AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LAKE LORRAINE SUBDIVISION

THE STATE OF TEXAS

COUNTY OF MONTGOMERY

This Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Lake Lorraine Subdivision (hereinafter referred to as the "Declaration"), a Subdivision of ninety-seven acres of land situated in the William Atkins Survey, Abstract No. 3, and duly filed for record under Clerk's File No. 166473, in Volume 6, Page 45, of the Map Records of Montgomery County, Texas (the "Property" or "Subdivision"), made on the date hereinafter set forth by the signatories to this document set forth below (such parties being the "Majority Owners").

WITNESSETH:

WHEREAS, the Trustees of the T.E. Weisinger Estate, Declarant, executed certain restrictions and covenants pertaining to Lake Lorraine Subdivision in Montgomery County, Texas ("Original Declaration"), dated June 16, 1964, recorded under Clerk's File No. 167789, in the real property records of Montgomery County, Texas; and

WHEREAS, the Lake Lorraine Civic Organization, Inc. ("Association"), a Texas non-profit corporation, was formed by the filing of its Articles of Incorporation, on October 14, 1986, in the Office of the Secretary of State of Texas, as the property owners association for Lake Lorraine Subdivision, for the purposes set forth in the Articles of Incorporation; and

WHEREAS, the Original Declaration provides in relevant part, that in order to change or amend the Original Declaration, an instrument shall be signed by a majority of the owners of the lots, and said instrument shall be recorded; and

WHEREAS, the undersigned lot owners in the Subdivision, being at least a majority of the owners of the lots ("Majority Owners"), desire to modify and amend the Original Declaration.

NOW, THEREFORE, in consideration of the premises and for the purpose of amending, continuing in effect and carrying out the purposes of enhancing and protecting values and desirability of the property contained within said LAKE LORRAINE SUBDIVISION, the undersigned lot owners and the Association hereby execute the Declaration, which shall amend and supplant the Original Declaration in its entirety, and in doing so, the undersigned lot owners and the Association hereby adopt, establish, promulgate, and impress upon the Property, as defined in the Original Declaration, the restrictions and covenants set forth hereinafter, and further agree that all of said property be held, sold, conveyed, occupied, and enjoyed subject to the following easements, restrictions, covenants, and conditions, all of which shall run with, and be binding upon, the Property, and all of which shall be binding upon all parties having any right, title, or interest in the Property, or any part thereof, and their respective heirs,

successors, and assigns.

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ARTICLE 1 - Dwellings & Buildings

1.1 Lot Purpose

No platted lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any residential lot other than one detached single-family dwelling, not to exceed two and one-half stories in height.

1.2 Attached Garages

Attached garages may have a total of 2 garage doors on the front. They may include one double garage door and one single garage door on the front, not to exceed standard sizes listed herein: 16' x 7', or 16' x 8', 16' x 9' overhead garage doors. One standard size walk through door is permitted in the front each attached garage. A third roll up door shall be permitted on the rear elevation of each attached garage, provided the door is concealed from public view and does not exceed standard sizes listed herein: 16' x 7', or 16' x 8', 16' x 9' overhead garage doors.

1.3 Detached Garages

Detached garages are permitted provided they are limited to one in quantity. Only two garage doors shall be permitted on the front, and it may include one double garage door and one single garage door on the front, not to exceed standard sizes listed herein: 16' x 7', or 16' x 8', 16' x 9' overhead garage doors. One standard size walk through door is permitted in the front each detached garage. A third roll up door shall be permitted on the rear elevation of each detached garage, provided the door is concealed from public view and does not exceed standard sizes listed herein: 16' x 7', or 16' x 8', 16' x 9' overhead garage doors. Any extra concrete work necessary on a side lot will have to meet all setbacks lines applicable to the Subdivision. Detached garage slabs and foundations shall not exceed a 32' width on the front elevation. All detached garage walls must make up a portion of the 60 % masonry combination required in Article I.5. of the Declaration.

1.4 Architectural Plan Approval

No building shall be erected, placed, or altered on any lot until the construction plans, specifications, and a plan showing the location of the structure have been approved by the Architectural Control Committee (the "ACC") hereinafter defined and designated, as to quality or workmanship and materials, harmony of external design with existing structures, and as to location with respect to topography and finish grade elevation. ACC plans submitted for approval shall contain two copies of a professionally prepared drawing for new construction. Additions to homes or the construction of additional structures on a lot shall contain drawings showing the existing dwelling on the lot, along with the additional improvements being constructed, together with fences and accessory buildings. No rough sketches or hand drawings shall be permitted. No fence, wall, hedge or radio, or television aerials shall be built nearer to any street than the minimum building set-back line applicable to the lot.

1.5 Dwelling Size and Materials

No dwelling shall be permitted on any lot unless the area of the main structure, exclusive of porches and garages, shall contain at least 2000 square feet. The outside covering must be at least 60% masonry combination. The house and garage together, must complete the 60% masonry combination requirement hereunder. The dwelling shall not be 100% brick, and the garage may include cement board siding. Masonry shall be construed to permit brick, stucco, or stone. Cultured stone from concrete would be considered masonry if it is installed as traditional stone with masonry mortar. Cultured stone shall include any type of product that is manufactured from a cement based product such as concrete. Synthetic cultured stone made from any product that is not cement based is not acceptable. An example would be a resin based product. cultured stone, or natural stacked stone is considered masonry. Synthetic Stucco, or EFIS, is not an acceptable substitute for masonry. Cement board siding shall not considered masonry. No material is considered masonry that is not set with masonry mortar except stacked, or cultured stone that is set without grout mortar. All other material not described above must be considered by the ACC. The ACC has the right to deny approval for any material not listed herein. All new construction shall be on a slab foundation, and foundations shall be poured above grade. The ACC recommends a minimum of 6" above existing grade elevation for new foundations.

1.6 Set Back Lines

No building, including storage buildings and accessory buildings, shall be located on any lot nearer to the front lot line, or nearer to the side lot line, than the minimum building set-back lines shown on the recorded plat. In any event, no building shall be located on any lot, nearer than twenty-five feet to the front lot line, or nearer than ten feet to any side lot line. No building shall be located nearer than five feet to any interior lot line, except that a three foot side yard shall be required for a garage or other permitted accessory building located seventy feet or more from the front property line. This interior lot line setback does not apply to the middle lot line when

building on two or more adjacent lots. No single family residence shall be located on any interior lot nearer than twenty-five feet to the rear lot line.

1.7 Lot Size

No dwelling shall be erected on any re-subdivided lot of less size than the smallest lot in the Subdivision, as reflected by the recorded plat thereof. No lot shall be re-subdivided into a lot having an area less than the smallest lot in the Subdivision as reflected by said plat.

1.8 Easements

Easements for installation and maintenance of public utilities, as shown on the recorded plat and in the dedication thereof, are hereby reserved and dedicated for such uses.

1.9 Construction Time Limitations

With reasonable diligence, and in all events within six (6) months from the commencement of construction (unless completion is prevented by war, strikes, or act of God), any dwelling commenced shall be completed as to its exterior, and all temporary structures shall be removed.

1.10 Drainage

Houses built on hills, or low areas with significant slope should be addressed to the ACC, and Montgomery County with an appropriate plan for drainage. It is the lot owners responsibility to make sure any new structure(s) does not affect the drainage of an existing structure above, or below, the property under construction. A drainage plan, and direction of flow should show existing conditions, and changes in water flow by the land owner. The proper precinct should be notified to correspond with any work, in, or around a drainage ditch. Any alterations of the drainage ditches should be planned with Montgomery County, not the ACC.

1.11 Roof Specifications

All new construction and roof replacement shall be an architectural profile with all colors being approved by the ACC. Painted shingles are not acceptable. Metal roof colors shall be approved by the ACC. (See Article?)

1.12 Exterior Paint Color

All paint colors on new residences must be submitted with blue prints or provided to the ACC at least 30 days before the completion of the new home. Changing colors on an existing home must

be approved by the ACC. (See Article?)

1.13 Driveways

All new driveways shall be poured concrete with a minimum of #3 rebar tied on 12" centers in both directions forming a mat. Driveways should be a minimum of 4" of concrete. All driveways replaced shall be poured concrete, and in accordance with the materials described herein.

1.14 Fences

The following fences are permitted in the Subdivision: Galvanized (Hurricane, Cyclone) chain link, Cedar picket, Treated Picket or any other type of lumber intended for use as an outdoor fence picket. Vinyl fences shall be approved by the ACC. Side and back yard fence heights should not exceed 8' in height. All fences shall be approved by the ACC. No privacy fences are permitted on the front of homes, and homes with a side lot must not block site lines described herein. (See Article 2.7)

1.15 Drainage - Driveways

Drainage structures under private driveways shall have a net drainage opening of 18 inches minimum size to permit the free flow of water without backwater. Any lot owners not using culverts must have documentation in writing from Montgomery County justifying omission of a culvert. This document will be maintained in the permanent Association files.

1.16 Storage Buildings

One single story storage building not to exceed 252 square feet with a ceiling height not to exceed 8' on the interior with a roof pitch not to exceed 5/12 shall be permitted on each lot. The storage building shall be located on the rear elevation of the lot, and shall be professionally installed and shall be approved by the ACC

ARTICLE II - Restricted Activities

2.1 Offensive Activity

No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be, or may become an annoyance or nuisance to the neighborhood. Barking dogs, and loud music shall be considered noxious or offensive, and shall be prohibited on any lot.

2.2 Temporary Structures

No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other building shall be used on any lot, at any time as a residence, either temporarily or permanently.

2.3 Signs

Except as expressly provided herein, no sign of any kind shall be displayed to the public view on any lot except one sign of not more than five square feet, advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period. School spirit signs are permitted, not to exceed three signs.

2.4 Drilling Restrictions

No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon, or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil, or natural gas shall be erected, maintained, or permitted upon any lot. No water well shall be dug, or drilled, or permitted upon any lot.

2.5 Livestock

No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot, except dogs, cats, or other common household pet may be kept, provided that they are not kept, bred or maintained for any commercial purpose. Dogs shall be kept leashed and under the Owner's control at all times, and shall not be permitted to run free in the Subdivision.

2.6 Dumping

No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage, or disposal of such material shall be kept in a clean and sanitary condition, and should any such lot owner fail to do so, the Association shall have the right to give such lot owner twenty (20) days written notice, and within twenty(20) days after receipt of such notice, the Association shall have the right to have such lot made clean and sanitary, and the cost of the same shall become a valid obligation by such lot owner to the Association.

2.7 Sight Lines

No fence, wall, hedge, or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadway shall be placed or permitted to remain on any corner lot within the

triangular area formed by the street property lines, and a line connecting them at points 25 feet from the intersections of the street lines, or in the case of a rounded property corner, from the intersections of street property line extended. The same sight line limitations shall apply on any lot within 10 feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain with such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

2.8 Sewage facilities

No outside, or pit toilets shall be erected, constructed, or placed on the lots at any time, except that during construction a temporary facility shall be required and it shall be maintained regularly.

2.9 Sewage

All sewage shall be handled by connections to a sewage system if and when available. Until such time as a sewage system is made available, sewage shall be handled by an approved on-site waste water system.

2.10 Carport

If open carports are used, no unsightly storage shall be permitted therein that is visible from the street. This shall include, but not be limited to, vehicles of any type, and boats.

2.11 Trailers

Trailers of any type, including those used for the purpose of carrying materials, defined as a utility trailer, cannot be kept on driveways, or in public view, unless they are being used on consecutive days. Trailers not being used on consecutive days shall be kept out of public view. Trailers in use on consecutive days shall be used by the owner on their lot; and, if a trailer is used on a lot for consecutive days in excess of five (5) days, the owner shall notify the Board of Directors and obtain approval for days in excess of those permitted. Boats, RV's, campers, travel trailers, and other such vehicles shall not be kept on any lot except in enclosed garages, or out of the public view. Boats, RV's, campers, travel trailers, and other such vehicles that are not kept in a garage shall not be visible in public view behind fences. Boats, RV's, campers, travel trailers, and other such vehicles may be kept in the driveway for long holidays, but in no event, shall these items remain on any lot for period exceeding ninety-six (96) consecutive hours. Any lot owner or resident parking a boat, RV, camper, travel trailer, and/or other such vehicle during the time period permitted herein shall notify the Association. Off-street parking should be arranged for all such vehicles in the Subdivision. No such vehicle shall block the flow of traffic on any public street.

2.12 Parking

Both prior to and after the occupancy of a dwelling on any lot, the owner shall provide appropriate space for off-the-street parking for vehicles. Owners will be asked to provide additional off street parking if this problem persists. Additional off street parking is only acceptable on a concrete driveway. The lot owner shall install any additional parking in accordance with the Declaration and in accordance with existing setback lines.

2.13 Building Material Storage

No building material of any kind shall be kept or stored upon any lot except during construction, and then, such materials shall be placed within the property lines of the lot on which the improvements are being erected.

2.14 Trash

All property owners shall use good judgment regarding trash, tree limbs, and leaf burning. No toxic or offensive activity shall be carried on as to cause a nuisance, health or fire hazard to any property owner.

2.15 Hunting

No hunting shall be permitted on any part, or portion of the Subdivision including the Lake at any time, and no firearms shall be fired upon any part, or portion of the Subdivision. No firearms of any kind, including pellet guns are to be discharged within the Subdivision.

2.16 Off Road Equipment

No dirt or motor bikes shall be allowed on Subdivision property.

2.17 Pets

Dogs and cats may be kept as pets by property owners, provided they are kept under control, and do not roam free in the Subdivision. No dogs or cats shall be bred or raised for commercial purposes. Property owners shall be restricted to any combination of cats or dogs for a total of three (3) pets.

ARTICLE III - The Lake

3.1 Fishing Rights

All lot owners within the Subdivision shall have access to, and fishing rights in the Lake situated upon the Subdivision. Guest will be permitted to fish without the owner present. The lot owner shall be home during any time a guest is utilizing the Lake. If the lot owner has not built a home, the owner must be present with any guests. It is the lot owners responsibility to make sure guest clean up after using the greenbelt and the Lake.

3.2 Fishing Privileges

The Association may suspend any lot owner's Subdivision privileges, as permitted by applicable law. These privileges will include the use of Lake Lorraine, the greenbelt that outlines the Lake, and the use of the boat ramp and parking area of the boat ramp. The decision to suspend must be made with the approval of the majority of the Board members of the Association. Any privileges suspended shall not exceed more than 30 days. Any resident, or lot owner having privileges suspended shall be notified verbally, and in writing signed by the Association.

3.3 Gasoline Motors

No gasoline outboard or gasoline inboard motors, or any other type of motors that use fuel for combustion, shall be permitted on the lake situated in the Subdivision, and only electric motors shall be used to propel boats or other water craft.

3.4 Trot Lines

Only one(1) trot line of the not more than 25 hooks shall ever be placed in said Lake by any owner. Line should not be left in position for over 24 hours. If line remains in position for over 24 hours, property owners have the right to lower one end of the trot line to Lake Bottom to prevent trot line from being a nuisance to bait caster and boats.

3.5 Fish Release

No person shall release fish into the Lake unless permission is obtained from the Board of Directors regarding game fish.

3.5 Chemical Release

No person shall release chemicals into the Lake unless permission is obtained from the Board of Directors.

3.6 Minnows

Members shall refrain from releasing their fishing minnows into the Lake.

3.7 Pest Removal

Boats from other bodies of water should be washed with detergent before being launched into Lake Lorraine.

3.8 Marina

The Lake Lorraine Civic Organization, Inc. marina shall be under control of the Board of Directors. The marina is for the exclusive use of property owners and their guests. Guests will contact property owners prior to launching a boat and property owner shall accompany their guest to the launch site. A note indicating the owner's lot number shall be placed under the windshield wiper of the auto launching the boat. After launching the boat, the gate will be closed across the launch area and secured.

3.9 Trespassers

All property owners have the right and obligation to order trespassers off the Lake area, and if necessary to call the Sheriff's Department to do so.

3.10 Piers

No member shall begin pier construction or erect a new pier until he has notified the Board of Directors of the construction and proposed location for the pier and has received written permission of the Architectural Committee Construction approved copy to be on the Tile. Piers shall not be more than twelve feet in length and may be used by any member. The length of 12' shall begin at the most level part of the shoreline. No pier shall be constructed closer than 24' from adjacent piers. After launching the boat, the gate will be closed across the launch area and secured.

3.11 Liability

All parties using the Lake shall do so at their own risk and benefit and Lake Lorraine

Organization, Inc., or any of the Officers, Directors or any property owner shall not assume liability by reason of the use of said Lake.

ARTICLE IV - Maintenance

4.1 Lot Maintenance

Each lot owner shall be required to keep his/her lot(s) clean and in a sanitary condition, and should any owner fail to do so, then the Board of Directors have the right to give said owner 15 days written notice to place such lot(s) in a clean and satisfactory condition, and should he/she fail to do so, the Board of Directors have the right to have such lot(s) made clean and sanitary and the cost of the same shall be a valid obligation of the property owner. The recourse available to the Subdivision to recover any expense and lawyers fee shall be made in Small Claims Court, Property Lien or Homestead Foreclosure. There is no 15 day written notice on vacant lots for debris or grass mowing. Vacant lot owners are notified in writing annually, their lots must be maintained, free of debris and grass not to exceed 12" in height. Owners must acknowledge in writing they will maintain their lots and understand the deed restrictions. The Board of Directors, at its discretion, can have any vacant lot maintained with the current rate the Subdivision charges to maintain single vacant lots. Double lots are charged as such.

4.2 Mowing

All lots must be mowed, weeded, and maintained before grass and/or weeds exceed 12" in height and all lots shall be kept free of debris, such as fallen trees and limbs. The Association may enter a lot, without liability for trespass, to mow and maintain any lot not being kept in accordance with the Declaration. Any charges incurred by the Association in exercising this self help remedy shall be reimbursed by the lot to the Association.

ARTICLE V - ARCHITECTURAL CONTROL COMMITTEE

5.1 Appointment

The Architectural Control Committee shall be appointed by the Lake Lorraine Civic organization Board of Directors. In the event of death or resignation of any member of the Committee, the Lake Lorraine Civic Organization Board of Directors shall have full authority to designate a successor. Neither the members of the Committee, nor its designated representative shall be entitled to any compensation for service performed pursuant to this covenant. At any time, the then record owners of a majority of the lots shall have the power through a duly recorded written instrument to change the membership of the Committee or to withdraw from the Committee or

restore to it any of its powers and duties.

5.2 Approval Form

The Committee's approval or disapproval as required in these covenants shall be in writing. In the event the Committee, or designated representatives, fail to approve, or disapprove within thirty days after the plans and specification have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with.

5.3 Standards

The Board of Directors may promulgate reasonable minimum construction standards and other architectural guidelines to govern the appearance of structures within the Subdivision.

ARTICLE 6 - ASSOCIATION MEMBERSHIP

Every person or entity who is a record Owner of any Lot in the Subdivision or in any of the Properties which are subject, or which may hereafter be subject, to the Association shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation or those having only an interest in the mineral estate. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of the Lot or other Property. Membership shall automatically pass with the title to the Lot or other Property. Ownership of such land shall be the sole qualification for membership.

ARTICLE VII - ANNUAL MAINTENANCE ASSESSMENTS

7.1 Maintenance Assessment

There is hereby imposed on each Lot within the Subdivision and each Owner of any Lot by acceptance of a deed, contract or other conveyance thereto, whether or not it shall be so expressed in such deed contract or other conveyance, is deemed to covenant and agree to pay the Association the following: (1) annual assessments or charges; and (2) special assessments for

capital improvements; such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, late charges, costs and reasonable attorney's fees, shall be a charge on the land. Each such assessment, together with any accrued interest and all collection costs and reasonable attorney's fees incurred to enforce payment thereof, shall be the personal obligation of the person or entity owning such Lot at the time when each assessment becomes due and payable. No foreclosure or sale or transfer in lieu thereof covering any Lot shall relieve the purchaser or transferee thereof from liability for any assessments thereafter becoming due and payable. Nothing herein shall be construed as to require mortgagees to collect or monitor the collection of maintenance assessments from mortgagors. The failure to pay maintenance assessments shall not constitute a default under any mortgage.

7.2 Assessment Fees Uses

The assessments levied and payable to the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and for improvement, beautification, maintenance, management and operation of any Properties located within the jurisdiction of the Association. The Association may apply the maintenance fund, so far as the same may be sufficient or required, towards the payment of expenses incurred for any or all of the following purposes, to include by way of illustration but not limitation, providing patrol or watchman service; providing and maintaining sign lighting; fogging for insect control; maintaining drainage and detention easements and facilities; collecting and disposing of garbage, ashes, rubbish and the like; caring for vacant Lots upon the Owner's failure or neglect to do so; payment of legal and all other expenses incurred in connection with the collection, enforcement and administration of the "Maintenance Fund", and the enforcement of all covenants and restrictions for the Properties; maintenance of all water detention ponds and other drainage facilities within the Properties; maintaining and improving entryway signage and related lighting; payment of electrical billing; procuring and maintaining insurance policies; conducting annual picnics or barbeques; and doing any other manner of things necessary or desirable in the opinion of the Association to keep the Properties neat and in good order, or which it considers to be of general benefit to the Owners or occupants of the Properties. The judgment of the Association in the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith. The foregoing enumeration of the purposes of the assessments shall not be deemed to require the Association to use the funds derived from such assessments for any one or more of such purposes or to require that any particular amount of funds be expended for any particular purpose.

7.3 Assessment Fees Amount

Each Lot within the Subdivision, except as herein below provided, will be assessed and shall pay to the Association the annual maintenance charge for the purpose of creating a fund to be known as the "Lake Lorraine Subdivision Maintenance Fund" to be paid annually in advance. The annual maintenance assessment shall initially be set at \$200.00 per lot. The annual

assessment shall be prescribed and voted by the Board of Directors at the annual meeting. The Board of Directors of the Association may increase or decrease the amount of the annual assessment each year; provided however, that any such increase in the assessment amount exceeding ten (10%) more than the previous year's assessment shall have the consent of a majority of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose. Annual assessments are not at any time refundable in part or in whole. The Association, upon demand, and for a reasonable charge, shall furnish a certificate signed by an officer or agent of the Association setting forth whether the assessments on a specific Lot have been paid. Any assessment not paid within thirty (30) days after its due date shall bear interest from the due date until paid at the rate of the lesser of ten percent (10%) per annum or the highest rate allowed by law. Alternatively, the Association may assess a reasonable late charge, not to exceed \$50.00, for any such assessment not paid within thirty (30) days after its due date. The Association may bring an action at law to collect such assessment against the Owner personally obligated to pay the same authorized by law. The Association shall be entitled to recover the assessments, together with interest accrued at the rate herein above set forth, together with collection costs and reasonable attorney's fees incurred by it in enforcing payment of such assessments. No Owner may waive or otherwise avoid liability for the assessments provided for herein by nonuse of the Community Properties or by abandonment or conveyance of his Lot.

ARTICLE VIII - SPECIAL ASSESSMENTS

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repairs or replacement of a capital improvement upon the Community or Common Properties, including fixtures and personal property related thereto, provided that any such assessment shall have the consent of a majority of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose.

ARTICLE IX - INDIVIDUAL VIOLATION ASSESSMENTS

9.1 Assessment ASmount

Individual Violation Assessment is defined as a fine levied against the Property Owner based on a violation(s) of the Declaration, as approved by a majority of the Board. In addition to the other remedies and rights of enforcement provided for herein, the Association may assess fines for

violations of the restrictive covenants contained in this Declaration, other than non-payment or delinquency in assessments, in amounts to be set by the Board of Directors of the Association. Such fines shall be recoverable in the same manner as the maintenance charge.

9.2 Remedy

The Board of Directors shall inspect, or cause to be inspected, the Subdivision regularly. If a violation of the Declaration is found, the Board will notify the Property Owner in writing of the violation and the required time frame to comply. An Individual Violation Assessment may be levied and such Assessments may continue to be levied until the violation is corrected. The approval of a deviation by the Board does not obligate the Board to approve a similar deviation at a later time.

ARTICLE X - WATER SERVICE PROVIDER

The Association also operate as the water provider for the Subdivision. The Association shall set all rates and fees for the operation of the water supply in accordance with applicable local, state, and federal law, and in accordance with any tariffs required by the state of Texas. The Association may set water rates, tie-in charges, standby charges, tap fees and other charges as determined by the Board of Directors of the Association, and in accordance with applicable law.

ARTICLE XI - GENERAL PROVISIONS

11.1 Expiration

These covenants are to run with the land and shall be binding upon all the parties and all persons claiming under them until December 30, 2021, at which time said covenants shall be automatically extended for successive periods of ten (10) years unless at any time, by majority vote of the total membership vote of the Association, the Association votes to amend, modify or change the Declaration. If any property owners violate any of the covenants herein, it shall be lawful for any other persons owning any real property situated in said development or Subdivision to prosecute any proceedings at law, or in equity against the person or persons violating or attempting to violate any such covenant, and either to prevent him or them from doing, or to recover damages or other dues for such violation.

11.2 Covenent Invalidation

Invalidation of any one of these covenants by judgment, or other court order shall in no way affect any of the other revision which shall remain in full force and effect. No violation of these restrictions and covenants on the part of any person acquiring any lot or tract of land in this Subdivision shall affect or in any way invalidate any lien or liens and/or improvements made and to be made, but such lien or liens shall remain in full force and priority in the care of any judgment against any such owner of any lot or tract of land, said premises shaft nevertheless remain subject to such lien or liens and to the lien or liens securing any renewal or extension of such indebtedness or notes or any part of them; but no release of any of said restrictions or covenants is intended hereby and against the original purchaser, his heirs, executors, administrators, assigns or successors, as the case may be, and sale under a foreclosure of the lien or liens hereinabove recited restriction and covenants.

11.3 Purpose

It is understood herein that these restrictions and covenants are adopted for the purpose of insuring uniformity and harmony in connection with buildings erected and to carry out a general plan for protection, benefit and use of every owner and/or purchaser of lots therein, which will enhance the value of said lots for each and every owner and/or purchaser.

11.4 Enforcement

All conveyances, transfers, leases, etc., shall be subject to these restrictions and covenants hereby fixed and adopted, and it shall run with the land.

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