Bay Hill

11-14-7

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5727 DECLARATION

STATE OF TEXAS)
) ss KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF SAN JACINTO)

WHEREAS, by instrument entitled "General Warranty Deed and Declaration of Covenants" dated May 14, 1974, executed by Waterwood Improvement Association, Inc., and Horizon Development Corporation, recorded in Volume 141 at page 802 on May 23, 1974, in the Office of the San Jacinto County Clerk,

> Blocks 1 through 5 and Green Belt Reserve "A" among other parcels of the Replat Unit II Waterwood Country Club Estates, a subdivision within San Jacinto County, Texas, according to the plat thereof on file for record in the Office of the San Jacinto County Clerk in Book 4 of Plat Records at page 23,

were impressed with all of the covenants, easements, reservations and restrictions thereof; and

WHEREAS, Horizon Development Corporation has petitioned for the cancellation of said portion of the subdivision and that the Commissioners Court of San Jacinto County, Texas, has entered its Order granting permission to cancel said portion of the subdivision and that Horizon Development Corporation has cancelled said subdivision; and

WHEREAS, Horizon Development Corporation has caused a subdivision of said lands to be placed of record described as follows:

> Bay Hill, a subdivision within San Jacinto County, Texas, according to the plat thereof on file for record in the Office of the San Jacinto County Clerk in Book 5 of Plat Records at page 26;

and

WHEREAS, Horizon Development Corporation, the owner of said subdivision, and Waterwood Improvement Association, Inc., are now desirous that said Bay Hill subdivision be impressed with the provisions of said General Warranty Deed and Declaration of Covenants;

NOW THEREFORE, all of the covenants, easements, reservations and restrictions of said General Warranty Deed and Declaration of Covenants, which are incorporated herein by reference and made a part hereof, are hereby impressed upon the following described lots which are accepted and classified as single family lots:

> Lots 2-31 of Block 1, Lots 1-7 of Block 2, Lots 1-10 of Block 3, Lots 1-10 and 12-43 of Block 4 and Lots 1-56 of Block 5

and upon the following described lots which are accepted and classified as multiple family lots:

> Lot 1 of Block 1, Lot 32 of Block 1 and Lot 11 of Block 4,
>
> all of Bay Hill, a subdivision within San Jacinto County, Texas, according to the plat thereof on file for record in the Office of the San Jacinto County Clerk in Book 5 of Plat Records at page 26.

IN WITNESS WHEREOF, the undersigned have affixed their signatures this 14th day of November, 1977.

WATERWOOD IMPROVEMENT ASSOCIATION, INC.

By _____
Sidney Nelson, President

ATTEST:

_____
Assistant Secretary

HORIZON DEVELOPMENT CORPORATION

By _____
Sidney Nelson, President

ATTEST:

_____
Assistant Secretary

STATE OF ARIZONA)
) ss
COUNTY OF PIMA)

Before me, the undersigned, a Notary Public, in and for said County and State, on this day personally came and appeared Sidney Nelson, President of Waterwood Improvement Association, Inc., a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

Given under my hand and seal of office this 14th day of November, 1977.

_____
Notary Public

My commission expires:

October 20, 1979

STATE OF ARIZONA)
) ss
COUNTY OF PIMA)

Before me, the undersigned, a Notary Public, in and for said County and State, on this day personally came and appeared Sidney Nelson, President of Horizon Development Corporation, a Delaware corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration threin expressed, in the capacity therein stated and as the act and deed of said corporation.

Given under my hand and seal of office this 14th day of November, 1977.

_____
Notary Public

My commission expires:

October 20, 1979

FILED FOR RECORD ON the 30th day of November A.D.1977, at 3:30 o'clock P. M.
DULY RECORDED THIS the 1st day of December A.D.1977, at 8:00 o'clock A. M.
FILE NO. 25727 RECORDED: VOL. 170 PAGE 125 et.seq.

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5728

PROTECTIVE COVENANTS
(multiple and single family)

BAY HILL

KNOW ALL MEN BY THESE PRESENTS:

That Horizon Development Corporation, a Delaware corporation, qualified to do business in the State of Texas, being the owner of all the property described on Schedules A and B attached, in order to provide for a general scheme for the development, use and sale of the said property does by these presents impose upon said land the following covenants and restrictions, which shall run with the land and be binding upon and inure to the benefit of all present and future owners of the land and all persons claiming under them. Any lot owner or the Board as hereinafter defined may enjoin or abate any violation hereof by appropriate action at law or in equity, in which event the prevailing party shall recover costs incurred, together with reasonable attorney's fees. During the first five (5) years following the date hereof and so long as Horizon Development Corporation, its successors or assigns, owns fifty-one (51%) per cent of the lots described in Schedules A and B attached these covenants and restrictions may be amended at any time by Horizon Development Corporation, its successors or assigns; thereafter these covenants and restrictions may be amended at any time by the vote of the owners of eighty (80%) per cent of the lots as well as the owners of eighty (80%) per cent of the lots in any unit of the same subdivision adjoining such unit. Where more than one person owns a lot, or any interest therein, the concurrence of all such owners shall be necessary to entitle the owners of such lot to vote for such amendment or modification, it being intended that there shall be only one (1) vote cast per lot.

1. The lots described in Schedule A shall only be used for single family purposes. Not more than one single family dwelling shall be erected, altered, placed or permitted to remain on any lot except as otherwise provided therein. In addition to such single family dwelling there shall be permitted guest houses, maid's quarters, garages, carports and other accessory buildings that are necessary and contributory to the overall improvement of said lot. All such accessory structures shall conform to every provision of these covenants and shall be constructed simultaneously with or subsequent to the construction of the principal dwelling located on the same lot.

2. For lots described in Schedule B, no building shall be erected, altered, placed or permitted to remain on any lot other than apartments, multiple family dwellings, duplexes, single family dwellings, corporate executive retreat complexes and other buildings, such as garages, carports and accessory buildings, that are necessary and contributory to the overall development of the subject property. The maximum number of living units which may be built on any part of the property described in Schedule B attached hereto shall be as set forth in paragraph 5 of these covenants. No structure on any lot, other than a fully completed apartment, multiple family dwelling, duplex, single family dwelling or a corporate executive retreat residential unit shall be used as a residence.

3. All plans and specifications for any structure or improvement whatsoever to be erected on or moved upon or to any portion of any lot, and the proposed location thereof, the construction material, the roofs and exterior color schemes and any later changes or additions thereto shall be subject to and shall require the approval in writing of the Architectural Control Board, hereinafter called "Board", as the

same from time to time is composed of three (3) members to be appointed by Horizon Development Corporation. Board members shall be subject to removal by Horizon Development Corporation, and any vacancies from time to time existing shall be filled by appointment of Horizon Development Corporation; provided, however, that at any time hereafter Horizon Development Corporation may, at its sole option, relinquish to Waterwood Improvement Association, Inc., the power of appointment and removal herein reserved to the Horizon Development Corporation. Such transfer of powers shall be evidenced in writing.

4. There shall be submitted to the Board on forms approved by the Board an application for a permit to build, together with two complete sets of plans and specifications for any and all proposed improvements and alterations which are desired and no improvements of any kind shall be erected, placed or maintained upon any lot until the final plans, elevations and specifications therefor have received such written approval as herein provided. Such plans shall include plot plans showing the location on the lot of the building, wall, fence, landscaped areas (including any proposed rearrangement of the native vegetation), or other improvement proposed to be constructed, altered, placed or maintained, together with the schemes for roofs and exteriors thereof. Such applications shall be accompanied by a reasonable filing fee to be determined and set by the Board, said fee to defray the Board's expenses.

5. The maximum number of living units which may be built on any of the property described in Schedule B attached hereto shall be determined by the classification of said property as set forth in said Schedule B and by the amount of property for which an application for a permit to build is made and which is issued by the Board. For property in Schedule B the classification is to be "M.F. 20" or stated as: on a building site of forty thousand (40,000) square feet or less, one (1) living unit may be built for each three thousand five hundred (3,500) square feet of such building site; for building sites over forty thousand (40,000) square feet the three thousand five hundred (3,500) square foot requirement for each living unit may be decreased on the straight-line method to two thousand (2,000) square feet per living unit for a building site containing four hundred forty thousand (440,000) square feet or more. Building site as used herein may be a part of a platted lot or an aggregation of lots with common boundaries, provided all property in a building site shall be under common ownership. No more than seventy-five (75%) per cent of any building site shall be used for structures, parking and/or vehicular traffic.

6. The Board shall approve or disapprove plans, specifications and details within forty-five (45) days for property described in Schedule A and sixty (60) days for property described in Schedule B after receipt thereof. One set of such plans and specifications and details with the approval or disapproval endorsed thereon shall be returned to the person submitting them and the other copy thereof shall be retained by the Board for its permanent files. The Board shall advise the applicant of the reason for the disapproval and suggest acceptable changes. In the event the Board fails to approve or disapprove any plans which have been submitted to it within forty-five (45) days for Schedule A and sixty (60) days for Schedule B from receipt thereof, approval shall not be required and the related covenants shall be deemed to have been fully complied with.

7. The Board shall have the right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with all of the provisions of these restrictions, if the design or color scheme of the proposed improvements is not in harmony with the general surroundings of the real property or with existing adjacent improvements and natural environment, if the plans and specifications submitted are incomplete or in the event the Board deems the plans, specifications or details or any part thereof to be contrary to the interest, welfare or rights of owners of the lots covered hereby. The decisions of the Board shall be final.

8. No approval of the plans or permit to build shall be issued by the Board until the person applying for the same shall file proof with the Board of the payment of the applicable Capital Improvement Charge specified in the General Warranty Deed and Declaration of Covenants filed of record in the Deed Records of the county wherein the herein described property is located by the Waterwood Improvement Association, Inc., covering the lots described in Schedules A and B hereof.

9. Neither the Board, Horizon Development Corporation nor any architect or agent thereof shall be responsible in any way for any defects of any plans or specifications submitted, revised or approved in accordance with the foregoing provisions nor for any structural or other defects in any work done according to such plans and specifications.

10. The native growth on any lot shall not be destroyed or removed from any lot, except such native growth as may be necessary for the construction and maintenance of roads, driveways, residences, garages, accessory buildings and/or walled-in service yards and patios, which native growth shall not be removed prior to commencement of construction and unless written permission is first obtained from the Board. In the event such growth is removed, except as stated above, the Board may require the replanting or replacement of same, the cost thereof to be borne by the lot owner. Anything to the contrary notwithstanding the property owners may remove with prior written permission of the Board native growth which is dead, unhealthy, detrimental to the remaining growth or otherwise undesirable for the maintenance of healthy and attractive natural vegetation. However, nothing shall be done which will change the general character of those areas where native growth is required to be maintained.

11. No structure shall be constructed that exceeds thirty (30) feet in height. The height of the structures shall be measured from the natural grade at the highest elevation beneath the structure to the highest point of the roof or any projection. The Board may grant a waiver of this requirement in the event that rigid adherence to this requirement would work undue hardship on the owner. The living area measured to the outside walls of the principal dwelling in the lots described in Schedule A shall not be less than eleven hundred (1100) square feet; should the dwelling be more than one (1) story in height the ground floor living area of such dwelling shall not be less than seven hundred (700) square feet. The Board may permit a variance from the minimum square footage requirement. The Board shall have the authority to set up regulations as to height, design and material content of any walls and fences enclosing yards or patios.

12. Unless designated otherwise on the plat, all lots in Schedule A shall have the following building lines which shall be measured from the nearest projection of any portion of principal dwellings or other accessory buildings: A front setback of not less than twenty-five (25) feet in depth from the front lot line. Lots fronting on any street which has a right-of-way of sixty-four (64) feet or more shall have a setback of not less than thirty (30) feet in depth from the lot line contiguous with such right-of-way. All lots shall have a rear setback of not less than ten (10) feet in depth from the rear lot line. All lots, other than townhouse lots, shall have a total of fourteen (14) setback feet on both sides of the lot, but with a minimum side setback of seven (7) feet in depth from one side boundary of the lot. Townhouse lots may have a zero side yard on one or both sides; however, no proposed side yard may be less than five (5) feet. Lots with a side boundary facing on any street shall have a side setback of not less than fifteen (15) feet in depth from the lot line contiguous with the street right-of-way. For purposes of determining the front setback line of any lot located at the intersection of streets adjacent to such lot, that lot line which is common to the front lot line of interior lots situated on the same side of the access street shall be considered the front thereof. Notwithstanding any other provision hereof, nothing in these covenants shall be so interpreted as to prohibit the owner or owners of contiguous lots, other than townhouse lots, from erecting dwelling units whether attached or detached in disregard of the common side or rear lot lines of said contiguous lots so long as the density of use created by such construction shall not exceed the density of use which would be created by the construction of one single family detached dwelling on each such contiguous lot and provided that such owner or owners shall not violate front yard setbacks hereinbefore set forth nor shall such owner or owners construct any such dwelling units closer than seven (7) feet to any side lot line common with a lot not owned by said owner or owners nor closer than ten (10) feet to any rear lot line common with any lot not owned by said owner or owners. Notwithstanding any provision hereof, an owner of seven (7) lots each of which contains ten thousand (10,000) square feet or more in a contiguous row or in two (2) continuously adjacent rows of adjacent lots with each row sharing common back boundary and neither row extending more than one-half (½) lot width beyond the other shall be entitled to construct a cluster not to exceed eight (8) single family dwellings thereon. Further, each additional aggregation of such lots under common ownership shall be entitled to the total number of dwellings as set forth in Schedule C attached and made a part hereof. Any such owner or owners of contiguous lots desiring to construct any such dwellings over or upon any easement as dedicated on the plat shall first make all necessary arrangements and agreements with any governmental agency or utility company which have any rights under, on or over said easements as to the relocation and vacation thereof. The front building line, the exterior side building lines and the exterior rear building line, the exterior side building lines and the exterior rear building lines shall remain as above.

13. Unless otherwise designated on the plat, all lots in Schedule B attached shall have the following lines which shall be measureed from the nearest projection of any portion of any buildings: A front setback of not less than twenty-five (25) feet in depth from the front lot line. Lots fronting

on any street which have a right-of-way of sixty-four (64) feet or more shall have a setback of not less than thirty (30) feet in depth from the lot line contiguous with such right-of-way. All lots shall have a rear setback of not less than ten (10) feet in depth from the rear lot line. All lots shall have a total of fourteen (14) feet setback on both sides of the lot but with a minimum side setback of seven (7) feet in depth from one side boundary of the lot. Lots with a side boundary facing on any street shall have a side setback of not less than fifteen (15) feet in depth from the lot line contiguous with the street right-of-way. For purposes of determining the front setback line of any lot located at the intersection of streets adjacent to such lot, that lot line which is common to the front lot line of interior lots situated on the same side of the access street shall be considered the front thereof. Notwithstanding any other provision hereof, nothing in these covenants shall be so interpreted as to prohibit the owner or owners of contiguous lots from erecting living units whether attached or detached in disregard of the common side or rear lot lines of said contiguous lots so long as the density of use created by such construction shall not exceed the density of use hereinbefore set forth; and provided further that such owner or owners shall not violate front yard setbacks hereinbefore set forth nor shall such owner or owners construct any such living units closer than seven (7) feet to any side lot line common with a lot not owned by said owner or owners nor closer than ten (10) feet to any rear lot line common with any lot not owned by said owner or owners. Any such owner or owners of contiguous lots desiring to construct any such living units over or upon any easements as dedicated on the plat shall first make all necessary arrangements and agreements with any governmental agency or utility company which have any rights under, on or over said easements as to relocation and vacation thereof. The front building line, the exterior side building lines and the exterior rear building lines shall remain as above.

14. Any lot with a lot line on more than one street shall have driveway and walkway access only to the street having the narrowest right-of-way.

15. For lots in attached Schedule A, no business or professional service of any nature shall be conducted on any lot, and no building or structure intended for or adapted to business or professional purposes, and no apartment house, double house, flat building, lodging house, roominghouse, hotel, hospital or sanitarium shall be erected, placed, permitted or maintained on any lot. No room or rooms in any prinicpal residence, nor any accessory buildings, or parts thereof, may be rented or leased to others by the owner or owners of any lot; nothing in this paragraph, however, shall be construed as preventing the renting or leasing of an entire lot, together with its improvements.

16. For lots in attached Schedule B, no business or professional service of any nature shall be conducted on any lot, and no building or structure intended for or adapted to business or professional purposes, and no lodging house, roominghouse, hotel, hospital or sanitarium shall be erected, placed, permitted or maintained on any lot.

17. No air conditioning condensing unit and fan, evaporative cooler or other object, which in the opinion of the Board is unsightly, shall be placed upon or above the roof of any dwelling or other building except where it is architecturally concealed from view in plans submitted to and approved by

the Board and then only when, to the satisfaction of the Board, the same is not aesthetically objectionable and is otherwise in conformity with the overall development of the property.

18. No butane or other tank used for storage of gas or liquids for fuel shall be placed on a lot unless the same is architecturally concealed from view. In the event natural gas is made available to any lot, then the owner thereof shall properly connect with the source of natural gas and discontinue the use of butane gas.

19. Any mailboxes shall be located in such areas as designated by the Board and shall be of such design and construction as required by the published guidelines of the Board.

20. No hunting or discharging of firearms shall be allowed on the land described in Schedules A and B.

21. No animals or fowl other than ordinary houshold pets commonly housed in a residence shall be permitted on any lot and the breeding or maintaining of such animals or fowl for commercial purposes shall not be permitted.

22. No resubdivision of residential lots shall occur unless prior written approval has been granted by the Board and such subdivision results in the creation of lots meeting all minimum standards of adjacent or surrounding lots and which, by determination of the Board, shall be in keeping with the general character of the existing or proposed adjacent residential development. All structures of any nature shall be constructed in accordance with and inside all applicable building lines and setback lines defined herein or as shown on the recorded plat. Minimum setback reqirements may be modified by the Board in response to special site conditions.

23. No building, structure, wall, fence, garage, carport, accessory building or landscaping shall be maintained on any lot in such a manner as in the opinion of the Board may obstruct traffic sight lines and/or create traffic hazards.

24. Easements for the installation and maintenance of utilities are reserved as indicated on the recorded plat and no structure, planting or other materials except as specifically approved by the Board shall be constructed or maintained within any such easements, nor may anything be done which may alter in any way the direction of flow of water through the natural drainage channels within the easements. Provided, however, that this shall not prevent the changing of any such channels within the easements which, in the opinion of the Board, shall be an upgrading of the same.

25. All driveways for lots in Schedule A shall have a minimum width of ten (10) feet and all driveways for lots in Schedule B shall have a minimum width and meet all minimum standards for driveway construction as specified in the guidelines published by the Board. Where driveway access enters streets at points where landscaping, boundary structures or other visual barriers are located which may create a potential traffic hazard, such driveway access shall be installed and maintained so as to provide adequate sight lines from the vehicle onto the streets.

26. No mobile home, motor home, trailer of any kind, truck, camper or boat shall be kept, placed or maintained on a residential lot except in a carport, garage or in an outside

storage area screened from view from streets. No mobile home, motor home, trailer or temporary structure of any nature whatsoever shall be used for occupancy either temporarily or permanently.

27. All on-site utility connections, including water, gas and sewer lines, power, telephone and television cables shall be located underground. The Board may issue variances as to the above where strict enforcement may impose an undue hardship.

28. No water well or other independent water supply or facilities shall be constructed or maintained within any residential area as long as there is available to such a residential area a source of water supply through one or more community water distribution systems, nor shall any such well or water supply be installed without the approval of the Municipal Utility District within which the lot is located and, further, any such approval may be on the condition that when water is available from a community water distribution system that any such private water or water facility shall be abandoned.

29. No exterior radio tower or antenna shall be installed or maintained on any lot. No exterior television tower or antenna or FM antenna shall be installed or maintained on any lot without the express prior written permission of the Board. Such permission shall only be good for so long as cable television is not available. Upon the installation of cable television facilities all exterior television towers, antennas and FM antennas shall be removed by the lot owner. Only Horizon Properties Corporation, its successors or assigns, shall have the right and authority to install cable television facilities on the property herein.

30. All chimneys, flues, vents for fireplaces and open flame heating units shall have U. S. Forestry Service Approved Spark Arresters attached in an approved manner.

31. All site improvements and structures shall be built, erected, altered or maintained in such a manner as to preserve as nearly as possible the land in its natural state.

32. All exterior lighting shall be constructed in a functional manner so as to enhance the overall appearance of the community. All such exterior lighting shall be installed in such a manner so as not to create a nuisance to occupants of adjacent lots or users of adjacent streets.

33. No signs whatsoever, including commercial, political or other similar signs, visible from adjoining lots or streets, shall be permitted on any lot except as follows: such signs as may be required by legal proceedings; residential identification signs of a combined total face area of one and one half (1½) square feet or less; during the time of construction of any residence or other improvement one job identification sign having a maximum total face area of twelve (12) square feet; not more than one "for sale" or "for rent" sign having a maximum face area of three (3) square feet; flashing, lighted or moving signs shall not be permitted. No sign of any description or supports or braces for signs shall be nailed or spiked to any tree. All signs must be on their own supporting standards. Advertising banners, pennants and wind powered devices will not be permitted. All signs including proposed location, sizes and colors shall be reviewed by the Board and must receive prior written approval from the Board before installation. The Board may issue

variance as to the above on such conditions and for such time periods as it may deem necessary.

34. All buildings, landscaping, fences, drives, parking areas and other improvements shall be maintained in good and sufficient repair and such premises shall be kept painted, windows glazed and the property otherwise maintained in an aesthetically pleasing manner as determined by the Board. All owners of property shall be responsible for keeping their lots free from debris, rubbish or trash of any kind. Landscaping shall be properly maintained by the owner of the property, whether said property is occupied or not, in a neat and adequate manner which shall include lawns mowed, underbrush cleared, hedges trimmed, watering when necessary and removal of weeds from planted areas. No owners of any lots shall be permitted to store wrecked or disabled motor vehicles on a lot or any street nor shall nay lot or street be used for the repair, reconstruction or modification of motor vehicles.

35. All laundry drying yards shall be screened from view from the streets, neighbors and common areas. Trash, garbage and other wastes shall be stored in sanitary containers so situated as to be accessible to the service agency responsible for collection of said wastes and such area screened from view from adjacent properties and from the street. No obnoxious, offensive or illegal activities shall be carried on on any lot nor shall anything be done on any lot that shall be or become an unreasonable annoyance or nuisance to the neighborhood.

36. Each developed single family residential lot in Schedule A shall contain sufficient parking space for at least one (1) automobile by one of the following means: (a) a garage or carport either attached to or detached from the main structure or (b) an exterior parking area screened from view of adjacent lots, golf course or the lake.

37. Each multiple family living unit shall have sufficient on-site parking spaces including garages and open parking areas as specified below:

Unit Type	Parking Requirement
Studio or Bachelor	1.5 spaces
One Bedroom	1.5 spaces
Two-plus Bedrooms	2.5 spaces

38. Except as provided in paragraph 26, no mobile home, trailer, tent, garage or other out building shall be placed or erected temporarily or permanently on any lot; provided, however, the Board may grant permission for any temporary structure for storage of materials during construction. No such temporary structures as may be approved shall be used as a dwelling place. Such approved temporary structure shall be removed upon completion of the construction for which permission was granted.

39. For lots in Schedule A, after the Board has issued a permit to build and construction of buildings has commenced all improvements must be substantially completed in accordance with the plans and specifications as approved within one (1) year from the date such permission is given. If the owner fails to comply with the above conditions, any approval given shall be deemed revoked unless, on written request of the owner made to the Board prior to the expiration date of the designated one (1) year period, the Board may extend the

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time for commencement and completion. During construction all building sites shall be kept clear on a weekly basis and all trash, rubbish and debris removed from the construction site after any construction is completed. Burning of any and all trash, rubbish and debris is prohibited within the subdivision, except for burning of stumps required for construction clearance. Disposal of all trash, rubbish and debris must be accomplished in accordance with procedures established by the Board. On completion of construction of improvements, exposed openings shall be backfilled and disturbed grounds shall be graded, leveled, paved or landscaped. Ground areas disturbed by grading construction activities shall be replanted or restored at the earliest opportunity.

40. For lots in Schedule B, after the Board has issued a permit to build and construction of buildings has commenced, all improvements must be substantially completed in accordance with the plans and specifications as approved. The Board may provide and specify in the permit to build issued that construction is to be completed in phases, each phase to be substantially completed within eighteen (18) months after commencement of construction of such phase. If no phases are specified, then all construction must be substantially completed within eighteen (18) months from the date construction commenced. During construction all building sites shall be kept clear on a weekly basis and all trash, rubbish and debris is prohibited within the subdivision, except for burning of stumps required for construction clearance. Disposal of all trash, rubbish and debris must be accomplished in accordance with procedures established by the Board. On completion of construction of improvements, exposed openings shall be backfilled and disturbed grounds shall be graded, leveled, paved or landscaped. Ground areas disturbed by grading construction activities shall be replanted or restored at the earliest opportunity.

41. Upon completion of construction, notification in writing shall be given to the Board so that it may determine compliance with those covenants and grant a certificate of occupancy without which no building may be occupied. The Board shall have ten (10) days for lots in Schedule A and twenty (20) days for lots in Schedule B from receipt of such notice in writing within which to act.

42. The approval or disapproval as required in these covenants shall be in writing and shall be based upon consideration of each submission conforming to the Board's published guidelines and any and all environmental design guidelines which may have been adopted by said Board. In the event there is a conflict between the Board's published guidelines and any environmental design guidelines which may be adopted, the environmental design guidelines shall take precedence.

43. As to the townhouse lots; ie, Lots 2-31 of Block 1, there is hereby reserved unto the owners of the lots therein an easement to enter upon a five-foot strip of land adjacent to the lot of the dominant owner to erect scaffolding during erecton of a zero lot line wall for all usual building purposes and for workmen to enter thereupon with necessary tools, equipment and materials to erect such wall and to repair, maintain and paint said wall, provided that the owner shall do as little damage as possible, remove scaffolding and restore the surface to its like condition as far as possible, and after building, repair, maintenance

and painting to remove all debris which may have fallen onto said land in the course of such work so as to leave same in its usual condition and to protect and save harmless the servient lot owner from any claims of any nature arising by reason of said activities; provided that when the original wall construction has been completed then the construction portion of this easement shall terminate leaving only the easement for repair, maintenance and painting and provided further that nothing herein shall prohibit the servient lot owner from first constructing a building within said five-foot strip and then and thereupon this easement shall terminate as to the portion of the five-foot strip so occupied.

44. In the event that any one or more of the provisions, conditions, restrictions and covenants herein set forth shall be held by any court of competent jurisdiction to be null and void, all remaining previsions, conditions, restrictions and covenants set forth herein shall continue unimpaired and remain in full force and effect.

IN WITNESS WHEREOF, Horizon Development Corporation, a Delaware corporation, has caused these presents to be executed on the 14th day of November, 1977.

HORIZON DEVELOPMENT CORPORATION

By _____
William E. Finley
Vice President

ATTEST:

_____
Assistant Secretary

STATE OF TEXAS)
) ss
COUNTY OF SAN JACINTO)

Before me, the undersigned authority, in and for said county and state, on this day personally appeared William E. Finley, Vice President of Horizon Development Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as Vice President of said corporation, and as the act and deed of said corporation and for the purpose and consideration therein expressed.

Given under my hand and seal of office this 21 day of November, 1977.

_____
Notary Public

My commission expires:

June 1980

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SCHEDULE A

Lots 2-31 (townhouse lots) of Block 1
Lots 1-7 of Block 2
Lots 1-10 of Block 3
Lots 1-10 and 12-43 of Block 4
Lots 1-56 of Block 5

SCHEDULE B

Lot 1 of Block 1
Lot 32 of Block 1
Lot 11 of Block 4

(These lots are classified as M.F. 20.)

All in Bay Hill, a subdivision within San Jacinto County, Texas, according to the plat thereof on file for record in the Office of the San Jacinto County Clerk in Book 5 of Plat Records at page 26.

SCHEDULE C

NUMBER OF AGGREGATED SINGLE FAMILY RESIDENTIAL LOTS, EACH 10,000 SQ. FT. OR LARGER	NUMBER OF BONUS UNITS ALLOWED
1 through 6	0
7 or 8	1
9, 10 or 11	2
12, 13 or 14	3
15 or 16	4
17 or 18	5
19 or 20	6
21	7
22	8
23	9
24	10
25	11
26	12
27	13
28	14
29 or 30	15
31 or 32	16
33 or 34	17
35 or 36	18
37 or 38	19
39 or 40	20