

# DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS LAKESIDE PLACE

#### STATE OF TEXAS - COUNTY OF MONTGOMERY

#### KNOW ALL MEN BY THESE PRESENTS:

This Declaration, amended by Lakeside Place on Lake Conroe Property Owners Association members, made on the date hereinafter, duly authorized herein. (Originally made on February 28, 1996, set forth by DIAMOND PROPERTIES INC., a Texas corporation, duly authorized to do business in the State of Texas, hereinafter referred to as "Developer).

#### WITNESSETH:

WHEREAS, Developer was the owner of that certain tract of land described as Unrestricted Reserve "D", of Pelican Bay, Section One (1), a subdivision of 45.800 acres located in the TIMOTHY CUDE SURVEY, Abstract No. 12., of Montgomery County, Texas according to the Map or Plat thereof recorded in Cabinet E, Sheet 119B of the Map Records of Montgomery County, Texas, consisting of approximately 12 acres.

WHEREAS, it was the desire of Developer to place certain restrictions, easements, covenants, conditions, stipulations and reservations (herein sometimes referred to as the "Restrictions") upon and against such Property in order to establish a uniform plan for the development, improvement and sale of the Property, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of lots in said Subdivision;

WHEREAS, Developer has adopted, established, and imposed upon Lakeside Place, and has declared the following reservations, easements, restrictions, covenants and conditions, applicable thereto, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of said Property, which Restrictions shall run with said Property and title or interest therein, or any part thereof, and shall insure to the benefit of each owner thereof, except that no part of this Declaration or the Restrictions shall be deemed to apply in any manner to the areas identified or platted as Unrestricted Reserves on the Plat or to apply in any manner to any area not included in the boundaries of said Plat. Developer also has declared that this Subdivision shall be subject to the jurisdiction of the "Association" (as hereinafter defined).

WHEREAS, the Association members now desire to amend certain parts of this document as contained herein,

#### ARTICLE I

#### **DEFINITIONS**

- Section 1.01 "Annexable Area" shall mean and refer to any additional property made subject to the jurisdiction of the Association pursuant to the provisions set forth herein, including, without limitation, any property adjacent to or in the proximity of the Property.
- Section 1.02 "Association" shall mean and refer to the Lakeside Place on Lake Conroe Property Owners Association, and its successors and assigns.
- Section 1.03 "Lakeside Place" shall mean and refer to this Subdivision.
- Section 1.04 "Lakeside Place Subdivision" shall mean and refer to all Sections of Lakeside Place on Lake Conroe Subdivision as may be filed in the Map Records of Montgomery County, Texas.
- Section 1.05 "Board of Directors" shall mean and refer to the Board of Directors of the Association.
- Section 1.06 "Builders" shall mean and refer to persons or entities that purchase lots and build speculative or custom homes thereon for third party purchasers.
- Section 1.07 "Common Area" shall mean all real property (including the improvements thereto) within the Subdivision owned by the Association for the common use and enjoyment of the Owners and/or any other real property and improvements, including, but not limited to, private roads and streets, parks, open spaces, lakes, lake road crossings, dams, greenbelt areas and other facilities and areas designated on the Plat within the Common Area to which the Owners may hereafter become entitled to use.
- Section 1.08 "Contractor" shall mean and refer to the person or entity with whom an Owner contracts to construct a residential dwelling on such Owners Lot.
- Section 1.09 "Developer" shall mean and refer to Diamond Properties Inc. and its successors and assigns.
- Section 1.10 "Lake" shall mean and refer to Lake Conroe
- Section 1.11 "Lot" shall mean and refer to any plot of land identified as a lot or home site on the plat of the subdivision. For purposes of this instrument, "Lot" shall not be deemed to include any portion of any "Reserves" or "Unrestricted Reserves", (defined herein as any Reserves and Unrestricted Reserves shown on the Plat) in the Subdivision, regardless of the use made of such area.
- Section 1.12 "Member" shall mean and refer to every person or entity that holds a membership in the Association.

Section 1.13 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Subdivision, including contract sellers (a seller under a Contract-for-Deed), but excluding those having such interest merely as security for the performance of an obligation.

Section 1.14 "River Authority" shall mean and refer to the San Jacinto River Authority ("SJRA"

Section 1.15 "Utility District" shall mean and refer to the Point Aquarius Municipal Utility District.

### ARTICLE II

# RESERVATIONS, EXCEPTIONS AND DEDICATIONS

Section 2.01 Recorded Subdivision map of the Property. The plat ("Plat") of the Subdivision dedicates for use as such, subject to the limitations as set forth therein, the private roads and streets and easements shown thereon. The Plat further establishes certain restrictions applicable to the Property. All dedications, restrictions and reservations created herein or shown on the Plat, replats or amendments of the Plat of the Subdivision recorded or hereafter recorded shall be constructed as being included in each contract, deed, or conveyance executed or to be executed by or on behalf of Developer, conveying said Property or any part thereof whether specifically referred to therein or not.

Easements. Developer reserved for public use the utility easements shown on the Plat or that have been or hereafter may be created by separate instrument recorded in the Real Property Records of Montgomery County, Texas, for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone and telephone line or lines, gas lines, sewers, water lines, storm drainage (surface or underground), cable television, or any other utility the Developer saw fit to install in, across and/or under the Property. All utility easements in the Subdivision may be used for the construction of drainage of the Reserves, Common Area and/or Lots. Should any utility company furnishing a service covered by the general easement herein provided, request a specific easement by separate recordable document, the Association without the joinder of any other Owner, shall have the right to grant such easement on said Property without conflicting with the terms hereof. Any utility company serving the Subdivision and/or the Utility District shall have the right to enter upon any utility easement for the purpose of installation, repair and maintenance of their respective facilities. Neither the Association nor any utility company using the easements herein referred to shall be liable for any damages done by them or their assigns, agents, employees, or servants, to fences, shrubbery, trees and lawns or any other property of the Owner on the property covered by said easements.

Section 2.03 <u>Title Subject to Easements.</u> It is expressly agreed and understood that the title conveyed by Developer to any of the Lots by contract deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water line, gas, sewer, electric lighting,

electric power, telegraph or telephone purposes and other easement hereafter granted affected the Lots. The Owners of the respective Lots shall not be deemed to own pipes, wires, conduits or other service lines running through their Lots which are utilized for or service other Lots, but each Owner shall have an easement and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his Lot.

# Section 2.04 Utility Easements.

Utility ground and aerial easements have been dedicated in accordance with the Plat and by separate recorded easement documents. No building shall be located over, under, upon or across any portion of any utility easement. The Owner of each Lot shall have the right to construct, keep and maintain concrete drives, fences, and similar improvements across any utility easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Lots, provided, however, any concrete drive, fence, or similar improvements placed upon such Utility Easement by the Owner shall be constructed, maintained and used at Owners risk and, as such, the Owner of each Lot subject to said Utility Easements shall be responsible for (i) any and all repairs to the concrete drives, fences and similar improvements caused by the Utility District or any public utility in the course of installing, operating, maintaining, repairing, or removing its facilities located within the Utility Easements.

Section 2.05 Road and Street Easements. The roads and streets in this Subdivision are not dedicated to the public, but have been conveyed to the Association by the Developer on the Control Transfer Date, as hereinafter defined, and operated as private streets by the Association, with each Owner having an easement for the use and benefit of such Owner of a Lot fronting thereon or adjacent thereto, which easements shall include rights of ingress, egress, and passage over and along said streets in favor of the Association, lot owners in all other Sections of Lakeside Place Subdivision, the Owners and their respective legal representatives, successors-in-title to each Lot Owner and in favor of the invitees and designees of each successor-in-title to each Lot Owner, but not in favor of the public.

Subject to the terms and conditions of this section 2.05, the private roads and streets in this subdivision, as shown on the Plat, are hereby dedicated as utility easements strictly for the purpose of constructing, operating, maintaining, or repairing a system(s) of electric lighting, electrical power, telegraph and telephone lines, gas lines, sewers, water lines, storm drainage, (surface or underground) cable television, or any other utilities that the Developer saw fit to install (or permit to be installed) in, across and/or under the Property. The dedication of the private roads and streets as utility easements shall not affect the Association's operations of the roads and streets in this Subdivision as private roads and streets, set forth above in this Section 2.05.

Notwithstanding the Association's operation of the roads and streets in the Subdivision as private streets, Developer granted to law enforcement agencies and officers of Montgomery County and the State of Texas, other government law enforcement bodies, fire department officials and fire protection personnel, vehicles and equipment, ambulance, school busses, Montgomery County officials and personnel, rights of ingress and egress and passage over and along said private roads and streets of the Subdivision in connection with the performance of their official functions.

# ARTICLE III USE RESTRICTIONS

Section 3.01 <u>Single Family Residential Construction</u>. No building shall be erected, altered or permitted to remain on any Lot other than one detached single family dwelling used for residential purposes only and not to exceed two (2) stories in height and a private garage (or other covered parking facility), provided, however, that the servant's quarters structure and garage will not exceed the main dwelling in height or number of stories. As used herein, the term "residential purposes" shall be construed to prohibit mobile homes or trailers being placed on said Lots, or the use of said Lots for duplex houses, garage apartments, or apartment houses; and no Lot shall be used for business, or professional purposes of any kind whatsoever, nor for any commercial purposes.

Section 3.02 <u>Designation of Lot Types.</u>

Waterfront Lots: Lots 3 through 21

Water view Lots: Lots 1, 2 and lots 22 through 27

Section 3.03 Composite Building Site. Any Owner of one or more adjoining Lots (or portions thereof) may, with the prior written approval of the Architectural Control Committee, consolidate such Lots or portions into one building site, with the privilege of placing or constructing improvements on such resulting site, in which case the side setback lines shall be measured from the resulting side property lines rather than from the Lot lines as indicated to the Plat. Any such composite building site must have a frontage at the building setback line of not less than the minimum frontage of all Lots in the same block.

Section 3.04 Minimum Square Footage Within Improvements. The living area of the main residential structure, located on any Lot, exclusive of porches and parking facilities shall be as follows: ALL LOTS - Minimum living area shall not be less than 2,000 square feet for a one story dwelling and 2,400 square feet for a two story dwelling.

Section 3.05 <u>Location of the Improvements upon the Lot.</u> No residential structure, carport or any other improvement shall be located on any Lot nearer to the front, rear, side or street-side Lot building line shown on the Plat or nearer to the property lines than the minimum building set-back lines shown on the Plat. For purposes of this Declaration, air compressors, eaves, steps, and unroofed terraces shall not be considered as part of a residential structure or other improvements. This covenant shall not be construed to permit any portion of a building foundation on a Lot to encroach upon an easement.

Special Restrictions for Lots: Lots 8 & 9, 12 & 13, 16 & 17, 18 & 19 - To protect the view of all Waterview Lots, a residence constructed on these Lots shall be designed and constructed with a side yard set-back of adjoining Lots of a minimum of 10 feet.

Section 3.06 <u>Residential Foundation Requirements.</u> All building foundations shall consist of concrete slabs, unless the Architectural Control Committee approves a different type of foundation when circumstances such as topography of the Lot make it impractical to use a concrete slab for all

or any portion of the foundation of the building improvements constructed on the Lot. Minimum finished slab elevation for all structures shall be above the 100 year flood plain elevation, or such other level as may be established by the Commissioner's Court of Montgomery County, Texas, and other applicable governmental authorities.

Section 3.07 <u>Sequence of Building.</u> No housing for garage, servant's quarters, or other service function of the dwelling establishment shall be erected or placed upon any building site until construction of the dwelling property has been started and is actually under way. Any structure begun must be diligently complete within a reasonable length of time, not to exceed one (1) year.

Section 3.08 <u>Use of Temporary Structures</u>. No structure of a temporary character, whether trailer, basement, tent, shack, garage, barn or other outbuilding shall be maintained or used on any lot at any time as a residence, or for any other purpose, either temporarily or permanently.

Section 3.09 <u>Water Supply.</u> Water for this Subdivision will be provided by distribution lines connected with the central water system of the Utility District and no water wells shall be made, bored or drilled, nor any type or kind of private system installed or used except that a private well may be drilled at the owner's option for sprinkler systems or similar non-drinkable use, upon approval of the Architectural Control Committee and any required governmental authorities. Wells may be drilled by the Association for use in watering commons areas.

Section 3.10 <u>Sanitary Sewers.</u> No outside, open or pit type toilets will be permitted in this Subdivision. All dwellings constructed in this Subdivision prior to occupancy must have a sewage disposal system installed to comply with the requirements of the appropriate governing agency and must immediately tie onto the central sewer system of the Utility District.

Section 3.11 Walls and Fences. Walls and fences, if any, must be approved by Architectural Control Committee and shall not be any closer to front street property lines than the front of the dwelling located on said lot and no closer than ten feet to side street lines. Any erection of any wall, fence or other improvements on any easement is prohibited. Fences on all Waterfront lots will be constructed of ornamental iron to protect view of all lots. Fences on all Waterview lots will be constructed of ornamental iron, wood, or masonry. The developer constructed a brick fence along the rear property of Lots 1 through 3 and Lots 22 through 27. Any fence that is constructed adjacent to the brick fence may not be attached to the brick fence without the prior written approval of the Architectural Committee.

Section 3.12 Prohibition of Offensive Activities. Without expanding the permitted use of the Lots, no activity, whether for profit or not, shall be conducted on any Lot which is not related to single family residential purposes. No noxious or offensive activity of sort shall be permitted nor shall anything be done to the Subdivision. This restriction is waived in regard to the customary sales activities required to sell homes in the Subdivision. No horn, whistle, bell or other sound device: except security and fire devices used exclusively for security and fire purposes, shall be located, used or placed on a Lot. Without limitation, the discharge or use of firearms is expressly prohibited. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance.

Section 3.13 Garbage and Trash Disposal. Garbage and trash or other refuse accumulated in this Subdivision shall not be permitted to be dumped at any place upon adjoining land where a nuisance to any residence of this Subdivision is or may be created. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be allowed to accumulate, shall be kept in sanitary containers and shall be disposed of regularly. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and stored in the garage or five (5) feet back from front of house to reduce visibility from the street. No trash containers are allowed to be stored on driveways. No household/perishable trash shall be set out for collection in plastic bags or sacks overnight for next day collection.

Section 3.14 Parking of Vehicles or Equipment. No motor vehicle or non-motorized vehicle (including without limitation, boats, trucks and recreation vehicles), trailers, campers, motorcycles, off road motor bikes, bicycles, golf carts, go carts, machinery or equipment of any kind may be parked or stored for longer than twenty four (24) hours or on a semi-permanent or daily basis on any part of a road, street, easement, right of way, or Common Area. Primary, personal vehicles in working condition are exempt from this restriction. Furthermore, it is the responsibility of the homeowner to remove any oil stains or similar issues resulting from their vehicle and/or guests vehicles within 48 hours after being notified by the Association of such a problem.

Section 3.15 Signs. Advertisements. Billboards. No sign, advertisement, billboard, or advertising structure of any kind may be erected or maintained on any Lot in the Subdivision except for a builder's sign during construction and sales period of improvements, which shall consist of one sign not more than five (5) square feet. Additionally, real estate signs may be placed in the front window of any resale home and street signs may be installed within the Subdivision by the Association. The Association (and/or any agent designated in writing by the Association) shall have the right to remove and dispose of any such prohibited sign, advertisement, billboard or advertising structure which is placed on any Lot, and in doing so shall not be subject to any liability for trespass or any other tort in connection therewith or arising from such removal- nor in any way be liable for any accounting or other claim by reason of the disposition thereof.

Section 3.16 <u>Animal Husbandry</u>. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other common household pets may be kept provided that they are not kept, bred or maintained for commercial purposes and do not become a nuisance or threat to other Owners. No more than two (2) of each type of animal shall be kept as household pets. All dogs, at all times, must be under the control of their owners or keepers utilizing a leash while outside fenced areas.

Section 3.17 Mineral Development. No oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Lot, nor shall any wells, tanks, tunnels, mineral excavation, or shafts be permitted upon or in any Lot. No derrick or other structures designed for the use of boring for oil or natural gas shall be erected, maintained or permitted upon any Lot. Provided, however, that this provision shall not prevent the leasing of the Subdivision or any portion thereof, for oil, gas and mineral purposes and the development of same, it being contemplated that the portion or portions of the subdivision may be developed from adjacent lands by directional drilling operations.

Section 3.18 Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two and six feet above the roadways 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 ten feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations shall apply on any lot within five feet from the intersection of the street property line with the edge of a driveway or alley pavement. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 3.19 <u>Street or Passageways</u>: No street or passageway shall be erected on, over or through any Lot or block (except driveways to a house located on such lot or block) except as shown on the map or plat of such subdivision.

Section 3.20 <u>Cutting Trees in R.O.W.</u> No trees over five inches in diameter will be removed from street right-of-way lying between ditches or curbs, and private property lines except as is absolutely necessary for access by automobile from street to Lots.

# Section 3.21 Drainage.

- (a) Each Owner of a Lot agrees for himself, his heirs, legal representatives, assigns or successors-in-interest that he will not in anyway interfere with the established drainage pattern over his Lot from adjoining or other Lots in the Subdivision; and he will make adequate provisions for the drainage of his Lot in the event it becomes necessary to change the established drainage over his Lot (which provisions for drainage shall be included in the Owner's plans and specifications submitted to the Committee and shall be subject to the Committee's approval). For the purposes hereof, "established drainage" is defined as the drainage which existed at the same time that the overall grading of the Subdivision, including landscaping of any Lot in the Subdivision, was completed by Declarant.
- (b) Each Owner (including Builders), unless otherwise approved by the Committee, must finish the grade of the Lot so as to establish good drainage from the rear of the Lot to the front street or from the building site to the front and rear of the Lot as dictated by Lake Conroe, existing drainage ditches, swales and lakes constructed by Declarant or the Utility District for drainage purposes. No pockets or low areas may be left on the Lot (whether dirt or concrete) where water will stand following a rain or during watering. With the approval of the Committee, an Owner may establish an alternate drainage plan for low areas by installing underground pipe and area inlets. However, the drainage plan for such alternate drainage must be submitted to and be approved by the Committee prior to the construction thereof.
- (c) No street curb shall be broken or cut to facilitate drainage or drain pipes without first obtaining the Committee's approval for the design and construction of an approved curb cut.
- Section 3.22 <u>Masonry Requirements</u>. Without the prior approval of the Committee, no waterview residence shall have less than fifty-one percent (51%) masonry construction. All dwellings on Waterfront Lots shall be constructed with the dwelling walls, including garages, facing the Lake being one hundred percent (100%) masonry except the chimney can be siding.

Section 3.23 Lot Maintenance. All Lots shall be kept at all times in a neat, attractive, healthful and sanitary condition, and the Owner or occupant of all Lots shall keep all weeds and grass thereon cut and shall in no event use any Lot for storage of materials or equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted, permit the accumulation of garbage, trash or rubbish of any kind thereon, and shall not burn any garbage, trash or rubbish. All yard equipment or storage piles shall be kept screened by a service yard or other similar facility as herein otherwise provided, so as to conceal them from view of neighboring Lots, streets or other property. The bulk heading along Lake Conroe shall be maintained and kept in good repair by each Owner for that portion of bulkhead along his Lot. In the event of the failure of Owner to comply with the above requirements after ten (10) days written notice thereof, the Association or their designated agents may, without liability to the Owner, Contractor or any occupants of the Lot in trespass or otherwise, enter upon (and/or authorize one or more others to enter upon) said Lot, cut, or cause to be removed, such garbage, trash and rubbish or do any other thing necessary and charge the Owner, Builder or occupant of such Lot for the cost of such work and associated materials, plus a fee of \$20.00 per month for each instance. Payment thereof shall be collected on the first day of the next calendar month by the Association Treasurer.

Section 3.24 Exterior Maintenance of Building. In the event the Owner of any building in the subdivision should allow such building to fall into disrepair and become in need of paint, repair or restoration of any nature and become unattractive and not in keeping with the neighborhood, the Association will give notice of such conditions. Fifteen (15) days after notice of such condition to Owner, and failure of Owner to begin and continue at a diligent, reasonable rate of progress to correct such condition, the Association may enter upon said premises, without liability to Owner, to do or cause to be done any work necessary to correct said situation. The Owner thereof shall be billed for cost of necessary repairs, plus ten (10%) percent. All monies so owed to the Association shall be payable on the first day of the next calendar month to the Association Treasurer.

Section 3.25 <u>Antenna and Aerial Poles.</u> No outside aerial pole, antenna or other device shall project above the highest ridge of the house by more than fifteen (15) feet.

# Section 3.26 Waterfront Lots; Construction of Pier, Docks, and Boat Slip.

- (a) No pier, dock, boat slip, or other structure shall be constructed on the lot of which projects beyond the Lot line into the water of Lake Conroe (whether within or outside of the Lot line), unless prior written approval is given by the Architectural Control Committee. All structures must be one story in design with a low boy cover (green color similar to other covers located in Lakeside Place on Lake Conroe) or they will not be considered for approval by the Architectural Control Committee ("Committee") and such improvement complies with the specifications set forth by the River Authority. Architectural approval shall be granted or withheld based upon (i) architectural design and character of improvements, (ii) engineering design and specifications of planned structures, and (iii) whether or not proposed improvements conform to the Architectural Control Committee's predetermined plan for such improvements.
- (b) In addition to being approved by the Committee, all plans for the pier, dock, boat slip, or other structure to be constructed on the Lot which projects beyond the Lot line or into the water of

Lake Conroe, (whether within or outside of the Lot line), must satisfy the requirements of and be approved in writing in the form of a permit by the River Authority prior to beginning construction.

(c) A pier, dock, or boat slip may not project more than thirty feet (30') into the Lake as measured from the existing shoreline or bulkhead. A pier may not be constructed unless and without constructing at the same time a boat slip or other improvements as may be required by the Committee in its plan for such structures. The bulkhead along the Lake shoreline shall not be cut without submitting a plan to the Committee by a Registered Professional Engineer and approved in writing by the Committee. No improvements or modifications of any kind to any approved pier, dock, boat slip, or other improvement constructed by an Owner shall be made unless prior written approval is given by the Committee and all such improvements must confirm to the Committee's predetermined plan for such improvements and not exceed one story in height.

# ARTICLE IV ARCHITECTURAL CONTROL COMMITTEE

### Section 4.01 Basic Control

- (a) No building or other improvements of any character shall be erected or placed, or the erection or placing thereof commenced, or changes made in design or exterior appearance thereof (including, without limitation, painting, staining or siding), or any addition or exterior alteration made thereto after original construction, or demolition or destruction by voluntary action made thereto after original constructed, on any Lot in the Subdivision until the obtaining of the necessary approval (as hereinafter provided) from the Committee of the construction plans and specifications for the construction or alteration of such improvements or demolition or destruction of existing improvements by voluntary action. Approval shall be granted or withheld based on matters of compliance with the provisions of this instrument, quality and color of materials, drainage, harmony of external design and color with existing and proposed structures and location with respect to topography and finished grade elevation.
- (b) Each application made to the Committee shall be accompanied by two sets of plans and specifications for all proposed construction (initial or alterations) to be done on such Lot, including the drainage plan for the Lot, plot plans showing the location and elevation of the improvements on the Lot and dimensions of all proposed walkways, driveways, and all other matters relevant to architectural approval. The address of the Committee shall be the address of the principle office of the Association.

# Section 4.02 Architectural Control Committee

(a) The powers given the Architectural Control Committee and the authority to grant or withhold architectural control approval as referred to above is initially vested in the Developer; provided, however, the authority of the Developer shall cease and terminate upon the Control Transfer Date and the appointment of the Architectural Control Committee of the Association (sometimes herein referred to as the "Committee"), in which event such authority shall be vested in and exercised by the Committee (as provided in (b) below). The term "Committee", as used in this Declaration, shall mean or refer to the Developer or to the Lakeside Place Architectural Control Committee composed of members of the Association, as applicable.

(b) At such time as eighty percent (80%) of all the Lots in the Subdivision (as platted, from time to time hereafter referred to as the "Control Transfer Date"), the Developer shall cause an instrument transferring control to the Association to be placed of record in the Real Property Records of Montgomery County, Texas (which instrument shall include the Control Transfer Date). Thereupon, the Association shall appoint a committee of three (3) members to be known as the Lakeside Place Architectural Control Committee. From and after the Control Transfer Date, each member of the Committee must be an Owner of property in the Subdivision or some other Section of Lakeside Place Subdivision.

Section 4.03 Effect of Inaction. Approval or disapproval as to architectural control matters as set forth in the preceding provisions of this Declaration shall be in writing. In the event that the authority (the Committee) exercising the prerogative of approval or disapproval fails to approve or disapprove in writing any plans and specifications and plot plans received by it in compliance with the preceding provisions within thirty (30) days following such submission, such plans and specifications and plot plan shall be deemed approved and the construction of any such building and other improvements may be commenced and proceeded within compliance with all such plans and specifications and plot plan and all of the other terms and provisions hereof.

Section 4.04 Effect of Approval. The granting of the aforesaid approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the Committee that the terms and provisions hereof shall be complied with if the building and/or other improvements are erected in accordance with said plans and specifications and plot plan; and such approval shall not constitute any nature of wavier or estoppel either as to the persons expressing such approval or any other person in the event that such building and/or improvements are not constructed in accordance with such plans and specifications and plot plan, but, nevertheless, fail to comply with the provisions hereof. Further, no person exercising any prerogative of approval or disapproval shall incur any liability by reason of the good faith exercise thereof.

Section 4.05 <u>Minimum Construction Standards</u>. The Committee may from time to time promulgate an outline of minimum acceptable construction standards; provided, however, that such outline will serve as a minimum guideline only and such Committee shall not be bound thereby.

Section 4.06 <u>Variance</u>. The Committee may authorize variances from compliance with any of the provisions of this Declaration or minimum acceptable construction standards or regulations and requirements as promulgated from time to time by the Committee, when circumstances such as topography, natural obstructions, Lot configuration, Lot size, hardship, aesthetic or environmental considerations may require a variance. The Committee reserves the right to grant variances as to building set-back lines, minimum square footage of the residence and other items. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Committee. If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular Lot and particular provisions hereof covered by the variance, nor shall the granting of any variance effect in any way

the Owner's obligation to comply with all governmental laws and regulations affecting the Lot concerned and the plat.

# ARTICLE V LAKESIDE PLACE PROPERTY OWNERS ASSOCIATION

Section 5.01 Membership. Every person or entity who is a record owner of any Lot which is subject to the Maintenance Charge (or could be following the withdrawal of an exemption there from) and other assessments provided herein, including contract sellers, shall be a "Member" of the Association. The foregoing is not intended to include persons or entities that 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 for each Lot owned by such Member. Memberships shall be appurtenant to and may not be separated from the ownership of the Lots. Regardless of the number of persons who may own a Lot (such as husband and wife, or joint tenants, etc.) there shall be but one membership for each Lot. Additionally, the Directors of the Association shall also be Members of the Association (as more particularly described in the Bylaws). Ownership of the Lots shall be the sole qualification for membership. The voting rights of the Members are set forth in the By-laws of the Association.

Section 5.02 <u>Nonprofit Corporation</u>. Lakeside Place Property Owners Association, Inc., a nonprofit corporation, has been organized and it shall be governed by the Articles of Incorporation and Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

Section 5.03 <u>Bylaws</u>. The Association has adopted or may adopt whatever Bylaws it may choose to govern the organization for operation of the subdivision and the use and enjoyment of the Lots and Common Areas, provided that the same are not in conflict with the terms and provisions hereof.

Section 5.04 Owner's Right of Enjoyment. Every Owner shall have a beneficial interest of use and enjoyment in and to the Common Areas and such right shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

- (a) the right of the Association, with respect to the Common Areas, to limit the number of guests of Owners
- (b) the right of the Association to charge reasonable admission and other fees for the use of any facility situated upon the Common Areas;
- (c) the right of the Association, in accordance with its Articles and Bylaws to (i) borrow money for the purpose of improving and maintaining the streets and roads within the Subdivision, Common Areas and facilities and (ii) mortgage said property. However, the rights of such mortgage of said property shall be subordinate to the rights of the Owners hereunder;
- (d) the right of the Association to suspend the Member's voting rights and the Member's and "Related Users" (as hereinafter defined) right to use any recreational facilities within the Common

Areas during any period in which the maintenance Charge or any assessment against his Lot remains unpaid;

- (e) the right of the Association to suspend the Member's voting rights and the Member's Related User's right to use any recreational facilities within the Common Area, after notice and hearing by the Board of Directors, for the infraction or violation by such Member or Related Users of this Declaration or the "Rules and Regulations", as hereinafter defined, which suspension shall continue for the duration of such infraction or violation, plus a period not to exceed sixty (60) days following the cessation or curing of such infraction or violation; and,
- (f) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility, for such purposes and subject to the provisions of this Declaration.
- Section 5.05 <u>Delegation of Use</u>. Any member may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities of the Member's immediate family living in the Member's residence, his contract purchasers who reside on the Lot (collectively, the "Related Users"). If a member leases his Lot to tenant, the tenant, but not the Member, shall have the exclusive privilege of enjoyment of the Common Area and facilities of the Association during the term of said tenant's tenancy.

Section 5.06 <u>Rental and Leasing</u>. Owners must notify the Association if their Lots are leased. Owners must also provide the Association with the name and phone number of the tenant, and current mailing address of the legal owner of the Lot. In no event, however, shall any leasing be allowed except pursuant to a written affirmation obligating all tenants and other residents of the Lot to abide by this Declaration, the Bylaws, and the Rules and the Regulations of the Association.

The following guidelines are also to be met:

- 1) No lease shall be for less than a one-year period, but after such one-year period may be renewed with the same tenant for less than a one-year period. At the end of each lease period, the owner agrees to update all information regarding the tenant with the Board of Directors.
- 2) There shall be no sub-leasing after leasing agreement is entered into.
- 3) There shall be no For Rent or For Lease or similar type rental signs anywhere outside the home, on the property or in common areas.
- 4) Owner shall be responsible for communicating all POA rules and regulations to their tenant and obtaining signed acknowledgement of it within the Rental or Lease Agreement.
- 5) Owner acknowledges that they are fully responsibility for their tenant's actions and may be subject to including but not limited to any applicable sanctions.
- 6) Property owners shall still be responsible for major upkeep of property (i.e.) paint, replacement of rotten lumber, etc.

# ARTICLE VI MAINTENANCE FUND

Section 6.01 <u>Maintenance Fund Obligation</u>. Each Owner of a Lot by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agrees to pay to the Association a "yearly" maintenance charge (the "Maintenance Charge"), and any other assessments or charges hereby levied. The Maintenance Charge and any other assessments or charges hereby levied, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the Lots and shall be a continuing lien upon the property against which each Maintenance Charge and other charges and assessments are made.

# Section 6.02 Basis of the Maintenance Charge.

- a) The Maintenance Charge referred to shall be used to create a fund to be known as the "Maintenance Fund", which shall be used herein provided; and each such Maintenance Charge (except as otherwise hereinafter provided) shall be paid by the Owner of each Lot (or residential building site) to the Association annually, in advance, on or before the 31<sup>st</sup> day of each calendar month after the date of purchase of the Lot, or on such other basis (monthly, quarterly or semiannually) as the Board of Directors of the Association may designate in its sole discretion. Provided, however, in the event as Owner obtains consent from the Committee for a Composite Building Site pursuant to Section 3.03 hereof, or one Lot for the Composite Building Site beginning upon the improvements thereon. The Association shall have the right at any time, and from time to time, to adjust or alter said Maintenance Charge as it deems necessary to meet the reasonable operating expenses and reserve requirements of the Association in order for the Association to carry out its duties hereunder.
- b) Any Maintenance Charge not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of eighteen percent (18%) per annum or (ii) the maximum rate permitted by law. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the hereinafter described lien against the Owner's Lot. No Owner may waive or otherwise escape liability for the Maintenance Fund by non-use of any Common Areas or recreational facilities available for use by Owners of the Subdivision or by the abandonment of his Lot.
- c) The exact amount of the Maintenance Charge applicable to each Lot will be determined by a majority vote of members at an official Association meeting preceding the due date of the Maintenance charge and the collection, expenditures, and administration of the Maintenance Fund. All other matters relating to the Maintenance Charge and the collection, expenditures and administration of the Maintenance Fund shall be determined by the Board of Directors of the Association, subject to the provision hereof.
- d) The Maintenance Charge will include a monthly charge for the cost of electric energy to provide street lighting in the subdivision. Such charge will be included in the Annual Maintenance Charge to each lot owner and shall be in addition to all other charges which such Owner may directly incur for residential electric service. The exact amount of the

street lighting charge will be determined (and adjusted from time to time) by Gulf States Utility Company (Entergy), or successor company supplying electric service, as outlined under provisions of current electrical company providing service, which may be changed without notice.

# Section 6.03 Maintenance Fund - Lakeside Place.

All Lots in the Lakeside Place are subject to an annual maintenance charge of FIVE HUNDRED AND NO/100 DOLLARS (\$500.00) per lot for the purpose of sustaining a fund known as "Lakeside Place Maintenance Fund" to be paid by the Owner of each Lot in said Subdivision, payable annually in advance, on the 31st day of January following the date of purchase of respective lot by lot owners. The annual maintenance charge shall be prorated the year of purchase from date of closing until the following January 1st. Said payments to be made to the Association as the needs of the property may in the Associations judgment require but in no event shall such charge be more than Seven Hundred Fifty and No/100 Dollars (\$750.00) per year per lot unless such adjusted increase has been approved by fifty-one (51%) percent of the lot owners in Lakeside Place. The total fund arising from said charge, so far as it may be sufficient shall be used for the payment of the maintenance expenses incurred for any or all the following purposes:

Maintenance of the grounds, parkways and esplanades, including any security gates or devises and all of the grass and planted areas within boundaries of the streets, curbs, and common areas.

Such maintenance charge shall be and remain in effect so long as the restrictions herein above set out shall remain in effect and the continuation or extension of such restrictions in the manner provided therefore shall automatically extend this maintenance charge.

Any grantee, by accepting a conveyance of any property in said subdivision agrees and consents to such maintenance charge and to secure the payment of said charge a vendor's lien is retained against the property so conveyed as set forth below in Section 6.04.

The Owners of lots in Lakeside Place may, at their option, establish a property owners association for the purpose of maintaining the Lakeside Place Subdivision and administering the Lakeside Place Maintenance Fund. In the event the Owners elect to establish said association, Developer shall transfer control of said Lakeside Place Maintenance Fund upon sale of 80% of all lots in said Subdivision, and the property owners association so formed shall have the rights, duties and obligations of the Association as set forth in Articles V, VI, and VII hereof insofar as the collection and administration of this Lakeside Place Maintenance Fund. In the event the Owners in Lakeside Place elect not to form a property owners association, the Lakeside Place Maintenance Fund shall be administered by the Association.

Section 6.04 <u>Creation of Lien and Personal Obligation</u>. In order to secure the payment of the Maintenance Charge, and other charges and assessments hereby levied, a vendor's (purchase money) lien for the benefit of the Association, shall be and is hereby reserved in the deed from the Developer to the purchaser of each lot or portion thereof, which lien shall be enforceable through appropriate judicial and non judicial proceedings by the Association. As additional security for the payment of the Maintenance Charge and other charges and assessments hereby levied, each owner of a lot in the subdivision, by such party's acceptance of a deed thereto, hereby grants to the

Association a contractual lien on such lot which may be foreclosed on by non judicial foreclosure and pursuant to the provisions of Section 51.002 of the Texas Property Code (and any successor statute); and each such owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of said Section 51.002 of the Texas Property Code and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Association by means of a written instrument executed by the President or any Vice-President of the Association and filed for record in the Real Property Records of Montgomery County, Texas. In the event that the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 of the Texas Property Code and to exercise the power of sale hereby granted, the Association shall mail to the defaulting Owner a copy of the Notice of Trustee's Sale not less than twenty-one (21) days prior to the date on which said sale is scheduled by posting such notice through the U.S. Postal service, postage prepaid, certified, return receipt requested, properly addressed to such owner at the last known address of such owner according to the records of the Association. If required by law, the Association or Trustee shall also cause a copy of the Notice of Trustee's sale to be recorded in the Real Property Records of Montgomery County, Texas. Out of the proceeds of such sale, if any, there shall first be paid to the Association an amount equal to the amount in default; and third, the remaining balance shall be paid to such owner. Following any such foreclosure, each occupant of any such lot foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in any action of forcible detainer and the issuance of a writ of restitution there under.

In the event of nonpayment by an owner of any Maintenance Charge or other charge or assessment levied hereunder, the Association may, in addition to foreclosing the lien hereby retained, and exercising the remedies provided herein, upon ten (10) days prior written notice thereof to such non paying Owner, exercise all other rights and remedies available at law in equity.

It is the intent of the provisions of this Section 6.04 to comply with the provisions of said Section 51.002 of the Texas Property Code relating to non judicial sales by power of sale and, in the event of the amendment of said Section 51.002 of the Texas Property Code hereinafter, the President or any Vice-President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration filed in the Real Property Records of Montgomery County, Texas, amend the provisions hereof so as to comply with said amendments to Section 51.002 of the Texas Property Code.

As provided above, the Association, to enforce the Maintenance Charge or other charge or assessment levied hereunder, may file a claim or lien against the Lot of the delinquent Owner by recording a notice ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest and costs of collection which have accrued thereon, (c) the legal description and street address of the Lot against which the lien is claimed and (d) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amounts secured thereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed

under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Association shall execute and record a notice releasing the lien upon payment by the Owner or a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

Section 6.05 Notice of Lien. In addition to the right of the Association to enforce the Maintenance Charge or other charge or assessment levied hereunder, the Association may file a claim or lien against the Lot of the delinquent Owner by recording a notice ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest and costs of amount of the claim of delinquency, (c) the interest and costs of collection which have accrued thereon, (d) the legal description and street address of the Lot against which the lien is claimed and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The Lien shall continue until the amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have been fully paid releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

Section 6.06 Liens Subordinate to Mortgages. The liens described in this Article VI and the superior title herein reserved shall be deemed subordinate to a first lien or other liens of any bank, insurance company, savings and loan association, university, pension and profit sharing trusts or plans, or other bona fide, third party lender, including Developer, which may heretofore or may hereafter lend money in good faith for the purchase or improvement of any Lot and any renewal, extension, re arrangement or re financing thereof. Each such mortgagee of a mortgage encumbering a Lot who obtains title to such Lot pursuant to the remedies provided in the deed of trust or mortgage or by judicial foreclosure shall take title to the Lot free and clear of any claims for unpaid Maintenance Charges or other charges or assessments against such Lot accrued prior to the time such holder acquires title to such Lot. No such sale or transfer shall relieve such holding acquiring title to a Lot from liability for any Maintenance Charge or other charges or assessments thereafter becoming due or form the lien thereof. Any other sale or transfer of a lot shall not affect the Association's lien for Maintenance Charges or other charges or assessments. The Association shall make a good faith effort to give each such mortgagee sixty (60) days advance written notice of the Association's proposed foreclosure of the lien described in Section 6.01 hereof, which notice shall be sent to the nearest office of such mortgagee by prepaid United States registered or Certified mail, returned receipt requested, and shall contain a statement of delinquent Maintenance Charges or other charges or assessments upon which the proposed action is based provided, however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article VI.

Section 6.07 Purpose of the Maintenance Charge. The Maintenance Charge levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Owners of the Subdivision and other portions of the Annexable Area which hereafter may become subject to the jurisdiction of the Association. In particular, the Maintenance Charge shall be used for any improvement or services in furtherance of these purposes and the performance of the Association's duties described in Article VII, including the maintenance of the Common Areas and the establishment and maintenance of a reserve fund for maintenance of the

Common Area (including, without limitation, the private roads and streets). The Maintenance Fund may be expanded the Association for any purposes which, in the judgment of the Association, will tend to maintain the property values in the Subdivision, including, but not limited to, providing funds for the actual cost to the Association of all taxes, insurance, repairs, energy charges, replacement and maintenance of the Common Area as may from time to time be authorized by the Association. Except for the Association's use of the Maintenance Charge to perform its duties described in this Declaration and in the Bylaws, the use of the Maintenance Charge for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Association as to the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 6.08 Exempt Property. The following property subject to this Declaration shall be exempt from the Maintenance Charge and all other charges and assessments created herein: (a) all properties dedicated to and accepted by a local public authority; (b) the Common Area; (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Texas; however, no land or improvements devoted to dwelling use shall be exempt from said Maintenance Charge.

Section 6.09 <u>Handling of Maintenance Charges</u>. The collection and management of the Maintenance Charge or other charge or assessment levied hereunder, shall be performed by the Developer until the Control Transfer Date, at which time the Developer shall deliver to the association all funds on hand together with all books and records of receipt and disbursements. The Developer and, upon transfer, the Association, shall maintain separate special accounts for these funds, and Owners shall be provided at least annually, information on the Maintenance Fund.

# ARTICLE VII

# DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATION

Section 7.01 General Duties and Powers of the Association. The Association has been formed to further the common interest of the members. The Association, acting through the Board of Directors or through persons to whom the Board of Directors has delegated such powers (and subject to the provisions of the Bylaws), shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interest of the members, to maintain, improve and enhance the Common Areas and to improve and enhance the attractiveness, desirability, and safety of the Subdivision and any portion of the Annexable Area which becomes subject to the jurisdiction of the Association. The Association shall have the authority to act as the agent to enter into any and all contracts on behalf of the Members in order to carry out the duties, powers and obligations of the Association as set forth in this Declaration.

Section 7.02 <u>Duty to Accept the Property and Facilities Transferred by Developer.</u> The Association shall accept title to any property, including any improvements thereon and personal property

transferred to the Association by Developer, and equipment related thereto, together with the responsibility to perform any and all administrative functions and recreation functions associated therewith (collectively herein referred to as "Functions"), provided that such property and functions are not inconsistent with the terms of this Declaration. Property interest transferred to the Association by Developer may include fee simple title, easements, leasehold interests and licenses to use such property. Any property or interest in property transferred to the Association by Developer shall be within the boundaries of the property or Annexable Area. Any property or interest in property transferred to the Association by Developer shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association free and clear of all liens and mortgages (other than the lien for property taxes and assessments not then due and payable), but shall be subject to the terms of this Declaration, the terms of any declaration of covenants, conditions and restrictions annexing such property to the Common Area, and all easements, covenants, conditions, restrictions and equitable servitude or other encumbrances which do not materially affect the Owners authorized to use such property. Except as otherwise specifically approved by resolution of the Board of Directors, no property or interest in property transferred to the Association by the Developer shall impose upon the association any obligation to make monetary payments to Developer or any affiliate of Developer including, but not limited to, any purchase price, rent, charge or fee. The property or interest in property transferred to the Association by Developer shall not impose any unreasonable or special burdens of ownership of property, including the management, maintenance, replacement and operation thereof

Section 7.03 Other Insurance Bonds. The Association shall obtain such insurance as may be required by law, including workman's compensation insurance, and shall have the power to obtain such other insurance and such fidelity, indemnity or other bonds as the Association shall deem necessary or desirable.

Section 7.04 <u>Duty to Prepare Budgets</u>. The Association shall prepare budgets for the Association, which budgets shall include a reserve fund for the maintenance of all Common Areas.

Section 7.05 <u>Duty to Levy and Collect the Maintenance Charge</u>. The Association shall levy, collect and enforce the Maintenance Charge and other charges and assessments as elsewhere provided in this Declaration.

Section 7.06 <u>Duty to Provide Annual Review.</u> The Association shall provide for an annual unaudited review of the accounts of the Association. Copies of the review shall be made available to any member who requests a copy of the same upon payment by such a member of the reasonable cost of copying the same.

Section 7.07 <u>Duties with Respect to Architectural Approvals.</u> The Association shall perform functions to assist the Committee as elsewhere provided in Article IV of this Declaration.

Section 7.08 <u>Power to Acquire Property and Construct Improvements</u>. The Association may acquire property or an interest in property (including leases) for the common benefit of Owners including improvements and personal property. The Association may construct improvements on the Property and may demolish existing improvements.

Section 7.09 Power to Adopt Rules and Regulations. The Association may adopt, amend, repeal and enforce rules and regulations ("Rules and Regulations"), fines, levies and enforcement provisions as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Association, the use and enjoyment of the Common Areas, Marina,, and the use of any other property, facilities or improvements owned or operated by the Association.

Section 7.10 Power to Enforce Restrictions and Rules and Regulations. The Association (and any Owner with respect only to the remedies described in (ii) or (iii), below) shall have the power to enforce the provisions of this Declaration and the Rules and Regulations and shall take such action as the Board of Directors deems necessary or desirable to cause such compliance by each member and each related user. Without limiting the generality of the foregoing, the Association shall have the power to enforce the provisions of this Declaration and the Rules and Regulations of the Association by any one or more of the following means: (i) By entry upon any property within the Subdivision after notice and hearing (unless a bona fide emergency exists in which event this right of entry may be exercised without notice (written or oral) to the Owner in such manner as to avoid any unreasonable or unnecessary interference with the lawful possession, use or enjoyment of the improvements situated thereon by the Owner or any other person), without liability by the Association to the Owner thereof, for the purpose of enforcement of this Declaration or the Rules and Regulations; (ii) by commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this declaration or the rules and regulations; (iv) by exclusion, after notice and hearing, of any Member of Related User from use of any recreational facilities within the Common Areas during and for up to sixty (60) days following any breach of this Declaration or such Rules and Regulations by such Member or any Related User, unless the breach is a continuing breaching which case exclusion shall continue for so long as such breach continues; (v) by suspension, after notice and hearing, of the voting rights of a member during and for up to sixty (60) days following any breach by such member or a related user of a provision of this Declaration or such Rules and Regulations, unless the breach is a continuing breach in which case such suspension shall continue for so long as such breach continues; (vi) by levying and collecting, after notice and hearing, an assessment against any member for breach of this Declaration or such Rules and Regulations by such member or a related user which assessment reimbursed the Association for the costs incurred by the Association in connection with such breach; (vii) by levying and collecting, after notice and hearing, reasonable and uniformly applied fines and penalties, established in advance in the Rules and Regulations of the Association, from any member or related user for breach of this Declaration or such rules and regulations by such member or a related user; and (viii) by taking action itself to cure or abate such violation and to charge the expenses thereof, if any, to such violating members, plus attorney's fees incurred by the Association with respect to exercising such remedy.

Before the Board may invoke the remedies provided above, it shall give registered notice of such alleged violation to Owner, and shall afford the Owner a hearing. If, after the hearing, a violation is found to exist, the Board's right to proceed with the listed remedies shall become absolute. Each day a violation continues shall be deemed a separate violation. Failure of the Association or of any Owner to take any action upon any breach or default with respect to any of

the foregoing violations shall not be deemed a waiver of their right to take enforcement action thereafter or upon a subsequent breach or default.

Section 7.11 Power to Grant Easements. In addition to any blanket easements described in this Declaration, the Association shall have the power to grant access, utility, drainage, water facility and other such easements in, on, over or under the Common Area. Additionally, the Association shall have the power to grant access, utility, drainage, water facility and other similar easements in, on, over or under Lots provided that such easements do not unreasonably interfere with the rights of the Owner of such Lots.

Section 7.12 Power to Convey and Dedicate Property to Government Agencies. The Association shall have the power to grant, convey, dedicate or transfer any Common Areas or facilities to any public or governmental agency or authority for such purposes and subject to such terms and conditions as the Association shall deem appropriate, which power may be-exercised with the approval of not less than two-thirds (2/3rds) of the Members agreeing in writing or by voting at any scheduled meeting of the Members. The Association may, subject to the limitations of the proceeding sentence, convey property to a public or governmental agency or authority in lieu of such property being condemned by such public or governmental agency or authority.

# ARTICLE VIII GENERAL PROVISIONS

Section 8.01 <u>Term.</u> The provisions hereof shall run with all property in the Subdivision and shall be binding upon all Owners and all persons claiming under them for a period of forty (40) years from the date of Declaration is recorded, after which time said Declaration shall be automatically extended for successive periods of ten (10) years each, unless an instrument, signed by not less than two-thirds (2/3rds) of the Owners of the Lots has been recorded agreeing to amend or change, in whole or in part, this Declaration.

Section 8.02 Amendments. This Declaration may be amended or changed, in whole or in part, at any time by the written agreement or signed ballot of Owners entitled to cast not less than two-thirds (2/3rds) of the votes of all of the Owners. If the Declaration is amended by a written instrument signed by those Owners entitled to cast not less than two-thirds (2/3rds) of all the votes of the Owners of the Association, such amendment must be approved by said Owners within three hundred sixty-five days (365) of the date of the first Owner executes such amendment. The date an Owner's signature is acknowledged shall constitute prima facia evidence of the date of execution of said amendment by such Owner. Those Members entitled to cast not less than two-thirds (2/3rds) of all of the votes of the Members of the Association may also vote to amend this Declaration, in person, by proxy or absentee ballot, at a meeting of the Members duly called for such purpose, written notice of which shall be given to all Owners at least ten (10) days and not more than sixty (60) days in advance and shall set forth the purpose of such meeting. Notwithstanding any provision contained in the Bylaws to the contrary, a quorum, for purposes of such meeting, shall consist of not less than seventy percent (70%) of all the Members (in person,

by proxy or absentee ballot,) entitled to vote. Any such amendment shall become effective when an instrument is filed for record in the Real Property Records of Montgomery County, Texas, accompanied by a certificate, signed by a majority of the Board of Trustees, stating that the required number of Members executed the instrument amending this Declaration or cast a written vote, in person, by proxy or absentee ballot, in favor of said amendment at the meeting called for such purpose. Copies of the written ballots pertaining to such amendment shall be retained by the Association for a period of not less than three (3) years after the date of filing of the amendment or termination.

Section 8.03 Severability. Each of the provisions of this Declaration shall be deemed independent and severable and the invalidity of unenforceability or partial invalidity or partial unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

Section 8.04 Mergers and Consolidations. The Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided from any such merger or consolidation shall have the consent (in writing or at a meeting duly called for such purpose) of those Members entitled to cast not less than two-thirds (2/3rds) of the votes of all of the Members of the Association. Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, the properties, rights and obligation may, by operation of law, be transferred to another surviving or consolidated association, alternatively, the properties, rights and obligations of the other association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to the merger. The surviving or consolidated association will be subject to the covenants and restrictions established by this declaration within the Subdivision, together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants and restrictions established by this Declaration, except as changed by amendment of this Declaration or by the plan of merger and consolidation. In the event of any inconsistency between the terms and provisions of this Declaration and the terms and provisions of any of the merger or consolidation documents, the terms and provisions of the merger or consolidation documents shall control.

Section 8.05 <u>Liberal Interpretation</u>. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

Section 8.06 <u>Successors and Assigns.</u> The provisions hereof shall be binding upon and inure to the benefit of the Owners, and the Association, and their respective heirs, legal representatives, executors, administrators, successors and assigns.

Section 8.07 Effect of Violations on Mortgages. No violation of the provisions herein contained, or any portion thereof, shall affect the lien of any mortgage or deed of trust presently hereafter placed of record or otherwise affect the rights of the mortgagee under any such mortgage, the holder of any such lien or beneficiary of any such deed of trust; and any such mortgage, lien, or deed of trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained.

Section 8.08 Terminology. All personal pronouns used in this Declaration and all exhibits attached hereto, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vise versa. Title of Articles and Sections are for convenience only and neither limit nor amplify the provisions of this Declaration itself. The terms "herein", "hereof" and similar terms, as used in this instrument, refer to the entire agreement and are not limited to referring only to the specific paragraph, section or article in which such terms appear. All references in this Declaration to Exhibits shall refer to the Exhibits attached hereto.

Section 8.09 Effect on Annexable Area. The provisions of this Declaration do not impose any restrictions whatsoever or otherwise encumber the Annexable Area, unless and until portions of the Annexable Area are made subject to the jurisdiction of the Association by a separate instrument executed solely by Developer or its successors and assigns and any lien holders, which instrument is recorded in the Real Property Records of Montgomery County, Texas.

Section 8.10 Electric Utility Service. Prior to beginning any construction on a lot, each Lot Owner, at his expense, shall be required to install underground electric service lines from the transformer or source of feed to the meter location on said Lot. Further, each Lot Owner may expect to pay a charge for connection to such electric utility service, and the Owner is obligated to contact Gulf States Utilities Company to determine such charge and make arrangements for the installation of said service lines and connection to the electrical distribution system. Owner shall also be responsible for all charges for all utility service furnished to Owner's Lot.

IN WITNESS WHEREOF, the undersigned being the representatives of the Association herein, has set its hand as of this \_22 day of \_\_\_\_\_\_\_, 2014.

Lakeside Place on Lake Conroe Property Owners Association

By James Stroike

President

By Judy Locke

Board of Director Member

By David Collum

Board of Director Member

By Carolyn Harris,

STATE OF TEXAS COUNTY OF MONTGOMERY

Before me, Ollisons Vamed, on this day personally appeared, and known to me to be the person(s) whose name(s) is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 22 day of Opril 2014

Notary Public State of Texas T, HOWARD
MY COMMISSION EXPIRES
January 10, 2016

Jim STROIKE 13653 Lake Side Place DR. Willis, Tx. 77378

Doc# 2014045805

FILED FOR RECORD

05/16/2014 11:17AM

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in file number sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Montgomery County, Texas.

b ...



# BY-LAWS OF LAKESIDE PLACE ON LAKE CONROE PROPERTY OWNERS ASSOCIATION, INC.

#### ARTICLE I - NAME OF LOCATION

#### 1.1 NAME AND REGISTERED OFFICE

The name of the corporation is LAKESIDE PLACE ON LAKE CONROE PROPERTY OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The registered office of the Association shall be maintained at the residence of the current Secretary of the Association and the name of the registered agent shall be that of the current Secretary of the Association. The registered office or the registered agent, or both, may be changed by resolution of the Board of Directors, upon filing the statement required by law.

#### 1.2 PRINCIPAL OFFICE

The principal office of the Association shall be located at the residence of the current Secretary of the Association.

#### 1.3 OTHER OFFICES

The Association may also have offices at such other places both within and without the State of Texas as the Board of Directors may from time to time determine or the business of the Association may require.

#### 1.4 MAILBOX

The Association may have a mailbox, to be determined by the Board of Directors, for incoming mail and bills to the Association.

#### ARTICLE II - DEFINITIONS

#### 2.1 ASSOCIATION

"Association" shall mean and refer to the Lakeside Place on Lake Conroe Property Owners Association, and its successors and assigns.

# 2.2 PROPERTY

"The Property" or "The Properties" shall mean and refer to all sections of Lakeside Place Subdivision as may be filed in the Map Records of Montgomery County, Texas, save and except Unrestricted Reserves A, B and C. "The Property" or "The Properties" may also include any additional tracts or parcels of land as may hereafter be brought within the jurisdiction of the Association.

#### 2.3 COMMON AREA

"Common Area" shall mean all real property (including the improvements thereto) within the Subdivision owned by the Association for the common use and enjoyment of the

Members and/or any other real property and improvements, including, but not limited to, private roads and streets, parks, open spaces, lakes, lake road crossings, dams, greenbelt areas, and other facilities and areas designated on the Plat within the Common Area to which the Members may hereafter become entitled to use.

#### 2.4 DECLARATION

"Declaration" shall mean and refer to the Declarations of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the County Clerk of Montgomery County, Texas.

#### 2.5 LOT

"Lot" shall mean and refer to any plot of land identified as a lot or home site on the plat of the subdivision.

#### 2.6 MEMBER

"Member" shall mean and refer to every person or entity that holds a membership in the Association as provided in the Declaration.

#### ARTICLE III - MEMBERS AND ORGANIZATION

#### 3.1 MEMBERS

There shall be one class of membership in this Association as provided in the Articles of Incorporation (Class A). The voting rights of each member household shall be as provided in the Articles of Incorporation.

#### 3.2 ANNUAL MEETING

The annual meeting of members shall be held at such place within the State of Texas and at such date and time as shall be designated by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof.

#### 3.3 FAILURE TO HOLD ANNUAL MEETING

Failure to hold any annual meeting shall not work dissolution of the Association. If the annual meeting is not held within any thirteen (13) month period, any court of competent jurisdiction in the county in which the principal office of the Association is located may, on the application of any member, summarily order a meeting to be held.

#### 3.4 SPECIAL MEETING

Special meeting of the members for any purpose or purposes may be called by the President and shall be called by the President or Secretary at the request in writing of a majority of the Board of Directors, or at the request in writing of members who are entitled to vote one-fourth (1/4) of all the votes of the Class A membership. A request for a special meeting shall state the purpose or purposes of the proposed meeting, and

business transacted at any special meeting of members shall be limited to the purposes stated in the notice.

#### 3.5 NOTICE AND WAIVERS OF NOTICE

- (a) Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than (10) or more than fifty (50) days before the date of the meeting, either personally, e-mail, by mail, or by Association Newsletter, or at the discretion of the President, the Secretary, or the officer or persons calling the meeting, to each member of record entitled to vote at such meeting.
- (b) Notice may be waived in writing signed by the person or persons entitled to such notice. Such waiver may be executed at any time before or after the holding of such meeting. Attendance at a meeting shall constitute a waiver of notice, except where the person attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called.

#### 3.6 RECORD DATE

For the purpose of determining members entitled to notice of or to vote at any meeting of members or any adjournment thereof, the Board of Directors may in advance establish a record date which must be at least ten (10) but not more than fifty (50) days prior to such meeting. If the Board of Directors fails to establish a record date, the record date shall be the date on which notice of the meeting is mailed.

#### 3.7 QUORUM OF MEMBERS

The presence at the meeting of members entitled to cast, or of proxies or absentee ballots entitled to cast, one-third (1/3) of the votes of the membership, shall constitute a quorum at all meetings of the members for the transaction of business except as otherwise provided by statute or by the Articles of Incorporation. If, however, a quorum shall not be present or represented at any meeting of the members, the members entitled to vote thereat, present or represented by proxy or absentee ballot, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

#### 3.8 PROXIES or ABSENTEE BALLOTS

At all meetings of members, each member may vote in person, by proxy or by absentee ballot. All proxies or absentee ballots shall be in writing and filed with the Secretary. Each proxy or absentee ballot shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

#### 3.9 ASSOCIATION RECORDS

All Association Records shall be maintained and secured by the Secretary of the Association for a minimum of seven (7) years from date of origin.

#### ARTICLE IV -DIRECTORS

#### 4.1 NUMBER; QUALIFICATIONS

The business and affairs of the Association shall be managed by a Board of three (3) Directors and The President, subject to any limitation imposed by statute, the Articles of Incorporation or these By-laws. The number of directors may from time to time be increased or decreased, provided however, that the number of directors shall not be less than three (3). A Director must be a member of the Association.

#### 4.2 DIRECTORS

The Board of Directors shall serve until their successors are elected and take office. In the case of the resignation, death, failure, incapacity, or refusal to serve of any of said directors, the remaining directors may appoint a substitute director or directors to serve the remaining term. The judgment of the directors in the expenditure of funds of this Association shall be final and conclusive, so long as such judgment is exercised in good faith and as outlined by the By-Laws or Covenants of the Association.

#### 4.3 TERMS OF OFFICE

At the first annual meeting of the members, following the Control Transfer Date, such members shall elect one director for a term of one year, one director for a term of two years, and one director for a term of three years. At each annual meeting thereafter, the members shall elect one director to serve for a term of three years.

# 4.4 NOMINATION OF DIRECTORS

Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from Association members only.

#### 4.5 ELECTION OF DIRECTORS

Election of Board of Directors shall be by written ballot and signed by voting member. At such election the members, by person, by proxies, or by absentee ballot, may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration, the Articles of Incorporation or these By-laws. The person receiving the largest number of votes shall be elected. Cumulative voting is not

permitted. Written ballots are not required if nominee is not contested. Any written ballot must be collected and kept on record for future use for at least (3) years.

#### 4.6 REMOVAL OF DIRECTORS

Any director may be removed, with or without cause, by a majority vote of the members of the Association. Any vacancy in the Board of Directors caused by death, resignation, removal or otherwise shall be filled by a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

#### 4.7 COMPENSATION

No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

#### 4.8 REGULAR MEETINGS OF THE BOARD OF DIRECTORS

Regular meetings of the Board of Directors shall be held monthly, if needed, without notice unless notice is required under these By-laws, and at such time and at such place as shall from time to time be determined by the Board.

#### 4.9 SPECIAL MEETINGS

Special meetings of the Board of Directors shall be held when called by the President or by a majority of the Directors for the time being in office and shall be called by the Secretary on the written request of two (2) Directors. Notice of each special meeting of the Board of Directors shall be given to each Director at least five (5) days before the date of the meeting.

#### 4.10 NOTICE AND WAVIER OF NOTICE

Attendance of a Director at any meeting shall constitute a waiver of notice if such meeting, except where a Director attends for the purpose of objection to the transaction of any business on the ground that the meeting is not lawfully called or convened. Except as may be otherwise provided by law or by the Articles of Incorporation or by these By-laws, nether the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

# 4.11 QUORUM OF DIRECTORS

At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of Directors, the Directors present thereat

may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

#### 4.12 ACTION WITHOUT MEETINGS

Any action required or permitted to be taken at a meeting of the Board of Directors or any committee may be taken without a meeting or by means of conference if consent in writing, setting forth the action so taken, is signed by all the members of the Board of Directors or committee, as the case may be.

#### 4.13 COMMITTEES

The Board of Directors may from time to time designate members of the Board to constitute committees, including an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws, which shall in each case consist of such number of Directors, not more than one, and shall have and may exercise such power, as the Board may determine and specify in the respective resolutions appointing them. A majority of all the members of any such committee may determine its action and fix the time and place of its meeting, unless the Board of Directors shall otherwise provide. The Board of Directors shall have power to change the number, subject as aforesaid, and members of any such committee, to fill vacancies and to discharge any such committee.

#### 4.14 ORDER OF BUSINESS

At meetings of the Board of Directors, business shall be transacted in such order as from time to time the Board may determine. At meetings of the Board of Directors, the President shall preside, and in the absence of the President, the vice president shall preside, or if both are absent, a Chairman shall be chosen by the Board of Directors present. The Secretary of the Association shall act as the secretary of the meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

### 4.15 POWERS

The Board of Directors or persons so delegated by the Board of Directors shall have all of the duties and powers enumerated in the Declaration and these bylaws, including but not limited to the power to do anything necessary or desirable to further the common interest of the members, to maintain, improve and enhance the Common Areas and to improve and enhance the attractiveness, desirability and safety of the Properties and any portion of the Annexable Area, as defined in the Declaration, which becomes subject to the jurisdiction of the Association. The Board shall also have the authority to act as the agent to enter into any and all contracts on behalf of the Members in order to carry out the duties, powers and obligations of the Association as more specifically set forth in the Declaration.

# ARTICLE V - OFFICERS

# 5.1 ELECTION, NUMBER, QUALIFICATION, TERM, COMPENSATION

The officers of the Association shall be elected by members at the Annual Meeting. The officers shall consist of a President, a Vice-President, a Secretary and a Treasurer. The Board of Directors may also elect additional Vice-Presidents, one or more Assistant Secretaries and Assistant Treasurers and such other officers and assistant officers and agents as it shall deem necessary, who shall hold their offices for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve. The officers shall have such authority and exercise such powers and perform such duties as shall be determined from time to time by the Board by resolution not inconsistent with these Bylaws. Two or more offices may be held by the same person. None of the officers need be Directors except the President.

# 5.2 REMOVAL OR RESIGNATION

Any officer elected or appointed by the Board of Directors may be removed at any time by the Board whenever in its judgment the best interests of the Association will be served thereby. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

# 5.3 VACANCIES

Any vacancies occurring in any office of the Association by death, resignation, removal or otherwise shall be filled by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

#### 5.4 AUTHORITY

Officers and agents shall have such authority and perform such duties in the management as may be provided in these By-laws or as may be determined by the Board of Directors, not inconsistent with these By-laws.

#### 5.5 PRESIDENT

The President shall see that all orders and resolutions of the Board of Directors are carried into effect. He shall preside at all meetings of the members and at all meetings of the Board of Directors. He shall execute bonds, mortgages and other instruments in the name of the Association, when authorized by the Board. He may co-sign all notes and checks, except as may be otherwise approved by the Board of Directors.

# 5.6 VICE-PRESIDENT

The Vice-President shall, in the absence or disability of the President, perform the duties and have authority and exercise the powers of the President. He shall perform such other duties and have other authority and powers as the Board of Directors may from time to time prescribe or as the President may from time to time delegate.

# 5.7 SECRETARY

The Secretary shall attend all meetings of the Board of Directors and all meetings of members and record the votes and keep minutes of all the proceedings of the meetings of the Board of Directors and of the members and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall be. In the absence of the Secretary or an Assistant Secretary, the minutes of all meetings of the Board and members shall be recorded by such person as shall be designated by the President or by the Board of Directors. He shall maintain current records showing the members of the Association together with their addresses.

#### 5.8 TREASURER

- (a) The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts and records of receipts, disbursements and other transactions in books belonging to the Association, and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors.
- (b) The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render the President and the Board of Directors, at its regular meetings, or when the President or Board of Directors requires, an account or all his transactions as Treasurer and of the financial condition of the Association.
- (c) If required by the Board of Directors, the Treasurer shall give the Association a bond of such type, character and amount as the Board of Directors may require.

# 5.9 ASSISTANT SECRETARY AND ASSISTANT TREASURER

In the absence of the Secretary or Treasurer, and Assistant Secretary or Assistant Treasurer, respectively shall perform the duties of the Secretary or Treasurer. Assistant Treasurers may be required to give a bond as in 5.8(c). The Assistant Secretaries and Assistant Treasurers, in general shall have such powers and perform such duties as the Treasurer or Secretary, respectively, or the Board of Directors or President may prescribe.

# ARTICLE VI - MAINTENANCE FUND CHARGE

6.1 As more fully provided in the Declaration, each member is obligated to pay to the Association monthly or otherwise, a Maintenance charge which is secured by a continuing lien upon the property against which the charge is made. Any maintenance charge which is not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) eighteen percent (18%) or (ii) the maximum rate permitted by law. The Association may bring an action at law against the member personally obligated to pay the same, or foreclose the lien against the property, and

interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such charge. No member may waive or otherwise escape liability for the maintenance charge by non-use of any common areas or recreational facilities available for use by members of the Association or by abandonment of this lot.

# ARTICLE VII - MISCELLANEOUS PROVISIONS

#### 7.1 FISCAL YEAR

The fiscal year of the Association shall be January 1 to December 31 unless otherwise designated by resolution of the Board of Directors.

#### 7.2 MINUTES

The books, records and papers of the Association shall at all times, during regular business hours, be subject to inspection by any member. Such books, records and papers shall be kept at the principal office of the Association. Where copies may be purchased at a reasonable cost.

#### 7.3 AMENDMENT

The By-laws of this Association may be amended by the entire membership of the Association requiring the assent of two-thirds (2/3) of the votes of the entire membership of the Association.

IN WITNESS THEREOF, we, being all of the Directors of LAKESIDE PLACE ON LAKE CONROE PROPERTY OWNERS ASSOCIATION, INC. have hereunto set our hands the 2-2 day of LOCAL January, 2014 2044.

dames Stroike President

David Collum, Director

Judy Locke Director

Carown Harris, Director

STATE OF TEXAS COUNTY OF MONTGOMERY

Before me, Dli sons Manual... on this day personally appeared, and known to me to be the person (s) whose name (s) is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 22 day of Capril 2014.

Notary Public State of Texas T. HOWARD
MY COMMISSION EXPIRES
Jenuery 10, 2018

Jim STROIKE 13653 Lakeside Place DR. Willis, Tx. 77318