale to be held on Common Area from time to time in which all Members are entitled to participate.

SECTION 2. HOME OCCUPATIONS. Notwithstanding the provisions of Section 1 above, a Single Family Residence on a Lot may be used for a Home Occupation provided that:

- (i) no person other than a resident of the Single Family Residence shall be engaged or employed in the Home Occupation at the site;
- (ii) there shall be no visible storage or display of occupational materials or products;
- (iii) there shall be no exterior evidence of the conduct of a Home Occupation and no Home Occupation shall be conducted on the Lot outside of the Single Family Residence; and
- (iv) no additional parking shall be provided for the Home Occupation.

As used herein, the term "Home Occupation" shall mean a commercial enterprise conducted in a Single Family Residence which is incidental to the principal residential use.

SECTION 3. LIVING AREA REQUIREMENTS AND SET-BACKS.

(a) The total living area of the Single Family Residences constructed on the Lots in the Subdivision, exclusive of porches and garages, shall be not less than 2,400 square feet for a 1-story residence and 3,000 square feet for a 2-story residence (with a minimum of 2,000 square feet on the first floor).

*See Amend. ** (b) The location of each Single Family Residence on a Lot must be approved in writing by the Architectural Review Committee with its approval of the plans and specifications. Unless otherwise approved by the ARC, a Single Family Residence must be a minimum of eighty (80) feet from the front Lot line, forty (40) feet from the rear Lot line, and forty (40) feet from each side Lot line. Detached garages and accessory buildings must be located behind the main residence so as not to be visible from the Street at the front of the Lot, a minimum of sixty (60) feet from the rear and side Lot lines; provided, however the requirement that accessory buildings be located behind the residence shall not apply to Lots 24 through 35 in Block 3 of the Subdivision.

SECTION 4. TYPE OF CONSTRUCTION. Each Single Family Residence must be all new construction and unless a variance from this restriction is specifically approved in writing by the Architectural Review Committee, a minimum of ninety

(90%) of the exterior wall area, exclusive of doors and windows, shall be masonry or brick veneer or stucco construction.

No garage or accessory building shall exceed in height the dwelling to which it is appurtenant without the written consent of the Architectural Review Committee. Every garage and accessory building (except a greenhouse, barn or stable) shall correspond in style and architecture with the dwelling to which it is appurtenant. No structure of any kind or character which incorporates wood construction on the exterior shall be erected on any Lot unless such structure receives at least two coats of paint at the time of construction or the exterior is of redwood or cedar material. Arenas, obstacle courses, and other similar equestrian facilities shall not be permitted on any Lot containing less than three and one-half (3½) acres and unless otherwise approved by the Architectural Review Committee, all such facilities shall be placed behind the residence.

SECTION 5. GARAGES AND DRIVEWAYS. Each Single Family Residence must have an attached or detached garage with an automatic garage door opener for a minimum of two (2) automobiles. Garage doors shall be kept closed when not in use for their intended purposes. No carport shall be erected on any Lot unless expressly approved by the Architectural Review Committee.

Each Owner shall construct and maintain at his expense a concrete or asphalt driveway with a minimum width of ten (10) feet from the garage of his residence to the abutting Street. Unless otherwise approved by the Architectural Review Committee, a driveway must enter the Street at a ninety degree (90°) angle a minimum distance of forty (40) feet from the side Lot lines. All driveway crossings of roadside drainage swales shall be construed in accordance with plans and specifications approved by the Architectural Review Committee using the proper size of reinforced concrete culvert pipe as specified in the Construction Plans for Grand River filed by Declarant with the Fort Bend County Engineering Department and precast reinforced concrete safety culvert ends with a minimum 3:1 slope. All culvert pipe shall be installed at a grade not less than four (4) inches below the designated ditch flow line. The driveway culverts shall be installed prior to any other construction activity of the Lot.

SECTION 6. VEHICLES AND PARKING. No vehicle may be parked or left upon any Lot in the Subdivision, except in a garage or other area designated by the Board, and in driveways for such temporary periods as may be specified by the Board from time to time. The parking of vehicles on Streets or within road rights-of-way is specifically prohibited; provided, however, the Board shall have no obligation to enforce this restriction if enforcement is unlawful or the Board deems enforcement to be economically unfeasible or otherwise impractical. Any vehicle parked or left not in accordance with this section shall be considered a nuisance and may be removed by the Board at the owner's expense. No motorized vehicles shall be permitted on the

Equestrian Trails or unpaved Common Area except for public safety vehicles and vehicles authorized by the Board. The term "vehicles", as used herein, shall refer to all motorized vehicles including, without limitation, automobiles, trucks, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, campers, buses, and vans.

SECTION 7. ANTENNAE AND SATELLITE DISHES. No television, radio, or other electronic towers, aerials, antennae, satellite dishes or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall be erected, constructed, placed or permitted to remain on any Lot or upon any improvements thereon, except that this prohibition shall not apply to those antennae specifically covered by the regulations promulgated under the Telecommunications Act of 1996, as amended from time to time. The ARC is empowered to adopt rules governing the types of antennae that are permissible in the Properties and to establish reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae.

To the extent that receipt of an acceptable signal would not be impaired, an antenna permissible pursuant to the rules of the ARC may only be installed in a side or rear yard location, not visible from the Street, and integrated with the dwelling and surrounding landscape. Antennae shall be installed in compliance with all state and local laws and regulations.

SECTION 8. ANIMALS AND LIVESTOCK. No animals of any kind may be raised, bred, or kept on any Lot for commercial purposes. Consistent with its use as a residence, dogs, cats, horses and other domestic animals may be kept on a Lot once the Single Family Residence on such Lot is completed and occupied; provided, however, there shall be not more than two (2) small animals such as dogs and cats per full acre of land contained within a Lot and not more than one (1) horse per full acre of land contained within a Lot. For purposes hereof, cows, pigs, goats, sheep, ostriches, emus, guinea, chickens and other barnyard fowl shall not be considered to be domestic animals and are not permitted on any Lot. All animals shall be kept on a leash when not within the residence or a confined area on the Lot. Animals which are permitted to roam free, or which in the sole discretion of the Board, endanger health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners or Occupants within the Subdivision may be removed by the Board. Animal control authorities shall be permitted to enter the Properties to patrol and remove pets. Pets shall be registered, licensed and inoculated as required by law.

SECTION 9. WINDOW AIR CONDITIONERS. No window or wall type air conditioners shall be permitted to be used, erected, placed or maintained on or in any Single Family Residence, except that the Architectural Review Committee may, at its discretion, permit window or wall type air conditioners to be installed if such unit, when installed, shall not be visible from a Street.

SECTION 10. RENTING OR LEASING. Single Family Residences may be rented or leased only by written leases and subject to the following restrictions:

All tenants shall be subject to the terms and conditions of this Declaration and the rules and regulations promulgated by the Association as though such tenant were an Owner. Each Owner of a Single Family Residence agrees to cause his lessee or the persons living with such Owner to comply with this Declaration and the rules and regulations promulgated pursuant hereto, and is responsible and liable for all violations and losses caused by such tenants or Occupants, notwithstanding the fact that such tenants or Occupants of the residence are fully liable for any such violation. All provisions of this Declaration and of any rules and regulations promulgated pursuant hereto which govern the conduct of Owners of a Single Family Residence and which provide for sanctions against Owners shall also apply to all Occupants of a Single Family Residence even though such Occupants are not specifically mentioned.

SECTION 11. DISPOSAL OF TRASH. No trash, rubbish, garbage, manure, debris, or offensive material of any kind shall be kept or allowed to remain on any Lot, nor shall any Lot be used or maintained as a dumping ground for such materials. All such matter shall be placed in sanitary refuse containers constructed of metal, plastic or masonry materials with tight fitting sanitary covers or lids and placed in an area adequately screened from public view by planting or fencing. All rubbish, trash, and garbage shall be regularly removed and not allowed to accumulate. Equipment used for the temporary storage and/or disposal of such material prior to removal shall be kept in a clean and sanitary condition and shall comply with all current laws and regulations and those which may be promulgated in the future by any federal, state, county, municipal or other governmental body with regard to environmental quality and waste disposal. In a manner consistent with good housekeeping, the Owner of each Lot shall remove such prohibited matter from his Lot at regular intervals at his expense. The burning of rubbish, trash or garbage on any Lot is prohibited. In order to minimize traffic in the Subdivision, the Association shall have the right to designate a single company to be used by all Owners in the Subdivision for regular garbage pick-up and if a company or contractor is designated, all Owners shall be required to use the services of such company. The Association shall also have the right to enter into a contract for the provision of garbage pick-up services for the Subdivision to be paid for with annual assessments.

SECTION 12. DRAINAGE. Each Owner of a Lot agrees for himself, his heirs, legal representatives, assigns or successors, that he will not in any way interfere with the established drainage pattern over his Lot from adjoining or other Lots in the Subdivision; and he will make adequate provisions for the drainage of his Lot in the event it becomes necessary to change the established drainage over his Lot (which provisions for drainage shall be included in the Owner's plans and specifications submitted to the Architectural Review Committee and shall be subject to such committee's approval). For the purposes hereof, "established drainage" is defined as

the drainage which existed at the time that construction of the Streets and the overall grading of the Subdivision, if any, was completed by the Declarant.

The Subdivision has been designated and constructed utilizing surface drainage in the form of ditches and swales and, to the extent these drainage ditches and swales are located in front, side or rear Lot easements, the Owners shall not regrade or construct any improvements or other obstruction on the Lot which adversely affects the designed drainage flow. The Owner shall be responsible for returning any drainage swale disturbed during construction or thereafter to its original line and grade, and the Owner shall be responsible for maintaining the drainage ditches or swales appurtenant to said Owner's Lot in their original condition during the term of his ownership.

SECTION 13. CLOTHESLINES, GARBAGE CANS, WOODPILES, ETC. All clotheslines, garbage cans, woodpiles, propane gas tanks, swimming pool pumps, filters and related equipment and other similar items shall be located or screened so as to be concealed from view of neighboring Streets and Lots.

SECTION 14. WEAPONS AND FIREWORKS. The use of fireworks, firearms and other weapons within the Subdivision is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and small firearms of all types. Nothing contained in this Declaration shall be construed to require the Association to enforce this Section.

SECTION 15. TEMPORARY BUILDINGS. Temporary buildings or structures shall not be permitted on any Lot, provided, however, Declarant may permit temporary toilet facilities, sales and construction offices and storage areas to be used by Builders in connection with the construction and sale of residences and by contractors performing land development activities within the Subdivision for Declarant. Builders may use garages as sales offices for the time during which such Builders are marketing homes. At the time of the sale of a Single Family Residence by a Builder any garage appurtenant to such residence used for sales purposes must be reconverted to a functional garage in compliance with the plans approved by the Architectural Review Committee.

SECTION 16. LANDSCAPING. The Owner of each Lot shall landscape his property, in accordance with the Landscaping Guidelines. Grass and weeds shall be kept mowed to prevent unsightly appearance, and all curbs, drives and walkways shall be kept edged. Dead or damaged trees, which might create a hazard to property or persons, shall be promptly removed or replaced, and if not removed by the Owner upon request, then the Association may remove or cause to be removed such trees at the Owner's expense and shall not be liable for damage caused by such removal. The Association may, but is not obligated to, plant, install and maintain shrubbery and other screening devices in utility easements around boxes, transformers and other above-ground utility equipment, and mow and maintain the grass around such areas. The Association shall have the right to enter upon the Lots to plant, install, maintain

and replace such shrubbery or other screening devices, and mow and maintain grass around such areas following reasonable advance notice to the Owner of such Lot.

SECTION 17. TRAFFIC SIGHT AREAS. All Lots located at Street intersections shall be landscaped so as to permit safe sight across the Street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where this would create a traffic or sight problem.

SECTION 18. MAILBOXES AND ADDRESSES. Each Single Family Residence shall have an individual mailbox or assigned space in a cluster box which complies with U.S. Postal Service requirements. Individual mailboxes must be made of brick, stone or stucco and the design of the mailbox must be approved by the Architectural Review Committee. The placement of an individual mailbox on a Lot shall be at a location approved by the ARC. Each Lot shall have a house number identifying its street address made of materials and a color or colors specified by the ARC in keeping with the overall character and aesthetics of the community.

SECTION 19. DISPOSAL UNITS. Each kitchen in each Single Family Residence shall be equipped with a garbage disposal unit in a serviceable condition.

SECTION 20. PRIVATE UTILITY LINES. All electrical, telephone, and other utility lines and facilities which are located on a Lot and are not owned by a governmental entity or a public utility company shall be installed underground unless otherwise approved in writing by the Architectural Review Committee.

SECTION 21. ROOFS AND ROOFTOP ELEMENTS. Unless otherwise approved by the Architectural Review Committee, roofs shall be constructed of asphalt or composition type shingles with a minimum 25-year manufacturer's guarantee and an earthtone, black or brown color. All stack vents and attic ventilators shall be located on a roof slope which is not visible from any Street and shall be mounted perpendicular to the ground plate. All exposed roof stack vents, flashings, attic ventilators, etc. on each Single Family Residence must be painted to match the color of the roof of the Single Family Residence unless otherwise approved by the Architectural Review Committee. No solar collectors shall be allowed on any roof slope visible from a Street or Common Area.

SECTION 22. DECORATIONS. On front lawns of Lots and on any portion of a Lot visible from any Street, there shall be no decorative appurtenances placed, such as sculptures, birdbaths and birdhouses, fountains or other decorative embellishments unless such specific items have been approved in writing by the Architectural Review Committee.

SECTION 23. PLAYGROUND EQUIPMENT. All playground equipment on a Lot must be placed at the rear of the Lot at a location approved by the Architectural

Review Committee and behind a fence or otherwise screened from public view from any Street abutting the Lot.

SECTION 24. SIGNS. No signs, billboards, posters, or advertising devices of any kind shall be permitted on any Lot without the prior written consent of the Architectural Review Committee other than (a) one sign not in excess of twelve (12) square feet advertising a particular Lot and residential structure on which the sign is situated for sale or rent, or (b) one sign to identify the particular Lot during the period of construction of a Single Family Residence thereon as for sale; provided, however, no sign advertising a Lot and residential structure for sale shall contain the word "foreclosure" or any derivative of such word. The right is reserved by Declarant to construct and maintain, or to allow Builders to construct and maintain, signs, billboards and advertising devices on land they own and on the Common Area as is customary in connection with the sale of developed tracts and newly constructed residential dwellings. In addition, the Declarant and the Association shall have the right to erect and maintain identifying signs and monuments at subdivision entrances.

In addition to any other remedies provided for herein, the Board of Directors or its duly authorized agent shall have the power to enter upon a Lot to remove any sign which violates this Section provided the violating Owner has been given forty-eight hours' written notice by the Board of Directors of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of assessments.

SECTION 25. FENCES AND WALLS. Unless otherwise approved by the Architectural Review Committee, no fence or wall shall be constructed across or within a utility easement or within the Equestrian Trails. The plans for all fences or walls must be approved by the Architectural Review Committee which shall have the power to specify acceptable materials and colors. No barbed wire or chain link fences shall be permitted within the Subdivision.

SECTION 26. WINDOW TREATMENTS. Within three (3) months of occupying a residence, the Owner of such residence shall install window treatments or coverings in accordance with the Construction Guidelines. Expressly prohibited both before and after the initial three (3) months of occupancy are any temporary or disposable coverings non consistent with the aesthetics of the Subdivision, such as reflective materials, sheets, newspaper, shower curtains, fabric not sewn into finished curtains or draperies, paper, plastic, cardboard, or other materials not expressly made for or commonly used by the general public for permanent window coverings in a development of the same caliber as the Subdivision.

SECTION 27. WATER WELLS AND SANITARY SEWER SYSTEMS. Each Owner shall construct and install, at his expense, a water well and sewage treatment system to serve the Single Family Residence on his Lot in accordance with the requirements of Fort Bend County and all other governmental authorities. A schematic layout showing the approved location of wells and septic fields on the Lots is specified in the Construction Plans for Grand River filed by Declarant with the Fort Bend County Engineering Department and each Owner shall comply with such schematic layout.

SECTION 28. MINERAL PRODUCTION. No oil drilling, oil development operations, refining, quarrying or mining operations of any kind shall be permitted upon any Lot subject to this Declaration, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted on any Lot.

SECTION 29. OWNER'S MAINTENANCE OBLIGATION. Each Owner and Occupant of a Lot shall at all times be obligated to maintain his property and all improvements thereupon (including the area between the boundary lines of his Lot and curb or edge of adjacent Streets), so as to keep same in a clean, sightly and safe condition and to conform with the Landscaping Guidelines and any specific standards which the Board of Directors may adopt by resolution for the Subdivision. Unless expressly assumed by the Association, an Owner's maintenance obligation shall include, but not be limited to: the maintenance of all visible exterior surfaces of all buildings and other improvements; the prompt removal of all paper, debris, and refuse; the removal and replacement of dead and diseased trees and plantings; the removal of all snow and ice from paved areas; the repair, replacement, cleaning and relamping of all signs and lighting fixtures; the mowing, watering, fertilizing, weeding, replanting and replacing of all approved landscaping; and, during construction, the cleaning of dirt, construction debris and other construction-related refuse from Streets and storm drains and inlets. In the event an Owner fails to maintain his property as specified above, the Association may enter upon the applicable Lot to perform the necessary work as more specifically set forth in Section 8 of Article IX hereof.

SECTION 30. CASUALTIES. Any Single Family Residence or other improvements on a Lot that are destroyed partially or totally by fire, storm or any other casualty, shall be promptly repaired or demolished and the Lot and improvements thereon, as applicable, shall be restored to an orderly and attractive condition.

SECTION 31. EXCAVATION AND TREE REMOVAL. The excavation of dirt from any Lot is expressly prohibited except as may be necessary in conjunction with the construction of improvements and landscaping on such Lot in accordance with plans approved by the Architectural Review Committee. Except as may be necessary to provide room for construction of improvements in accordance with approved plans and dead or unsightly trees, no tree which has a caliper of twenty-four (24) inches or more at a point one (1) foot above the ground may be removed from a Lot unless otherwise specifically approved by the Architectural Review Committee.

ARTICLE VIII
MORTGAGEE PROVISIONS

The following provisions are for the benefit of the holders of Mortgages. To the extent applicable, necessary or proper, the provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained herein or therein.

SECTION 1. NOTICES OF ACTION. A Mortgagee who provides written request to the Association (such request to state the name and address of such holder, insurer or guarantor and the description of the affected property), will be entitled to timely written notice of:

- (a) any proposed termination of the Association;
- (b) any condemnation loss or any casualty loss which affects the property on which there is a mortgage or deed of trust held, insured, or guaranteed by such Mortgagee; or
- (c) any delinquency in the payment of Assessments or charges owed by an Owner of the property subject to the Mortgage of such Mortgagee, where such delinquency has continued for a period of sixty (60) days.

SECTION 2. NO PRIORITY. No provision of this Declaration gives or shall be construed as giving any Owner or other party priority over any rights of the Mortgagees in the case of distribution of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

SECTION 3. NOTICE TO ASSOCIATION. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's property.

ARTICLE IX
GENERAL PROVISIONS

SECTION 1. TERM. The provisions of this Declaration shall run with and bind the land and shall be and remain in effect for a period of forty (40) years after the date that this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by the Owners of not less than a majority of the Lots subject to the provisions hereof agreeing to terminate this Declaration has been recorded within the year immediately preceding the beginning of a ten (10) year renewal period, in which case this Declaration shall be terminate at the end of its original term or the applicable extension period. Every purchaser or grantee of any interest in any real property subject to this

Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that the provisions of this Declaration may be extended and renewed as provided in this Section.

SECTION 2. SEVERABILITY. Invalidation of any one of these covenants by judgment or other court order shall in no wise affect any other provisions, which shall remain in full force and effect except as to any terms and provisions which are invalidated.

SECTION 3. GENDER AND GRAMMAR. The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations (or other entities) or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

SECTION 4. TITLES. The titles of this Declaration of Articles and Sections contained herein are included for convenience only and shall not be used to construe, interpret, or limit the meaning of any term or provision contained in this Declaration.

SECTION 5. AMENDMENT. This Declaration may be amended unilaterally at any time and from time to time by the Declarant during the Class B Control Period and thereafter by the Board (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the property subject to this Declaration; (c) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the property subject to this Declaration; or (d) for any other purpose, provided that the amendment has no material adverse effect upon any right of any Owner or that the Owner or Owners so affected have consented thereto.

In addition to the amendments described above, this Declaration may be amended at any time by an instrument signed by the Owners of not less than two-thirds (2/3rds) of the Lots in the Subdivision and, as long as the Class "B" Membership exists, the Declarant; provided, however, no amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant. Any amendment to this Declaration must be recorded in the real property records of Fort Bend County, Texas.

SECTION 6. MERGER AND CONSOLIDATION. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same or similar purposes, the Association's properties, rights, and obligations may be

transferred to the surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions established by this Declaration, together with the covenants, conditions and restrictions applicable to the properties of the other association as one scheme. No merger or consolidation shall be permitted except with the assent of Members representing two-thirds (2/3rds) of the votes of the Class "A" Members and, until the termination of the Class "B" Membership, the Declarant.

SECTION 7. DISSOLUTION. The Association may be dissolved with the assent of Members representing two-thirds (2/3rds) of the the votes of the Class "A" Members and, until the termination of the Class "B" Membership, the Declarant. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

SECTION 8. ENFORCEMENT. Each Owner and Occupant shall comply strictly with the covenants, conditions, and restrictions set forth in this Declaration, as may be amended from time to time, and with the Rules and Regulations adopted by the Board. Failure to comply with this Declaration or the Rules and Regulations shall be grounds for an action to recover sums due for damages, injunctive relief, or any other remedy available at law or in equity, maintainable by the Board, on behalf of the Association, or by any Owner of a portion of the Subdivision. Failure of the Board or any other Person to enforce any of the provisions herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall also have the right to enforce, by any proceeding at law or in equity, any other restrictions, conditions, covenants and liens imposed upon any portion of the Subdivision which by the terms of the instrument creating same grant the Association the power to enforce same, and failure of the Association to enforce such provisions shall in no event be deemed a waiver of the right to do so thereafter.

In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Lot to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates this Declaration, its rules and regulations, or the Construction Guidelines. Except in the case of emergency situations, and as otherwise specified herein, the Association shall give the violating Owner ten (10) days' written notice of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of assessments.

SECTION 9. RIGHT OF ENTRY. The Association shall have the right, but not the obligation, to enter into any Lot for emergency, security, and safety reasons, and to inspect for the purpose of ensuring compliance with this Declaration, the By-Laws, and the Association's rules, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after request by the Board.

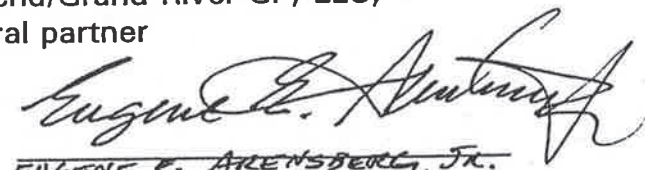
SECTION 10. NOTICE OF SALE OR TRANSFER OF TITLE. In the event that an Owner sells or otherwise transfers title to his or her Lot, as specified in Section 4 of Article III such Owner shall give the Association written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Association, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of Assessments, notwithstanding the transfer of title to the Lot.

IN WITNESS WHEREOF, this Declaration of Covenants, Conditions and Restrictions for Grand River is executed as of the 17 day of NOVEMBER, 1997.

FT. BEND/GRAND RIVER, LTD.,
a Texas limited partnership

By: Ft. Bend/Grand River GP, LLC,
general partner

By:



EUGENE E. ARENSBERG, JR.

Its: Vice President

