SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TOWNE LAKE

After Recording Return To: Rick S. Butler Roberts Markel Weinberg Butler Hailey PC 2800 Post Oak Blvd., 57th Floor Houston, Texas 77056

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SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR TOWNE LAKE

THE STATE OF TEXAS

§

COUNTY OF HARRIS

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WHEREAS, CW SCOA WEST, L.P., as Declarant, caused the instrument entitled "Declaration of Covenants, Conditions and Restrictions for Towne Lake" (the "Original Declaration") to be recorded in the Official Public Records of Real Property of Harris County, Texas on August 22, 2006 under Clerk's File No. Z549727, which instrument imposed various covenants, conditions, restrictions, liens, and charges upon the following real property:

Towne Lake, Section One (1), a subdivision in Harris County, Texas according to the map or plat thereof recorded under Film Code No. 602142 of the Map Records of Harris County, Texas

and,

WHEREAS, the Original Declaration granted to Declarant, for a period of ten (10) years after the date of recording the Original Declaration, the authority to amend the Original Declaration without the joinder or consent of any other party, so long as an amendment does not adversely affect any substantive rights of the Lots Owners; and

WHEREAS, pursuant to the authority granted to it by the provisions of the Original Declaration, Declarant amended and restated the Original Declaration in its entirety by virtue of the instrument entitled "Amended and Restated Declaration of Covenants, Conditions and Restrictions for Towne Lake" (the "Amended and Restated Declaration") recorded in the Official Public Records of Real Property of Harris County, Texas on December 1, 2006 under Clerk's File No. 20060233114; and

WHEREAS, pursuant to the authority granted to it by the provisions of the Amended and Restated Declaration, Declarant amended and restated the Amended and Restated Declaration in its entirety by virtue of the instrument entitled "First Amended and Restated Declaration of Covenants, Conditions and Restrictions for Towne Lake" (the "First Amended and Restated Declaration") recorded in the Official Public Records of Real Property of Harris County, Texas on August 29, 2008 under Clerk's File No. 20080453949; and

WHEREAS, the First Amended and Restated Declaration has been amended on numerous occasions by instruments duly recorded in the Official Public Records of Real Property of Harris County, Texas; and

WHEREAS, the First Amended and Restated Declaration, as amended, grants to Declarant, for a period of twenty (20) years after the date of recording the First Amended and Restated Declaration, the authority to amend the First Amended and Restated Declaration, without the joinder of consent of any other party, so long as an amendment does not adversely affect any substantive rights of the Lot Owners; and

WHEREAS, Declarant desires to amend and restate the First Amended and Restated Declaration, in its entirety, in a manner that does not adversely affect any substantive right of the Lot Owners;

NOW, THEREFORE, Declarant does hereby amend and restate the First Amended and Restated Declaration in its entirety so that the property described herein and all property hereafter annexed and subjected to the provisions hereof will be governed by the covenants, conditions, and restrictions set forth in this instrument. When effective, this instrument supersedes the First Amended and Restated Declaration.

ARTICLE I DEFINITIONS

As used in this Declaration, the terms set forth below 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 IV of this Declaration.
- C. ASSOCIATION Towne Lake Community Association, Inc., a Texas non-profit corporation, its successors and assigns.
 - D. BOARD or BOARD OF DIRECTORS The Board of Directors of the Association.
- E. BOAT DOCK An improvement or structure which provides a space used to moor a boat. There are different types of Boat Docks, as follows:
 - i. Floating Boat Dock A Boat Dock in which the structure that provides the space used to moor a boat floats on the surface of the Recreational Lake.
 - ii. Recessed Boat Dock A Boat Dock which is created by removing an area of the Perimeter Property at the Shoreline (where there is no Bulkhead) to provide the space used to moor a boat.
 - iii. Canal Boat Dock A Boat Dock in an area of the Recreational Lake in which there is a Bulkhead with the perimeter walls of the Boat Dock being a part of the Bulkhead.

A swim deck to which a boat may be temporarily tied or tethered is not a Boat Dock.

F. BUILDER - A person or entity other than Declarant who is in the business of constructing homes who purchased a Lot or Lots within the Community from Declarant for the purpose of selling completed Residential Dwellings thereon. The Architectural Review Committee has the authority to approve or disapprove as a Builder, a person or entity engaged by the Owner of a Lot within the Community to construct a Residential Dwelling on the Owner's Lot on the basis of the experience and reputation of that person or entity and the ability of that person or entity to obtain (and maintain throughout the entire construction period) all insurance required to be maintained. The intent of the requirement that a person or entity that does not purchase a Lot from Declarant be approved by the Architectural Review Committee as a Builder prior to the commencement of construction is to attempt to ensure that such person or entity has sufficient experience and financial responsibility to complete the work in accordance with the approved Plans and in a timely manner. THE APPROVAL OF A BUILDER IS NOT TO BE CONSTRUED IN ANY RESPECT AS A REPRESENTATION OR WARRANTY BY THE

ARCHITECTURAL REVIEW COMMITTEE, DECLARANT, THE ASSOCIATION, OR ANY OF THEIR REPRESENTATIVES, TO ANY PERSON OR ENTITY THAT THE BUILDER HAS ANY PARTICULAR LEVEL OF KNOWLEDGE OR EXPERTISE OR THAT ANY RESIDENTIAL DWELLING CONSTRUCTED BY THE BUILDER WILL BE A PARTICULAR QUALITY. ALTHOUGH ALL OWNERS ARE REQUIRED TO COMPLY WITH THE PROVISIONS OF THIS DECLARATION RELATING TO ARCHITECTURAL REVIEW, IT IS THE RESPONSIBILITY OF EACH PERSON OR ENTITY THAT EITHER PURCHASES A LOT AND RESIDENTIAL DWELLING FROM A BUILDER OR ENGAGES A BUILDER TO CONSTRUCT A RESIDENTIAL DWELLING OR OTHER IMPROVEMENT ON THE OWNER'S LOT TO DETERMINE THE QUALITY OF THAT BUILDER'S WORKMANSHIP AND THE SUITABILITY OF THE BUILDER TO CONSTRUCT A RESIDENTIAL DWELLING OR OTHER IMPROVEMENT OF THE TYPE AND DESIGN CONSTRUCTED OR TO BE CONSTRUCTED ON THE LOT.

- G. BULKHEAD A concrete retaining structure at various shore locations within the Recreational Lake. A perimeter wall within a Recessed Boat Dock is not a Bulkhead. Only a wall within a Canal Boat Dock is a Bulkhead. Canal Boat Docks exist only in Towne Lake, Section Seventeen (17). The District (as defined in Section P., below) is obligated to maintain and repair all Bulkheads, as provided in the Maintenance Agreement (as defined in Section V., below).
 - H. BYLAWS The Bylaws of the Association.
- I. CERTIFICATE OF FORMATION The Certificate of Formation of the Association.
- J. COMMON AREA Any real property and Improvements thereon owned or maintained by the Association for the common use and benefit of the Owners.
- K. COMMUNITY All of Towne Lake, Section One (1), a subdivision in Harris County, Texas, according to the plat thereof recorded under Film Code No. 602142 of the Map Records of Harris County, Texas; all land previously annexed and subjected to the provisions of the Declaration, the Amended and Restated Declaration, the First Amended and Restated Declaration and this Declaration and the jurisdiction of the Association by annexation documents duly executed and recorded in the Official Public Records of Real Property of Harris County, Texas; and all land hereafter annexed and subjected to the provisions of this Declaration by annexation document duly executed and recorded in the Official Public Records of Real Property of Harris County, Texas. There are a total of 4,000 Lots that may be created and made a part of the Community, the subject of this Declaration, and the jurisdiction of the Association. Declarant reserves the right to direct the size, shape, and composition of the Community until such time that all of the Lots that may be created have been made a part of the Community, the subject of this Declaration, and the jurisdiction of the Association, and such Lots have been conveyed to Owners other than Declarant and Builders.
- L. DECLARANT CW SCOA West, L.P., a Texas limited partnership, its successors and assigns that have been designated as such by Declarant pursuant to a written instrument duly executed by Declarant and recorded in the Official Public Records of Real Property of Harris County, Texas.
- M. DECLARATION This Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Towne Lake.

- N. DETENTION SITES Drainage and detention pond sites currently owned and hereafter acquired by the District in furtherance of the purposes for which the District was created, including the Recreational Lake.
- O. DEVELOPMENT PERIOD The period during which Declarant reserves the right to facilitate the development, construction, and marketing of the Community. The Development Period will exist until December 31, 2030 or as long as Declarant owns a Lot subject to the provisions of this Declaration, whichever period is longer, unless Declarant terminates the Development Period on an earlier date by an instrument duly executed by Declarant and recorded in the Official Public Records of Real Property of Harris County, Texas.
- P. DISTRICT Harris County Municipal Utility District No. 500, a political subdivision of the State of Texas and a master district.
 - Q. GUIDELINES Collectively, the following:
 - i. Residential Architectural Guidelines The guidelines promulgated by Declarant which set forth minimum development standards for the Community and primarily relate to the initial construction of a Residential Dwelling and related Improvements on a Lot.
 - ii. Residential Modification Guidelines The guidelines promulgated by the Association which primarily relate to modifications and additions which may be proposed by an Owner after initial construction of the Residential Dwelling and related Improvements on the Owner's Lot and which set forth minimum requirements and standards for various types of modifications and additions.
 - iii. Lake Lot Owners Supplemental Guidelines The guidelines promulgated by Declarant which relate to swim decks, Boat Docks, boat lifts and Shoreline maintenance and which set forth requirements and standards for those types of Improvements.
 - iv. Section Annexation Guidelines The guidelines which, in addition to the other Guidelines, are applicable to Lots in a designated section of the Community.
- **R. IMPROVEMENT -** A Residential Dwelling, building, structure, fixture, or fence constructed or to be constructed on a Lot; a transportable structure placed or to be placed on a Lot, whether or not affixed to the land; and an addition to or modification of an existing Residential Dwelling, building, structure, fixture or fence.
- S. LAKE Each lake shown on the Plat for any property subject to the provisions of this Declaration and the jurisdiction of the Association including, without limitation, the Recreational Lake.
- T. LICENSE AGREEMENT An agreement executed by the Association and the Owner of a Recreational Lake Lot which grants to the Owner of the Recreational Lake Lot the exclusive right to use the portion of the Perimeter Property adjacent to the Owner's Recreational Lake Lot and sets forth improvement and maintenance standards for that portion of the Perimeter Property.

- U. LOT or LOTS Each of the Lots shown on the Plat for any property subject to the provisions of this Declaration and the jurisdiction of the Association. There are four (4) types of Lots within the Community, as follows:
 - (i) Lake Lot Each Lot which is contiguous, in whole or in part, to a Lake other than the Recreational Lake.
 - (ii) Recreational Lake Lot Each Lot which is contiguous, in whole or in part, to the Recreational Lake or to Perimeter Property between the Recreational Lake Lot and the Recreational Lake.
 - (iii) Special Lot Each Lot which, because of its location, is determined by Declarant to be a predominantly visible and, therefore, Special Lot. Declarant may designate Special Lots from time to time by a recorded notice or in any annexation document; provided that, if no such notice is recorded with regard to a particular Lot, and no designation is made in an annexation document, the determination that the Lot is a Special Lot may be made by virtue of the approval of Plans for the Residential Dwelling to be initially constructed on the Lot. If the Residential Dwelling initially constructed on a Lot with the written approval of the Architectural Review Committee has elements that comply with the requirements set forth in this Declaration or the applicable annexation document for Special Lots, the Lot will be deemed to be a Special Lot, despite the absence of a recorded notice or annexation document designating the Lot as a Special Lot, so that a Residential Dwelling thereafter constructed on the Lot must comply with the requirements applicable to Special Lots.
 - (iv) Typical Lot Each Lot other than a Lake Lot, a Recreational Lake Lot, and a Special Lot

References in this Declaration to a Lot or Lots includes all types of Lots. NOTICE IS HEREBY GIVEN THAT PROVISIONS IN THIS DECLARATION SET FORTH MORE STRINGENT RESTRICTIONS ON LAKE LOTS, RECREATIONAL LAKE LOTS, AND SPECIAL LOTS.

- V. MAINTENANCE AGREEMENT The agreement between the District and the Association, which may be amended from time to time, relating to the use, maintenance and operation of the Recreational Lake.
- W. MAINTENANCE FUND Any accumulation of the Annual Maintenance Charges collected by the Association in accordance with the provisions of this Declaration and interest, penalties, other types of assessments, and other sums and revenues collected by the Association pursuant to the provisions of this Declaration.
- **X. MEMBER or MEMBERS -** All Lot Owners who are members of the Association as provided in Article V hereof.
- Y. MORTGAGE A security interest, mortgage, deed of trust, or lien instrument granted by an Owner of a Lot to secure the payment of a loan made to such Owner, duly recorded in the Official Public Records of Real Property of Harris County, Texas, and creating a lien or security interest encumbering a Lot and some or all Improvements thereon.
- Z. NEIGHBORHOOD ASSESSMENT A separate assessment levied by the Association either equally against all Lots in a particular section of the Community or against particular Lots in a section of the Community to provide special services for the benefit of the Owners of the Lots against which the Neighborhood Assessment is levied. The authority to levy a Neighborhood Assessment, if applicable, will be set forth in the annexation document which

annexes the section of the Community and subjects all property within that section to the provisions of this Declaration.

- **AA. 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.
- **BB. PERIMETER PROPERTY** Property owned by the Association that is adjacent to and surrounding the Recreational Lake. The Owner of a Recreational Lake Lot has no authority to exclusively use Perimeter Property adjacent to the Owner's Recreational Lake Lot unless the Owner and the Association execute a License Agreement and the License Agreement is recorded in the Official Public Records of Real Property of Harris County, Texas.
- CC. PLAT The recorded plat for each subdivision within the Community and any amending plat, replat or partial replat of any such plat.
- **DD. PLANS** The final construction plans and specifications (including a related site plan) of any Residential Dwelling or other Improvement of any kind to be erected, placed, constructed, maintained or altered on any Lot.
- **RECREATIONAL LAKE** The Lake within the Community which, upon EE. completion, is anticipated to consist of approximately 300 acres, commonly referred to as "Towne Lake". THE USE OF THE RECREATIONAL LAKE IS SUBJECT TO THE PROVISIONS OF THIS DECLARATION AND THE RULES AND REGULATIONS ADOPTED AND PUBLISHED FROM TIME TO TIME BY EITHER DECLARANT OR THE ASSOCIATION. EACH PERSON WHO USES THE RECREATIONAL LAKE IN ANY MANNER DOES SO AT HIS/HER RISK. DEPOSITING OR DISCARDING SOIL, DIRT, GRASS CLIPPINGS, TREE LIMBS, BUILDING DEBRIS OR MATERIALS, OR ANY OTHER ITEMS IN THE RECREATIONAL LAKE IS STRICTLY PROHIBITED. THE LEVEL RECREATIONAL LAKE MAY FLUCTUATE FROM TIME TO TIME ABOVE OR BELOW ITS NORMAL LEVEL FOR VARIOUS REASONS, INCLUDING AS A RESULT OF FLOOD OR DROUGHT CONDITIONS. SUCH VARIATIONS MAY AFFECT PERIMETER PROPERTY AND RECREATIONAL LAKE LOTS.
- **FF. RESERVE ASSESSMENT -** Any Reserve Assessment as provided in Articlé VI, Section 6.8, of this Declaration.
 - GG. RESIDENTIAL DWELLING The single family residence constructed on a Lot.
- HH. RULES AND REGULATIONS Rules and regulations adopted from time to time by the Board concerning the management and administration of the Community for the use, benefit and enjoyment of the Owners, including without limitation, rules and regulations governing the use of Common Area, the Recreational Lake, any other Lake, and boat ramps. ALL REMEDIES AVAILABLE TO THE ASSOCIATION FOR THE ENFORCEMENT OF THIS DECLARATION ARE AVAILABLE TO THE ASSOCIATION FOR THE ENFORCEMENT OF ALL DULY RECORDED RULES AND REGULATIONS.
- II. SHORELINE The land within the Perimeter Property that is along the water's edge of the Recreational Lake at its normal level. The Shoreline or portion of the Shoreline may erode as a result of different causes, including, without limitation, boat traffic in the Recreational Lake and drought or flood conditions. THE SHORELINE MAY NOT BE MAINTAINED AS IT EXISTS AS OF THE DATE AN OWNER ACQUIRES A LOT OR AS THE SHORELINE MAY BE DEPICTED OR SHOWN ON ANY MAP OR PLAN FOR THE COMMUNITY.

- JJ. SPECIAL ASSESSMENT Any Special Assessment as provided in Article VI, Section 6.5, of this Declaration.
- KK. UTILITY COMPANY or UTILITY COMPANIES Any public entity, utility district, governmental entity (including without limitation, districts created under Article III, Section 52, or Article XVI, Section 59, of the Texas Constitution) or one or more private entities that regulate, provide or maintain utilities and drainage.

ARTICLE II USE AND OCCUPANCY

SECTION 2.1. USE RESTRICTIONS.

A. SINGLE FAMILY RESIDENTIAL USE. Each Owner must 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" is deemed to specifically prohibit, without limitation, the use of a Lot for (i) a duplex apartment, a garage apartment or any other apartment, (ii) any multi-family use or (iii) 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. As used herein, the term "unobtrusive" means, without limitation, there is no business, professional, or commercial related sign, logo or symbol displayed on the Lot; there is no business, professional, or commercial related sign, logo or symbol displayed on any vehicle on the Lot; there are no clients, customers, employees or the like who go to the Lot for any business, professional, or commercial related purpose on any regular basis; and the conduct of the business, professional, or commercial activity is not otherwise apparent by reason of noise, odor, vehicle and/or pedestrian traffic and the like.

An Owner may not 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 Community; (ii) make it impossible to obtain any insurance required by this Declaration; (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 this Declaration, any applicable law, or any published Rules and Regulations of the Association or (v) unreasonably interfere with the use and occupancy of any Lot in the Community or Common Area by other Owners.

An Owner is not permitted to lease his Lot for a period less than six (6) months. An Owner is not permitted to lease a room or rooms in the Residential Dwelling on the Owner's Lot or any other portion of the Residential Dwelling or other Improvement on the Owner's Lot. An Owner may only lease the entirety of the Lot, together with the Residential Dwelling and other Improvements on the Lot, for the minimum six (6) month term. Every lease must provide that the lessee is bound by and subject to all the obligations under this Declaration and a failure to comply with the provisions of this Declaration will be a default under the lease. The Owner making such lease is not relieved from any obligation to comply with the provisions of this Declaration.

A Residential Dwelling may not be occupied by more persons than the total number of bedrooms in the Residential Dwelling (as originally designed) multiplied by two and one half (2 ½); provided that, this restriction is not applicable to the immediate members of a single family. For purposes of this Section, the immediate members of a single family only include the husband, wife and children and one (1) domestic worker, caregiver or nanny residing on the Lot.

No garage sale, rummage sale, estate sale, moving sale or similar type of activity is permitted on a Lot.

PASSENGER VEHICLES. No Owner, lessee, or other occupant of a Lot, В. including all persons who reside with such Owner, lessee or other occupant of the Lot, may park, keep or store any vehicle on a Lot which is visible from a street in the Community or a neighboring Lot other than a passenger vehicle or pick-up truck. For purposes of this Declaration, the term "passenger vehicle" is limited to (i) an operable 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 (ii) an operable 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 an operable three-quarter (3/4) ton capacity pick-up truck which has not been adapted or modified in any manner for commercial use. A passenger vehicle or pick-up truck that is parked on the driveway of a Lot is required to be used on a regular basis, a passenger vehicle or pick-up truck which is not in regular use must be stored in the garage, not on the driveway. In the event of a dispute concerning whether a passenger vehicle or pick-up truck is being used on a regular basis, the Board of Directors of the Association has the authority to make the determination and its reasonable, good faith decision will be binding on all parties.

A passenger vehicle or pick-up truck owned or used by the Owner, lessee or other occupant of a Lot is not permitted to be parked overnight on a street in the Community. Each Owner, lessee or other occupant of a Lot acknowledges by accepting a deed to the Lot, entering into a lease agreement relating to the Lot, or taking occupancy of the Lot that a vehicle parked on a street within the Community is restricted for the purposes of preserving the appearance of the Community and preventing sight and vehicle obstructions and agrees that this restriction on parking on streets is for the benefit of all Owners, lessees and other occupants of Lots in the Community.

No guest of an Owner, lessee or other occupant of a Lot may park his/her vehicle on a street in the Community overnight. No vehicle of any kind may be parked on an unpaved portion of a Lot for any length of time. The Association has the right to cause a vehicle parked on Common Area or on a private street owned by the Association in violation of the provisions of this Declaration to be towed in the manner provided in the Texas Occupations Code. No vehicle may be parked on a street (during a permitted period) in a manner that obstructs or impairs traffic flow on the street or obstructs or impairs vehicle access to another Lot. No vehicle may be parked on a driveway in a manner that obstructs or impairs pedestrian travel on a sidewalk.

An inoperable vehicle is not permitted to be parked, kept or stored on a Lot if visible from a street in the Community or a neighboring Lot. For purposes of this Section, a vehicle is deemed to be inoperable if (a) it does not display all current and necessary licenses and permits, (b) it does not have fully inflated tires, (c) it is on a jack, blocks or the like, (d) it is covered with a tarp, plastic or other type of covering, or (e) it is otherwise not capable of being legally operated on a public street or right-of-way.

C. OTHER VEHICLES. A mobile home trailer, utility trailer, recreational vehicle, boat or the like is not permitted to be parked, kept or stored on a street in the Community or on any portion of a Lot if visible from a street in the Community, a neighboring Lot, or a Lake. A mobile home trailer, utility trailer, recreational vehicle, boat or the like may be parked in the garage on a Lot or in some other structure approved by the Architectural Review Committee, but only if fully concealed from view from all streets in the Community and, in the case of a Lake Lot or Recreational Lake Lot, the Lake.

D. VEHICLE REPAIRS AND CARE. No passenger vehicle, pick-up truck, mobile home trailer, utility trailer, recreational vehicle, boat or other vehicle of any kind is permitted to be constructed, reconstructed, or repaired on a Lot if visible from a street in the Community, a neighboring Lot, or a Lake, and then only if the work is not an annoyance or nuisance to surrounding residents by reason of noise, dust, fumes or odor. Under no circumstances is oil or any other automotive fluid permitted to be deposited into a street or storm sewer or be allowed to migrate into a street or storm sewer.

Washing a vehicle on a Lot is permitted but only with the use of a non-phosphate soap.

- E. NUISANCES. No Lot or Residential Dwelling or other Improvement on a Lot may have any conspicuous infestation of pests, rodents, insects or other vermin or accumulation of trash, debris or other waste which the Board of Directors, acting reasonably and in good faith, determines to be offensive to surrounding residents or detrimental to the health or well-being of surrounding residents. No condition or activity is permitted on a Lot which is offensive to surrounding residents of ordinary sensibilities by reason of noise, odor, dust, fumes or the like or which adversely affects the desirability of the Lot or surrounding Lots. No nuisance is permitted to exist or operate on a Lot. The Board of Directors has the authority to determine whether an activity or condition on a Lot is offensive or an annoyance to surrounding residents of ordinary sensibilities, or is a nuisance, or adversely affects the desirability of the Lot or surrounding Lots, and its reasonable good faith determination will be conclusive and binding on all parties.
- F. TRASH; TRASH CONTAINERS. No garbage or trash or garbage or trash container may be maintained on a Lot so as to be visible from a street in the Community, a neighboring Lot at ground level, or a Lake except to make the same available for collection and then only on the day for collection. Garbage and trash made available for collection must be placed in tied trash bags or covered containers, or as otherwise provided in any trash disposal contract entered into by the Association.
- G. CLOTHES DRYING. No outside clothesline or other outside facility for drying or airing clothes may be erected, placed or maintained on a Lot if visible from a street in the Community, a neighboring Lot at ground level, or a Lake. Clothes are not permitted to be dried or aired outside if visible from a street in the Community, a neighboring Lot at ground level, or a Lake.
- H. RIGHT TO INSPECT. During reasonable hours, Declarant, any member of the Architectural Review Committee, any member of the Board, or any authorized representative of any of them, has the right to enter upon and inspect a Lot, and the exterior of the Improvements thereon, for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and such persons will not be deemed guilty of trespass by reason of such entry.
- I. ANIMALS. Only a reasonable number (in the aggregate) of generally recognized house or yard pets are permitted to be maintained on a Lot and then only if they are kept thereon solely as domestic pets and not for commercial purposes. Provided that, in no event are more than two (2) dogs or two (2) cats permitted to be kept on a Lot. Provided further that, no waterfowl or poultry of any kind may be kept on a Lot. A Vietnamese pot belly pig is hereby declared not to be a generally recognized house or yard pet and is, therefore, prohibited. No exotic animal or breed of animal that is commonly recognized to be inherently aggressive or vicious toward other animals and/or humans is permitted in the Community. No unleashed dog is permitted on a street in the Community or on the Common Area. Each dog must be kept either in the Residential Dwelling or other Improvement on the Lot or in a yard fully enclosed by a

fence. An "invisible" fence that controls dogs through underground electrical wiring is an acceptable form of maintaining a dog in the yard of a Lot only if the invisible fence effectively retains the dog in the yard. No animal is allowed to make an unreasonable amount of noise or to become a nuisance. No structure for the care, housing or confinement of an animal may be constructed or placed on a Lot if visible from a street in the Community, a neighboring Lot at ground level, or a Lake without the prior written consent of the Architectural Review Committee. Structures for the care, housing or confinement of an animal on a Lake Lot must be approved in writing by the Architectural Review Committee as to size, location and type and color of materials. A structure for the care, housing or confinement of an animal is not permitted in the rear yard of a Recreational Lake Lot. The Board has the authority to determine, in its sole and absolute discretion, whether, for the purposes of this Section, a particular animal is a generally recognized house or yard pet (with the exception of a Vietnamese pot belly pig which is declared in this section not to be a generally recognized house or yard pet), an exotic animal, an inherently aggressive or vicious animal, or a nuisance, or whether the aggregate number of animals kept on a Lot is reasonable, and its reasonable, good faith determination will be conclusive and binding on all parties.

- J. DISEASES AND INSECTS. No Owner is permitted to allow any thing or condition to exist on a Lot which may induce, breed or harbor infectious plant diseases or noxious insects, including, without limitation, the failure to properly maintain a swimming pool or other type of water amenity on a Lot.
- K. RESTRICTION ON FURTHER SUBDIVISION. The further subdivision of a Lot is prohibited. The conveyance of a portion of a Lot less than the entirety of the Lot as shown on the applicable Plat by an Owner to another party is prohibited.
- L. CONSOLIDATION OF LOTS. Notwithstanding any provision in this Declaration to the contrary, the Owner of one or more adjoining Lots may consolidate such Lots into one (1) building site, with the privilege of constructing a Residential Dwelling on the resulting site, in which event setback lines will be measured from the resulting side property lines rather than from the Lot lines indicated on the Plat. Provided that, the Owner of the Lots to be consolidated must comply with any replatting requirements imposed by any governmental entity having jurisdiction (as determined by the governmental entity having jurisdiction). Any such consolidated building site must have a frontage at the building setback line of not less than the minimum frontage shown on the Plat. Upon the consolidation of one or more adjoining Lots, and the substantial completion of a Residential Dwelling thereon, the consolidated building site will be considered a single Lot for purposes of membership in the Association, voting rights, Annual Maintenance Charges, and other types of assessments.
 - M. SIGNS. No sign may be erected or maintained on a Lot except:
 - (i) Street signs and such other signs as may be required by law;
 - (ii) During the time of marketing a Builder-owned Lot (such time being from the date of acquisition by the Builder until the date title is conveyed by the Builder), one (1) ground-mounted Builder identification sign having a face area not larger than six (6) square feet and located in the front yard of the Lot;
 - (iii) One (1) ground-mounted "for sale" or "for lease" sign not larger than six (6) square feet and extending not more than four (4) feet above the ground;

- (iv) Ground mounted political signs as permitted by law; provided that, only one (1) sign for each candidate or ballot item may be displayed on a Lot earlier than the 90th day before the date of the election to which the sign relates or longer than the 10th day after the election date; and
- (v) Home security signs and school spirit signs, if approved by the Architectural Review Committee, but then only in strict accordance with the Guidelines.

Declarant, during the Development Period, and, thereafter, the Association, has the authority to go onto a Lot and remove and dispose of any sign displayed on the Lot in violation of this Section without liability in trespass or otherwise.

Monument signs have been constructed by Declarant, and additional monument signs may be constructed by Declarant, on Common Area throughout the Community. Monument signs constructed by Declarant are a critical part of the development plan for the Community in that they not only identify the Community, but they also (i) brand the Community as a community developed by Declarant, (ii) distinguish the Community from other residential neighborhoods, and (iii) promote the desirability of owning a Residential Dwelling in the Community. The Association has or will, by separate instruments, grant to Declarant perpetual easements upon and across designated Common Area for the purpose of constructing and replacing, if necessary, monument signs thereon. As provided in each easement, the Association does not have the authority to replace or modify a monument sign constructed by Declarant without the prior written consent of Declarant. However, the Association is responsible for maintaining and repairing the monument signs. Monument signs constructed by Declarant are not subject to review and approval by the Architectural Review Committee.

- N. LAKES OTHER THAN THE RECREATIONAL LAKE. The Lakes, other than the Recreational Lake, are amenity Lakes, not Lakes for water activities. In addition to applicable Rules and Regulations, the following provisions are applicable to all Lakes in the Community other than the Recreational Lake:
 - (i) No motorized boat, non-motorized boat or other watercraft of any type, including, without limitation, an inflatable raft, a canoe or a kayak, may be operated or used on or in a Lake.
 - (ii) No dock is permitted on a Lake Lot or in or adjacent to a Lake.
 - (iii) Only catch and release fishing is permitted in a Lake.
 - (iv) Swimming in a Lake is prohibited.
- O. RECREATIONAL LAKE. THE USE OF THE RECREATIONAL LAKE IS GOVERNED BY THIS DECLARATION AND SEPARATE RULES AND REGULATIONS ADOPTED BY DECLARANT AND DULY RECORDED IN THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF HARRIS COUNTY, TEXAS. DURING THE DEVELOPMENT PERIOD, SUCH RULES AND REGULATIONS MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME BY DECLARANT. AFTER THE DEVELOPMENT PERIOD EXPIRES, THE RULES AND REGULATIONS MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME BY THE BOARD OF DIRECTORS OF THE ASSOCIATION. ALL PERSONS ARE HEREBY NOTIFIED OF THE EXISTENCE OF RECORDED RULES AND REGULATIONS GOVERNING THE USE OF THE

RECREATIONAL LAKE AND THE OBLIGATION TO STRICTLY COMPLY WITH SUCH RULES AND REGULATIONS.

EACH OWNER WHO OPERATES A BOAT IN THE RECREATIONAL LAKE OR ALLOWS THE BOAT OWNED BY SUCH OWNER TO BE OPERATED BY ANOTHER PERSON IN THE RECREATIONAL LAKE AGREES, BY VIRTUE OF USING THE RECREATIONAL LAKE FOR BOATING, ON OWNER'S BEHALF AND ON BEHALF OF OWNER'S FAMILY MEMBERS, GUESTS, HEIRS, SUCCESSORS, AND ASSIGNS, TO RELEASE THE ASSOCIATION, THE DISTRICT, AND THEIR RESPECTIVE SUCCESSORS, ASSIGNS, AGENTS, AND GRANTEES FROM ALL COSTS, DAMAGES, LOSSES, LIABILITIES, JUDGMENTS AND/OR EXPENSES INCURRED IN CONNECTION WITH CLAIMS FOR INJURY TO OR DEATH OF ANY PERSON, FOR DAMAGE TO PROPERTY, OR FOR ANY AND ALL OTHER TYPES OF DAMAGES, ARISING OUT OF OR IN ANY WAY RELATED TO, DIRECTLY OR INDIRECTLY, THE USE OR OPERATION OF A BOAT IN THE RECREATIONAL LAKE OR CLAIMS WHICH RESULT FROM STRICT LIABILITY IMPOSED UPON THE ASSOCIATION OR THE DISTRICT BY THE LAW.

THE RECREATIONAL LAKE MAY SERVE AS A HABITAT FOR VARIOUS TYPES OF WILD ANIMALS AND/OR ATTRACT WILD ANIMALS. THE EXISTENCE AND BEHAVIOR OF WILD ANIMALS CANNOT BE PREDICTED. CONSEQUENTLY, OWNERS, LESSEES AND OTHER OCCUPANTS OF LOTS IN CLOSE PROXIMITY TO THE RECREATIONAL LAKE, THEIR FAMILY MEMBERS AND GUESTS, AS WELL AS ALL PERSONS WHO USE THE RECREATIONAL LAKE, SHOULD AT ALL TIMES BE CONSCIOUS OF THE POTENTIAL OF VARIOUS TYPES OF WILD ANIMALS IN AND AROUND THE RECREATIONAL LAKE.

IN ADDITION, PERSONS WHO OWN A BOAT AND EITHER OWN OR HAVE THE EXCLUSIVE RIGHT TO USE A BOAT DOCK SHOULD BE CONSCIOUS OF THE POTENTIAL OF A WILD ANIMAL CAUSING DAMAGE TO A BOAT AND/OR BOAT DOCK. THE ASSOCIATION, DECLARANT, AND THE DISTRICT, THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENT, AND REPRESENTATIVES, ARE NOT IN ANY MANNER RESPONSIBLE OR LIABLE FOR DAMAGE CAUSED TO A BOAT OR BOAT DOCK BY A WILD ANIMAL.

- P. EXEMPTIONS. Notwithstanding the provisions of this Declaration, so long as the Development Period exists, Declarant has the authority to take any action reasonably determined by Declarant to be necessary for or convenient to the development, marketing, sale, operation or disposition of property within the Community and to allow Builders to take any action reasonably determined by Declarant to be necessary for or convenient to the development, marketing, sale, operation or disposition of property within the Community. Any action taken or allowed to be taken by Declarant for the purpose of the development, marketing, sale, operation or disposition of property within the Community during the Development Period will not be deemed to be a waiver of any provision in this Declaration. A bank or other lender providing financing to Declarant in connection with the development of the Community or Improvements thereon may erect signs on Lots owned by Declarant to identify such lender and the fact that it is providing such financing.
- Q. LOT MAINTENANCE. The Owner, lessee or other occupant of a Lot must at all times maintain the lawn and landscaping on the Lot. In no event is an Owner, lessee or other occupant of a Lot permitted to store materials or equipment on a Lot in view from a street or a Lake or permit the accumulation of garbage, trash or rubbish of any kind thereon. An Owner, lessee or other occupant of a Lot is prohibited from burning leaves, trash, debris or the like on the

Lot or in a street. The Owner, lessee or other occupant of a Lot at the intersection of streets, where the rear yard or portion of the Lot is visible to full public view, must construct and maintain a suitable enclosure approved in writing by the Architectural Review Committee to screen yard equipment, wood piles and storage piles. During the Development Period, Declarant has the exclusive authority to determine whether a Lot is being maintained in a reasonable manner and in accordance with the standards of the Community, and Declarant's determination will be conclusive and binding on all parties; thereafter, the Board of Directors will have the exclusive authority to determine whether a Lot is being maintained in a reasonable manner and in accordance with the standards of the Community and the Board of Directors' determination will be conclusive and binding on all parties. In the event the Owner, lessee, or other occupant of a Lot fails to maintain the Lot in a reasonable manner as required by this Section and such failure continues after not less than ten (10) days written notice from the Association, the Association may, at its option, without liability to the Owner, lessee or other occupant in trespass or otherwise, enter upon the 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 do every other thing necessary to secure compliance with the provisions of this Declaration, and charge the Owner of the Lot for the cost of such work. The Owner agrees by the purchase of the 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 is secured by the lien created in Article VI of this Declaration and subject to the same remedies for non-payment as the remedies available to the Association for non-payment of the Annual Maintenance Charges and other assessments. Interest thereon at the rate of eighteen percent (18%) per annum or the maximum non-usurious rate, whichever is less, will begin to accrue on such sum on the thirtyfirst (31st) day after a written invoice is delivered to the Owner.

- R. USE OF PERIMETER PROPERTY. No Owner of a Recreational Lake Lot has the exclusive right to use the Perimeter Property adjacent to the Owner's Recreational Lake Lot unless a License Agreement has been executed and recorded for that purpose and then only in strict accordance with any terms and conditions of use promulgated or approved by the District. The use of or Perimeter Property must, in all instances, be in accordance with the following:
 - (i) <u>Subject Area.</u> The Association will identify the land area within the Perimeter Property that an Owner is permitted to use (the "Subject Area"). In the event of a dispute relating to the boundaries of the Subject Area, the boundaries of the Subject Area will be determined by the Association in its sole discretion. In no event may the boundaries of the Subject Area include any portion of the Recreational Lake.
 - (ii) Fencing and Other Improvements. The Owner is not permitted to construct a fence along the side boundary lines of the Subject Area without the prior written consent of the Association. A fence constructed along the side boundary lines of the Subject Area must comply with the Guidelines. Other improvements in the Subject Area, such as, without limitation, patios, walkways, trees and landscaping, are not permitted without the prior written approval of the Architectural Review Committee and then only if the proposed improvement complies with the Guidelines. The Architectural Review Committee may approve or disapprove a request for permission to

- construct or install an improvement in the Subject Area as it deems appropriate in its sole discretion.
- (iii) Restrictive Covenants. Use of a Subject Area by an Owner is subject to all covenants, conditions, restrictions, liens and charges applicable to the Perimeter Property and the Owner's Lot, including, without limitation, the Declaration, the Guidelines, the Maintenance Agreement, and the License Agreement executed by the Owner.
- (iv) Maintenance. A Subject Area must be properly maintained by the Owner at the Owner's sole cost and expense in accordance with the provisions of the License Agreement applicable to the Subject Area. Maintenance of the Subject Area includes, without limitation, regularly mowing, trimming, irrigating, filling depressions, maintaining positive drainage and removing debris. The Owner must also maintain and repair all Improvements in the Subject Area, including the Boat Dock, the cover for the Boat Dock, decking around the Boat Dock, and the landscape wall (which is non-structural and may not be used to bear any loading). Maintenance does not include maintenance and repair of the Shoreline or Bulkhead in the Subject Area. The maintenance and repair of the Shoreline or Bulkhead within a Subject Area is the responsibility of either the District or the Association; provided that, the District and the Association have the exclusive authority to determine whether and to what extent maintenance and repair work will be performed, the type and scope of maintenance and repair work to be performed, and the cost of any maintenance and repair work to be performed. An Owner may maintain and repair the Shoreline within the Subject Area but only with the prior approval of the Association and in strict accordance with the Guidelines relating to the maintenance and repair of Shorelines. Notwithstanding the foregoing, if a Shoreline is altered by an Owner, lessee or other occupant of a Lot, other than as a part of maintenance and repair work approved by the Association, and the alteration of the Shoreline necessitates repair work by the Association, the Owner, lessee or other occupant who altered the Shoreline is required to reimburse the Association for all costs incurred by the Association to repair the Shoreline. Payment of such costs will be due upon the submission of an invoice to the Owner, lessee or other occupant with sufficient detail to verify the costs incurred by the Association to repair the Shoreline.
- (v) Access. The Association will at all times have access across, along, under, over and upon a Subject Area to engage in all activities as may be necessary, requisite, convenient, or appropriate in connection with the maintenance, inspection, repair, rehabilitation and operation of the Perimeter Property. The District will at all times have access across, along, under, over and upon a Subject Area to engage in all activities as may be necessary, requisite, convenient, or appropriate in connection with the maintenance, inspection, repair, rehabilitation and operation of

the Recreational Lake and the Perimeter Property or in connection with any easement granted to the District across, along, under, over and/or upon the Perimeter Property, a Subject Area, or any portion thereof. The Association's rights include, without limitation, the right to clear and remove trees, growth, shrubbery, fences and other improvements from a Subject Area (even if previously approved by the Architectural Review Committee) and the right to bring and operate such equipment upon a Subject Area as may be necessary or appropriate in connection with the maintenance, inspection, repair, rehabilitation and operation of the Perimeter Property. The District's rights include, without limitation, the right to clear and remove trees, growth, shrubbery, fences and other improvements from a Subject Area (even if previously approved by the Architectural Review Committee) and the right to bring and operate such equipment upon a Subject Area as may be necessary or appropriate in connection with the maintenance, inspection, repair, rehabilitation and operation of the Recreational Lake, Perimeter Property, the Subject Area, or the facilities thereon. The rights granted to the Association and the District herein are not to be construed to impose any particular maintenance and repair responsibilities upon either the Association or the District.

In addition, use of a Subject Area is subject to the following:

- a. Each and any easement granted to the District across, along, under, over and/or upon the Perimeter Property, a Subject Area, or any portion thereof; permission to use a Subject Area by virtue of a License Agreement is not to be construed to limit any rights granted to the District under such easement. In the event of a conflict between a License Agreement and the easement granted to the District, the easement will control.
- b. In no event does an Owner have exclusive rights to any portion of the Recreational Lake, and is not permitted to locate any improvements within any portion of the Recreational Lake, including, without limitation, a dock, unless the District consents to such encroachment in writing or provides written authorization to the Association to permit and authorize such encroachment, and Owner executes the District's consent to encroachment agreement in a form acceptable to the District in the District's sole discretion.
- (vi) <u>Title to Subject Area</u>. Owner will be required to acknowledge in the License Agreement Owner's understanding and agreement that the Owner is not acquiring and will not acquire title or any ownership interest in the Subject Area by virtue of the right to use the Subject Area and that Owner will not assert a claim of title or an ownership interest in the Subject Area no matter how long the License Agreement permitting the Owner to use the Subject Area is in effect.

- (vii) Indemnification. By using the Subject Area pursuant to a License Agreement, the Owner agrees, on Owner's behalf and on behalf of Owner's heirs, successors, assigns and grantees to release the Association, the District, and their respective successors, assigns, agents, and representatives from all costs, damages, losses, liabilities, judgments and/or expenses incurred in connection with claims for injury to or death of any person, for damage to property, or for any and all other types of damages, arising out of or in any way connected with the maintenance, inspection, repair, rehabilitation or operation of the Perimeter Property or the Recreational Lake, or related to, directly or indirectly, the Owner's use or occupancy of the Subject Area, or claims which result from strict liability imposed upon the Association or the District by the law.
- (viii) Term and Termination. Unless otherwise provided in the applicable license Agreement, permission to use the Subject Area will remain in effect for a period of twenty (20) years from the effective date of the License Agreement and be extended automatically for successive ten (10) year periods, unless sooner terminated in accordance with the provisions in this paragraph.

A License Agreement applicable to Subject Area will terminate upon the delivery of notice to the Owner upon a determination by the District that the use of the Subject Area or the License Agreement is (i) invalid; (ii) not in furtherance of the objective of the Recreational Lake to serve as a detention area; (iii) interferes with the District's rights under any easements granted to the District across, along, over or upon Perimeter Property or the Subject Area; or (iv) no longer desirable or advisable.

The Association, its successors or assigns, has the right to terminate a License Agreement upon a failure or refusal of Owner who executed the License Agreement or the Owner's successor to comply with a material provision in the Declaration relating to the Owner's Lot or the Perimeter Property; provided that, prior to termination, the Association or its successors or assigns will provide written notice to Owner describing the default and providing a period of not less than thirty (30) days to cure the default.

In the event of termination of a License Agreement, the Owner irrevocably grants to the Association and the District, and their respective successors and assigns, the right to execute in the name of Owner a termination notice which termination notice may be recorded by the Association or the District in the Official Public Records of Real Property of Harris County, Texas.

(ix) <u>Transfer of Rights</u>. Permission to use a Subject Area by virtue of a License Agreement will be applicable to, inure to the benefit of, and be binding upon the Owner of the applicable Lot and the Owner's heirs,

successors, legal representatives and assigns. Upon the transfer of title to the Owner's Lot adjacent to a Subject Area, the License Agreement applicable to the Subject Area and right to use the Subject Area will be assigned automatically to the subsequent Owner of the Lot, the intent being that the right to use the Subject Area and corresponding obligations of the Owner and any subsequent Owner of the Lot will be appurtenant to and not be separated from title to the Lot.

(x) <u>Prior Agreements</u>. The provisions of this Section 2.1.R. supersede any and all prior agreements by and between the Association and an Owner relating to the use of a Subject Area.

SECTION 2.2. DECORATION, MAINTENANCE, ALTERATION AND REPAIRS.

- A. DECORATIONS. Subject to the provisions of this Declaration, the Rules and Regulations, and the Guidelines, each Owner has the right to modify, alter, repair, decorate, redecorate or improve the Residential Dwelling and other Improvements 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 Board of Directors has the authority to require an Owner to remove or eliminate any object situated on such Owner's Lot or the Residential Dwelling or other Improvement on the Lot that is visible from a street in the Community or another Lot or, in the case of a Lake Lot or Recreational Lake Lot, the Lake, if, in the Board of Directors' sole judgment, such object detracts from the visual attractiveness or desirability of the Community.
- **REPAIR OF BUILDINGS.** No Residential Dwelling or other Improvement on a Lot is permitted to fall into disrepair. Each Residential Dwelling or other Improvement on a Lot must at all times be kept in good condition and repair and adequately painted or otherwise finished by the Owner of the Lot at the Owner's sole cost and expense. During the Development Period, Declarant has the exclusive authority to determine whether an Owner is maintaining his Lot and the Residential Dwelling and other Improvements on the Lot in a reasonable manner and in accordance with the standards of the Community and Declarant's determination will be conclusive and binding on all parties. When the Development Period expires, the Board of Directors will have the exclusive authority to determine whether an Owner is maintaining his Lot and the Residential Dwelling and other Improvements on the Lot in a reasonable manner and in accordance with the standards of the Community and the Board of Directors' determination will be conclusive and binding on all parties. In the event the Owner of a Lot fails to keep the exterior of the Residential Dwelling or other Improvement on the Lot in good condition and repair, and such failure continues after not less than ten (10) days written notice from the Association, the Association may, at its option, without liability to the Owner, lessee or other occupant in trespass or otherwise, enter upon the Lot and repair and/or paint the exterior of the Residential Dwelling or other Improvement on the Lot and otherwise cause the Residential Dwelling or other Improvement on the Lot to be placed in good condition and repair, and 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 agrees by the purchase 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 for such costs. Payment of such charges is secured by the lien created in Article VI of this Declaration and subject to the same remedies for non-payment as the remedies available to the Association for the non-payment of Annual Maintenance Charges and other

assessments. Interest thereon at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, will begin to accrue on such sum on the thirty-first (31st) day after a written invoice is delivered to the Owner.

ARTICLE III GENERAL PROVISIONS RELATING TO DESIGN, CONSTRUCTION AND MATERIALS

SECTON 3.1. ARCHITECTURAL DESIGN. Residential Dwellings and related Improvements are required to feature elements consistent with a "Texas Hill Country" design including, by way of example and not in limitation, front and rear usable porches, column supported overhangs, and stone finish materials. A principal factor in the approval or disapproval of Plans for a Residential Dwelling or other Improvement to be constructed on a Lot is compatibility with the Texas Hill Country design scheme established for the Community.

SECTION 3.2. BUILDINGS AND OTHER EXTERIOR IMPROVEMENTS.

- **A.** TYPES OF BUILDINGS. No building may be erected, placed or permitted to remain on a Lot other than (i) one detached Residential Dwelling, together with an attached or detached private garage, (ii) one (1) permitted accessory building and (iii) one (1) permitted play structure, all of which are subject to prior written approval by the Architectural Review Committee and must comply with the Guidelines.
- STORAGE. Without the prior written consent of the Architectural Review Committee, no building materials of any kind or character may be placed or stored on a Lot more than fifteen (15) days before the construction of a Residential Dwelling or other Improvement on the Lot is commenced. All materials permitted to be placed on a Lot must be placed within the property lines of the Lot. After the commencement of construction of any Residential Dwelling or Improvement on a Lot, the work thereon must be prosecuted diligently, to the end that the Residential Dwelling or Improvement does not remain in a partly finished condition any longer than reasonably necessary for completion. In any event, substantial completion of a Residential Dwelling on a Lot must be achieved within two hundred seventy (270) days of the date of commencement of construction of the Residential Dwelling, unless a longer period is approved in writing by the Architectural Review Committee; substantial completion of any other Improvement must be achieved within one hundred eighty (180) days of the date of commencement of construction of the Improvement, unless a longer period is approved in writing by the Architectural Review Committee. For purposes hereof, construction of a Residential Dwelling or other Improvement is deemed to have commenced on the date that any equipment or building material relating to such construction is moved onto the Lot. Also for purposes hereof, a Residential Dwelling is deemed to be substantially completed on the date an occupancy permit is issued by any governmental authority having jurisdiction or, if no such occupancy permit is required, the date the Residential Dwelling is ready to be occupied; any other Improvement is deemed to be substantially completed on the date the Improvement is capable of being used for its intended purpose. Upon the completion of the construction, any unused materials must be promptly removed from the Lot.
- C. TEMPORARY STRUCTURES; ACCESSORY BUILDINGS. No building or structure of a temporary character, trailer (with or without wheels and whether or not attached to a foundation), mobile or manufactured home (with or without wheels and whether or not

attached to a foundation), modular or prefabricated home, shack, or other building, other than the permanent Residential Dwelling, an attached or detached garage, one (1) permitted accessory building approved in writing by the Architectural Review Committee, and one (1) permitted play structure approved in writing by the Architectural Review Committee, may be placed on a Lot, either temporarily or permanently. No residence house, garage or other structure may be moved onto a Lot from another location.

Notwithstanding the foregoing, Declarant reserves the exclusive right during the Development Period to erect, place and maintain, and to permit Builders to erect, place and maintain, such facilities in and upon a Lot owned by Declarant or the Builder as may be necessary or convenient during the period of and in connection with the sale of the Lot, and the construction and sale of Residential Dwellings and construction of other Improvements in the Community.

A permitted accessory building is required to comply in all respects with the Guidelines, including location, height, size and building materials.

No tree house is permitted on a Lot.

- D. CARPORTS/GARAGES. A carport on a Lot is prohibited. A garage and a porte cochere require the prior written approval of the Architectural Review Committee and must comply in all respects with the Guidelines. Garages must be provided for all Residential Dwellings and in no case is a porte cochere permitted to act as or be substituted for a garage. Each garage on a Lot is required to be used for housing vehicles used or kept by the persons who reside on the Lot.
- E. AIR CONDITIONERS. No window, roof or wall type air conditioner that is visible from a street in the Community, a neighboring Lot at ground level, a Lake or, in the case of a Recreational Lake Lot, the Recreational Lake, is permitted to be used, placed or maintained on or in a Residential Dwelling, garage or other Improvement.
- F. ANTENNAS. Satellite dish antennas which are forty inches (40") or smaller in diameter and antennas designed to receive television broadcast signals may be installed, provided they are installed in the least obtrusive location that allows reception of an acceptable quality signal. All other antennas are prohibited, unless expressly authorized in recorded Guidelines and then only in strict accordance with such recorded Guidelines. As used herein, "least obtrusive location" primarily means a location that is not readily visible from the street in front of the Lot, and secondarily means, in the case of a corner Lot or a Lake Lot or Recreational Lake Lot, a location that is not readily visible from the side street or the Lake, as the case may be. The provisions of this Section are intended to be consistent with the Telecommunications Act of 1996 (the "Act") and FCC regulations promulgated under the Act, as the same currently exist or may hereafter be amended; the provisions of this Section are to be construed to be as restrictive as possible without violating the provisions of the Act or applicable FCC regulations.
- **G. EXTERIOR FINISH.** The types, quantities, repetition and color of exterior materials used in the construction of the Residential Dwelling and Improvements must comply with the Guidelines.
- H. OUTDOOR LIGHTING AND ADDRESS MARKERS. Outdoor lighting on the Lot is required to comply with the Guidelines.

An address marker that complies with Guidelines is required on the front elevation of each Residential Dwelling. In addition to an address marker on the front elevation of a Residential Dwelling, an address plaque is required at the rear of the side yard fence on a Recreational Lake Lot; the plaque must comply with the standard design for such plaques

adopted by the Architectural Review Committee. A plaque that does not strictly comply with the standard design adopted by the Architectural Review Committee requires the written approval of the Architectural Review Committee. The Owner of a Lot is required to trim trees and shrubs, as necessary, so that the address marker on the front elevation of the Residential Dwelling is readily visible from the street in front of that Lot. Likewise, the Owner of a Recreational Lake Lot is required to trim trees and bushes, as necessary, so that the address marker on the side yard fence is readily visible from the Recreational Lake.

- I. MAILBOXES. Cluster mailboxes will be used in the Community; therefore, an individual mailbox on a Lot is prohibited.
- **J. ROOFS.** The materials used for the roof of the Residential Dwelling and each Improvement, the roof pitch, and the type and location of roof top accessories must comply with the Guidelines.
- **K. CHIMNEYS.** The materials used for a chimney in the Residential Dwelling or other Improvement must comply with the Guidelines.
- Residential Dwelling or other Improvement and replacement windows and windows installed in an addition to or modification of a Residential Dwelling or other Improvement after initial construction of the Residential Dwelling must be approved in writing by the Architectural Review Committee and comply with the Guidelines. Reflective glass is not permitted on the exterior of a Residential Dwelling or other Improvement on a Lot. No foil or other reflective materials may be installed on any windows or used for sunscreens, blinds, shades or other purposes except as approved in writing by the Architectural Review Committee. Security bars are not permitted on the exterior of windows or doors. Screen doors are prohibited on the front or side of a Residential Dwelling or on the rear of a Residential Dwelling on a Lake Lot or Recreational Lake Lot. An aluminum or metal door with a glass front (e.g., storm door) is permitted on the front of a Residential Dwelling or on the rear of a Residential Dwelling on a Lake Lot or Recreational Lake Lot, so long as the door is approved in writing by the Architectural Review Committee prior to installation and the door does not have a screen or bars.
- M. MECHANICAL EQUIPMENT. All mechanical equipment, including, without limitation, air conditioning units, utility pedestals, meters, transformers, and pool equipment, must be located, to the extent possible, at the side or rear of each Residential Dwelling, out of view, or screened from view with evergreen shrubs in a manner approved in writing by the Architectural Review Committee.
- N. PLAY STRUCTURES. The type, size, location, and maintenance of a permitted play structure, as well as the materials used in the construction of a play structure, must comply with the Guidelines. A play structure requires the written approval of the Architectural Review Committee prior to placement or construction on a Lot.
- O. LANDSCAPING. The landscaping installed on a Lot at the time of initial construction of a Residential Dwelling on a Lot must comply with all of the requirements set forth in the Guidelines. The landscape design for a Lot and replacement plants are generally required to conform to the original design and plant materials installed at the time of initial construction of a Residential Dwelling on a Lot. However, modifications to planting beds or plant materials and additional landscaping after the initial landscaping, require the prior written approval of the Architectural Review Committee and must comply with the Guidelines.

A principal factor in the overall design, appearance and desirability of the Community is the installation, maintenance and preservation of landscaping in the reserves throughout the Community restricted to open space and landscape uses. Landscaping installed by Declarant is a critical part of the development plan for the Community aimed at distinguishing the Community from other residential neighborhoods and constituting an important factor in the decision to purchase a Lot in the Community. The preservation of landscaping in the various reserves throughout the Community and, therefore, the preservation of the overall design and appearance of the Community, are of utmost importance to the Declarant, not only during the Development Period, but also after the Development Period. Consequently, for a period of five (5) years after the date the Development Period expires, the Association, acting through its Board of Directors, is not authorized to change landscaping contractors or reduce the type or scope of landscaping services then in effect without the written approval of Declarant. Provided that, the expense for landscaping services during this five (5) year period may not unreasonably increase above the then current market rate for the type and scope of landscaping services in effect as of the date the Development Period expires. As used herein, "market rate" does not necessarily mean the lowest rate at which a landscaping contractor may be willing to perform the services. Rather, it means the median rate provided by established landscape contractors who have good reputations in the industry and are able to comply with all of the Association's insurance requirements.

P. SEASONAL DECORATIONS. Seasonal or holiday decorations must be reasonable in quantity and scope and displayed on a Lot or Residential Dwelling or other Improvement on a Lot only for a reasonable period of time before and after the holiday to which the holiday decorations relate. In the event of a dispute as to either the quantity or scope of decorations displayed on a Lot or the duration of the display, the reasonable, good faith decision of the Board of Directors concerning whether the quantity or scope of the decorations is reasonable or whether the duration of the display of the decorations is reasonable will be conclusive and binding on all parties.

Exterior lighting on the rear portion of a Residential Dwelling on a Recreational Lake Lot during the Christmas season is not required; however, if the Owner of a Recreational Lake Lot elects to display exterior lighting or any other holiday decorations in the rear yard of the Owner's Recreational Lake Lot, on the rear portion of the Residential Dwelling on the Recreational Lake Lot, or on any other Improvement in the rear portion of the Recreational Lake Lot during the Christmas season, the decorations are limited to exterior lighting that complies with uniform specifications adopted by the Architectural Review Committee as to the type, color and location of the exterior lighting. The purpose of this requirement is to create a magnificent appearance around the Recreational Lake during the Christmas season with uniform exterior lighting.

- Q. SWIMMING POOLS AND OTHER WATER AMENITIES. No swimming pool, outdoor hot tub, reflecting pond, sauna, whirlpool, lap pool or other water amenity may be constructed, installed, and maintained on a Lot without the prior written approval of Architectural Review Committee. Further, the construction of swimming pools, outdoor water features and other water amenities on Lots within the Community must be in compliance with the Guidelines. Permanent, above-ground swimming pools are prohibited. A fountain in the front yard of a Lot is prohibited.
- **R. DRIVEWAYS, WALKWAYS AND SIDEWALKS.** No driveway, walkway or sidewalk may be constructed on a Lot and no driveway, walkway or sidewalk may be modified except with the prior written approval of the Architectural Review Committee and compliance with the Guidelines.

- S. EXTERIOR COLORS. The color(s) of paint and color impregnation proposed to be used on the exterior of a Residential Dwelling or other Improvement on a Lot must be approved in writing by the Architectural Review Committee prior to application. The color scheme for the Residential Dwelling and other Improvements initially constructed on a Lot must comply with the Guidelines and any change in the color scheme of the Residential Dwelling and related Improvements after initial construction, any repainting, and the color scheme for any new Improvement or addition to the Residential Dwelling or other Improvement on a Lot must comply with the Guidelines.
- T. BASKETBALL GOALS, BASKETBALL COURTS AND SPORT COURTS. No basketball goal or basketball court may be placed or installed on a Lot without the prior written approval of the Architectural Review Committee. A basketball goal or basketball court is permitted on a Lot only if it complies with the Guidelines. Sport courts are prohibited.
- U. THE RECREATIONAL LAKE SHORELINE AND PERIMETER PROPERTY. The following restrictions relating to the Recreational Lake, the Shoreline and the Perimeter Property are applicable whether or not the Owner of a Recreational Lake Lot has entered into a License Agreement to use the portion of the Perimeter Property adjacent to the Owner's Recreational Lake Lot:
 - (i) No vegetation in the Recreational Lake may be removed or treated with chemicals.
 - (ii) Pumping water from the Recreational Lake for any purpose, including, without limitation, irrigation, is prohibited.
 - (iii) The Shoreline may not be modified or improved in any manner without the prior written consent of the Architectural Review Committee.
 - (iv) No chemicals, pesticides, soaps, cleansers or fertilizers may be used in the Recreational Lake or the Shoreline or be allowed to migrate to the Shoreline or into the Recreational Lake. Accordingly, no items of personal property may be cleaned with the use of chemicals, soaps or cleansers in the Perimeter Property, at the Shoreline or in the Recreational Lake.
 - (v) No pets are allowed in the Recreational Lake. No bird feeder is allowed in the Perimeter Property and placing seed or food items of any kind in the Perimeter Property for the purpose of attracting or feeding birds or other wild animals is strictly prohibited.

SECTION 3.3. SIZE AND LOCATION OF RESIDENTIAL DWELLINGS; PARTICULAR FEATURES.

- A. MINIMUM ALLOWABLE AREA OF INTERIOR LIVING SPACE. Unless otherwise provided in the document annexing a section of the Community, the minimum allowable area of interior living space in a Residential Dwelling on a Lot is set forth in the Guidelines. The term "interior living space" excludes steps, porches, exterior balconies, and garages. If the document annexing additional land sets forth minimum allowable areas of interior living space for Residential Dwellings constructed or to be constructed on Lots in the land area being annexed that differ from the minimum allowable areas of living space set forth in the Guidelines, the minimum allowable areas of living space set forth in the annexation document controls as to the Lots covered by the annexation document.
- B. MAXIMUM ALLOWABLE HEIGHT OF BUILDING. No Residential Dwelling may exceed a reasonable height required for two (2) stories of living space (above finished grade)

plus a pitched roof. No Residential Dwelling may 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.

- C. LOCATION OF IMPROVEMENT SETBACKS. Unless otherwise set forth on the applicable Plat, a Residential Dwelling and all Improvements on a Lot, other than approved landscaping and approved fencing on side and rear property lines, must be located on a Lot in accordance with the setbacks set forth in the Guidelines. Notwithstanding the foregoing, the Architectural Review Committee may grant a variance from an applicable setback in the manner provided in Article IV, Section 4.7, when, in its sole discretion, a variance is deemed necessary or appropriate.
- D. FRONT AND REAR USABLE PORCHES. The Residential Dwelling on each Recreational Lake Lot must include a usable front porch and a usable rear porch that complies with the Guidelines. The Residential Dwelling on each Special Lot must include a usable front porch that complies with the Guidelines.
- COMPLIANCE WITH BUILDING REQUIREMENTS. Builders are obligated to Ε. strictly comply with all provisions of this Declaration and the Guidelines. Only Declarant has the authority to allow a Builder to deviate from provisions of this Declaration or the Guidelines unless Declarant voluntarily assigns or delegates such authority to the Architectural Review Committee by a written instrument recorded in the Official Public Records of Real Property of Harris County, Texas. In the event that a Builder fails to comply with the provisions of this Declaration or the Guidelines and does not correct the violation within ten (10) days of the date of receipt of written notice of the violation from Declarant, or such longer period that may, in the sole discretion of Declarant, be set forth in the notice, or that may be required by law, Declarant has the authority to impose a fine against the Builder and the Lot in question, if owned by the Builder, in the amount of \$100.00 each day that the violation continues to exist after the period specified in the notice to correct the violation. Any fines imposed against a Builder in accordance with this Section will be payable to the Association. Payment of such fines are the personal obligation of the Builder; provided that, payment of such fines are also secured by the lien referred to and established in Article VI of this Declaration against the Lot on which the violation exists.

SECTION 3.4. WALLS, FENCES AND GATES.

All walls, fences and gates on Lots require the prior written approval of the Architectural Review Committee and must comply with the Guidelines. THE REQUIREMENTS FOR WALLS, FENCES AND GATES DIFFER DEPENDING UPON THE TYPE OF LOT. IN NO EVENT IS THE CONSTRUCTION OF A CHAIN LINK OR WIRE FENCE ON A LOT, IN WHOLE OR IN PART, PERMITTED.

A. MAINTENANCE OF FENCES. Except as otherwise expressly provided in this Declaration, ownership of a wall or fence erected on a Lot will pass with title to such Lot and it is the Lot Owner's responsibility to maintain, repair or replace, as necessary, such wall or fence. Maintenance of a wood fence includes the obligation to re-stain the fence as frequently as may be necessary so that the appearance of the fence complies with the standards of the Community. If a fence is located on the property line separating two (2) Lots, the Owners of the two (2) Lots have equal responsibility to maintain, repair and/or replace the fence. In the event the Owner, lessee or other occupant of a Lot fails to maintain or repair a wall or fence on the Lot in a reasonable manner as required by this Section or, if necessary, replace the wall or fence, and such failure continues after ten (10) days written notice from the Association, the Association may, at its

option, without liability to the Owner, lessee or other occupant in trespass or otherwise, enter upon said Lot and cause the wall or fence to be maintained, repaired or replaced and do every other thing necessary to secure compliance with this Declaration and the Guidelines and may charge the Owner of such Lot for the cost of such work. The Board of Directors has the exclusive authority to determine whether an Owner is maintaining a fence or wall on his Lot in a reasonable manner and in accordance with the standards of the Community, and whether a fence or wall requires maintenance, repair or replacement, and the Board of Directors' determination will be conclusive and binding on all parties. The Owner agrees by the purchase 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 is secured by the lien created in Article VI of this Declaration and subject to the same remedies for non-payment as the remedies available to the Association for non-payment of the Annual Maintenance Charge and other assessments. Interest thereon at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, will begin to accrue on such sum on the thirty-first (31st) day after a written invoice is delivered to the Owner.

- B. FENCES ERECTED BY DECLARANT. Declarant has erected and may hereafter erect fencing along the rear and side property lines of Lots adjacent to various thoroughfares in or adjacent to the Community to enhance the appearance of the Community. Declarant hereby reserves for itself and the Association a perpetual easement upon and across such Lots for the purpose of erecting, maintaining, repairing and replacing the fencing erected along the side and/or rear property lines of such Lots. The area subject to the easement is five (5) feet in width and extends across the entire width of the Lot adjacent to the side rear property line. No Owner of any one (1) of these Lots has the authority to remove or in any way alter any portion of the fence on the Lot erected by Declarant. The Association is responsible for maintaining and repairing such fencing; however, the Owner of a Lot on which such a fence is located is obligated to stain the interior side of the fence. An Owner is responsible for any damage to a fence constructed by or at the direction of the Declarant which is caused by such Owner or the Owner's family members, or the negligent, but not the intentional, acts of the Owner's guests, agents or invitees. The obligation to maintain and repair a fence constructed by Declarant on a Common Area will pass with title to the Common Area to the Association.
- C. MAINTENANCE OF OTHER FENCING BY THE ASSOCIATION. Fencing has or will be erected along the rear property lines and, in some cases, side property lines of lots in Heritage at Towne Lake adjacent to West Road and Greenhouse Road. The fencing that has or will be erected along the rear property lines of lots in Heritage at Towne Lake adjacent to West Road and Greenhouse Road is the responsibility of and will be maintained by the Association. Certain other fencing may be constructed by Declarant or others that abuts Common Area within Heritage at Towne Lake. The Association is also responsible for maintaining and repairing all fencing abutting Common Area within Heritage at Towne Lake. Provided that, the Association's maintenance responsibility under this Section does not include the interior side of the fence. Easements for the benefit of the Association are created and set forth in the "Supplemental and Amended Declaration of Covenants, Conditions and Restrictions for Heritage at Towne Lake (Annexation Section 3) (Amendment)" recorded in the Official Public Records of Real Property in Harris County, Texas on February 16, 2009 under Clerk's File No. 20090059162. An Owner in Heritage at Towne Lake is responsible for any damage to a fence constructed by or at the direction of the Declarant and maintained by the Association which is caused by such Owner or the Owner's family members, or the negligent, but not the intentional, acts of the Owner's guests, agents or invitees. The obligation to maintain and repair a fence constructed by Declarant on

Common Area within Heritage at Towne Lake will pass with title to the Common Area to H. Towne Lake Community Association, Inc.

D. GATES. A gate constructed or installed on a Lot at the time of initial construction of the Residential Dwelling, related Improvements and a gate proposed to be constructed or installed on a Lot after initial construction of the Residential Dwelling and related Improvements on the Lot or a modification of an existing gate must comply with the Guidelines.

SECTION 3.5. GENERAL CONSTRUCTION PROCEDURES

All matters relating to construction, including without limitation, vehicle parking, hours of construction, port-a-cans, and the removal of construction debris, are set forth in the Guidelines.

SECTION 3.6. RESERVATIONS AND EASEMENTS.

- A. UTILITY EASEMENTS. Declarant reserves the utility easements, roads and rights-of-way shown on the Plat for the construction, addition, maintenance and operation of all necessary utility systems including systems of electric light and power supply, telephone service, cable television service, gas supply, water supply and sewer service, including systems for utilization of services resulting from advances in science and technology. There is hereby created an easement upon, across, over and under all of the Community for ingress and egress for the purpose of installing, replacing, repairing and maintaining all utilities. By virtue of this easement, it is expressly permissible for the Utility Companies and other entities supplying services to install and maintain pipes, wires, conduits, service lines, or other utility facilities or appurtenances thereto, under the land within the utility easements now or from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this Section, no utilities or appurtenances thereto may be installed or relocated on the Community until approved by Declarant or the Board.
- B. ADDITIONAL EASEMENTS. Declarant reserves the right to impose further restrictions and dedicate additional easements and roadway rights of way by instrument recorded in the Official Public Records of Real Property of Harris County, Texas or by express provisions in conveyances, with respect to Lots that have not been sold by Declarant.
- C. CHANGES TO EASEMENTS. Declarant reserves the right to make changes in and additions to all easements for the purpose of aiding in the most efficient and economic installation of utility systems.
- D. LAKE EASEMENT. There is hereby created an easement upon, across and over that portion of each Lake other than the Recreational Lake between the property line of an adjacent Lot and the edge of the water within the Lake. The easement is for the benefit of all Owners, their family members, tenants and guests for access for the purpose of enjoying the Lake in accordance with the provisions of this Declaration and any Rules and Regulations adopted and published by the Board of Directors.
- E. MINERAL RIGHTS. By acceptance of a deed to a Lot in the Community, each Owner acknowledges and agrees that title to the Lot conveyed by Declarant does not include, and will not be construed to include, title to any oil, gas, coal, lignite, uranium, iron, ore, or other minerals. Further, by acceptance of a deed to a Lot in the Community, each Owner acknowledges and agrees that title to the Lot conveyed by Declarant does not include, and will not be construed to include, title to any water (surface or underground), gas, sewer, storm sewer, electric light, electric power, or telephone lines, poles, conduits or any utilities or appurtenances thereto

constructed by or under authority of Declarant or by a utility company through, along or within an easement or portion of an easement that serves a Lot or any other property within the Community. Declarant reserves the right to maintain, repair, sell or lease such utilities, lines, facilities and appurtenances to any public service corporation, any governmental agency, or any other party. Further, Declarant reserves the authority to represent all Owners of Lots and other property within the Community with respect to the use of the surface area within the Community for the exploration and production of minerals.

- F. DRAINAGE. Except as shown on the drainage plan for the Community, if any, no Owner of a Lot is 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. It is the intent of this provision to preserve natural drainage; provided that, the provisions of this Section are not applicable to Declarant or Lots contoured or specially graded by Declarant, as provided in Section 3.5.H. of this Declaration. Declarant may, but is not required to, install drainage inlets or underground drains within the utility easement on one or more Lots. If so, no Owner may in any manner obstruct or interfere with such drainage system. If drains are not installed by Declarant, an underground drainage system may be required on each Lot by the Architectural Review Committee to assure proper drainage on the Lot. This Section is not to be construed to impose an obligation upon Declarant to adopt or implement a drainage plan.
- **ELECTRIC DISTRIBUTION SYSTEM.** An electric distribution system will be G. installed in the Community, which service area embraces all of the Lots which are platted in the Community. This electrical distribution system will consist of overhead primary feeder circuits constructed on wood or steel poles, single or three phase, as well as underground primary and secondary circuits, pad mounted or other types of transformers, junction boxes, and such other appurtenances as may be necessary to make underground service available. In the event that there are constructed within the underground residential subdivision structures containing multiple dwelling units such as townhouses, duplexes or apartments, then the underground service area embraces all of the dwelling units involved. The Owner of each Lot containing a single dwelling unit, must, at his or its own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of electric company's metering at the structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company at the property line of each Lot. The electric company furnishing service will make the necessary connections at said point of attachment and at the meter. Declarant has either by designation on the plat of the Community or by separate instrument granted necessary easements to the electric company providing for the installation, maintenance and operation of its electric distribution system and has also granted to the various homeowners reciprocal easements providing for access to the area occupied by and centered on the service wires of the various homeowner's to permit installation, repair and maintenance of each homeowner's owned, and installed service wires. In addition, the Owner of each Lot containing a single dwelling unit, must, at his or its own cost, furnish, install, own and maintain a meter loop (in accordance with the then current Standards and Specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for each dwelling unit involved. For so long as service is maintained, the electric service to each dwelling unit therein must be uniform in character and exclusively of the type known as single phase, 120/240 volt, three wire, 60 cycle, alternating current.

The electric company has installed the electric distribution system at no cost to Declarant (except for certain conduits, where applicable, and except as hereinafter provided) upon Declarant's representation that the Community is being developed for residential dwelling units, consisting solely of homes, all of which are designed to be permanently located where originally constructed which are built for sale or rent.

The provisions of the preceding paragraphs also apply to any future residential development in Towne Lake.

COMMON AREA. With the exception of Perimeter Property adjacent to a Recreational Lake Lot which the Owner of the Recreational Lake Lot is entitled to exclusively use by virtue of a recorded License Agreement, the Common Area is 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 Area (excepting Perimeter Property made the subject of a recorded License Agreement and as limited by any Rules and Regulations) is appurtenant to title to a Lot. The Association has the right to charge a reasonable fee for the use of any facility situated on Common Area. Each Owner, lessee and other occupant of a Lot must observe and comply with any reasonable Rules and Regulations promulgated and published by the Association relating to the Common Area and is deemed to acknowledge and agree that all such Rules and Regulations, if any, are for the mutual and common benefit of all Owners, lessees and other occupants. Declarant has the authority to add Common Area to the Community. With the exception of Perimeter Property which an Owner of a Recreational Lake Lot has the exclusive right to use and, therefore, must maintain, all Common Area will be maintained by the Association. During the Development Period, the Association is authorized to convey Common Area as deemed necessary and appropriate so long as the conveyance of Common Area is in furtherance of the development of the Community. When the Development Period expires, no Common Area may be conveyed by the Association without the written approval of Owners representing not less than seventy-five percent (75%) of the Lots and any attempted conveyance of Common Area without such approval will be void.

ARTICLE IV ARCHITECTURAL APPROVAL

SECTION 4.1. ARCHITECTURAL REVIEW COMMITTEE. The Architectural Review Committee will consist of three (3) members. During the Development Period, Declarant has the exclusive right to appoint all three (3) members of the Architectural Review Committee. Thereafter, the Board will have the right to appoint all members. As long as Declarant has the authority to appoint members of the Architectural Review Committee, members of the Architectural Review Committee may, but need not be, Members of the Association. After Declarant's authority to appoint members of the Architectural Review Committee ceases, members of the Architectural Review Committee must be Members of the Association. Members of the Architectural Review Committee appointed by Declarant may be removed at any time and will serve until resignation or removal by Declarant. Members of the Architectural Review Committee appointed by the Board may be removed at any time by the Board, and will serve for such term as may be designated by the Board or until resignation or removal by the Board.

SECTION 4.2. APPROVAL OF IMPROVEMENTS REQUIRED. Plans for the Residential Dwelling and other Improvements to be initially constructed on a Lot must be submitted to and approved by the Architectural Review Committee in accordance with the submittal process set forth in the Guidelines. Plans for any Improvements to be placed or

constructed on a Lot after the initial construction of the Residential Dwelling, as well as Plans for an addition to or modification of the Residential Dwelling or other Improvement on a Lot, must be submitted to and approved by the Architectural Review Committee in accordance with the submittal process set forth in the Guidelines.

The Architectural Review Committee has the authority to disapprove any Plans on any ground which is consistent with the objectives and purposes of this Declaration, including purely aesthetic considerations; failure to comply with any of the provisions of this Declaration or the Guidelines; 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 general plan and scheme of development for the Community; objection to the location of any proposed Improvement; objection to the landscaping plan for such Lot; objection to the color scheme, finish, proportions, style of architecture, height, bulk or appropriateness of the Residential Dwelling or other Improvement; or any other matter which, in the sole judgment of the Architectural Review Committee, would render the proposed Residential Dwelling or other Improvement inharmonious with the general plan and scheme of development for the Community. The Architectural Review Committee has the authority to approve any submitted Plans with conditions or stipulations by which the Owner of such Lot is obligated to comply and must be incorporated into the Plans for such Residential Dwelling or other Improvement. Approval of Plans by the Architectural Review Committee for Improvements on a particular Lot will not be deemed an approval or otherwise obligate the Architectural Review Committee to approve similar Plans for proposed Improvements for another Lot.

The Association is authorized to charge fees for the review of Plans; the fees may vary depending upon the required scope of the review.

Any revisions, modifications or changes in Plans previously approved by the Architectural Review Committee must be approved by the Architectural Review Committee in the same manner specified above prior to constructing the Improvement on the basis of the proposed revisions, modifications or changes.

If construction a Residential Dwelling or other Improvement has not substantially commenced (e.g., by clearing and grading, pouring of footing and otherwise commencing related construction work) within ninety (90) days of approval by the Architectural Review Committee of the Plans for such Residential Dwelling or other Improvement, then no construction may be commenced (or continued) on such Lot and the Owner of such Lot is required to resubmit all Plans for any Residential Dwelling or other Improvement to be constructed on the Lot to the Architectural Review Committee for approval in the same manner specified above.

SECTION 4.3. FAILURE OF COMMITTEE TO ACT ON PLANS. Any request for approval of a proposed Improvement on a Lot by the submission of appropriate Plans will be deemed to be disapproved by the Architectural Review Committee unless written approval is transmitted to the Owner by the Architectural Review Committee within the time and in the manner specified in the Guidelines. Notwithstanding the written approval of the Architectural Review Committee of Plans for a proposed Improvement, an Owner or Builder is not authorized to construct or maintain an Improvement on a Lot that violates any provision of this Declaration or the Guidelines, the Architectural Review Committee at all times retaining the right to object to an Improvement on a Lot that violates any provision of this Declaration or the Guidelines. After the date that the Board of Directors obtains the authority to appoint the members of the Architectural Review Committee, an applicant will have the right to appeal an adverse decision of the Architectural Review Committee to the Board of Directors. The Board of Directors has the

authority to adopt procedures for appeals of decisions of the Architectural Review Committee. In the event of an appeal, the decision of the Architectural Review Committee will remain in effect during the pendency of the appeal. The decision of the Board of Directors will be conclusive and binding on all parties.

SECTION 4.4. PROSECUTION OF WORK AFTER APPROVAL. After approval of a proposed Improvement on a Lot, the proposed Improvement must be prosecuted diligently and continuously and 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 Plans submitted to and approved by the Architectural Review Committee.

SECTION 4.5. INSPECTION OF WORK. The Architectural Review Committee or its duly authorized representative has the right, but not the obligation, to inspect an Improvement on a Lot before or after completion, provided that the right of inspection will terminate sixty (60) days after the Architectural Review Committee has received a notice of completion from the applicant or, if a notice of completion is not submitted, ninety (90) days after the date that the Architectural Review Committee reasonably concludes that the Improvement has been completed.

SECTION 4.6. NO IMPLIED WAIVER OR ESTOPPEL. No action or failure to act by the Architectural Review Committee or by the Board of Directors will constitute a waiver or estoppel with respect to future action by the Architectural Review Committee or the Board of Directors. Specifically, the approval by the Architectural Review Committee of an Improvement on a Lot will 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 Plans submitted with respect to any other Improvement on a Lot.

SECTION 4.7. 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), 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; provided that, the basis for a variance must be meaningful, not merely for the convenience of the applicant. Such variances must be evidenced in writing and will 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 will be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of a variance will not (a) operate to waive any of the provisions of this Declaration or the Guidelines for any purpose except as to the particular Lot and the particular provision in the Declaration or the Guidelines covered by the variance, (b) affect the jurisdiction of the Architectural Review Committee other than with respect to the subject matter of the variance, or (c) affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned.

SECTION 4.8. COMPENSATION OF ARCHITECTURAL REVIEW COMMITTEE MEMBERS. The members of the Architectural Review Committee are 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, but they may not otherwise be compensated by the Association. The Board of Directors is authorized to engage the Association's managing agent, an architect or another third party to assist in the review of Plans for proposed

Improvements and to compensate such person(s) for their services, as deemed appropriate by the Board of Directors.

SECTION 4.9. ESTOPPEL CERTIFICATES. The Board of Directors, upon the reasonable request of an interested party and after confirming any necessary facts with the Architectural Review Committee, may furnish a certificate with respect to the approval or disapproval of an Improvement on a Lot or with respect to whether an Improvement on a Lot was constructed in compliance with the provisions of this Declaration and the Guidelines. Any person, without actual notice of any falsity or inaccuracy of such a certificate, is entitled to rely on such certificate with respect to all matters set forth therein. The Association is authorized to charge a reasonable fee for the issuance of an estoppel certificate.

SECTION 4.10. NONLIABILITY FOR ARCHITECTURAL REVIEW COMMITTEE ACTION. None of the members of the Architectural Review Committee, the Association, any member of the Board of Directors, or Declarant will 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 a matter, the Architectural Review Committee does not expressly or impliedly 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. It is the responsibility of the Builder or Owner, as applicable to assure that any Improvement is adequately designed and constructed and that the Improvement complies with all applicable building codes and governmental laws and regulations.

SECTION 4.11. CONSTRUCTION PERIOD EXCEPTION. During the course of actual construction of a permitted Improvement on a Lot, and provided construction is proceeding with due diligence, the Architectural Review Committee may temporarily suspend the provisions of Article II set forth in this Declaration as to the Lot 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 may 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 Community.

SECTION 4.12. SUBSURFACE CONDITIONS. The approval of Plans by the Architectural Review Committee for a Residential Dwelling or other Improvement on a Lot will not be construed in any respect as a representation or warranty by the Architectural Review Committee or Declarant 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 Improvement contemplated by such Plans. It is the sole responsibility of each Builder or Owner, as applicable, to determine the suitability and adequacy of the surface and subsurface conditions of a Lot for the construction of any contemplated Improvement thereon.

ARTICLE V MANAGEMENT AND OPERATION OF THE COMMUNITY

SECTION 5.1. MANAGEMENT BY ASSOCIATION. The affairs of the Community will be administered by the Association. The Association has the right, power and authority to provide for the management, administration, and operation of the Community as herein provided for and as provided for in the Certificate of Formation, the Bylaws and the Rules and Regulations. The business and affairs of the Association will be managed by its Board of

Directors. The period of Declarant control of the Association during which Declarant may appoint and remove members of the Board of Directors and officers of the Association is the same as the Development Period. During this period, Declarant will determine the number of Directors and appoint, dismiss and reappoint all of the members of the Board and all officers of the Association. Provided that, regardless of the specified period of Declarant control of the Association, on or before the one hundred twentieth (120th) day after the date seventy-five percent (75%) of the Lots that may be created, as provided in Article I, Section K, of this Declaration, are conveyed to Owners other than Declarant or a Builder, at least one-third (1/3) of the Board of Directors must be elected by Members other than Declarant. The Association, acting through the Board, is entitled to enter into such contracts and agreements concerning the Community as the Board deems reasonably necessary or appropriate to maintain and operate the Community in accordance with the provisions of this Declaration, including without limitation, the right to grant utility and other easements for uses the Board deems appropriate and the right to enter into agreements for maintenance, trash pick-up, repair, administration, patrol services, traffic, operation of recreational facilities, or other matters affecting the Community.

After the expiration of the Development Period, the Association is not prohibited from entering into a contract or agreement with an entity in which Declarant or an officer, director or member of Declarant has a financial interest or a managerial position so long as the material facts of the interest or relationship are disclosed to or known by the Board of Directors of the Association, the contract or agreement is fair to the Association when approved, and the contract or agreement is approved in good faith and with ordinary care by not less than a majority of the Board of Directors of the Association.

SECTION 5.2. MEMBERSHIP IN ASSOCIATION. Each Owner of a Lot, whether one or more persons or entities, will upon and by virtue of becoming such Owner, automatically become and remain a Member of the Association until his ownership ceases for any reason, at which time his membership in the Association will automatically cease. Membership in the Association is mandatory and appurtenant to and will automatically follow the ownership of each Lot and may not be separated from such ownership.

SECTION 5.3. VOTING OF MEMBERS. Subject to any limitations set forth in this Declaration, each Member other than Declarant is a Class A Member entitled to one (1) vote per Lot owned on each matter submitted to a vote of the Members. Declarant is a Class B Member having twenty (20) votes for each Lot owned. No Owner other than Declarant is entitled to vote at any meeting of the Association until such Owner has presented evidence of ownership of a Lot in the Community to the Secretary of the Association. In the event that ownership interests in a Lot are owned by more than one Class A Member of the Association, such Class A Members may exercise their right to vote in such manner as they may among themselves determine, but in no event may more than one (1) vote be cast for each Lot. Such Class A Members may appoint one of them as the Member who is entitled to exercise the vote of that Lot at any meeting of the Association. Such designation must be made in writing to the Board of Directors and will be revocable at any time by actual written notice to the Board. The Board is 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 Class A Member of the Association, and no single Class A Member is designated to vote on behalf of the Class A Members having an ownership interest in such Lot, then the Class A Member exercising the vote for the Lot will be deemed to be designated to vote on behalf of the Class A Members having an ownership interest in the Lot. All Members of the Association may attend meetings of the Association and all Members may exercise their vote at such meetings either in person or proxy. Any person who occupies a Residential Dwelling on a Lot in the Community but is not an Owner may attend meetings of the Association and serve on committees (other than the Architectural Review Committee after the Development Period expires). Fractional votes and split votes are not permitted. Cumulative voting is not permitted.

Class B membership in the Association will cease and be converted to Class A membership when the Development Period expires, or on any earlier date selected by Declarant and evidenced by a written notice recorded in the Official Public Records of Real Property of Harris County, Texas.

SECTION 5.4. MEETINGS OF THE MEMBERS. Annual and special meetings of the Members of the Association will be held at such place and time and on such dates as specified or provided in the Bylaws.

SECTION 5.5. PROFESSIONAL MANAGEMENT. The Board has the authority to retain, hire, employ or contract with such professional management companies or personnel as the Board deems appropriate to perform the day to day functions of the Association and to provide for the management, administration and operation of the Community as provided for in this Declaration and in the Bylaws.

SECTION 5.6. BOARD ACTIONS IN GOOD FAITH. Any action, inaction or omission by the Board made or taken in good faith will not subject the Board or any individual member of the Board to any liability to the Association, its Members or any other party.

SECTION 5.7. IMPLIED RIGHTS; BOARD AUTHORITY. The Association may exercise any right or privilege given to it expressly by the provisions of this Declaration or its Certificate of Formation or Bylaws, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. All rights and powers of the Association may be exercised by the Board of Directors without a vote of the membership except where any provision in this Declaration, the Certificate of Formation, the Bylaws or applicable law specifically requires a vote of the membership.

The Board may institute, defend, settle or intervene on behalf of the Association in litigation, administrative proceedings, binding or non-binding arbitration or mediation in matters pertaining to (a) Common Areas or other areas in which the Association has or assumes responsibility pursuant to the provisions of this Declaration, (b) enforcement of this Declaration, the Rules and Regulations, and the Guidelines or (c) any other civil claim or action. However, no provision in this Declaration or the Certificate of Formation or Bylaws will be construed to create any independent legal duty to institute litigation on behalf of or in the name of the Association.

SECTION 5.8. STANDARD OF CONDUCT. The Board of Directors, the officers of the Association, and the Association have the duty to represent the interests of the Owners in a fair and just manner. Any act or thing done by any Director, officer or committee member taken in furtherance of the purposes of the Association, and accomplished in conformity with the Declaration, Certificate of Formation, Bylaws and the laws of the State of Texas, will be reviewed under the standard of the Business Judgment Rule as established by the common law of Texas, and such act or thing will not be a breach of duty on the part of the Director, officer or committee member if taken or done within the exercise of their discretion and judgment. The Business Judgment Rule means that a court may not substitute its judgment for that of the Director, officer or committee member. A court may not re-examine the decisions made by a Director, officer or committee member by determining the reasonableness of the decision as

long as the decision is made in good faith and in what the Director, officer, or committee member believed to be in the best interest of the Association.

ARTICLE VI MAINTENANCE EXPENSE CHARGE AND MAINTENANCE FUND

SECTION 6.1. MAINTENANCE FUND. All Annual Maintenance Charges collected by the Association and all interest, penalties, late charges, assessments and other sums and revenues collected by the Association constitute the Maintenance Fund. The Maintenance Fund will be held, managed, invested and expended by the Board, at its discretion, for the benefit of the Community and the Owners of Lots therein. The Board may, by way of illustration and not by way of limitation, expend the Maintenance Fund for the administration, management, and operation of the Community; for the maintenance, repair and improvement of the Common Area and the Recreational Lake; for the maintenance of any easements granted to the Association; for the enforcement of the provisions 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 Community and the Lots therein. The Board and its individual members are not 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 6.2. COVENANTS FOR ANNUAL MAINTENANCE CHARGES AND ASSESSMENTS. Subject to Article VI, Section 6.7., below, each and every Lot in the Community is hereby severally subjected to and impressed with an Annual Maintenance Charge in an amount to be determined annually by the Board, which Annual Maintenance Charge will run with the land. Each Owner of a Lot, by accepting a deed to any such Lot, whether or not it 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 Annual Maintenance Charges and other assessments levied against his Lot and/or assessed against him by virtue of his ownership thereof, as the same become due and payable, without demand. The Annual Maintenance Charges and other assessments herein provided for, together with interest, late charges, costs and reasonable attorney's fees, are a charge and a continuing lien upon each Lot, together with all Improvements thereon, as hereinafter more particularly stated. All Annual Maintenance Charges and other assessments, together with interest, late charges, costs, and reasonable attorney's fees, are also the personal obligation of the person who was the Owner of the Lot at the time the obligation to pay the Annual Maintenance Charge or other assessment accrued, but no Member is personally liable for the payment of any Annual Maintenance Charge or other assessment or sums made or becoming due and payable after his ownership ceases. No Member is exempt or excused from paying any such Annual Maintenance Charge or other assessment or sums by waiver of the use or enjoyment of the Common Area, or any part thereof, or by abandonment of his Lot or his interest therein.

SECTION 6.3. BASIS AND MAXIMUM ANNUAL MAINTENANCE CHARGE. Until January 1 of the year immediately following the date this Declaration is recorded in the Official Public Records of Real Property of Harris County, Texas, the maximum Annual Maintenance Charge is \$1,650.00 per Lot. From and after January 1 of the year immediately following the date this Declaration is recorded in the Official Public Records of Real Property of Harris County, Texas, the maximum Annual Maintenance Charge may be automatically increased, effective January 1 of each year, by an amount equal to a fifteen percent (15%) increase over the prior year's

maximum Annual Maintenance Charge without a vote of the Members of the Association. From and after January 1 of the year immediately following the date this Declaration is recorded in the Official Public Records of Real Property of Harris County, Texas, the maximum Annual Maintenance Charge may be increased above fifteen percent (15%) only if approved either (i) in writing by a majority of the Members or (ii) by the vote of not less than two-thirds (2/3) of the Members present and voting, in person or by proxy, at a meeting of the Members called for that purpose at which a quorum is present. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the Annual Maintenance Charge at an amount not in excess of the maximum amount established pursuant to this Section. Except as provided in Section 6.7., the Annual Maintenance Charge levied against each Lot must be uniform.

SECTION 6.4. DATE OF COMMENCEMENT AND DETERMINATION OF ANNUAL MAINTENANCE CHARGE. The initial maximum Annual Maintenance Charge provided for herein will be established as to all Lots on the date this Declaration is recorded in the Official Public Records of Real Property of Harris County, Texas. However, the Annual Maintenance Charge will commence as to each Lot on the date of the conveyance of the Lot by the Declarant and will be prorated according to the number of days remaining in the calendar year. On or before the 30th day of November in each year, the Board of Directors of the Association must fix the amount of the Annual Maintenance Charge 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 Maintenance Charge must be sent to every Owner. Provided that, the failure to fix the amount of an Annual Maintenance Charge or to send written notice thereof to all Owners will not affect the authority of the Association to levy Annual Maintenance Charges or other assessments or to increase Annual Maintenance Charges as provided in this Declaration, nor will the failure to fix the amount of an Annual Maintenance Charge or to send written notice thereof to an Owner relieve the Owner of the obligation to pay Annual Maintenance Charges previously or thereafter levied.

SECTION 6.5. 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 Community or any other purposes contemplated by this Declaration, then the Board has the authority to levy a Special Assessment as it deems necessary to provide for such continued maintenance and operation of the Community. No Special Assessment will be effective until the same is approved either (a) in writing by at least a majority of the Members, or (b) by the vote of not less than two-thirds (2/3) of the Members present and voting, in person or by proxy, at meeting of the Members called for that purpose at which a quorum is present. Special Assessments are payable in the manner determined by the Board and the payment thereof is subject to interest, late charges, costs and attorney's fees and secured by the continuing lien established in this Article, and may be enforced in the manner herein specified for the payment of the Annual Maintenance Charges.

SECTION 6.6. ENFORCEMENT OF ANNUAL MAINTENANCE CHARGE/SUBORDINATION OF LIEN. The Annual Maintenance Charge assessed against each Lot is due and payable, in advance, on the date of the sale of such Lot by Declarant for that portion of the calendar year remaining, and on the first (1st) day of each January. Any Annual Maintenance Charge which is not paid and received by the Association by the thirty-first (31st) day of each January thereafter will be deemed to be delinquent, and, without notice, will bear interest at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, from the date originally due until paid. Further, the Board of Directors of the Association has the

authority to impose a monthly late charge on any delinquent Annual Maintenance Charge. The monthly late charge, if imposed, is in addition to interest. To secure the payment of the Annual Maintenance Charge, Special Assessments, Reserve Assessments (as provided in Section 6.8.) and Neighborhood Assessments (as provided in Section 6.9.) levied hereunder and any other sums due hereunder (including, without limitation, interest, costs, late charges, attorney's fees), there is hereby created and fixed a separate and valid and subsisting lien upon and against each Lot and all Improvements thereon 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 and the superior title herein reserved is deemed subordinate to any Mortgage for the purchase of the Lot and any renewal, extension, rearrangements or refinancing of such purchase money Mortgage. 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, late charges, costs and attorney's fees, will be chargeable to and be a personal obligation of the defaulting Owner. Notice of the lien referred to in the preceding paragraph may, but is not required to, be given by recording in the Official Public Records of Real Property of Harris County, Texas an affidavit executed and acknowledged by a duly authorized representative of the Association, setting forth the name of the Owner or Owners of the affected Lot according to the books and records of the Association, the legal description of such Lot, and the fact that Annual Maintenance Charges and other sums are due on the Lot. The affidavit may, but is not required to, set forth the amount then due. 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); 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 Special Assessments, Reserve Assessments, aforesaid Annual Maintenance Charge, Neighborhood Assessments 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 or Vice President of the Association and filed in the Official Public Records of Real Property 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 is 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 is 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 are required to pay a reasonable rent for the use of such Lot and such occupancy will constitute a tenancy-at-sufferance, and the purchaser at such foreclosure sale is entitled to the appointment of a receiver to collect such rents and, further, is entitled to sue for recovery of possession of such Lot by forcible detainer.

SECTION 6.7. PAYMENT OF ASSESSMENTS BY DECLARANT AND BUILDERS. Lots owned by Declarant are exempt from Annual Maintenance Charges and Special Assessments during the Development Period. Provided that, during the Development Period, Declarant must pay any deficiency in the operating budget, less any portion of the Annual Maintenance Charges deposited in any reserve account established by the Association or otherwise set aside for reserves. A Lot owned by a Builder is subject to Annual Maintenance Charges and Special Assessments at the same rate applicable to Lots other than Lots owned by Declarant.

SECTION 6.8. RESERVE ASSESSMENT. Upon the first sale of a Lot subsequent to the completion of a Residential Dwelling thereon, the purchaser of the Lot is required to pay to the Association a Reserve Assessment in a sum equal to the Annual Maintenance Charge in effect as of the date of closing on the sale of such Lot. 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 will be in default if the Reserve Assessment is not paid on or before the due date for such payment. Reserve Assessments in default will bear interest at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, from the due date until paid. A Reserve Assessment in default is also subject to late charges. 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 Area. 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 VI.

SECTION 6.9. NEIGHBORHOOD ASSESSMENT. If a Neighborhood Assessment is levied against Lots in a particular section of the Community by virtue of the provisions in the annexation document for that section, payment of the Neighborhood Assessment will be secured by the continuing lien created for the benefit of the Association by the provisions of this Article VI. In addition, the Association may enforce payment of the Neighborhood Assessment in the same manner which the Association may enforce payment of the Annual Maintenance Charges and Special Assessments pursuant to this Article VI.

SECTION 6.10. NOTICE OF SUMS OWING. Upon the written request of an Owner, the Association may provide to such Owner a written statement setting out the then current total of all Annual Maintenance Charges, Special Assessments, and other sums, if any, owed 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 is entitled to charge the Owner a reasonable fee for such statement.

SECTION 6.11. FORECLOSURE OF MORTGAGE. In the event of a foreclosure of a Mortgage on a Lot that is superior to the continuing lien created for the benefit of the Association pursuant to this Article, the purchaser at the foreclosure sale is not responsible for Annual Maintenance Charges, Special Assessments, Neighborhood 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 are responsible for Annual Maintenance Charges, Special Assessments, Neighborhood Assessments, and other sums, if any, becoming due and owing to the Association with respect to said Lot after the date of foreclosure.

SECTION 6.12. 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 administrative expense associated with providing information in connection with the sale of a Lot in the Community and changing the ownership records of the Association ("Administrative Fee"). An Administrative Fee must be paid to the Association or the managing agent of the Association, if agreed to 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 Administrative Fee referenced in this Section is a separate and distinct fee than the Foundation Fee referenced in Article IX of this Declaration. The Association also has the authority 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 must 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 VII INSURANCE; SECURITY

SECTION 7.1. GENERAL PROVISIONS. The Board has 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 will be an expense of the Association paid out of the Maintenance Fund.

SECTION 7.2. INDIVIDUAL INSURANCE. Each Owner, lessee or other occupant of a Residential Dwelling is responsible for insuring the Lot, the Residential Dwelling, and other Improvements on the Lot, and contents of and furnishings in the Residential Dwelling and other Improvements on the Lot. Each Owner, lessee or other occupant of a Residential Dwelling is, at his own cost and expense, responsible for insuring against the liability of such Owner, lessee or other occupant.

SECTION 7.3. INDEMNITY OF ASSOCIATION. Each Owner is responsible for any costs incurred as a result of such Owner's negligence or misuse or the negligence or misuse of the Owner's family, tenants, guests, invitees, agents, employees, or any lessee or other occupant of the Owner's Residential Dwelling, and by acceptance of a deed to a Lot does hereby agree to indemnify the Association, its officers, directors and agents, and all other Owners against any such costs.

SECTION 7.4. SECURITY. THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, EMPLOYEES, AGENTS AND ATTORNEYS, ("ASSOCIATION AND RELATED PARTIES") ARE NOT IN ANY WAY TO BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE COMMUNITY. THE ASSOCIATION AND RELATED PARTIES ARE NOT LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR THE INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. OWNERS, LESSEES AND OTHER 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 EQUIPMENT, **PATROL** SERVICES, **SURVEILLANCE** CONTROL SYSTEMS, MONITORING DEVISES OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. OWNERS, LESSEES, AND OTHER 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 OTHER OCCUPANT OF A LOT AND ON BEHALF OF HIMSELF/HERSELF AND HIS/HER GUESTS AND INVITEES ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO RESIDENTIAL DWELLINGS AND TO THE CONTENTS OF THE RESIDENTIAL DWELLING AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION AND RELATED PARTIES HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, LESSEE OR OTHER OCCUPANT ON BEHALF OF HIMSELF/HERSELF AND HIS/HER 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 DEVISES OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE COMMUNITY.

ARTICLE VIII FIRE OR CASUALTY: REBUILDING

SECTION 8.1. REBUILDING. In the event of a fire or other casualty causing damage or destruction to the Residential Dwelling or other Improvement on a Lot, the Owner of such damaged or destroyed Residential Dwelling or Improvement must, within ninety (90) days after such fire or casualty (or such longer period if agreed to in writing by the Board of Directors), contract to repair or reconstruct the damaged portion of Residential Dwelling or Improvement and cause the Residential Dwelling or Improvement to be fully repaired or reconstructed in accordance with the original Plans therefor, or in accordance with new Plans presented to and approved by the Architectural Review Committee, and promptly commence repairing or reconstructing such Residential Dwelling or Improvement, to the end that the Residential Dwelling or Improvement does not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Alternatively, such damaged or destroyed Residential Dwelling or Improvement must be razed and the Lot restored as nearly as possible to its original condition within ninety (90) days of its damage or destruction (or such longer period if agreed to in writing by the Board of Directors). In the event that the repair and reconstruction of the Residential Dwelling or Improvement has not been commenced within ninety (90) days after such fire or casualty (or such longer period if agreed to in writing by the Board of Directors), and the damaged or destroyed Residential Dwelling or Improvement has not been razed and the Lot restored to its original condition, the Association or any contractor engaged by the Association, upon thirty (30) days written notice to the Owner at the Owner's last known mailing address according to the records of the Association, has the authority but not the obligation to enter upon the Lot, raze the Residential Dwelling or Improvement and restore the Lot as nearly as possible to its original condition. Any costs incurred by the Association to raze the Residential Dwelling or Improvement and to restore the Lot to its original condition, plus fifty percent (50%) of such costs for overhead and supervision, will be charged to the Owner's assessment account, secured by the lien created in Article VI of this Declaration and collected in the manner provided in Article VI of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, will begin to accrue on such sum on the thirty-first (31st) day after a written invoice is delivered to the Owner.

ARTICLE IX TOWNE LAKE COMMUNITY SERVICES FOUNDATION, INC.

Declarant has created Towne Lake Community Services Foundation, Inc., a Texas non-profit corporation (the "Foundation"), with the mission and authority to initiate programs, activities, and services to facilitate and enhance community life in Towne Lake. The "First Amended and Restated Community Covenant for Towne Lake" (the "Community Covenant") is recorded in the Official Public Records of Real Property of Harris County, Texas under Clerk's File No. 201000216540. The Community Covenant addresses the Foundation's mission and organization, its activities and funding, and its duration.

Upon the transfer of title to a Lot (unless an exempted transfer as provided in the Community Covenant), a fee is payable to the Foundation (such fee being called the "Foundation Fee"). The maximum amount of the Foundation Fee is set forth in the Community Covenant. The Foundation Fee is payable by the purchaser of the Lot and is due at the time of closing on the transfer of title to the Lot. . Notice is given to all persons of the existence of the Foundation, the obligation of a purchaser of a Lot to pay a Foundation Fee, and the provisions of the Community Covenant.

ARTICLE X DURATION, AMENDMENT, ANNEXATION AND MERGER

SECTION 10.1. DURATION. The provisions of this Declaration will remain in full force and effect until January 1, 2035, and be extended automatically for successive ten (10) year periods; provided however, that the provisions of this Declaration may be terminated on January 1, 2035, or on the commencement of any successive ten (10) year period by filing for record in the Official Public Records of Real Property of Harris County, Texas, an instrument in writing signed by Owners representing not less than seventy-five percent (75%) of the Lots in the Community.

SECTION 10.2. AMENDMENT. For a period of twenty (20) years after the date this Declaration is recorded, Declarant has the authority to amend this Declaration, without the joinder or consent of any other party, so long as an amendment does not materially and adversely affect any substantive rights of the Lot Owners. After the expiration of the twenty (20) year period, Declarant has the right to amend this Declaration, without the joinder or consent of any other party, for the purpose of clarifying or resolving any ambiguities or conflicts herein, correcting any inadvertent misstatements, errors, or omissions, or complying with a change in applicable law; provided, however, any such amendment must be consistent with and in furtherance of the general plan and scheme of development for the Community. In addition, the provisions of this Declaration may be amended at any time by an instrument in writing signed by the Secretary of the Association certifying that Owners representing not less than two-thirds (2/3)

of the Lots have approved such amendment, in writing, setting forth the amendments, and duly recorded in the Official Public Records of Real Property of Harris County, Texas; provided that, during the Development Period, an amendment of this Declaration must also be approved in writing by Declarant. Provided further that, without the joinder of Declarant, no amendment may diminish the rights of or increase the liability of Declarant under this Declaration. In the event that there are multiple Owners of a Lot, the written approval of an amendment to this Declaration may be reflected by the signature of a single co-owner. Any legal challenge to the validity of an amendment to this Declaration must be initiated by filing a suit not later than one (1) year after the date the amendment document is recorded in the Official Public Records of Real Property of Harris County, Texas.

SECTION 10.3. ANNEXATION. Additional land may be annexed and subjected to the provisions of this Declaration by Declarant, without the consent of the Members, within twenty (20) years of the date that this Declaration is recorded in the Official Public Records of Real Property of Harris County, Texas. Thereafter, additional land may be annexed and subjected to the provisions of this Declaration only with the consent of not less than two-thirds (2/3) of the Members of the Association present and voting, in person or by proxy, at a meeting of the Members called for that purpose at which a quorum is present. The annexation of additional land will be effective upon filing of record an annexation instrument in the Official Public Records of Real Property of Harris County, Texas.

Upon annexing additional land, Declarant has the authority, in the annexation document, to impose additional restrictions upon the land being annexed and to modify provisions in this Declaration as such provisions apply to the annexed land, so long as the modifications are substantially consistent with the general plan and scheme of development for the Community as established by this Declaration. Further, Declarant has the authority to amend the provisions of an annexation document for a period of twenty (20) years after the date the annexation document is recorded, without the joinder or consent of any other party, so long as an amendment does not materially and adversely affect any substantive rights of the Lot Owners subject to the annexation document.

SECTION 10.4. 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 Community and filed of record in the Official Public Records of Real Property of Harris County, Texas. Provided that, no land made subject to this Declaration may be deannexed within twenty (20) years of the date this Declaration is recorded without the written consent of Declarant.

SECTION 10.5. MERGER. Upon a merger or consolidation of the Association with another association, the Association's properties, rights, and obligations may be transferred to another 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 will administer the covenants and restrictions applicable to the properties of the merging or consolidating associations as one scheme. No such merger or consolidation will effect any revocation, change or addition to the provisions of this Declaration.

ARTICLE XI MISCELLANEOUS

SECTION 11.1. SEVERABILITY. In the event of the invalidity or partial invalidity or partial unenforceability of any provision in this Declaration, the remainder of the Declaration will remain in full force and effect.

SECTION 11.2. NUMBER AND GENDER. Pronouns, whenever used herein, and of whatever gender, include natural persons and corporations, entities and associations of every kind and character, and the singular will include the plural, and vice versa, whenever and as often as may be appropriate.

SECTION 11.3. ARTICLES AND SECTIONS. Article and section headings in this Declaration are for convenience of reference and do 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 11.4. DELAY IN ENFORCEMENT. No delay in enforcing the provisions of this Declaration with respect to any breach or violation thereof will 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 11.5. LIMITATION OF LIABILITY. Notwithstanding anything provided herein to the contrary, neither the Declarant, the Architectural Review Committee, the Association, nor any agent, employee, representative, member, shareholder, partner, officer or director thereof, 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 submitted, reviewed, or approved in accordance with the provisions of Article IV above, (b) any defects, structural or otherwise, in any work done according to such Plans, (c) the failure to approve or the disapproval of any Plans, or other data submitted by an Owner for approval pursuant to the provisions of Article IV, (d) the construction or performance of any work related to such Plans, (e) bodily injuries (including death) to any Owner, lessee or other occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of any such Owner, lessee or other occupant, or other damage to any Residential Dwelling, Improvement or the personal property of any Owner, lessee or other 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 result of, any defect, structural or otherwise, in a Residential Dwelling or Improvements or the Plans 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 a Lot, Residential Dwelling, or any other Improvements situated thereon.

SECTION 11.6. ENFORCEABILITY. The provisions of this Declaration will run with the Community and be binding upon and inure to the benefit of and be enforceable by Declarant, the Association, each Owner, lessee and other occupant of a Lot in the Community, or any portion thereof, and their respective heirs, legal representatives, successors and assigns. Provided that, only the Association has the authority to enforce the provisions in Article VI of this Declaration relating to the payment of Annual Maintenance Charges and other sums to the Association. If notice and an opportunity to be heard are given as provided by law, the Association is entitled to impose reasonable fines for violations of the provisions of this Declaration, the recorded Rules

and Regulations of the Association and the Guidelines and to collect reimbursement of actual attorney's fees and other reasonable costs incurred by it relating to violations of the provisions of this Declaration, the recorded Rules and Regulations, and the Guidelines. Such fines, fees and costs will be added to the Owner's assessment account, secured by the lien established in Article VI of this Declaration, and collected in the manner provided in Article VI of this Declaration. In the event any one or more persons, firms, corporations or other entities violate or attempt to violate any of the provisions of this Declaration, the Rules and Regulations or the Guidelines Declarant, the Association, each Owner, lessee or other occupant of a Lot within the Community, 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.

SECTION 11.7. INTERPRETATION. The provisions of this Declaration are to be liberally construed to give effect to their purposes and intent.

SECTION 11.8. CERTIFICATES OF COMPLIANCE AND NON-COMPLIANCE. The Association has the authority to adopt and enforce policies and procedures relating to the inspection of Lots prior to sale or conveyance and the issuance of a certification that the Lot is or is not in compliance with the provisions of this Declaration, the Rules and Regulations, and the Guidelines. The Association also has the authority to charge a reasonable fee to the Owner of the Lot for the inspection of the Lot and the issuance of a Certificate of Compliance or Non-Compliance. Provided that, any policies and procedures adopted by the Association will not be effective until recorded in the Official Public Records of Real Property of Harris County, Texas. Provided further that, policies and procedures relating to the inspection of Lots prior to sale or conveyance and the issuance of a certification are not applicable to Lots owned and to be sold and conveyed by Declarant or Lots on which there are no Improvements.

[This space intentionally left blank. Signature page follows]

IN WITNESS WHEREO	F, the undersigned, being	the Declarant herein, has executed this
Declaration on this the 30	day of May	, 2018, to become effective upor
recording in the Official Public I		f Harris County, Texas.

CW SCOA West, L.P. a Texas limited partnership, Declarant

By: CW SCOA WEST, GP, LLC, its General Partner

By: _

Kent Puckett, Vice President

THE STATE OF TEXAS

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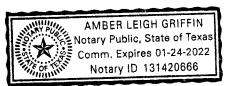
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COUNTY OF HARRIS

§

BEFORE ME, the undersigned Notary Public, on this day personally appeared Kent Puckett, Vice President of CW SCOA WEST, GP, LLC, General Partner of CW SCOA West, L.P., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 30 day of 2018.



Notary Public in and for the State of Texas

Return to: Rick S. Butler Roberts Markel Weinberg Butler Hailey, P.C. 2800 Post Oak Blvd., Suite 5777 Houston, TX 77056 RP-2018-239666
Pages 49
05/31/2018 01:24 PM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
STAN STANART
COUNTY CLERK
Fees \$204.00

RECORDERS MEMORANDUM
This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under federal law.

THE STATE OF TEXAS
COUNTY OF HARRIS
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas.

OF HARRIS COUNTY, THE

COUNTY CLERK HARRIS COUNTY, TEXAS

Stan Stanart