

DECLARATION OF RESTRICTIONS

FOR

107-98-1277

MOUND CREEK, SECTION I

STATE OF TEXAS

COUNTY OF HARRIS

KNOW ALL MEN BY THESE PRESENTS:

THAT MOUND CREEK, a development of COCHRAN BROTHERS GENERAL PARTNERSHIP, a Texas general partnership, sometimes hereinafter referred to as "Grantor" or "Developer", being the owner of a tract of land containing 742.775 acres of land out of the H. T. & B. Railroad Company Survey A-409, the J. L. Gordon Survey, A-29, and the W. W. Swain Survey, A-409, in Waller County, Texas, and out of the W. W. Swain Survey, A-256, and the H. T. & B. Railroad Company Survey, A-409, in Harris County, Texas, and having subdivided a portion of said land into a residential and recreational subdivision to be known as Mound Creek, Section I, as described in Exhibit "A" attached hereto, does hereby establish, adopt and set forth certain conditions, covenants, assessments, protective provisions and restrictions, as contained in Exhibits "B", "C" and "D" attached hereto, which shall be applicable to the said Mound Creek, Section I, land and shall be binding upon any purchaser, grantee, owner or lessee of any land in the said Mound Creek, Section I, and upon the respective heirs, executors, administrators, devisees, successors and assigns of such purchaser, grantee, owner or lessee. It is the intention of Developer that Mound Creek shall be maintained as a residential and recreational subdivision in which the owners of the various tracts may be protected in the enjoyment of their property. These covenants have been set forth with the view toward allowing a maximum of activity insofar as the residential and recreational uses and related matters are concerned, while at the same time assuring to every purchaser of land in this subdivision that the appearance, sanitation and permissive activity shall be controlled and safeguarded.

EXECUTED this 15th day of September 1978.

William S. Cochran, III
William S. Cochran, III,
Managing General Partner
Cochran Brothers General Partnership

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared WILLIAM S. COCHRAN, III, Managing General Partner of COCHRAN BROTHERS GENERAL PARTNERSHIP, 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 the act of COCHRAN BROTHERS GENERAL PARTNERSHIP, a Texas general partnership, for the purposes and consideration therein expressed, and in the capacity therein stated, and as the act and deed of said partnership.

GIVEN UNDER MY HAND AND SEAL of office on the 15th day of September 1978



Tom E. Smalley
Notary Public in and for
Harris County, TEXAS
TOM E. SMALLEY

Notary Public in and for Harris County, Texas
My Commission Expires January 26, 1980
Bonded by Alexander Lovett, Lawyers Surety Corp.

COCHRAN DEVELOPMENT CORP.
BOX 13682
HOUSTON, TX 77019

EXHIBIT "A"

F789341

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II. UNDERGROUND WATER SYSTEM

A. It is expressly agreed and understood that if in the opinion of Developer it shall be necessary or desirable and to the general benefit of the property owners in Mound Creek Subdivision, Developer may install an underground water system, which water system may, but not necessarily, embrace all of the lots in Mound Creek Subdivision. Each lot designated by Developer shall, in the event of installation, be provided with a water connection. Developer shall, in the event of installation, at its own cost, furnish, install, and own the underground water system and appurtenances to the point of attachment by the property owner, such point of attachment to be made available by the Developer at a point designated by Developer. The Developer shall, in the event of installation of the water system, make the necessary connections at said point of attachment. Developer has by separate instrument granted the necessary easements to the public as well as retained the right to use such easements as set out hereinabove to provide for the installation, maintenance and operation of its underground water system. The owner of each lot shall, at his or its own cost, furnish, install, own and maintain the water system from the point of attachment. For so long as the underground water system is maintained, the water service to each lot within the subdivision serviced by the water system shall be underground and uniform in character. In no event shall the fixtures to the point of attachment including the connections with any purchasers pipes be owned by any one other than Developer.

B. In the event Developer elects to install said underground water system, it shall lease said underground water system to the Mound Creek Property Owners Association, Inc. at the rate of Fifteen Dollars, (\$15.00) per lot per month on those lots to which "service is provided", plus all costs and expenses related to the installation of service to each lot and maintenance and operation of the underground water system. The Mound Creek Property Owners Association, Inc. shall assess and collect from its members the lease costs and other costs and expenses related to the underground water system, all such charges to be hereinafter referred to as "water system lease maintenance charges", which charges shall be shared on a pro rata basis by those lots to which "service is provided". "Service is provided" and "providing of service" shall be defined as the availability of water to any lot at the point of attachment to the underground water system. All costs and expenses shall not be limited to but shall include any taxes due and payable on such system, subject however, that the water lease maintenance charges shall not accrue until "service is provided". The water system lease maintenance charge shall be secured, collected, managed and expended in the same manner as the maintenance charge as set out hereinbelow. Developer shall lease said system to the Association until January 1, 1989. Each time the restrictions shall be automatically extended, Developer shall lease said water system to the Association for an additional ten year period. The amount of the lease costs for each lot may be increased or decreased from time to time, but not more than once per year, by the Association; provided, however, that if any such charge increases the lease charge by more than fifty percent (50%) of the amount of the lease charge in the preceding calendar year, the change must be approved by a majority vote of the owners in the subdivision by written vote taken not less than ten (10) days prior to the first day of January of the year in which said increase shall become effective, and the owners of each lot shall have one vote.

III. ADMINISTRATION

A. Grantor has caused to be formed "MOUND CREEK PROPERTY OWNERS ASSOCIATION, INC.", a Texas non-profit corporation, organized pursuant to the Texas Non-Profit Corporation Act, V.A.C.S. Art. 1396, for the purposes set out in the Articles of Incorporation and By-Laws and shall include the successors and assigns of such corporation, hereinafter called the "Association". The Board of Directors of the Association shall also be known as the Building Control Committee (hereinafter elsewhere called the "Committee"). No member of the Committee or its designated representatives, as hereinafter defined, shall be entitled to any compensation for services performed pursuant to this instrument. The Association and the Committee shall have the rights, powers, and duties provided for herein. The Association shall be defined by its Articles of Incorporation and By-Laws and the Committee shall be defined and have the specific duties as set out hereinbelow. Until such time as Developer has sold seventy-five percent (75%) of the lots in all sections of Mound Creek, Developer shall name the Directors of the Association as set out in the By-Laws of the Association.

DECLARATION OF RESTRICTIONS
FOR MOUND CREEK RESTRICTIONS, SEC. I

D. R. MUZZY AND ASSOCIATES

LAND SURVEYORS

1900 W. MAIN

BOX 499

PHONE 836-8631

BRENHAM, TEXAS 77833

WILLIAM S. COCHRAN, III

107-98-1278

ALL THAT TRACT OR PARCEL OF LAND situate in Harris County, Texas out of the H. T. & B. Railroad Company Survey A-409 and the J. L. Gordon Survey A-293 and being a portion of the land described in a deed from Anne Woodhull Cochran, Individually and as Incependent Executrix of the Estate of William S. Cochran, Jr., Deceased, to the Cochran Brothers General Partnership, by deed dated April 21, 1978, more particularly described as follows:

MOUND CREEK SUBDIVISION - SECTION ONE

BEGINNING at a point in the South line of the H. T. & B. Railroad Company Survey A-409 and in the North line of the Frank G. Hill Survey A-1030 at a point S 66° 32' 12" E 589.69 ft. and S 86° 21' 12" E, 180.32 ft. from the Southwest corner of the H. T. & B. Railroad Company Survey A-409, said beginning point being in the center line of Mound Creek;

THENCE -ith said center line of Mound Creek N 5° 26' W, 210.40 ft.;

N 41° 36' E, 150.40 ft.;

N 62° 56' E, 353.70 ft.;

N 50° 40' 45" E, 135.54 ft.;

N 33° 30' E, 265.70 ft.;

N 30° 52' W, 143.90 ft.;

N 68° 57' W, 141.70 ft.;

S 79° 12' W, 352.55 ft.;

S 81° 41' W, 65.85 ft.;

N 67° 00' W, 162.40 ft.;

N 1° 31' W, 120.50 ft.;

N 16° 51' E, 288.35 ft.;

N 26° 11' W, 280.10 ft.;

N 11° 00' W, 286.60 ft.;

N 11° 23' E, 303.75 ft.;

N 38° 18' E, 214.25 ft.;

N 49° 34' E, 279.55 ft.;

N 34° 44' E, 234.40 ft.;

N 55° 06' E, 174.15 ft.;

N 60° 40' E, 173.30 ft.;

N 7° 23' E, 38.93 ft. to the Southwest corner of the 137.000 acre tract;

August 23, 1978
L. O. # 5765

D. R. MUZZY AND ASSOCIATES

LAND SURVEYORS

1900 W. MAIN

BOX 499

PHONE 836-6631

BRENNHAM, TEXAS 77833

WILLIAM S. COCHRAN, III

MOUND CREEK SUBDIVISION - SECTION ONE

- Continued

107-98-1279

THENCE with the South line of said tract S 86° 30' 34" E, 2181.56 ft. to an iron pin;
THENCE N 3° 20' 34" E, 484.70 ft. to an iron pin at the Southwest corner of the 151.773
acre tract;

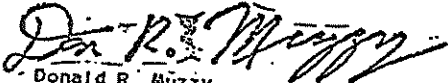
THENCE with the South line of said tract S 86° 34' 38" E, 3672.45 ft. to an iron pin at
the intersection of said line with the West line of Mound Road, being at the
Southeast corner of the 151.773 acre tract;

THENCE with said road line S 3° 20' 34" W, 3478.21 ft. to an iron pin and fence corner
in the division line between the J. L. Gordon Survey A-293 and the Frank G.
Hill Survey A-1030;

THENCE with the North line of the Hill Survey as fenced N 86° 21' 12" W, 6292.40 ft. to
the point or place of beginning containing 471.376 acres of land.

THIS TRACT is subject to a 50 ft. Lone Star Gas Company Pipeline Easement,

August 23, 1978
W. O. # 5765


Donald R. Muzzy
Registered Public Surveyor # 1252
Brenham, Texas

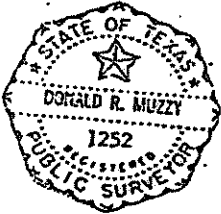


EXHIBIT B TO DECLARATION OF RESTRICTIONS
FOR
MOUND CREEK, SECTION I
RESERVATIONS

107-98-1280

I. RESERVATIONS

A. Title to all streets, drives, boulevards and other roadways, and to all easements, is hereby expressly reserved and retained by Grantor, subject only to the grants and dedications hereinafter expressly made.

B. Grantor reserves the utility easements and rights of way referred to in the recorded easement of the roads and easements in Mound Creek subdivision referred to hereinbelow for the construction, addition, maintenance and operation of all utility systems now or hereafter deemed necessary by Grantor, such construction, addition, maintenance and operation being at Grantor's option, for all private utility purposes, including but not limited to, systems of gas supply, water supply and sewer services. Such systems shall also include systems for utilization of services resulting from advances in science and technology.

C. Grantor reserves the right to impose further restrictions and grant additional easements and roadway rights of way with respect to such lots which have not been sold by Grantor, by Instrument recorded in the Office of the County Clerk of Harris County or by express provisions in conveyances.

D. Subject to the foregoing, Grantor hereby GRANTS TO THE PUBLIC THE USE OF all streets, drives, boulevards, and other roadways, and all easements referred to in the easement recorded under File Code No. 789340 of the Real Property Records of Harris County, Texas; such roads and easements being located within the subdivision; provided, however, that the use thereof by any utility company, public or private, is limited to public utility companies having the right of eminent domain or having agreements in writing with Grantor for the proper provision of utility services.

E. Grantor reserves the right to make minor changes in and additions to all easements for the purpose of most efficiently and economically installing utility systems, public or private.

F. Neither Grantor nor any utility company, public or private, using the utility easements shall be liable for any damages done by them or their assigns, their agents, employees or servants, to shrubbery, trees, flowers or other property of the owner situated on the land covered by said easements.

G. It is expressly agreed and understood that the title conveyed by Grantor to any lot or parcel of land in the subdivision by contract, deed or other conveyance shall not in any event be held or construed to include the title to the water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone lines, poles or conduits or any utility or appurtenances thereto constructed by or under Grantor or its agents or public or private utility companies through, along or upon said easements or any part thereof to serve said property or any other portions of the subdivision, and the right to maintain, repair, sell or lease such lines, utilities and appurtenances to any municipality, or other governmental agency, to the Association or to any public or private service corporation or to any other party is hereby expressly reserved by Grantor.

H. It is further expressly agreed and understood that Grantor, its successors and assigns may use any of the lots in the subdivision, for a sales office, a model home or model homes, and parking related to such sales office and model homes. In addition, any portion of the subdivision, including streets, drives, boulevards and other roadways, as well as esplanades, may be used for sales purposes, guardhouses, and for other purposes deemed proper by the Developer.

B. No building shall be erected, placed or altered on any residential and recreational building site or tract in Mound Creek, Section I, until the construction plans and specifications therefor and the plat plan of the building site showing the locations of all buildings and sidewalks to be erected thereon have been approved by the Committee as to use, quality of workmanship and materials, conformity and harmony with the external features of existing structures in Mound Creek, Section I, and as to location of the building and improvements with respect to topography and finished grade elevation. A majority of the Committee may designate a representative with authority to approve the design and location of any building. Any approval or disapproval by the Committee of any matters herein required or permitted shall be in writing. If the Committee or its designated representative fails to give written approval or disapproval within thirty (30) days after any plans or specifications have been submitted to it, or in any event, if no suit to enjoin the construction under such plans and specifications has commenced prior to the completion of the improvements, approval will not be required and the provisions of this paragraph shall be deemed to have been fully satisfied. The Committee, at its sole discretion is hereby permitted to approve deviations in building area and location in instances where, in their judgment, such deviation will result in a more commonly beneficial use. Such approval must be granted in writing.

The Committee shall also have the right and duty to enforce these conditions, covenants, assessments, protective provisions, and restrictions in any court of law or equity having jurisdiction to hear such action.

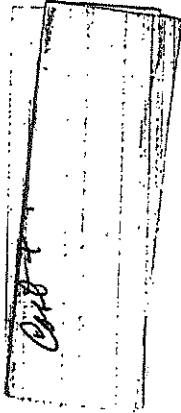
From and after the earlier to occur of either (i) completion of construction of homes on all residential lots, or (ii) the expiration of five years from date hereof, the Association shall have all of the rights, duties and powers of the Committee provided for herein and the Committee shall thereafter have no rights, powers or duties hereunder.

C. Developer shall upon the sale of seventy-five percent (75%) of the residential lots in Mound Creek, but not later than January 1, 1989, issue memberships in the Association to the owners of such lots as such owners are shown on its records. Developer may, at its option, issue memberships in the Association to the owners of such lots as such owners are shown on its records, prior to the sale of seventy-five percent (75%) of the residential lots and prior to January 1, 1989. The members of the Association shall thereupon and thereafter elect the Directors of the Association in accordance with its Articles and By-Laws.

D. Each residential lot in the subdivision shall be subject to a monthly maintenance charge, hereinafter called "maintenance charge", of Ten Dollars (\$10.00) per month, which amount is in addition to amounts collected by the Association relating to the underground water system. The amount of the maintenance charge for each lot may be increased or decreased from time to time, but not more often than once per year, by the Association; provided, however, that if any such charge increases the maintenance charge by more than fifty percent (50%) of the amount of the maintenance charge in the preceding calendar year, the charge must be approved by a majority vote of the owners in the subdivision by written vote taken not less than ten (10) days prior to the first day of January of the year in which such increase shall become effective, and the owners of each lot shall have one vote. It is expressly agreed and understood that the maintenance charge and water system lease maintenance charge per lot in the subdivision may be more or less than the annual maintenance charge and water system lease maintenance charge per lot in other sections of Mound Creek. The maintenance charge and the water system lease maintenance charge shall be secured, collected, managed and expended as follows:

1. The maintenance charge for each lot shall be due and payable upon closing. The water system lease maintenance charge for each lot shall be due and payable upon the providing of service to the point of attachment on any lot after closing. The maintenance charge and water system lease maintenance charges shall be paid monthly thereafter. With respect to property sold under contracts of sale, the maintenance charge for each lot shall be due and payable upon the acceptance of the contract by Developer. With respect to property sold under contracts of sale, the water system lease maintenance charge for each lot shall be due and payable upon the acceptance of the contract by Developer and the providing of water service to the point of attachment for each lot. Maintenance charges and water system lease maintenance charges not paid when due shall bear interest at the rate of ten percent (10%) per annum, or such greater rate as may be provided by the laws of the State of Texas.

107-98-1282



107-98-1283

2. The maintenance charges and water system lease maintenance charges shall, when paid monthly, be deposited in a separate maintenance fund bank account. The maintenance fund shall be held, managed, invested and expended by the Association, at its discretion, for the benefit of the subdivision and other sections of Mound Creek and the owners of lots therein. The Association shall, by way of illustration and not by way of limitation, expend the maintenance fund for the improvement and maintenance of streets, roads, esplanades, and parkways and installation, operation and maintenance of the water systems in Mound Creek; enforcement of these Restrictions by action at law or in equity, or otherwise, paying court costs as well as reasonable and necessary legal fees out of the maintenance fund; and for all other purposes which are, in the discretion of the Association, desirable in maintaining the character and value of Mound Creek and the residential lots therein. The Association shall not be required to have a separate maintenance fund for the various sections of Mound Creek nor shall it be required to expend portions of the fund in any particular section or sections. The Association shall not be liable to any person with respect to the maintenance fund except for its willful misdeeds. It shall not be required to expend funds at any time but shall have the right to advance money to the fund, or borrow on behalf of the fund, paying then current interest rates.

3. To secure the payment of the maintenance charge and water system lease maintenance charge, a vendor's lien is hereby retained on each lot in favor of the Association and it shall be the same as if a vendor's lien was retained in favor of Cochran Brothers General Partnership and assigned to the Association without recourse in any manner against Developer for payment of such indebtedness. Said lien shall be enforceable through appropriate proceedings at law; provided, however, that such lien may, at the option of the Association, be made junior, subordinate and inferior to any lien (and renewals and extensions thereof) granted by the owner of any lot to secure the repayment of sums advanced to cover the purchase price for the lot or the costs of any permanent improvement to be placed thereon, all by appropriate subordination instrument to be executed by the Association. All maintenance charge and water system lease maintenance charge liens as provided for herein may be enforceable through any appropriate proceedings at law or in equity; provided, however, that such lien be enforceable only by the Association, its successors or assigns; provided further, however, that under no circumstances shall the Association ever be liable to enforce or attempt to enforce any such maintenance charge or water system lease maintenance charge lien.

The Association shall, as a condition precedent to the foreclosure of any liens securing the payment of the maintenance charge or water system lease maintenance charge, first notify the record owner of notes secured by liens covering lots in the subdivision (excluding "second lien notes" and other indebtedness secondary and inferior to the "first mortgage"), by registered or certified mail, return receipt requested, sent to such record owner at the last address, if any, of such record owner given to the Association, of default in the payment of maintenance charges or water system lease maintenance charges. No action shall be taken by way of filing suit or foreclosure of the maintenance charge or water system maintenance charge lien by sale with respect to any lot until sixty (60) days have expired after mailing of such notice.

4. The provisions of this Paragraph D shall remain in effect so long as these Restrictions, and any extensions and/or amendments hereof, are in force.

5. If any home site consists of more or less than one entire lot or tract, then the word "lot" or "tract" as used in these restrictions shall mean such home site, not the entire lot or tract.

E. The Association shall function as the representative of the owners of the lots in the subdivision for the purposes herein set out as well as for all other purposes consistent with the creation and preservation of a first-class residential subdivision. The Association shall, by way of illustration, collect and manage the maintenance fund and enforce these Restrictions. The Committee is to approve or disapprove plans and perform such functions as herein provided. The Committee may employ a consulting architect or architects to assist in the architectural aspects of subdivision control and may delegate to such architect or architects such portion of the architectural aspects of subdivision control as they may deem appropriate, compensating such architect or architects out of the maintenance fund.

Handwritten signature

F. Grantor, Developer and the Association and the Committee, as well as their agents, employees and architects, shall not be liable to any owner of any other party for any loss, claim or demand asserted on account of their administration of these Restrictions and the performance of their duties hereunder, or any failure or defect in such administration and performance. These Restrictions can be altered or amended only as provided herein and no person is authorized to grant exceptions or make representations contrary to these Restrictions except as expressly set forth herein. No approval of plans and specifications shall ever be construed as representing or implying that such plans, specifications or standards will, if followed, result in a properly designed resident or residence foundation. Such approvals and standards shall in no event be construed as representing or guaranteeing that any residence or residence foundation will be built in a good workmanlike manner. The acceptance of a deed to a residential lot in the subdivision, shall be deemed a covenant and agreement on the part of the grantee, and the grantee's heirs, successors and assigns, that Grantor, the Association and the Committee, as well as their agents, employees and architects, shall have no liability under these Restrictions except for willful misdeeds.

107-98-1284

G. No improvement of any kind or character whatsoever shall be erected, or the erection thereof begun, or change made in the exterior design thereof after original construction, on any residential lot in the subdivision until the complete plans and specifications and a plot plan showing the location of the structure have been approved by the Committee or its designated coordinating architect in accordance with the following procedure:

1. Two (2) complete sets of plans and specifications shall be delivered to the coordinating architect (or the Committee if there is no coordinating architect). Such plans and specifications shall be reviewed as to quality of design workmanship and materials, harmony of exterior design with existing or approved structures, and locating with respect to topography and finish grade elevations. Such approval is to be based on the applicable requirements and restrictions set out herein.

2. If found to be in compliance with these restrictions, a letter of approval with any qualifications or modifications will be prepared for the countersignature by the builder and/or owner. Such approval shall be dated and shall not be effective for construction commenced more than six (6) months after such approval.

3. If found not to be in compliance with these Restrictions, one set of such plans and specifications shall be returned marked "Disapproved". Disapproved plans and specifications shall be accompanied by a reasonable statement of items found not to comply with these Restrictions.

4. If no action is taken on plans and specifications within thirty (30) days after their delivery to the Coordinating Architect or Committee, they shall be deemed approved on the 30th day after such delivery.

EXHIBIT C TO DECLARATION OF RESTRICTIONS
FOR
MOUND CREEK, SECTION I
RESTRICTIONS

107-98-1285

I. LAND USE AND BUILDING TYPE

No lot shall be used for any purpose except for single family residential or recreational purposes; provided that until the Developer, its successors and assigns, has sold all of the lots in Mound Creek, Section I, any lot may be used by Developer, its successors and assigns, for the erection and operation of a sales office, construction office, or model home. The term "residential purposes" as used herein shall be held and construed to exclude hospitals, clinics, duplex houses, apartment houses, multiple family dwellings, boarding houses and hotels, and to exclude commercial, business and professional uses whether from homes, residences or otherwise, and the above described uses of the above described property are hereby expressly prohibited. The term "recreational uses" as used herein shall be held and construed to exclude commercial, business and professional activities of any nature, whether from homes, residences or otherwise, and the above described uses of such property are hereby expressly prohibited. The term "building" or "buildings" as used herein shall be held and construed to mean those permissible buildings and structures which are or will be erected and constructed on the property in Mound Creek. No building shall be erected, altered, placed or permitted to remain on any lot other than:

- (a) one (1) detached single family dwelling not to exceed two (2) stories in height, together with a private garage or carport for not more than three (3) cars, which may be occupied by an integral part of the family occupying the main residence on the building site or by servants employed on the premises; and
- (b) tool sheds or workshops for the personal use of the purchaser, grantee, lessee or owner, and his immediate family; and
- (c) one (1) or more shelters for pets or domestic animals kept on the premises for non-commercial purposes.

All mobile homes and trailer houses are absolutely forbidden to be permanently located on the land. A trailer house or mobile home is permanently located upon the land when it is blocked, or connected to fresh water and sewage disposal connections on the land, or underpinned, or has been in a fixed location in excess of thirty (30) days, except when necessary during the construction of a permanent dwelling, and then, when in a fixed location, in excess of one hundred twenty (120) days.

2. LOT AREA AND WIDTH

No lot may be resubdivided unless the prior written approval of Developer is first obtained.

3. DWELLING SIZE AND CONSTRUCTION

No residential or recreational dwelling shall be placed on any lot unless its living area has a minimum of one thousand five hundred (1,500) square feet of floor area, exclusive of porches, and garages. All residential and recreational dwellings shall have a concrete foundation or foundation built of materials and by a method approved in writing by the Building Control Committee. All residential and recreational dwellings shall be equipped with fresh water well (except in the event an underground water system is constructed by Developer, on those lots provided with water service by Developer, a fresh water well shall be prohibited) and septic tank connections in accordance with County minimum requirements, and exterior walls of all residential and recreational dwellings shall be completed with a suitable grade of metal, asbestos, wood, brick, or masonry siding so as to present a suitable appearance, provided however, that the Committee has the authority in its sole discretion to approve residential and recreational construction utilizing other siding materials, where, in its judgment, such deviation will

result in a structure of suitable appearance. Such approval must be granted in writing, and when given, will become a part of these restrictions. All roofs on any residential or recreational dwelling shall be constructed and maintained with wood shingles, composition shingles, or aluminum shingles. Roofing of tool sheds, garages, carports and animal shelters may be made of any suitable material, subject however, to the approval of the Committee.

4. BUILDING LOCATION

No building shall be located on any lot within ninety (90) feet of the center line of the road or within twenty (20) feet of the sidelot property line unless approved by the Committee in writing.

107-98-1286

5. CONSTRUCTION AND COMPLETION

Written approval of the Committee shall be required before any single family dwelling, whether residential or recreational, may be occupied prior to the entire completion of the exterior of such dwelling including all additions or expansions. Entire completion additionally shall include but not be limited to removal from the construction site of all unused construction materials and cleaning of the construction site so that the general appearance of the area meets the standards set by the Association.

6. RECREATIONAL VEHICLES AND SHELTERS

Nothing herein shall be construed or held to exclude the use of recreational vehicles, including house, camping, and hunting trailers, motor homes, tents, or other portable camping structures, when used temporarily for camping and recreational, but not for residential purposes. A trailer, mobile home, motor home, tent or other camping shelter shall be deemed to be in use for residential purposes if the same remains in a fixed spot upon the land in excess of thirty (30) days, except when necessary during the construction of a permanent dwelling, and then, when in a fixed spot in excess of one hundred twenty (120) days.

7. TEMPORARY STRUCTURES

Structures which do not comply with the land use and building type restrictions contained elsewhere herein shall be prohibited, whether temporary or permanent in character.

8. FENCES

The minimum type fence accepted shall be a four-wire fence with four-inch top posts, such posts being a minimum of ten (10) feet apart and all corners shall be properly guy-wired and braced. Corner posts shall be six inch top posts. No fence shall be constructed of what is commonly known as "chicken wire".

9. SIGNS

No signs, advertisement, billboard or advertising structure of any kind may be erected or maintained on any residential or recreational lot without the consent in writing of the Committee, except one (1) sign not more than forty-eight (48) inches square, advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction or sales period as established by Developer. Developer or members of the Committee shall have the right to remove any such sign, advertisement or billboard, or structure which is placed on any lot in violation of these restrictions, and in so doing, shall not be liable, and are hereby expressly relieved from any liability for trespass or other tort in connection therewith, or arising from such removal.

10. LIVESTOCK AND POULTRY

Dogs, cats, and other household pets and exhibition animals may be kept on any lot, provided they are not kept, bred or maintained in excessive numbers or for any commercial purpose. Furthermore, horses, cows, goats, chickens and other domestic fowl may be kept for the use and pleasure of the owner of any lot, but not for commercial purposes; provided, further that all such animals be kept in a suitable enclosure for the number and type of animal. Nothing herein shall exempt or except the keeping of animals, livestock, or poultry from the covenant against nuisances elsewhere herein. Any livestock enclosure which is overcrowded, or not adequately maintained and cleaned, or which presents an unkempt appearance or produces noxious odors may be

declared a nuisance by the Committee and ordered removed from the land, which action if taken in good faith, shall be conclusive upon the question of nuisance. Notwithstanding the preceding, swine may not be kept on any lot unless they are for exhibition purposes and do not total more than two (2).

11. NUISANCES

No noxious, offensive, dangerous or noisy activity shall be conducted on any lot, nor shall anything be done thereon which may be or become a nuisance to the neighborhood in which said lot is located. Lots shall be kept clean and free of trash, garbage, and debris, and fires shall be contained in a safe enclosure. No grass or weeds shall be allowed to grow to a height which is unsightly in the opinion of Developer or the Association. Developer or the Association shall have the right, after seven days' written notice to the owner of a lot, to remove from such lot accumulated trash, garbage or debris and to cut and remove unsightly grass and weeds and to charge the lot owner for all reasonable costs thereby incurred.

12. GARBAGE AND REFUSE DISPOSAL

No lot shall be used or maintained as a dumping ground for rubbish. All trash, garbage and other wastes shall be kept in sanitary containers until disposition.

13. REMOVAL OF DIRT AND OTHER MINERALS

No oil drilling, development, refining, quarrying or mining operation shall be permitted upon or in any lot by any purchaser, grantee, or lessee. No sand, gravel or earth shall at any time be excavated or dug out of any lot, except for the purpose of laying the foundation of a residence thereon, erecting such residence, improving the gardens or grounds thereof. Except in conjunction with construction and drainage work, the removal of dirt, stone, gravel or other minerals from any lot for any purpose is forbidden without permission in writing from the Committee.

14. ABANDONED OR JUNKED MOTOR VEHICLES

No lot shall be used as a depository for abandoned or junked motor vehicles. An abandoned motor vehicle is one without a current state inspection sticker. No junk of any kind or character, or any accessories, parts or objects used with cars, boats, buses, trucks, trailers, house trailers, or the like, shall be kept on any lot other than in a garage, or other structure approved by the Committee.

15. HUNTING

Absolutely no hunting shall be allowed on Mound Creek.

16. STORAGE

No lot shall be used for temporary or permanent storage of equipment, material or vehicles except such as may be used in direct connection with the use or enjoyment of any lot as residential or recreational property.

17. STRUCTURES ON EASEMENTS

No structure, planting or other material shall be placed or permitted to remain within the easements of record in Harris and Waller Counties, Texas, to which Mound Creek is subject, which may damage or interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which Developer, a public authority or private utility company is responsible.

18. SEWAGE FACILITIES

All lavatories, toilets and bath facilities shall be installed indoors and shall be connected with adequate grease traps, septic tanks and lateral lines constructed to comply with the specifications as set out in the guidelines prepared by the health department adopted November 30, 1977, a copy of which shall be available at the office

of Developer and the Association, and no outside or surface toilets shall be permitted under any circumstances. All lavatories, toilets and bath facilities shall be completely installed and functioning before any residence is occupied.

19. UNSOLD LOTS

Notwithstanding anything to the contrary herein, Developer reserves for itself and its designated agent or agents the right to use any unsold lot or lots for a temporary office locating and the right to place a sign or signs on any unsold lot or lots.

20. INTERPRETATION

In the event of any dispute over the proper interpretation of any of the provisions of this declaration, the determination of the Developer shall be final and binding on all interested persons.

21. GENERAL APPEARANCE

Each lot shall be mowed at six-month intervals and the general appearance of such lot shall be maintained in a manner beneficial to the environment of the development and in conformance to the standards set by the Association.

107-98-1288

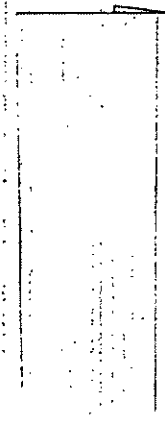


EXHIBIT D TO DECLARATION OF RESTRICTIONS

FOR

MOUND CREEK, SECTION I

ADMINISTRATION

107-98-1289

1. TERM

These covenants and restrictions are to run with the land and shall be binding upon and inure to the benefit of all owners of tracts in Mound Creek, Section I, and all persons claiming under them until January 1, 1989, after which time such covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the majority in votes of the then owners of tracts in Mound Creek, Section I, is filed for record in Harris and Waller Counties, Texas, altering, rescinding or modifying said covenants and restrictions in whole or in part with the owner of each lot being entitled to one (1) vote per acre.

2. AMENDMENT AND EXEMPTION

Developer, its successors and those to whom this right is expressly assigned, shall have the right and power to modify or eliminate entirely the foregoing restrictions by recorded instrument with respect to any portion of Mound Creek, Section I, or any tract thereof, before Developer shall have conveyed title thereto, subject, however, to the approval of such modification or elimination by O. Dean Gouch, Jr. DBA Couch Mortgage Company (hereinafter called "Lender"), such approval being required only during the term of the loan with respect to such property from Lender, however, any such amendment or elimination shall not be held to destroy the validity or enforceability of the restrictions upon the tracts previously conveyed by Developer. Developer, its successors and those to whom this right is expressly assigned, shall have the power to exempt any tract from the foregoing restrictions or any part thereof by express recital in the initial conveyance of such tract by Developer, or subsequent to conveyance, by special letter agreement to the contrary, from the Committee with respect to each tract, subject however, to the approval of such exemption by Lender, such approval being required only during the term of the loan from Lender with respect to such property. Approval of such exemption from the foregoing restrictions, or any part thereof, by Lender, shall be effective and act as a waiver of such exemptions or any part thereof with respect to all tracts in Mound Creek Subdivision, Section I, however approval by Lender of such exemptions shall not affect the requirement of approval of same on each tract by the Committee.

3. ENFORCEMENT

The covenants, reservations, easements, and restrictions set out herein are for the benefit of Developer, its successors and assigns, and equally for the benefit of any subsequent owner of any tract or tracts in Mound Creek, Section I, and his heirs, executors, administrators, and restrictions contained herein shall be construed to be covenants running with the land, enforceable at law or in equity by any one or more of said parties, by and through the Association and the Committee as elsewhere herein provided.

4. SEVERABILITY

The invalidity, abandonment, or waiver of any one or more of these covenants, reservations, easements and restrictions shall in no way affect or impair the other covenants, reservations, easements and restrictions which shall remain in full force and effect.

Johnston