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# FAIRFIELD

APR 15 1988 OF COVENANTS, CONDITIONS, AND RESTRICTIONS

# RESIDENTIAL PROJECTS

THIS DECLARATION is made on March 18,1988

by FRIENDSWOOD DEVELOPMENT COMPANY ("Declarant"), an Arizona corporation, together with those other persons whose names are subscribed to this Declaration (the "subscribers").

Declarant and the subscribers are the owners of property in Harris County, Texas (the "Subdivision") that has been platted and subdivided into the following subdivisions of Harris County, Texas, plats of which are filed in the Map Records of Harris County, Texas, as follows:

Subdivision	Volume	Page	
Fairfield Chappell Ridge Section 1	339	129	42
Fairfield Garden Grove Section 1	339	127	7 X
Fairfield Inwood Park Section 1	339	125	
Fairfield Inwood Park Section 2	339	126	

The Subdivision, together with additional land which may hereafter be made subject to this Declaration and the jurisdiction of the Association (the Subdivision and additional land are referred to in this Declaration collectively as the "Property"), shall be developed, improved, sold, used, and enjoyed in accordance with and subject to the following plan of development, including the covenants, conditions, and restrictions recited in this Declaration, all of which are adopted for and placed upon the Property; shall run with the Property and be binding on all parties who now or hereafter have or claim any right, title, or interest in the Property or any part of the Property, and on the heirs, executors, administrators, successors, and assigns of such parties, regardless of the source of or the manner in which any such right, title, or interest is or may be acquired; and shall inure to the benefit of each owner of any part of the Property.

## I. DEFINITIONS

The following words shall have meanings as assigned to them:

1. Association: the Fairfield Village Community Association Inc., a nonprofit corporation incorporated under the laws of the State of Texas and its successors and assigns.

2. Board: the duly elected board of directors of the Association.

3. Common Area: all real property owned in fee or held by easement by the Association for exclusive common use and enjoyment of the Owners, including areas designated by Declarant to be conveyed by deed or easement to the Association.

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4. Declarant: Friendswood Development Company and its successors and assigns.

5. Equivalent Unit: the unit of property, subject to assessment pursuant to the terms of this Declaration, by which votes in the Association are assigned and assessments are levied, as follows:

- a. Lot: any plot of land shown upon any recorded subdivision map or plat upon which there has been or will be constructed a single-family residence, including plots that have been combined into one composite residential Lot.
- b. Apartment: one living unit of a multi-family project.
- c. Undeveloped Parcel: a tract of land of five acres existing in its undeveloped state.
- d. Developed Parcel: a tract of land of one acre on which paving of streets and construction of water, sewage, and drainage lines have been completed.
- e. Tract: a tract of commercial or institutional land containing 10,000 square feet on which end-use improvements have been completed.

No Equivalent Unit shall contain land designated as Common Area or land exempt from assessment under this Declaration.

Each tract of land other than a Lot or an Apartment shall be assigned Equivalent Units for voting and assessment purposes based on a fraction, the numerator of which is the area contained within that tract and the denominator of which is the area defined by the category assigned to the tract. Each Lot shall be one Equivalent Unit, regardless of size. Each Apartment shall be 3/4 Equivalent Unit, regardless of size.

The determination of which category of Equivalent Unit is assigned to any property shall be made as of January 1 of each year.

6. Member: those persons entitled to membership in the Association as provided in the articles of incorporation of the Association.

7. Owner: the record owner, whether one or more persons or entities, of fee simple title to any property subject to assessment by the Association, but excluding those having an interest in such property merely as security for the performance of an obligation.

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8. Property: the Subdivision and any other land which may hereafter be made subject to this Declaration and the jurisdiction of the Association.

#### II. PLAT; CONDEMNATION

Incorporation of Plat. The plats of the Subdivision 1. dedicate for use as such, subject to the limitations set forth in the plats, certain streets and easements shown on the plats, and the plats further establish certain dedications, limitations, reservations, and restrictions applicable to the Property. All dedications, limitations, reservations, and restrictions shown on the plats, to the extent they apply to the Property, are incorporated in and made a part of this Declaration as if fully set forth in this Declaration, and shall be construed as being adopted in each contract and deed of conveyance executed or to be executed by or on behalf of Declarant or the subscribers, conveying any portion of the Property. The terms of this paragraph shall be understood to apply to any land which may hereafter be made subject to this Declaration and the jurisdiction of the Association, although such additional land will not be shown on the referenced plats.

2. Condemnation. If all or any part of the Common Area is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association and each Owner shall be entitled to participate in the condemnation proceedings at their own expense. The Association shall give timely written notice of the existence of such proceedings to all Owners and to all holders of first mortgages known to the Association by notice to the Association to have an interest in any property subject to assessment. The expense of participation in such proceedings by the Association shall be borne by the Association and paid for out of assessments and charges collected pursuant to Article V of this Declaration. The Association is authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses, and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings.

All damages or awards for any taking shall be deposited with the Association, and damages or awards shall be applied as provided in this Declaration. If an action in eminent domain is brought against a portion of the Common Area, the Association, in addition to its general powers, shall have the sole authority to determine whether to defend or resist any such proceeding; to make any settlement of such proceeding; or to convey such portion of the Property to the condemning authority in lieu of such proceeding. With respect to any taking, all damages and awards shall be determined for the taking as a whole and not for each Owner's interest in the portion sought to be condemned. After the damages or awards for the taking are determined, the damages or awards shall be paid to the Association. The Association, if it deems advisable, may call a meeting of the Owners, at which meeting the

Owners, by a majority vote, shall decide whether to replace or restore, as far as possible, the Common Area so taken or damaged. If it is determined that such Common Area should be replaced or restored by obtaining other land, this Declaration shall be duly amended by instrument executed by the Association on behalf of the Owners.

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## III. PROPERTY RIGHTS

1. <u>Members' Easement of Enjoyment</u>. Every Member shall have a right to and an easement of enjoyment in the Common Area which shall be appurtenant to and pass with the title of all land subject to assessment by the Association, subject to the right of the Association to:

- a. establish operating procedures, rules, and regulations and charge reasonable admission and other fees for the use of any recreational or other facility situated upon the Common Area and regulate the time and circumstances for Members' use of these facilities;
- b. limit the number of Members' guests;
- c. suspend a Member's voting rights and right to use the Common Area and Association's facilities during any period in which the Member is in default in the payment of any assessment levied by this Declaration and the Association and for any infraction of the Association's published rules and regulations; and
- d. dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for purposes and subject to conditions as may be approved by a two-thirds majority of the votes in the Association. Dedication of public utility easements affecting the Common Area may, however, be approved solely by the Board.

2. Delegation of Use. Any Member may delegate the right of enjoyment to the Common Area and Association facilities to a family member, tenant, occupant, or contract purchaser if that person shall reside on the Property, or to a guest, but no transfer shall relieve the Member of responsibility for the actions of persons to whom the right is transferred.

### IV. MEMBERSHIP AND VOTES

1. <u>Membership</u>. Every person or entity who is an Owner of property subject to assessment by this Declaration and the Association shall be a Member of the Association. Persons or entities who hold an interest in the property merely as security for the performance of an obligation shall not, however, be Members. Membership shall be appurtenant to and may not be separated from ownership of the property, which shall be the sole qualification to be a Member.

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2. Votes. In any election of the Association, each Equivalent Unit shall be entitled to one vote, and each fraction of an Equivalent Unit shall be entitled to a fractional vote (as described in the definition of "Equivalent Unit"), regardless of how many persons may be the Owner of each such Equivalent Unit. When more than one person is the Owner of an Equivalent Unit, they shall decide among themselves how their vote shall be cast and shall advise the secretary of the Association of their determination in advance of any meeting at which a vote will be taken. No vote may be cast on behalf of any Equivalent Unit for which any assessment has not been paid in full by the due date set forth in the Declaration or, as applicable, by the Association.

V. COVENANT FOR ASSESSMENTS

1. <u>Creation of the Lien and Personal Obligation of Assess-</u> ments. Declarant and the subscribers covenant, and the Owner of any land subject to assessment by the terms of this Declaration, by acceptance of a deed for the property, whether or not expressed in the deed, is deemed to covenant, to pay to the Association:

- a. annual assessments; and
- b. special assessments.

The obligation to pay assessments, together with late charges and reasonable costs of collection, including counsel fees, shall be a charge upon the property and a continuing and contractual lien upon the property against which each assessment is made and shall run with title to the property.

Each assessment, together with late charges and costs of collection, including counsel fees, shall also be the personal obligation of the Owner of the property at the time that the assessment becomes due, and the Owner's grantee shall be jointly and severally liable for assessments due and payable at the time of conveyance.

2. Purposes of Assessments. Assessments levied by the Association shall be used exclusively for the welfare and benefit of the Property and the Owners, for such purposes as the Association may determine appropriate in accordance with its articles of incorporation and bylaws, including (but not limited to) lighting and cleaning of the major thoroughfares within the Property; maintenance of the Common Area, including buildings, other facilities, greenbelts, and landscape easements conveyed to the Association; maintenance of the rights of way of the major thoroughfares, highways, parkways, and railroads that are within or adjacent to the boundaries of the Property; police and security service; fire protection; mosquito control; garbage and refuse

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collection; recreational programs and facilities; and other services, facilities, and activities as may be in the community's interest.

Except for the Association's use of assessments to perform duties described in this Declaration, the articles of incorporation, and in the bylaws, the use of assessments is permissive and not mandatory. The judgment of the Association as to the expenditure of assessments shall be final and conclusive so long as its judgment is exercised in good faith.

3. Payment and Rate of Annual Assessment. Annual assessments shall commence on the date of this Declaration, shall be prorated for the first year, and are due and payable in advance. Until January 1, 1989, the maximum annual assessment shall be One Hundred Fifty and No/100 Dollars (\$150.00) per Equivalent Unit.

All property subject to assessment that is annexed into the Association after the date of this Declaration, including land owned by Declarant, shall bear the annual assessment from the date of annexation, prorated for the remaining calendar year. The rate of annual assessment for each Lot owned by Declarant upon which construction of the residence has not commenced shall be one-half of the annual assessment.

The Board shall determine and certify annually the category of Equivalent Unit assigned to all property within the jurisdiction of the Association and whether the then current annual assessment is sufficient, insufficient, or excessive to meet the expenses of the Association and, at a meeting of the Board called for such purpose at least thirty days in advance of the assessment period, may, by majority vote, increase or decrease the annual assessment up to an amount equal to the greater of:

a. 10% of the current annual assessment; and

b. the same percentage of the current annual assessment as the year-to-year increase (or, as applicable, the year-to-year decrease) in the United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U)--United States Average (1982-84=100).

If there shall be no Consumer Price Index for All Urban Consumers, then the Board shall designate a comparable successor index.

The Board shall not change the amount of the annual assessment more than once in any calendar year, and no increase shall be retroactive. The annual assessment may be increased by a greater amount by the approval of a 2/3 majority of the votes represented in person or by proxy at a meeting duly called for this purpose.

4. <u>Special Assessments</u>. In addition to the annual assessments, the Association may, in any assessment year, levy one or more special assessments applicable to that year only, to defray, in whole or in part, costs for necessary purposes of the replacement of a capital improvement in the Common Area; counsel fees and the fees of other retained experts; and similar costs that are necessary for the furtherance of the purposes of the Association. No special assessment shall be levied until it has been approved by a 2/3 majority of the votes represented in person or by proxy at a meeting duly called for the purpose of considering the levy of the special assessment.

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Notice and Quorum for Any Action Authorized Under 5. Sections 3 and 4. Written notice of any meeting called for the purpose of raising the annual assessment by an amount that requires the vote of the Owners or of levying a special assessment shall be sent to all Owners not less than thirty days nor more than sixty days in advance of the meeting. At the first meeting called, a guorum shall be sixty percent of the votes in the Association, represented in person or by proxy. If the required quorum is not present at the meeting, a subsequent meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the previous meeting. This procedure may be repeated until a quorum, as reduced, is present at a meeting. No subsequent meeting shall be held more than sixty days following the previous meeting.

6. Determination and Notice of Annual Assessment. The Board shall fix the amount of the annual assessment at least thirty days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner of land subject to assessment, including the due date established by the Board. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessment on specified land has been paid.

7. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty days after the due date shall bear a late charge calculated from the due date at the maximum rate of interest permitted by applicable law. To enforce payment, the Association may bring an action at law against the Owner or Owners personally obligated to pay any assessment, or it may foreclose its lien against the property subject to the assessment. No Owner may waive or otherwise escape liability for an assessment by reason of non-use of the Common Area or abandonment.

To secure payment of the assessments, Declarant and the subscribers reserve, and shall reserve and assign to the Association in each deed by which they shall convey property subject to assessment, and each Owner, by acceptance of the property shall be deemed to have granted the Association, a vendor's lien and a continuing and contractual lien enforceable through judicial proceedings. If any Owner shall fail to pay any assessment, the Association may, in addition to foreclosing its liens and exercising the remedies provided in this Declaration and upon ten days prior written notice to the nonpaying Owner, exercise any other rights and remedies available at law or in equity. The liens are assignable by the Association in whole or in part.

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8. Notice of Lien. In addition to any other enforcement right that the Association may have, the Association may file a notice of claim or lien in the Official Public Records of Real Property of Harris County, Texas. The notice shall state the legal description of the property against which the claim or lien is made, the name(s) of the Owner(s), the amount of the claim or lien, and the accrued late charges and costs of collection and shall be signed and acknowledged by an officer of the Association. The claim or lien shall continue until the amounts claimed and all subsequently accruing amounts shall be fully paid or otherwise satisfied. When all claims have been satisfied, the Association shall execute and record a notice releasing the claim or lien and shall charge a reasonable fee for the preparation and recording of the release.

9. Subordination of the Lien to Mortgages. The assessment lien shall be subordinate to the lien of any first mortgage given for the purpose of purchase or improvements on the property subject to assessment. Mortgagees shall not be required by this Declaration to collect assessments from Owners, and the failure to pay assessments shall not by the terms of this Declaration constitute a default under a mortgage. Except in the event of the foreclosure of mortgages that are guaranteed or insured by an agency of the federal government or any proceeding in lieu of such foreclosure, the sale or transfer of any property subject to assessment, including the sale or transfer by mortgage foreclosure or any proceeding in lieu of foreclosure, shall extinguish neither the assessment lien nor payments which became due prior to the sale or transfer.

10. Exempt Properties. All property dedicated to and accepted by a political subdivision of the State of Texas or a municipal authority and all properties owned by charitable or non-profit organizations exempt from taxation by the laws of the State of Texas shall be exempt from the assessments created by this Declaration, except that no property or improvements devoted to dwelling use shall be exempt from assessment. The Board may make other exceptions when, in its sole determination, the exemption of the property from assessment is in the best interests of the Association.

11. Addition to the Property. Additional land may be annexed by declaration without consent of the Members within ten years of the date of this Declaration, provided that the Federal Housing Administration and Veterans Administration have determined that the annexation is in accord with the general plan previously approved by them. Addition or annexation shall be accomplished by execution by Declarant and on behalf of the Federal Housing Administration and Veterans Administration and filing for record an instrument describing the land added or annexed.

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12. Deannexation of Land from the Association. Land previously added or annexed into the Association and made subject to this Declaration may be deannexed by an instrument signed and acknowledged on behalf of not less than 2/3 of the votes in the Association and filed in the Official Public Records of Real Property of Harris County, Texas.

#### VI. GENERAL PROVISIONS

1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceedings at law or in equity, any provision of this Declaration, as it may be amended from time to time. Failure by the Association or any Owner to enforce any provision of this Declaration shall not constitute a waiver of the right to enforce such provision or any other provision of this Declaration at a later date.

2. <u>Severability</u>. Invalidation of any term of this Declaration shall not affect the validity of any other provision, which shall all remain in full force and effect.

3. Duration; Amendment. The provisions of this Declaration shall run with and bind the Property for a term of twenty-five years from this date, after which time this Declaration shall be automatically extended for successive periods of ten years.

This Declaration may be amended during the first twenty-five year period by an instrument signed by a sufficient number of Owners representing not less than 2/3 of the votes in the Association and thereafter by an instrument signed by a sufficient number of Owners representing not less than fifty percent of the votes. All amendments shall be recorded in the Official Public Records of Real Property of Harris County, Texas.

Notwithstanding the above, for so long as Declarant holds out for sale any property subject to assessment, Declarant may, without joinder or consent of any Owner or mortgagee, amend this Declaration by an instrument in writing, duly signed, acknowledged, and filed for record, to resolve or clarify any ambiguities or conflicts in this Declaration; correct any inadvertent misstatements, errors, or omissions; or comply with the requirements of Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veteran's Administration, or Federal Housing Administration; provided that no such amendment shall change the vested property rights of any Owner, except as otherwise provided in this Declaration.

4. Books and Records. The books, records, and papers of the Association shall be subject to inspection by any Member during

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reasonable business hours and upon prior notice to the Association. The articles of incorporation, bylaws, and this Declaration shall likewise be available for inspection by any Member at the office of the Association.

5. Notice. Any notice required to be sent to any Owner pursuant to this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person(s) who appears as Owner on the records of the Association at the time of the mailing.

6. <u>Good Faith Lender's Clause</u>. No violation of this Declaration shall affect any lien or deed of trust of record upon any property subject to assessment or any part of the property, when held in good faith. These liens may be enforced in due course, subject to the provisions of this Declaration.

7. Mergers. If the Association shall merge or consolidate with another association as provided in the articles of incorporation, then the Association's properties, assets, rights, and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, assets, rights, and obligations of another association may be transferred to the Association as a surviving corporation. The surviving or consolidated association shall administer any restrictions, together with any declarations of covenants, conditions, and restrictions governing these and any other properties, under one administration. No merger or consolidation shall cause any revocation, change, or addition to this Declaration.

8. Conflict With Deeds of Conveyance; Declarant's Rights. If any part of this Declaration shall be in conflict with any term of a previously recorded deed of conveyance to any portion of the Property, the term of the prior deed of conveyance shall govern, but only to the extent of such conflict. Where rights are reserved to Declarant by the restrictions of this Declaration, Declarant reserves the right to modify such restrictions as necessary in subsequent deeds of conveyance, in which case the terms of the deeds of conveyance shall prevail.

9. VA, FHA Approvals. As long as Declarant controls a majority of the votes in the Association, approval of the Federal Housing Administration and/or the Veterans Administration shall be required prior to an increase in the annual assessment in an amount greater than that prescribed in Section V.3.a,b of the Declaration; the levy of a special assessment; the annexation of additional properties; deannexation of land from the Association; dedication or mortgaging of the Common Area; amendment of this Declaration; and merger, consolidation, or dissolution of the Association.

Declarant and the subscribers have executed this Declaration on the date of the acknowledgment below, to be effective on the date first written, which shall be the date of this Declaration for all purposes.

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FRIENDSWOOD DEVELOPMENT COMPANY, as Declarant

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Robert F. Bradley Vice President

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PERRY BUILDERS, INC., as Subscriber By Friendswood Development Company, its attorney-in-fact pursuant to power of attorney filed under Clerk's File No. L519692 in the Official Public Records of Real Property of Harris County, Texas

By *Cobat 2 Dradl* Robert F. Brad

Robert F. Bradley Vice President

PULTE HOME CORPORATION OF TEXAS, as Subscriber By Friendswood Development Company, its attorney-in-fact pursuant to power of attorney filed under Clerk's File No. L550428 in the Official Public Records of Real Property of Harris County, Texas

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Robert F. Braddey Vice President

THE RYLAND GROUP, INC., as Subscriber By Friendswood Development Company, its attorney-in-fact pursuant to power of attorney filed under Clerk's File No. L531570 in the Official Public Records of Real Property of Harris County, Texas

Robert F. Bradley

Vice President

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10-WEEKLEY HOMES, INC., as Subscriber By Friendswood Development Company, its attorney-in-fact pursuant to power of attorney filed under Clerk's File No. L517814 in the Official Public Records of Real Property of Harris County, Texas

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Vice President

STATE OF TEXAS S S COUNTY OF HARRIS S

This instrument was acknowledged before me on 3-18-88by Robert F. Bradley, vice president of Friendswood Development Company, an Arizona corporation, on behalf of said corporation and in its capacity as attorney-in-fact pursuant to the powers of attorney referenced in this instrument.

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LINDA D. BRISCOE Notary Public, State of Texas

My Commission Expires 7-18-1990

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ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROFERTY BECAUSE OF COLOR OR RACE IS INVALUE AND UNENFORCEABLE UNDER FEDERAL LAW THE STATE OF TEXAS  $\}$  COUNTY OF HARRIS J hereby cartify 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 for a control for a County, Texas on

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COUNTY CLERK HARRIS COUNTY, TEXAS

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