

**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
PRINCETON HEIGHTS**

**A RESIDENTIAL SUBDIVISION IN
HARRIS COUNTY, TEXAS**

NOTICE: THIS DOCUMENT SUBSTANTIALLY EFFECTS YOUR RIGHTS AND OBLIGATIONS AS AN OWNER OF PROPERTY IN THIS SUBDIVISION. READ IT CAREFULLY. WITHOUT LIMITATION, YOU ARE SPECIFICALLY ADVISED AS FOLLOWS: (i) ARTICLE III PROVIDES FOR MANDATORY MEMBERSHIP IN A HOMEOWNERS' ASSOCIATION, AND FOR MANDATORY PAYMENT OF ASSESSMENTS TO THE ASSOCIATION AND A CONTINUING LIEN AGAINST YOUR PROPERTY TO SECURE PAYMENT OF ASSESSMENTS WHICH MAY BE FORECLOSED EVEN IF THE PROPERTY IS YOUR HOMESTEAD. (ii) PARKING BY OWNERS AND OTHER OCCUPANTS IS PROHIBITED UPON ANY SUBDIVISION STREETS, NO GUEST PARKING WITHIN THE SUBDIVISION IS AVAILABLE, AND AVAILABLE PARKING FOR ANY VEHICLE IS EXTREMELY LIMITED (SEE SECTIONS 5.03 & 6.01.2), (iii) DECLARANT RETAINS SUBSTANTIAL RIGHTS UNDER THE DECLARATION, INCLUDING AS PROVIDED IN SECTION 8.01 AND ESPECIALLY DURING THE DEVELOPMENT PERIOD, INCLUDING THE UNILATERAL RIGHT TO SET RATES FOR REGULAR ASSESSMENTS AND IMPOSE SPECIAL ASSESSMENTS, AND, WITHOUT NOTICE TO OR CONSENT OF ANY OWNER, TO ANNEX ADDITIONAL PROPERTIES INTO THE SUBDIVISION, TO AMEND ANY PLAT AND TO AMEND THIS DOCUMENT AND ANY OTHER "GOVERNING DOCUMENTS", AND (iv) SECTION 8.01.9 SETS FORTH PROCEDURES REGARDING MANDATORY DISPUTE RESOLUTION, INCLUDING A REQUIREMENT THAT A DISPUTE NOTICE BE GIVEN TO DECLARANT WITHIN 120 DAYS AND ESTABLISHMENT OF A MAXIMUM TWO YEAR STATUTE OF LIMITATIONS. YOUR RIGHTS TO ASSERT A "DISPUTE" MAY BE LOST IF YOU FAIL TO COMPLY WITH SECTION 8.01.5.

AFTER RECORDING RETURN TO:

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47 / MAGEE
STEWART TITLE COMPANY

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**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
PRINCETON HEIGHTS**

A RESIDENTIAL SUBDIVISION IN HARRIS COUNTY, TEXAS

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EXECUTION
DECLARANT’S ACKNOWLEDGMENT
MORTGAGEE / LIENHOLDER CONSENT

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**DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS**

FOR

PRINCETON HEIGHTS

A RESIDENTIAL SUBDIVISION IN HARRIS COUNTY, TEXAS

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

KNOW ALL BY THESE PRESENTS THAT:

WHEREAS, the undersigned **THE PRINCETON GROUP, INC.**, a Texas corporation (herein referred to as "Declarant"), is the current owner of all that certain real property located in Harris County, Texas, as more particularly described in **Section 1.01** hereof; and said Declarant desire to create and carry out a general and uniform plan for the improvement, development, maintenance, use and continuation of a residential community on the property as set forth in **Article I** hereof for the mutual benefit of the Owners and their successors in title which property will be conveyed subject to the covenants, conditions, restrictions, liens, charges and easements as herein set forth.

NOW, THEREFORE, in order to carry out a uniform plan for the improvement, development, maintenance, sale and use of the properties within the Subdivision as herein defined, it is hereby declared that all of the properties within the Subdivision shall be held, sold and conveyed subject to the following covenants, conditions, restrictions, easements, charges and liens (sometimes herein collectively referred to as "covenants and restrictions"), all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of said properties. These covenants and restrictions shall run with said real property and be binding upon all parties having or acquiring any right, title, or interest in said real property or any part thereof, their heirs, predecessors, successors and assigns, and shall inure to the benefit of each Owner thereof.

Article I

Property Subject to This Declaration

SECTION 1.01 Property Subject to Declaration. The real property which, by the recording of this Declaration, will be held, transferred, sold, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to this Declaration is that certain real property located in Harris County, Texas, more particularly described as follows, to wit:

PRINCETON HEIGHTS, an addition in Harris County, Texas according to the map or plat thereof filed under Clerk's File No.20060266576, Official Public Records of Real Property of Harris County, Texas, and recorded in Clerk's Film Code No. 607100, Map Records of Harris County, Texas.

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SECTION 1.02 Annexation of Other Property. During the Development Period only Declarant may annex additional real property in to and make same a part of the Subdivision. Thereafter, the Owners may annex additional real property in to and make same a part of the Subdivision by amendment of this Declaration. Any such annexation must be evidenced by filing of, and is effective from the date of filing of, the amendment evidencing the annexation in the Official Public Records of Real Property of Harris County, Texas.

Article II **Definitions**

Unless the context otherwise prohibits and in addition to other defined terms set forth herein, the following words and substantive provisions regarding same when used in this Declaration shall apply, mean and refer to the following:

SECTION 2.01 "Architectural Control Committee" or "ACC" means the committee established pursuant to **Article III** of this Declaration which will act as the governing authority of the Association.

SECTION 2.02 "Architectural Guidelines" means minimum construction standards, including acceptable exterior materials, colors, finishes and similar standards, landscaping requirements and limitations and any other procedural, aesthetic, environmental and architectural policies and procedures from time to time adopted by the Architectural Control Committee in accordance with **Article III** hereof, regardless of nomenclature or manner of designation, and may include Rules and Regulations.

SECTION 2.03 "Association" means PRINCETON HEIGHTS HOMEOWNERS' ASSOCIATION, a Texas unincorporated nonprofit association established as provided in **Article III** hereof for the purposes contemplated by this Declaration and other Governing Documents, and its successors and assigns.

SECTION 2.04 "Community Properties" means all common areas so designated herein or by the Plat which are intended for the common use of Owners, including without limitation (i) each and all of the private streets designated as "16' Shared Driveway" on the Plat which are herein sometimes referred to as the "Shared Drive", (ii) all Subdivision Facilities, and (iii) all other properties, real or personal, conveyed to or dedicated to the use of, or otherwise acquired by the Association for the common use, enjoyment or benefit of, the Association, together with all improvements thereon and appurtenances thereto.

SECTION 2.05 "Declarant" means THE PRINCETON GROUP, INC., a Texas corporation, and its successors and assigns.

SECTION 2.06 “Declaration” means this Declaration of Covenants, Conditions, Restrictions and Easements for PRINCETON HEIGHTS, and all lawful amendments thereto.

SECTION 2.07 “Development Period” means the period of time beginning on the date of recordation of this Declaration in the Official Public Records of Real Property of Harris County, Texas, and ending on the earlier occurrence of either of the following events:

2.07.1 five (5) years after the date of filing of this Declaration in the Official Public Records of Real Property of Harris County, Texas; or

2.07.2 upon the date of filing in the Official Public Records of Real Property of Harris County, Texas of Declarant’s notice of termination of the Development Period, provided that at any time prior to complete termination of the Development Period Declarant may file one or more statements of limited termination of the Development Period to apply only to the specific functions, rights and/or responsibilities as stated therein.

SECTION 2.08 “Governing Documents” means all documents and applicable provisions thereof regarding the use, maintenance, repair, replacement, modification or appearance of any properties within the Subdivision, including each Lot, or any rights, responsibilities or obligations of any Owners pertaining thereto or to the ACC, including without limitation this Declaration, Rules and Regulations, Architectural Guidelines, Bylaws of the ACC, if any, all written decisions and resolutions of the ACC , and all lawful amendments to any of the foregoing.

SECTION 2.09 “Lot” means any of the numbered plots of land shown on the Plat upon which a single family residence is, or may be, built. The term “Lot” does not include Community Properties.

SECTION 2.10 “Meeting of Owners” means a meeting of the Owners called and conducted as follows: DURING THE DEVELOPMENT PERIOD ONLY DECLARANT MAY CALL A MEETING OF OWNERS. Thereafter a Meeting of Owners may be called by any member of the ACC and must be called upon receipt by any member of the ACC of a written request for a Meeting of Owners signed by the Owners of not less than fifty percent of the Lots then contained in the Subdivision. Any request for a Meeting of Owners must state a proper purpose or purposes of the meeting. After the first Meeting of Owners is held as provided in **Section 8.01**, an annual Meeting of Owners must thereafter be called and conducted by the ACC during the same quarter of the year in which the first Meeting of Owners is held. All Meetings of Owners will be held on such date, at such time and at such place in Harris County, Texas as determined by Declarant as to the first Meeting of Owners and by the ACC thereafter. Not less than ten nor more than forty-five days written notice of each Meeting of Owners must be given by Declarant during the Development Period and by the ACC thereafter to the Owners of all Lots. The notice must state the date, time, place and purpose(s) of the Meeting of Owners. If at any applicable time the ACC has not been formed or has ceased to function, or if the ACC fails to act within thirty days after receipt of a proper request for a Meeting of Owners, then a Meeting of Owners may be called upon written notice as aforesaid signed by the Owners of not less than fifty percent of the Lots then contained in the

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Subdivision. Except as provided in **Section 8.01.3** regarding the first Meeting of Owners, the Chairperson (or Vice Chairperson in the absence of the Chairperson) and the Secretary of the ACC shall act as the chairperson and secretary, respectively, for each Meeting of Owners; or, in the absence of any of the foregoing ACC officers, then the Owners shall elect a chairperson and/or secretary as the first order of business. The secretary shall prepare minutes of the meeting and sign same, and shall mail a true and correct copy of the minutes to the Owners of all Lots within a reasonable time after conducting of the meeting. All costs of preparation and mailing of any notices, copies of minutes and all other proper costs of conducting a Meeting of Owners will be paid from the ACC Fund. Each Owner may vote at any Meeting of Owners in person or by proxy. The presence at any Meeting of Owners of the Owners of not less than fifty percent of the Lots then contained within the Subdivision, in person or by proxy, and whether or not in good standing, constitutes a quorum. The vote at any Meeting of Owners of a majority of the votes entitled to be cast shall be the act or acts of the Meeting of Owners unless a vote by the Owners of a greater percentage of Lots is specifically required herein or under other provisions of the Governing Documents. Any Meeting of Owners may also be held by telephone conference, if feasible, or as otherwise provided by Section 6.002 of the Texas Business Organizations Code, or the Members may act by written consent as permitted by Sections 6.201-6.205 of the Texas Business Organizations Code. The foregoing does not apply to or in any manner preclude Declarant from calling and conducting any other meetings with Owners during the Development Period for informational and any other purposes which do not involve binding votes by Owners.

SECTION 2.11 "Member" means every Person who is an Owner and holds a membership in the Association. Every Member which is not a natural person must designate a representative of such entity who is a natural person as provided in **Section 3.01.3**.

SECTION 2.12 "Owner" means, whether one or more Persons:

2.12.1 the owner according to the Official Public Records of Real Property of Harris County, Texas, whether one or more Persons, of the fee simple title to a Lot, including any mortgagee or other lien holder who acquires such ownership through judicial or non-judicial foreclosure or proceedings in lieu thereof, but excluding any Person holding a lien or other encumbrance, easement, mineral interest or royalty interest burdening title or otherwise having an interest merely as security for the performance of an obligation; and

2.12.2 as to an executory contract for conveyance until fee simple legal title is conveyed of record to the purchaser and notwithstanding any provisions in the contract to the contrary (i) the seller if the contract or notice thereof is not filed of record in which case the purchaser will be deemed a lessee and not an Owner or Member for purposes of the Governing Documents, and (ii) the seller and the purchaser if the contract is filed of record in which case the seller and purchaser are deemed to be joint Owners ("filed of record" herein meaning filed in the Official Public Records of Real Property of Harris County, Texas).

SECTION 2.13 "Person" means any natural person, as well as a corporation, joint venture, partnership (general or limited), ACC, trust, or other entity.

SECTION 2.14 "Plat" means the map or plat of the Subdivision as described in Section 1.01, and any maps or plats covering properties hereafter made a part of the Subdivision as provided in **Article I**, if any, hereafter filed in the Map Records of Harris County, Texas, and all lawful modifications, amendments and/or replats of any of the foregoing.

SECTION 2.15 "Prevailing Community Standards" means those standards of aesthetics, environment, appearance, color, architectural design and style, maintenance, conduct and usage generally prevailing in the Subdivision as reasonably determined by the ACC at any given pertinent time and from time to time, including as to each particular Regulated Modification and each other matter or circumstance considered as of the date of the evaluation (i) prevailing standards as to harmony and compatibility with surrounding aesthetics, appearance and patterns of maintenance and use, harmony and compatibility with surrounding buildings, structures and other improvements, and harmony and compatibility with surrounding grades, topography, finished ground elevations, locations, colors, finishes, styles, workmanship, type and quality of materials and designs, and (ii) compliance with this Declaration and other applicable Governing Documents, and with applicable governmental laws, ordinances and regulations.

SECTION 2.16 "Regulated Modification" means (without implication that any particular matter is permitted or prohibited by this Declaration and without limitation as to **Article III** hereof) the commencement, placement, construction, reconstruction or erection on, below or above the surface of any Lot of, or modification, alteration, or addition to, any building, structure, improvement, thing or device, and any usage thereof, whether temporary or permanent, which may affect, modify or alter the aesthetics, environment, architectural scheme, appearance or standards, patterns of usage, or grades or topography, or any other Prevailing Community Standards as of the date of establishment of the Regulated Modification.

SECTION 2.17 "Related Parties" means and applies as follows:

2.17.1 Owners and Tenants. Tenants of each Owner are Related Parties of that Owner, and with respect to each such Owner and each such tenant, Related Parties of each include (i) their respective family and other household members (including in particular but without limitation all children and other dependents), (ii) their respective guests, invitees, servants, agents, representatives and employees, and (iii) all other Persons over which each has a right of control or under the circumstances could exercise or obtain a right of control.

2.17.2 Association, ACC and Declarant. Related Parties of the Association, ACC and Declarant include their respective officers, directors, partners, co-venturers, committee members, servants, agents, representatives and employees regarding all acts or omissions related to any of the foregoing representative capacities.

SECTION 2.18 "Rules and Regulations" means the policies and procedures from time to time adopted by the ACC regulating the maintenance, operation, use or occupancy of the

Subdivision, including the Lots and Community Properties, in accordance with **Article V** hereof, regardless of nomenclature or manner of designation, and may include Architectural Guidelines.

SECTION 2.19 "Subdivision" means the residential community as more particularly described in **Section 1.01** hereof, and any other real property subjected to this Declaration as herein provided from time to time.

SECTION 2.20 "Subdivision Facilities" means all facilities and services built, installed, maintained, operated or provided by or through the Association, if any, for the general benefit of the Subdivision, including without limitation (i) all Subdivision entry and other identification monuments, (ii) any patrol or access limiting type services, structures or devices specifically obtained and maintained by the Association for such purposes, including without limitation any controlled access gates, guardhouses and related structures or devices, (iii) any Drainage Devices designated by Declarant or the ACC for maintenance by the Association as set forth in **Section 6.04**, (iv) any Subdivision Facilities as set forth in **Section 7.05.2**, and (v) any other facilities or services as from time to time so designated by Declarant during the Development Period or the ACC thereafter.

Article III

Association; Architectural Control Committee

SECTION 3.01 Organization.

3.01.1 Establishment of Association.

(a) Organization. The Association is hereby established as a Texas unincorporated nonprofit association pursuant to Chapter 252 of the Texas Business Organizations Code. The Association has full power, authority and standing to enforce all provisions of the Governing Documents. The principal purposes of the Association are the collection, expenditure and management of the funds and financial affairs of the Association, enforcement of all provisions of the Governing Documents, providing for maintenance, preservation and architectural control within the Subdivision, the providing of such Subdivision Facilities as herein permitted or required, and all other acts and undertakings reasonably incident to any of the foregoing or in furtherance thereof as determined in the sole good faith opinions of the ACC or Members.

(b) Powers. The Association has full right power and authority to manage the affairs of the Association and enforce all provisions of this Declaration and all other Governing Documents, including without limitation (i) to exercise all powers available to a Texas unincorporated nonprofit association, and, to the fullest extent allowed by law, to exercise all powers of a Texas nonprofit corporation, (ii) to exercise all powers of a property owners association pursuant to Section 204.010 of the Texas Property Code, and (iii) to exercise all implied powers incident to the foregoing or necessary or proper to the Association's express powers or purposes, subject however to any limitations expressly stated herein or in other Governing Documents. Without limitation of the foregoing, the Association is hereby expressly authorized (x) to acquire (by gift,

deed, lease or otherwise), own, hold, improve, operate, maintain, sell, lease, convey, dedicate for public use, otherwise dispose of and/or alienate real and personal property as the Association may deem necessary or appropriate and/or as provided in this Declaration and other Governing Documents (y) subject to prior approval by the Owners of not less than seventy-five percent (75%) of the Lots at a Meeting of Members, to borrow money, and to mortgage, pledge, deed in trust or otherwise encumber, alienate or hypothecate any or all of the Association's real or personal property as security for money borrowed or debts incurred to conduct the lawful affairs of the Association, and (z) to compromise and settle any and all claims, demands, liabilities and causes of action whatsoever held by or asserted against the Association upon such term and conditions as the ACC may determine, and the decisions of the ACC as to any of the foregoing is final and conclusive.

3.01.2 Architectural Control Committee.

(a) General. The Association acts through the Architectural Control Committee (herein sometimes referred to as the "ACC") which manages the affairs of the Association as specified in this Declaration and other Governing Documents. DECLARANT WILL ACT AS THE ACC (AND AS THE DESIGNATED REPRESENTATIVE OF THE ACC) DURING THE DEVELOPMENT PERIOD. Thereafter the ACC will be composed of three persons, each of whom must be an Owner. Nominations for election may be made by Declarant regarding the first Meeting of Owners or the ACC thereafter. In either case such nominees must be listed in the notice of the Meeting of Owners at which the nominee(s) will stand for election. Nominations may also be made from the floor.

(b) ACC Offices. The ACC shall elect from among its committee members a Chairperson, a Vice Chairperson and a Secretary. Such ACC officers shall be elected at an annual organizational meeting of the ACC to be held as soon as practical after each annual Meeting of Owners. Each ACC officer shall hold office until the next annual Meeting of Owners and until his or her successor is elected and qualified unless he or she shall sooner resign or be removed or otherwise become disqualified to serve. The duties of the ACC officers are as follows:

(1) Chairperson. The Chairperson shall preside over all meetings of the ACC and all Meetings of Owners, shall see that orders and resolutions of the ACC are carried out; shall sign as Chairperson all leases, mortgages, deeds and other written instruments and shall co-sign with any other ACC officer all checks and promissory notes which have been first approved by the ACC unless the ACC has authorized the signature(s) by any one or another ACC officer or officers; and, subject to advice of the ACC, has general supervision, direction, and control of the affairs of the Association; and shall discharge such other duties as may be required by the ACC. The Chairperson shall also act as the treasurer of the Association and as such shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the ACC; keep proper books of account; and keep accurate books and records of the fiscal affairs of the Association, and report on and make the same available for inspection by Members of the Association as required by the ACC, this Declaration, or other Governing Documents.

(2) Vice Chairperson. The Vice Chairperson shall act in the place and stead of the Chairperson in the event of the absences or inability or refusal of the Chairperson to act, and shall exercise and discharge such other duties as may be required by the ACC. In the latter regard the ACC may by unanimous vote designate the Vice Chairperson to act as the treasurer of the Association in lieu of, and otherwise as above provided regarding, the Chairperson.

(3) Secretary. The Secretary shall record the votes and keep the minutes of all Meetings of Owners and proceedings of the ACC; give notice of meetings of the ACC and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the ACC.

(c) Notices; Meetings of ACC; Vacancies; Removal; Compensation. Within a reasonable time after each Meeting of Owners to elect members of the ACC, written notice must be given to all Owners stating the name and mailing address of each member of the ACC who was elected at the meeting and all other then members of the ACC. Meetings of the ACC, including the annual organizational meeting for election of ACC officers as above provided, may be called at any time by the Chairperson, or by the Vice Chairperson and Secretary, upon any reasonable notice, verbal or written, to be held at any reasonable location. A majority of the number of ACC committee members constitutes a quorum for the transaction of business at any meeting. Every act or decision done or made by a majority of the ACC committee members present in person or by proxy at a meeting at which a quorum is present is the act of the ACC. Meetings of the ACC may also be held by telephone conference or as otherwise permitted by Section 6.002 of the Texas Business Organizations Code, or the ACC may act by written consent as permitted by Sections 6.201-6.205 of the Texas Business Organizations Code. Any member of the ACC may be removed at a Meeting of Owners called for such purpose by affirmative vote of the Owners of a majority of all Lots then contained in the Subdivision, and in such event the Owners at such Meeting of Owners shall also elect one or more individuals to fill the unexpired term(s) of the member(s) so removed. Any other vacancies on the ACC will be filled by majority vote of the remaining members or by the remaining member of the ACC, or, in the event of a deadlock, by the Owners present at a Meeting of Owners called for such purpose which meeting must be called promptly after any deadlock occurs. No member of the ACC is entitled to compensation for services performed; provided, the ACC may employ one or more architects, engineers, attorneys or other consultants, as approved by the ACC, to assist the ACC in carrying out its duties, and members of the ACC may also be reimbursed for reasonable expenses in such manner and amounts as may be approved by the ACC or as otherwise set forth in the Governing Documents

(d) Owners Acting as ACC. If at any time after the Development Period the ACC ceases to function, unless and until the ACC is re-established, all rights, duties, and responsibilities of the ACC shall vest in the Owners. The Owners may act as the ACC at any Meeting of Owners. The ACC may be re-established at any Meeting of Owners. with ACC members to be elected in the same manner as at the first Meeting of Owners called by Declarant.

(e) Designation of ACC Representative. One person who is an Owner may be designated to act as the ACC in which case the designated representative shall have all rights

and responsibilities of the ACC. The designation may be made by unanimous vote of the then members of the ACC, or by vote of the Owners at a Meeting of Owners. The designated representative shall serve until the earlier of the representative's resignation, expiration of such term as may be specified in the original designation, or vote to terminate the term of the representative by the then ACC or by the Owners at a Meeting of Owners. Written notice must be given to the Owners of all Lots as to designation of an ACC representative and termination of the representative's term of office.

3.01.3 Membership.

(a) Owners as Members. Every Owner must be and is a Member of the Association, and as such is subject to and shall have such rights, responsibilities and obligations as set forth in this Declaration and other applicable Governing Documents. The Association is entitled to rely on the Official Public Records of Real Property of Harris County, Texas in determining such status as an Owner, and may require submission to the ACC of appropriate certified copies of such records as a condition precedent to recognition of status as an Owner. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate any Owner's membership. No Owner, whether one or more Persons, shall have more than one membership per Lot. Memberships shall be appurtenant to and may not be separated from ownership of any Lot, and shall automatically pass with the title to the Lot.

(b) When Member Required to Designate Representative; Effect. Each Member which is not a natural person is required to designate one natural person to act on such Member's behalf as herein provided. The designation must be by written and dated notice stating (i) the name, contact address and telephone number of the designating entity and of the designated representative, and (ii) the effective date of such designation which effective date may not be earlier than midnight of the dated of receipt of the notice by the Association. The Association is not required to recognize any person as being authorized to represent or act on behalf of any Member which is not a natural person until such designation has been received by the Association. A designation as aforesaid fully authorizes the designated representative to bind the designating entity as to all matters, decisions and actions of the designated representative whether or not such authority is expressly stated in the written designation; provided, the ACC may require any designated representative to show authority to act in such manner as the ACC may reasonably require. Any designated representative may be changed from time to time in the same manner as required for original designation. In the event of conflict between designations, the most currently dated designation will control. Any such representative may serve as a committee member of the ACC. The foregoing does not apply to Declarant during the Development Period who may act through any officer or employee as Declarant may direct.

3.01.4 Voting Rights of Members.

(a) Development Period. During the Development Period there will be two classes of membership entitled to voting rights in the Association which are as follows:

(i) Class A: All Members of the Association other than the Declarant are Class A Members. DURING THE DEVELOPMENT PERIOD, CLASS A MEMBERS HAVE NO VOTING RIGHTS WHATSOEVER EXCEPT AS OTHERWISE HEREIN EXPRESSLY PROVIDED.

(ii) Class B: Class B Members are Declarant. DURING THE DEVELOPMENT PERIOD DECLARANT SHALL HAVE ONE VOTE FOR EACH LOT OWNED AND SHALL ADDITIONALLY HAVE ONE "AT LARGE" VOTE.

(b) Post-Development Period. Upon termination of the Development Period, Declarant's one "at large" vote will automatically terminate and any remaining Class B membership will automatically convert to Class A membership. Thereafter there will be only one class of voting membership, and the Owner of each Lot, whether one or more, will be entitled to one vote on each matter coming before the membership.

(c) Multiple Owners. When more than one Person holds an ownership interest in a Lot, all such Persons are Members, but in no event will they be entitled to more than one vote with respect to each particular Lot owned. The single vote, approve, or consent of such joint Owners must be cast or given in accordance with the decision of a majority, or if such joint Owners cannot reach a majority decision, then none of the joint Owners will be permitted to vote, approve, or consent as to any such matter upon which a majority decision cannot be reached. The vote, approval or consent of any single Owner from among such joint Owners is conclusively presumed to be cast or given in accordance with the decision of the majority of the joint Owners and with their full authority.

(d) Good Standing. A Member is *not* in good standing during any period during which the Member's voting rights have been suspended, including any period during which any assessments are owed to the Association.

(e) Cumulative Voting Prohibited. Cumulative voting is prohibited as to any matter placed before the membership for a vote, including election of ACC committee members.

(f) Suspension of Voting Rights. Voting rights of any Member may or will be suspended for breach of the Governing Documents as provided herein or in other Governing Documents, including without limitation, suspension as provided in **Section 3.02.11**.

SECTION 3.02 ACC Fund.

3.02.1 Establishment. There is hereby established an ACC Fund into which will be paid annual assessments, special assessments and specific assessments for the discharge of the functions and duties of the Association and ACC, including maintenance, repair and replacement of all Community Properties, and for such other purposes and as otherwise herein provided. Each Owner of a Lot, by acquisition of any right, title or interest therein or acceptance of an executory

contract of conveyance, or a deed or other instrument of conveyance therefore, whether or not so expressed therein, covenants and agrees to pay to the ACC annual assessments, special assessments and specific assessments, as set forth herein.

3.02.2 Purpose of ACC Fund. The ACC Fund must be used exclusively for the purpose of promoting the recreation, welfare, common benefit and enjoyment of the Owners and occupants of the Subdivision, including the maintenance of all Community Properties (including any maintenance required by any governmental entity), the discharge of all obligations of the Association and ACC pursuant to this Declaration and other Governing Documents, and the payment of all shared costs incident to any of the foregoing and the doing of any other thing necessary or desirable in the opinion of the ACC for accomplishment of any of the foregoing, including the establishment and maintenance of reserves for repairs, maintenance, taxes, insurance, and other charges, and the expenditure of funds for the benefit of other properties within the vicinity of the Subdivision if in the judgement of the ACC the Subdivision will benefit thereby. The judgement of the ACC in establishing any assessments and in the collection, management and expenditure of the ACC Fund is final and conclusive.

3.02.3 Personal Obligation; Transferees. In addition to the assessment lien herein established, each assessment is the personal obligation of each Owner of the Lot charged therewith at the time liability for the assessment accrued notwithstanding any subsequent transfer of ownership. Except as provided in **Sections 3.02.4 and 3.02.10**, each Owner's transferee, whether by purchase, gift, devise or otherwise, and whether voluntary or by operation of law, is also jointly and severally liable for payment of all unpaid assessments owed to the ACC at the time of transfer without prejudice to the rights of the transferee to recover from the transferor the amounts paid by said transferee.

3.02.4 Statement of Assessments. Any transferee (or prospective transferee upon presentment of an executed earnest money contract or other writing satisfactory to the ACC) shall be entitled to a statement from the Association setting forth all assessments due as of the date of the written request. The request must be in writing, must be addressed to the Association and must be delivered by registered or certified mail, return receipt requested, or by personal delivery with receipt acknowledged in writing. The ACC may set a reasonable charge for providing a statement of indebtedness, the payment of which is a condition precedent to the Association's obligation to provide same. Except for fraud or misrepresentation, if the Association fails to respond to a proper written request for a statement of indebtedness within ten business days after receipt of the request by the Association, and upon submission of a properly executed registered or certified mail return receipt or delivery receipt evidencing receipt of the request by the Association, upon transfer the transferee is not liable for, nor shall the Lot transferred be subject to a lien for, any unpaid assessments against the Lot accruing prior to the date of the written request.

3.02.5 Uniform Rates for Regular and Special Assessments. Except as hereafter provided regarding Declarant and builder rates, regular and special assessments on all Lots must be fixed at a uniform rate, and must be determined on a per Lot basis.

3.02.6 Base Rate and Subsequent Computation of Regular Assessments.

(a) Initial Base Rate of Regular Assessments; Due Dates. The initial full base rate of the regular annual assessment for 2008 per Lot (and continuing during 2008 and thereafter unless and until modified as herein provided) is FOUR HUNDRED TWENTY DOLLARS (\$420.00) per Lot per year. The ACC shall have the right to require regular annual assessments be paid semi-annually, quarterly or monthly, in advance (instead of annually). If the ACC does so, the semi-annual, quarterly or monthly installments of regular annual assessments, as the case may be, shall be rounded upward to the next dollar, and the regular annual assessment shall be automatically adjusted upward by the amount of such rounding. UNLESS AND UNTIL OTHERWISE DETERMINED BY THE ACC AS AFORESAID, THE FULL AMOUNT OF REGULAR ANNUAL ASSESSMENTS SHALL BE DUE AND PAYABLE ANNUALLY, IN ADVANCE, ON THE FIRST DAY OF JANUARY OF EACH CALENDAR YEAR.

(b) Subsequent Computation of Regular Assessments. DURING THE DEVELOPMENT PERIOD, DECLARANT IS ENTITLED TO SET AND CHANGE THE ANNUAL RATE OF REGULAR ASSESSMENTS AS PROVIDED IN SECTION 3.02.12. Thereafter, the ACC shall adopt a budget at least annually to determine sums necessary and adequate to provide for the expenses of the Association and ACC for the succeeding twelve month period (including funding of capital, contingency and other reserves). The ACC shall set the annual rate of regular assessments based on the budget, and determine whether same will be payable annually, semi-annually, quarterly or monthly. At least thirty days written notice of such determinations must be given to Owners of all Lots if any change is made as to the due dates or amount of the annual rate of regular assessment. THE FOREGOING NOTICE REQUIREMENT DOES NOT APPLY DURING ALL PERIODS OF TIME DURING WHICH A DELINQUENT ASSESSMENT ACCOUNT HAS BEEN TURNED OVER TO AN ATTORNEY FOR PROCEEDINGS TO COLLECT SAME.

(c) Notice of Limited Funding. During the Development Period it is anticipated only limited funding of the Association will be provided through payment of assessments which will not include, for example but without limitation, funding for Association insurance, employment of a Managing Agent, or funding of any reserves. To the extent Owners may desire after the first Meeting of Owners to fund for any of the foregoing or other services or amenities, the Owners will be required to adopt a substantial increase in the amount of annual assessments.

3.02.7 No Waiver or Release. Notwithstanding anything to the contrary herein, the omission or failure for any reason of the ACC to mail or deliver a notice of annual assessment or due date for payment thereof does not constitute a waiver, modification or release of an Owner's obligation to pay assessments as otherwise herein provided.

3.02.8 Special Assessments. DURING THE DEVELOPMENT PERIOD, DECLARANT IS ENTITLED TO IMPOSE SPECIAL ASSESSMENTS AS PROVIDED IN SECTION 3.02.12. Thereafter, at any time and from time to time the Owners may approve a special assessment to defray any expenses or to replace any reserves, in whole or in part, at a Meeting of

Owners called for such purpose. In like manner the Owners shall also determine the due date(s) and manner of payment as to each special assessment which may include payment in installments. Such approval shall be by vote of the Owners of a majority of the Lots present in person or by proxy at a meeting called for such purpose.

3.02.9 Specific Assessments.

(a) Types. Specific assessments must be assessed against individual Lots and the Owner(s) thereof at the time liability for same accrues as follows:

(1) Interest. Interest compounded monthly from the due date at the rate of the lesser of eighteen percent (18%) per annum or the maximum legal rate will be charged on all delinquent assessments, annual, special or specific.

(2) Late Charges. A late charge in the amount of TWENTY DOLLARS (\$20.00), or such other reasonable amount as from time to time determined by the ACC, is hereby imposed as to any annual, special or specific assessment which is not paid in full within thirty days after payment of same is due.

(3) Compliance Costs. All expenses reasonably attributable to or incurred by reason of a breach or violation of or to obtain compliance with any provisions of this Declaration or other Governing Documents must be assessed against the Owner who occasioned the incurrence of such expenses, including reasonable attorney's fees whether incurred prior to, during the pendency of or after successful completion of any actions in a court of competent jurisdiction.

(4) Other Obligations. All other monetary obligations established by or pursuant to this Declaration or other Governing Documents which are intended to apply to one or several but not all Lots must be assessed against the applicable Owner(s). Such charges may include without limitation reasonable charges for: (i) providing a statement of assessments or indebtedness, including resale certificates; (ii) transfer fees to reflect changes of ownership, tenancy or occupancy on the records of the ACC; (iii) charges for processing of applications for architectural approval, including as provided in this Article; and (iv) any other charges otherwise permitted or authorized by law.

(b) Payment; Waiver. Specific assessments are due and payable immediately upon the occurrence of the event giving rise to liability for payment of same. Failure of the Association to impose or collect any specific assessment is not grounds for any action against the Association, the ACC, or any of their Related Parties, and does not constitute a waiver of the Association's right to exercise its authority to collect any specific assessments in the future. For good cause shown as determined in the sole opinion of the ACC, the ACC may waive, wholly or partially, imposition of any specific assessment; provided, any such waiver is conditioned upon payment in full of all remaining monetary obligations then owed to the Association or receipt of written commitment that same will be paid within a specified period of time.

3.02.10 Lien for Assessments.

(a) All sums assessed against any Lot pursuant to this Declaration, whether by annual, special or specific assessment as provided herein, are secured by a continuing lien on such Lot in favor of the Association. The recordation of this Declaration constitutes record notice and perfection of the continuing lien, effective from the date of recordation of this Declaration. The continuing lien is superior to all other liens or encumbrances on each Lot except: (i) a lien for real property taxes and other governmental assessments or charges on a Lot; (ii) a lien securing payment of purchase money for a Lot or work and materials used in constructing improvements thereon; (iii) an extension of credit (commonly known as a home equity loan) or reverse mortgage made in accordance with and pursuant to Sections 50(a)(6) or 50(a)(7), Article XVI, of the Texas Constitution, as amended; and (iv) such other mortgages, deeds of trust, liens or other encumbrances to which the Association from time to time by written agreement specifically and expressly agree, subject to such terms and conditions as set forth in the applicable written agreement.

(b) Each Owner, by acquisition of any Lot within the Subdivision or any right, title or interest therein, expressly grants to and vests in the Association (i) the right and power to bring all actions against each Owner, personally for the collection of all delinquent assessments as a debt; (ii) the right and power to foreclose the Association's continuing lien for assessments by all methods available for the enforcement of a mortgage, deed of trust or any other contractual lien, including foreclosure by an action brought in the name of the Association either judicially or non-judicially by power of sale; and (iii) a continuing power of sale in connection with the non-judicial foreclosure of the Association's continuing lien for assessment as herein provided.

(c) The ACC may appoint, in writing, from time to time, a committee member, or an agent, trustee, or attorney of the Association (the "Trustee") to exercise the power of sale on behalf of and as the agent of the Association, including without limitation to deliver and file the notices required by Section 51.002 of the Texas Property Code (as amended), and to conduct the sale and to otherwise comply with said statute. The ACC may from time to time, remove any such Trustee and appoint a successor or substitute Trustee without further formality than an appointment and designation in writing. Except as otherwise provided by this Declaration, the Association will exercise its power of sale pursuant to Section 51.002 of the Texas Property Code (as amended). The Association had the right and power to bid on any Lot at any foreclosure sale, either judicial or non-judicial, and to acquire, hold, lease, mortgage, or convey the same.

3.02.11 Effect of Nonpayment of Assessments; Enforcement.

(a) Nonpayment. Any assessments which are not paid by the due date are delinquent. Except to the extent otherwise expressly agreed in writing by the ACC, if any assessments are not paid by the due date, then:

(1) late charges, interest from the due date, and all compliance costs (including reasonable attorney's fees), all as set forth in **Section 3.02.9**, shall be added to and included in the amount of such assessment; and

(2) all voting rights of the Owner and all rights to use of recreational facilities, if any, by the Owner, their tenants and their respective Related Parties will be automatically suspended until all assessments (including all specific assessments) are paid in full; and

(3) the Association may notify any credit bureau and/or any "mortgagee" (as that term is defined in **Section 8.06**) as to any default under the Governing Documents, including delinquency in payment of assessments and any other monetary amounts due to the Association; and

(4) upon not less than thirty days written notice and opportunity to be heard, the Association may suspend any and all services provided to a Lot, the Owner of which is delinquent in payment of any assessments used, in whole or in part, to pay the cost of the service; and

(5) the Association may exercise any other rights and remedies and institute and prosecute such other proceedings as it deems necessary to collect all amounts due, including filing of suit to obtain a personal judgment and/or to foreclose the Association's continuing lien.

(b) Assessments Due On Sale. If at the time of each sale of any Lot any assessments, regular, special or specific, against the Lot are due and unpaid, the Owner shall pay the assessments out of the sales price of the Lot, or the purchaser shall pay the assessments, at or prior to the closing on the sale and conveyance of the Lot in preference to any other charges against the Lot except for liens and charges as to which the Association's lien is subordinate as set forth in **Section 3.02.10(a)**. The foregoing shall not be construed to modify or in any other manner alter the obligations of each Owner to pay all assessment as otherwise provided in this Declaration as and when due.

3.02.12 Declarant Authority and Exemption as to Assessments.

(a) NOTWITHSTANDING ANY OTHER PROVISIONS HEREOF, DECLARANT IS EXEMPT FROM PAYMENT OF ANY ANNUAL OR SPECIAL ASSESSMENTS UNTIL THE FIRST DAY OF JANUARY FOLLOWING TERMINATION OF THE DEVELOPMENT PERIOD. DURING THE DEVELOPMENT PERIOD DECLARANT MAY ALSO EXEMPT ANY "AUTHORIZED BUILDER" (AS DEFINED IN **SECTION 8.01.2**) FROM PAYMENT OF ANNUAL OR SPECIAL ASSESSMENTS, IN WHOLE OR IN PART. IN THE EVENT OF RE-ACQUISITION OF OWNERSHIP OF ANY LOT BY DECLARANT, THE RATE OF ASSESSMENT THEN APPLICABLE TO DECLARANT SHALL AGAIN APPLY IN ACCORDANCE WITH THIS SECTION. The forgoing shall also apply to any Lot used by Declarant or an Authorized Builder for a model residence or other development, marketing or sales purposes regardless of whether record title remains in Declarant or an Authorized Builder (such as, for example but without limitation, in the case of the sale of a resident to an Owner and lease back to Declarant for use as a model). In such cases, completion of the initial sale as provided in **Section 8.01.2** shall not be deemed to have occurred until the first day of the month following termination of any such use of the Lot by Declarant or an Authorized Builder.

(b) During the Development Period Declarant is entitled to established all Association budgets and to set and change the annual rate of regular assessment and/or to impose special assessments without the joinder, vote or consent of any Owner or any other Person, and without further formality than giving of notice thereof to the Owners.

(c) Declarant may advance funds to the Association or directly pay for costs and expenses of the Association in which case Declarant shall be entitled to reimbursement from the ACC Fund, without interest.

SECTION 3.03 Architectural Control Function and Powers.

3.03.1 Submission of Plans Required. No Regulated Modification may be commenced, constructed, erected, placed, maintained or made upon any Lot or within any part of the Subdivision unless and until complete plans and specifications covering all aspects of the Regulated Modification have been submitted to and approved in writing by the ACC as to compliance with applicable Architectural Review Criteria as set forth in **Section 3.03.3**. One complete set of plans and specifications must be submitted with each request for approval unless a greater number is required by applicable Architectural Guidelines. Any plans and specifications to be submitted must specify, as applicable and in such detail and form as the ACC may reasonably require:

(a) the location upon the Lot or within the Subdivision where the Regulated Modification will occur or be placed;

(b) the dimensions, nature, kind, shape, height, and color scheme of and all materials to be used in connection with the Regulated Modification;

(c) appropriate information concerning structural, mechanical, electrical, plumbing, grading, paving, decking and landscaping details;

(d) intended uses; and

(e) such other information, plans or specifications as may from time to time be required by applicable Architectural Guidelines, or in specific instances as may be requested or required by the ACC, which in the sole opinion of the ACC is reasonably necessary to fairly and fully evaluate all aspects of the proposed Regulated Modification.

3.03.2 Architectural Guidelines; Architectural Review Fees. The ACC may, from time to time, adopt, modify and delete such reasonable Architectural Guidelines applicable to the Subdivision, including Lots and Community Properties, as it deems appropriate to maintain or reasonably enhance Prevailing Community Standards of the Subdivision at the time of adoption. Without limitation of the foregoing, Architectural Guidelines may include the amount and manner of payment of any fees or charges reasonably anticipated to cover administrative costs, fees for

architectural, engineering, construction, legal or other expert advice or consultation, and all other costs and expenses in connection with review and evaluation of an application (such costs and expenses herein referred to as the "Architectural Review Fee"). Architectural Review Fees may also be assessed on a case by case basis as determined by the ACC. Architectural Guidelines shall be of equal dignity with, and shall be enforceable in the same manner as, the provisions of this Declaration, provided: (a) such Architectural Guidelines shall not be deemed a waiver, modification, or repeal of any of the provisions of this Declaration; and (b) such Architectural Guidelines shall not be enacted retroactively except that all repairs, modifications or maintenance performed subsequent to adoption shall be performed in such manner as to bring the Regulated Modification, so far as practicable, in compliance with all then applicable Architectural Guidelines.

3.03.3 Architectural Review Criteria. The ACC must evaluate all submitted applications for ACC approval on the individual merits of the particular application, and based on evaluation of the compatibility of the proposed Regulated Modification with Prevailing Community Standards (including compliance with this Declaration and all other applicable Governing Documents) as of the date of submission of an application. The ACC must also use reasonable efforts to achieve consistency in the approval or disapproval of specific types of Regulated Modifications. To this end, consideration will be given to (but the ACC is not bound by) similar applications for architectural approval and the decisions and actions of the ACC with regard thereto.

3.03.4 Responses. The ACC shall have full and complete authority to approve, conditionally approve or disapprove any request for ACC approval in accordance with **Section 3.03.3**, and its judgment shall be final and conclusive. In the event the ACC fails to approve or disapprove a properly submitted and completed request for ACC approval within thirty days from the date such request is received by the ACC, then ACC approval will not be required but the applicant must otherwise fully comply with all other applicable provisions of this Declaration and other governing documents.

SECTION 3.04 Variances. The ACC may grant specific variances to Architectural Guidelines and to the architectural and use restrictions set forth in **Articles V and VI** of this Declaration. A variance may be granted only with respect to specific instances upon written request therefor, is not binding with respect to any other request for a variance whether or not similar in nature, and does not constitute a waiver, modification or repeal of any of the provisions of this Declaration or other Governing Documents except for the limited purpose of and to the extent of the specific variance expressly granted. A variance may be granted only upon specific findings (a) that the variance is necessary due to unusual circumstances which are reasonably beyond the control of the applicant to mitigate or rectify, or in other circumstances, such as due to topography or natural obstructions, as to which the ACC determines a variance will result in a material enhancement to the applicant's Lot and/or to the Subdivision, and (b) that the granting of a specific variance will not materially and adversely affect the architectural, aesthetic or environmental integrity of the Subdivision or the scheme of development therein. **WHETHER OR NOT SO STATED IN A VARIANCE AND NOTWITHSTANDING ANYTHING IN A VARIANCE TO THE CONTRARY, A VARIANCE SHALL EXTEND ONLY FOR THE PERIOD OF TIME DURING WHICH AND TO THE EXTENT THAT THE CIRCUMSTANCES THAT FORMED THE BASIS THEREFOR**

CONTINUE TO EXIST. THE ACC RETAINS FULL AUTHORITY AS TO ANY VARIANCE AT ANY TIME TO TERMINATE OR MODIFY SAME IN ACCORDANCE WITH ANY SUCH CHANGE IN CIRCUMSTANCES. The good faith determinations of the ACC that the conditions for granting of a variance have or have not been met and as to any change in circumstances as aforesaid are final. In the event the ACC fails to approve or disapprove any request for a variance within thirty days after receipt of same, the request shall be deemed to be denied without prejudice to the right of the applicant to again request a variance.

SECTION 3.05 Association Books and Records.

3.05.1 Maintenance. The Association shall keep correct and complete books and records of accounts for at least three years after the end of each calendar year (which shall also be the Association's fiscal year). The Association shall also keep minutes of the proceedings at any Meeting of Owners. The ACC is not required to maintain records of any of its meetings. The ACC must keep and maintain records evidencing the final decision(s) of the ACC regarding all requests for approval and requests for variance for not less than four years. The ACC must also maintain a record of all current Architectural Guidelines, and must provide copies to Owners upon written request and at the Owner's expense.

3.05.2 Inspection by Members of Books and Records. Subject to protection of privileged and confidential communication, rules for inspection and other exclusions as from time to time established by the ACC, every Member of the Association, on written demand stating the purpose of the demand, has the right to examine and copy, in person or by agent, accountant, or attorney, at any reasonable time, for any proper purpose, the books and records of the Association relevant to that purpose, at the expense of the Member.

SECTION 3.06 Limitation of Liability; Indemnification.

3.06.1 General.

(a) "Association Representative(s)" Defined. As used in this **Section 3.06.1**, "Association Representative(s)" means each current or former director, governing person, officer, delegate, employee and agent of the Association, as such terms are defined in Sections 1.002 and 8.001 of the Texas Business Organizations Code, and, to the extent not included within the foregoing, each current or former member of the ACC and any other committee of the Association. All provisions of the Texas Business Organizations Code pertaining to this **Section 3.06.1**, including Chapters 7 and 8 and Sections 22.221 and 22.235 thereof, as amended, are hereby adopted for purposes of this Section.

(b) Limitation of Liability. To the fullest extent allowed by the Texas Business Organizations Code, including Chapters 7 and 8 thereof, an Association Representative is not liable to the Association, to any Owner or Member of the Association, or to any other Person for any act by the Association Representative in the Person's capacity as an Association Representative

unless the Person's conduct was not exercised in good faith, with ordinary care, and in a manner the Association Representative reasonably believes to be in the best interests of the Association.

(c) Indemnification. To the fullest extent allowed by the Texas Business Organizations Code, including Chapter 8 thereof, the Association agrees to and is required to indemnify, defend, and hold harmless, and to advance expenses to, each Association Representative, INCLUDING, IN EACH CASE, FOR CLAIMS BASED ON OR ARISING FROM SUCH PERSON'S SOLE, PARTIAL, OR CONCURRENT NEGLIGENCE, but excluding any such items incurred as a result of any act or omission for which the Association Representative is liable under the preceding subsection (b). The provisions of this subsection (c) constitute a determination that indemnification should be paid and a contract to indemnify as contemplated by Sections 8.103(c) and 8.151(d)(2) of the Texas Business Organizations Code.

(d) Report to Members. So long as required by the Texas Business Organizations Code, any indemnification of or advance of expenses to an Association Representative must be reported in writing to all Owners upon the earlier to occur of (i) with or before the notice or waiver of notice of the next Meeting of Owners, or (ii) with or before the next submission to Members of a consent to action without a meeting, or (iii) within twelve months after the date of the indemnification or advance.

3.06.2 Security Services. The Association may from time to time engage in activities or provide Subdivision Facilities, including activities, devices or services intended to or which may have the effect of enhancing safety or security, including activities, devices or services limiting or controlling Subdivision access, or providing of patrol services or otherwise monitoring activities within the Subdivision (including Community Properties), and may from time to time provide information through newsletters or otherwise regarding same (all such matters and all activities, services or devices of a similar nature or incident thereto herein referred to as, "*Security Services*"). Without limitation of **Section 3.06.1**, each Owner and their tenants covenant and agree with respect to and regarding any and all Security Services provided directly or indirectly by or through the Association as follows:

(a) SECURITY IS THE SOLE RESPONSIBILITY OF LOCAL LAW ENFORCEMENT AGENCIES AND INDIVIDUAL OWNERS AND THEIR TENANTS, AND THEIR RESPECTIVE RELATED PARTIES. Security Services may be provided at the sole discretion of the ACC. The providing of any Security Services at any time will in no way prevent the ACC from thereafter discontinuing, or from temporarily or permanently modifying, terminating or removing, any Security Services, in whole or in part.

(b) Any third party providers of Security Services are independent contractors, the acts or omissions of which are not imputable to Declarant, the Association or any of their Related Parties.

(c) Providing of any Security Services may never be construed as (i) an undertaking by Declarant, the Association or any of their Related Parties to provide personal security

as to any Owner, tenant or their Related Parties, or as to any other Person, or (ii) a representation or undertaking that any Security Services will be continued, or (iii) a representation, guarantee or warranty that the presence of any Security Service will in any way increase personal safety or prevent personal injury or property damage due to negligence, criminal conduct or any other cause.

(d) Declarant, the Association and their Related Parties are not liable for, and each Owner, their tenants, and their respective Related Parties, must indemnify, keep indemnified and hold Declarant, the Association and their Related Parties harmless at all times from, any injury, loss or damages whatsoever, including without limitation any injury or damages caused by theft, burglary, trespass, assault, vandalism or any other crime, to any Person or property arising, directly or indirectly, from the providing or failure to provide any Security Services, or the discontinuation, modification, disruption, defect, malfunction, operation, repair, replacement or use of any Security Services.

(e) DECLARANT, THE ASSOCIATION AND THEIR RELATED PARTIES, HAVE NO DUTY, OBLIGATION OR RESPONSIBILITY OF ANY KIND WHATSOEVER TO WARN, ADVISE OR IN ANY OTHER MANNER INFORM ANY OWNERS, TENANTS, OR THEIR RELATED PARTIES, OR ANY OTHER RESIDENTS OR OCCUPANTS OF ANY LOT OR COMMUNITY PROPERTIES, OR ANY LAW ENFORCEMENT AGENCY, OR ANY OTHER PERSON AS TO ANY ALLEGED, SUSPECTED OR KNOWN CRIMINAL ACTIVITIES OF ANY KIND, CRIMINAL HISTORY OR BACKGROUND OF ANY PERSON, OR CRIMINAL INVESTIGATIONS BY LAW ENFORCEMENT AGENCIES OR BY ANY OTHER AGENCY OR PERSON (ALL SUCH MATTERS, ACTIVITIES AND INVESTIGATIONS HEREIN REFERRED TO AS "CRIMINAL MATTERS"), regardless of whether the Criminal Matters involve the Subdivision, other areas in the vicinity or any other place or lands. The Association may (but has no obligation to) from time to time disclose and/or transmit information concerning Criminal Matters to Owners, tenants, and any other occupants of Lots and/or any Community Properties, to any law enforcement agencies, and to any other agency or Person which the Association's committee members (including any member of the ACC), officers, directors, agents, employees and other Related Parties in their sole discretion deem advisable. Each Owner and tenant by acceptance of any right, title or interest in any Lot, and every Owner, tenant and occupant of a Lot or any Community Properties by virtue of such occupancy, hereby consents, on their behalf and on behalf of their respective Related Parties, and on behalf of all other Persons coming upon a Lot or any Community Properties at their invitation, or with their consent or permission, to any such disclosure and/or transmittal of information. Any such disclosure and/or transmittal of information shall in no way be deemed an undertaking to do so in the future, either as to the Criminal Matters then involved or as to any other past, current or future Criminal Matters. All other provisions of this Section apply to any disclosure and/or transmittal of information, and to any failure to disclose and/or transmit information, concerning Criminal Matters, including in particular but without limitation, the provisions of **Section 3.06.2(d)** regarding the indemnity obligations of Owners, their tenants and their respective Related Parties.

3.06.3 Liability Arising From Conduct of Owners. Each Owner, their tenants, and their respective Related Parties must indemnify and keep indemnified, and hold harmless, Declarant,

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the Association and their Related Parties from and against all claims, damages, suits, judgments, court costs, attorney's fees, attachments and all other legal actions relating, directly or indirectly, to any criminal activities or conduct, or to any willful or negligent act or omission of an Owner, the Owner's tenants, or their respective Related Parties.

3.06.4 Subsequent Statutory Authority. If the Texas Business Organizations Code, including without limitation, the Texas Non-Profit Corporation Law, and/or the Uniform Unincorporated Nonprofit Association Act, Texas Miscellaneous Corporation Laws Act, Chapter 84 of the Texas Civil Practice and Remedies Code or any other applicable statute, state or federal, is construed or amended to further eliminate or limit liability or to authorize further indemnification than as permitted or required by this **Section 3.06**, then liability will be eliminated or limited and any right to indemnification will be expanded to the fullest extent permitted by such construction or amendment.

3.06.5 No Impairment. Any repeal, amendment or modification of this **Section 3.06** may not adversely affect any rights or protection existing at the time of the amendment.

Article IV **Maintenance, Insurance and Casualty Losses**

SECTION 4.01 Association Maintenance Responsibilities.

4.01.1 General. The Association will maintain, repair and replace the Community Properties, including all Subdivision Facilities, and keep same in good repair. This maintenance includes, without limitation, maintenance, repair, and replacement of all landscaping and improvements situated on the Community Properties.

4.01.2 Other Facilities or Services. The Association shall maintain such other properties, real or personal, and such other facilities, services and improvements as may be required by governmental authorities, any municipal utility districts or other utility providers, any special tax and development districts, and any other similar entities, such maintenance to be in accordance with applicable contracts, agreements, ordinances, rules, regulations and decisions of such authorities. Declarant is specifically authorized to enter any such contracts or agreements on behalf of the Association, and to bind the Association thereto, and Declarant may amend this Declaration at any time either during or after the Development Period to the extent it deems necessary by reason of any such contract or agreement.

4.01.3 Owner's Liability for Payment of Association Costs. Each Owner, their tenants, and their respective Related Parties, are expressly prohibited from doing anything which could or does (i) increase the Association's costs of insurance or result in cancellation or diminution in insurance coverage, (ii) cause damage to any Community Properties, or (iii) increase costs of maintenance, repair, replacement, management, operation or discharge of any other obligations of the Association regarding the Community Properties, or any other areas maintained by the Association. Regardless of availability of insurance coverage, the Association may charge to each

responsible Owner, as a specific assessment, all increased costs and all other damages resulting, directly or indirectly, from the acts or omissions of an Owner, their tenants, or their respective Related Parties, in violation of the foregoing provisions.

SECTION 4.02 Owner Maintenance Responsibilities.

4.02.1 General; Interior Maintenance. All maintenance of each Lot and all improvements thereon is the sole responsibility of the Owner thereof. Each Owner must maintain their Lot and all improvements thereon at all times in such manner as to obtain and maintain Prevailing Community Standards on a continuing basis as may be more specifically determined by this Declaration and other Governing Documents, including as determined from time to time by duly adopted Architectural Guidelines and Rules and Regulations. Without limitation of the foregoing, each Owner must maintain, at each Owner's sole cost and expense, the interior of the Owner's residence and garage, including all fixtures, equipment, appliances, things and devices located therein. MAINTENANCE WHICH AFFECTS THE EXTERIOR APPEARANCE OF A RESIDENCE OR GARAGE IS SUBJECT TO APPLICABLE PROVISIONS OF ARTICLE III REGARDING ARCHITECTURAL CONTROL COMMITTEE APPROVAL.

4.02.2 Residences and Other Improvements. Each Owner shall maintain the exterior of each Owner's residence, garage, and all other buildings, structures, fences, walls, recreational equipment and improvements located upon each Owner's Lot, in an attractive, sound and well maintained condition, including proper maintenance and repair as needed of paint, bricks, siding, roofs, rain gutters, downspouts, exterior walls, driveways, parking areas and all other exterior portions of the Owner's residence and garage. Without limitation of the foregoing, each Owner shall provide proper repair and maintenance as and when needed as follows (the term "residence" includes garage, as applicable):

(a) The exterior paint on each Owner's residence must be maintained so that no portion thereof peels, scales or cracks excessively, and all painted portions remain neat and free of mildew and discoloration. NO CHANGE IN THE EXTERIOR COLOR SCHEME OF A RESIDENCE AS ORIGINALLY CONSTRUCTED IS PERMITTED WITHOUT PRIOR WRITTEN APPROVAL FROM THE ACC.

(b) The windows must be maintained so that no caulking thereon is chipped or cracked and no window panes are cracked or broken. All windowsills, door jams and thresholds, framing and trim for all windows and exterior doors and all hinges, latches, locks and all other hardware which are part of and/or necessary to the proper functioning of all windows and exterior doors must be maintained so that all remain whole, sound, in a neat and attractive condition and fully operational.

(c) All exterior doors, including garage doors, must be maintained, repaired, replaced and/or repainted as needed to prevent an unkept or unsightly appearance, to prevent leaning or listing, and such as to maintain same in proper working condition, including

replacement as needed of damaged or dented garage door panels and any cracked or broken glass in any door.

(d) All exterior surfaces on each Owner's residence, including siding, brick, stone and stucco, as applicable, must be properly maintained at all times.

(e) All exterior surfaces of each Owner's residence, including the roof and all walls, windows and exterior doors, must be periodically cleaned as needed to prevent mold, mildew or other discoloration.

(f) The roof on each Owner's residence must be maintained to prevent sagging, to prevent leaks, so that all shingles are properly secured, curled or damaged shingles are replaced and no worn areas or holes are permitted to remain, and such that the structural integrity and exterior appearance of the roof is maintained. The appearance of the roof shall not be changed by any such maintenance without the express written approval of the ACC.

(g) The rain gutters and downspouts on each Owner's residence, if any, must be maintained so that all are properly painted or treated to prevent rust and corrosion, are properly secured to roof, eaves, gables or exterior walls (as the case may be), are maintained without holes, and are promptly repaired or replaced if dented or otherwise damaged.

(h) All concrete areas on each Owner's Lot, including sidewalks and driveway, must be maintained so that all cracks are appropriately patched or surfaced as they appear, expansion joints are maintained, repaired or replaced, as needed, and oil, grease and other stains are removed as they appear, and all such areas must be kept free of weeds, grass or other vegetation.

(i) All fences or walls erected on each Owner's Lot must be maintained to prevent any listing or leaning, and all broken or damaged members and all holes and cracks must be repaired so that no portion thereof is permitted to rot or decay, and as otherwise provided in **Section 6.06. PAINTING OR STAINING OF WOODEN FENCES IS PROHIBITED UNLESS APPROVED IN WRITING BY THE ACC.**

(j) All recreational equipment, which may be installed if and only if approved by the Architectural Control Committee, must be maintained to prevent any unsightly or unkept condition, including for example but without limitation, proper maintenance of swing sets to prevent rust and corrosion, and proper maintenance of basketball goals to prevent rust and corrosion and by replacement as needed of torn or worn nets.

(k) No Owner or their tenant will allow any condition to exist or fail or neglect to provide any maintenance which adversely affects any adjoining or adjacent Lot, any Community Properties, or any improvements on any such Lot or the Community Properties.

4.02.3 Utilities. The Owner of each Lot must maintain in proper working order, and on a continuing basis, all sanitary sewer lines and facilities, drainage or storm water lines and

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facilities, water pipelines, water sprinkler system, water meters and related water lines and facilities, electrical and gas lines, meters and facilities, telephone and any other telecommunication lines, devices or facilities, and all other facilities, utilities and services which service each Lot (the "Owner Utilities"), regardless of the location of the Owner Utilities, save and except to the extent maintenance of any Owner Utilities is provided and actually performed by any governmental entity or utility company. Utilities which service more than one Lot must be maintained, repaired and replaced by all of the Owners of the multiple Lots served, pro rata, or in such other proportions as determined by the ACC upon written request when the circumstances clearly demonstrate that a different manner of allocation is required.

4.02.4 Landscaping. All grass, shrubbery, trees, flower beds, vegetation and all other landscaping, either natural or artificial, on each Lot which is not maintained by the Association must be maintained at all times in accordance with the seasons as reasonably necessary to obtain and maintain on a consistent and continuing basis Prevailing Community Standards, including as reasonably necessary to maintain on a consistent and continuing basis a sanitary, healthful and attractive condition and appearance and to eliminate any condition which may create any unsanitary condition or become a harborage for rodents, vermin or other pests. In any case where a Lot is located adjacent to a street but the Lot line does not extend to the street curb, the Owner shall maintain all landscaping between the Owner's Lot line and the street curb unless the ACC is otherwise required hereby or otherwise elects to maintain said area. The foregoing shall include Lots One (1) and Seven (7) as so designated on the Initial Plat, the Owners of which must generally mow and maintain the areas outside of their side yard fencing along Lawrence Street to the street curb, including the culvert located therein. At or after the first Meeting of Owners, the Owners of a majority of the Lots may approve transfer of such maintenance by the Owners of Lots One (1) and Seven (7) to the Association, in whole or in part.

4.02.5 Adjacent or Adjoining Owners. No Owner or their tenant will allow any condition to exist or fail or neglect to provide any maintenance which materially and adversely affects any adjoining or adjacent Lot, any Community Properties, or any improvements on any such Lot or the Community Properties.

4.02.6 Right of Entry and Inspection; Owner's Default. In the event the ACC determines that (i) an Owner may have or has failed or refused to discharge properly the Owner's maintenance obligations as provided in this Article, or (ii) the need for maintenance, repair, or replacement which is the responsibility of the Association hereunder may have or has been caused through the willful or negligent act or omission of an Owner, the Owner's tenants, or their respective Related Parties, then the ACC may conduct inspections of any affected Lot, the exterior of the residence and all other buildings thereon, and all other structures and improvements thereon (a "Compliance Inspection") and/or perform the repair, replacement or maintenance (the "Required Work") in accordance with this Section. The ACC must give written notice of intent to conduct a Compliance Inspection and/or to perform Required Work. The notice may be given by posting on the front door of the residence at the applicable Lot regardless of any other mailing address otherwise maintained by the Owner, or in any other manner permitted by **Section 8.05**. Except in the case of an emergency, the notice shall give the applicable Owner ten days to schedule a Compliance

Inspection and/or perform Required Work (or to commence and thereafter proceed with diligence to completion of Required Work which cannot be reasonably completed in ten days), failing which the ACC may proceed without further notice. In the case of an emergency the ACC may proceed immediately with any Required Work required to abate the emergency but shall thereafter proceed as aforesaid. All costs and expenses of conducting a Compliance Inspection as to which a violation is determined to exist and all costs and expenses of Required Work performed by the ACC shall be assessed against the applicable Lot and the Owner thereof as a specific assessment which must be paid within ten days after notice of same is given to the applicable Owner. The good faith determination by the ACC as to the need for a Compliance Inspection and as to all aspects of Required Work is final and conclusive, and extends to any thing or condition as to such Lot or which adversely affects any other Lot or Community Properties. The Association, the ACC and their Related Parties are not liable for trespass or any other tort or claim for damages in connection with any actions or failure to act pursuant to this Section.

SECTION 4.03 Casualty Losses - Association Responsibilities. Except as hereafter provided, in the event of damage by fire or other casualty to the Community Properties or regarding any other matters as to which the Association has an obligation to maintain pursuant to this Declaration or other Governing Documents, or if any governmental authority requires any repair, reconstruction or replacement as to same, the Association must perform all repairs, reconstruction or replacement necessitated thereby (the "Casualty Work"). The Casualty Work must be such as will substantially restore the Community Properties to its condition prior to the casualty or as required by the governmental authority. Any insurance proceeds payable as to the Casualty Work must be paid to the Association. Except for Casualty Work which is required by any governmental authority, the Owners may agree not to perform any Casualty Work. Any decision not to perform Casualty Work must be approved at a Meeting of Owners by affirmative vote of the Owners of not less than seventy-five percent (75%) of all Lots then contained in the Subdivision.

SECTION 4.04 Casualty Losses - Owner Responsibilities.

4.04.1 Required Repair; Permitted Removal. Whether or not insured, in the event of damage, casualty loss or other destruction to all or any portion of a residence, garage, building, structure or other improvement (the "Damaged Improvement"), the Damaged Improvement must be repaired, reconstructed or replaced in its entirety, or it must be demolished and removed as hereafter provided.

4.04.2 Manner of Repair or Removal. All repair, reconstruction or replacement of a Damaged Improvement must be performed in such manner as to restore the Damaged Improvement to substantially the same exterior dimensions and appearance (including as to color, type and quality of materials and architectural style and details) as, and must be located in substantially the same location as, when the Damaged Improvement was originally constructed, or to such other appearance and condition as approved by the ACC. In the case of demolition and removal, the Damaged Improvement must be removed from the Subdivision in its entirety, including removal of any foundation, and all other restoration work performed, including grading and sodding, as is required such that after demolition and removal Prevailing Community Standards are maintained as determined by the ACC.

4.04.3 Time Limits. All work regarding a Damaged Improvement must be completed within ninety days as to a residence, including appurtenant garage, and within sixty days as to any other Damaged Improvement after the date of occurrence of the damage, casualty loss or other destruction; or, where such work cannot be completed within the applicable period of time, the work must be commenced within such period and completed within a reasonable time thereafter. In all events, all such work must be completed within one hundred twenty days after the date of occurrence of the damage, casualty loss or other destruction unless, for good cause shown a longer period is approved in writing by the ACC.

4.04.4 Utilities. Notwithstanding any other provisions hereof to the contrary, and whether or not insured, any damage or destruction to utility lines or other facilities which disrupt or interfere with utility services to any other Lot, residence or Community Properties must be repaired or replaced as soon as practical. All due diligence must be exercised to complete all such repairs or replacements, and the ACC may require installation of temporary utility lines or other temporary facilities pending completion of the repairs and/or replacements.

4.04.5 ACC Approval Required. The provisions of **Article IV** apply to all work and any other activities pursuant to the requirements of this Section.

SECTION 4.05 Owner Insurance. NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS DECLARATION OR ANY OTHER GOVERNING DOCUMENTS (I) OBTAINING OF LIABILITY AND PROPERTY INSURANCE REGARDING AND FOR EACH LOT AND ALL IMPROVEMENTS THEREON (INCLUDING RESIDENCE AND APPURTENANT STRUCTURES AND THE CONTENTS THEREOF) IS THE SOLE RESPONSIBILITY OF THE OWNER THEREOF, AND (II) THE ASSOCIATION, THE ACC AND THEIR RELATED PARTIES HAVE NO OBLIGATION WHATSOEVER TO ACT ON BEHALF OF ANY OWNER AS TO OBTAINING OF ANY INSURANCE OR REGARDING ANY MATTERS PERTAINING THERETO.

SECTION 4.06 Association Insurance. DURING THE DEVELOPMENT PERIOD THE ASSOCIATION WILL NOT CARRY INSURANCE COVERAGE OF ANY KIND. After the first Meeting of Owners the ACC may, to the extent reasonably available, elect to obtain and maintain property insurance on all insurable Community Properties insuring against all risk of direct physical loss commonly insured against, including fire and extended coverage, comprehensive liability insurance, including medical payments insurance, libel, slander, false arrest and invasion of privacy coverage, and errors and omissions coverage, in amounts determined by the ACC and covering all occurrences commonly insured against for death, bodily injury, and property damage, and such other insurance as the ACC deems appropriate. The ACC shall determine appropriate deductibles for all insurance policies. DECLARANT, THE ASSOCIATION, THE ACC AND THEIR RELATED PARTIES ARE NOT LIABLE FOR FAILURE TO OBTAIN ANY INSURANCE COVERAGE NOT EXPRESSLY REQUIRED HEREBY, OR TO OBTAIN ANY COVERAGE OR TO OTHERWISE COMPLY WITH ANY OTHER PROVISIONS OF THIS SECTION REGARDING SAME IF SUCH FAILURE IS DUE TO UNAVAILABILITY OR TO

EXCESSIVE COSTS AS DETERMINED IN THE SOLE GOOD FAITH OPINION OF THE ACC, OR FOR ANY OTHER REASON BEYOND THE REASONABLE CONTROL OF THE ACC. The ACC is specifically authorized from time to time to adopt and amend policies, procedures and any other Rules and Regulations to more fully effectuate the purposes and intent of the provisions of this Section.

Article V
Use Restrictions

SECTION 5.01 Residential Use; Group Homes; Treatment Facilities.

5.01.1 General. Each and every Lot is hereby restricted to single family residential use only. No residence may be occupied by more than one single family.

5.01.2 No Business, Professional, Commercial or Manufacturing Use. No business, professional, commercial or manufacturing use may be made of any Lot or any improvement located thereon, even though such business, professional, commercial or manufacturing use be subordinate or incident to use of the premises as a residence, and regardless of whether or not done for profit or remuneration. Notwithstanding the foregoing, a single family residence may be used for maintenance of a personal professional library, keeping of personal or professional records or accounts, or handling personal business or professional telephone calls, or for maintenance of one home office, but if and only if such business activity (i) does not involve use of any part of the applicable Lot, or residence or other building or improvement thereon, by any Person other than the Owner or the Owner's tenant (but not both), no on-site employees are otherwise permitted, and the public is not invited, permitted or allowed to enter the Lot to conduct any business thereon, (ii) is not detectable by sight, sound or smell from outside the residence, and there is no other external evidence thereof (including signs, advertising, or contacts in person at the residence with clients or customers), (iii) does not involve the storage of any equipment, materials or devices other than as consistent with operation of a small home office, and in all events which are not hazardous and do not constitute any type of threat to health or safety or other nuisance, (iv) complies with all applicable governmental ordinances (including zoning ordinances), and with any other governmental laws, rules, regulations and permitting or licensing requirements applicable to same, (v) is consistent with the residential character of the Subdivision, and (vi) does not cause any annoyance or unreasonable inconvenience to Owners or occupants of area Lots or any Community Properties.

5.01.3 Residential Use Only. Without limitation of the foregoing, as used in this Declaration the term "residential use" shall be construed to prohibit the use of any Lot or the residence thereon for apartment houses or other type of dwelling designed for multi-family dwelling, or use for or operation of a boarding or rooming house or residence for transients, or the use of any permitted outbuilding as an apartment or residential living quarters.

5.01.4 Single Family Defined. As used in this Declaration the term "single family" means either: (i) husband and wife, their dependent children and their dependent parents, grandparents, grandchildren, brothers and sisters who are maintaining a common household and who

are members of a single family related by blood, marriage or adoption; or (ii) one or more natural persons not so related but who are maintaining a common household in a single family residence on a nonprofit, noncommercial basis with a common kitchen and dining area; and (iii) the bona fide domestic servants of either. "Dependent children" and "dependent parents, grandparents, grandchildren, brothers and sisters" means such relatives who do not maintain a separate residence and are not able to maintain a separate residence.

5.01.5 Maximum Occupancy. In addition to the limitations above set forth, in no event may a single family residence be occupied by more persons than the product of the total number of bona fide bedrooms contained in the single family residence multiplied by two. The number of bona fide bedrooms is based on the single family residence as originally constructed, plus any additional bedroom(s) which may thereafter be added which have been specifically approved by the ACC for such use, if any.

5.01.6 Group Homes; Day-Care Center; Treatment Facilities. To the fullest extent allowed by law, no Lot or any part of the single family residence thereon may be used for the operation of a group home, half-way house, day-care center, rehabilitation center, treatment facility, or residence of unrelated individuals who are engaging in, undertaking, or participating in any group living, rehabilitation, treatment, therapy, or training with respect to previous or continuing criminal activities or convictions, alleged criminal activities, alcohol or drug dependency, physical or mental handicaps or illness, or other similar matters. The foregoing does not include a "community home" established and maintained pursuant to and in strict compliance with Chapter 123 of the Texas Health and Safety Code, and all applicable governmental licensing requirements, rules and regulations.

SECTION 5.02 Pets, Animals and Livestock.

5.02.1 Permitted Pets; Leashing Required.

(a) No animals, hogs, horses, livestock, reptiles, fish or poultry of any kind may be raised, bred, kept or maintained on any Lot at any time except "Permitted Pets" which are dogs, cats and other usual and customary household pets. Not more than two Permitted Pets are allowed per Lot unless authorized in writing by the ACC or applicable Rules and Regulations, and no Permitted Pets may be raised, bred, kept or maintained for commercial purposes. Subject to **Section 7.04**, the foregoing limitation on the number of Permitted Pets does not apply to hamsters, small birds, fish or other similar usual and customary household animals, birds or fish which are continuously kept completely within a residence, nor shall it apply to require the removal of any litter born to a Permitted Pet prior to the time that the animals in such litter are three months old. Notwithstanding the foregoing, the following are hereby excluded as Permitted Pets and shall not be allowed within any residence, upon any Lot or at any other place within the Subdivision: (i) any dog whose breed is known for its viciousness or ill temper, in particular, the American Staffordshire Terrier, known as a "Pit Bull Terrier", and any dog which in fact exhibits viciousness or ill temper, and (ii) any animal of any kind that has venom or poisonous or capture mechanisms, or if let loose would constitute vermin.

(b) All Permitted Pets must be kept on a leash or carried, and must otherwise be maintained under the control of their owner when outside the owner's residence or when not maintained in an enclosed yard from which the Permitted Pet cannot escape.

(c) Owners of a Permitted Pet must immediately remove and dispose of, in a sanitary manner, feces and any other excretions left by any Permitted Pet at any location in the Subdivision outside of the Owner's Lot. Owners of a Permitted Pet must periodically remove and dispose of, in a sanitary manner, feces and any other excretions left by any Permitted Pet at any location upon the Owner's Lot and/or within the Owner's residence as necessary to prevent any unsafe, unsanitary or odorous conditions. No Permitted Pet shall be allowed to cause or create any nuisance, annoyance, or unreasonable disturbance or noise. Owners must also fully comply with all applicable laws, statutes and ordinances of the City and other governmental agencies regarding each and all of each Owner's Permitted Pets, including without limitation all licensing and vaccination requirements.

(d) The ACC may adopt Rules and Regulations to further regulate Permitted Pets, including without limitation a mandatory program for registration of all Permitted Pets with the Association, regulations to further specify types of usual and customary household pets to be included or excluded as Permitted Pets, regulations as to maximum permitted size or weight of any Permitted Pet, regulations as to number or type of animals, birds or fish which may be kept within a residence and/or other conditions or limitations as to same, and regulations as to areas outside a residence where Permitted Pets are permitted or from which they are excluded. NO PETS OF ANY KIND ARE PERMITTED UPON ANY COMMUNITY PROPERTIES EXCEPT TO THE EXTENT OTHERWISE EXPRESSLY PERMITTED BY APPLICABLE RULES AND REGULATIONS AND THEN ONLY IN STRICT COMPLIANCE THEREWITH, AND EXCEPT AS TO LEGITIMATE SEEING-EYE DOGS.

5.02.2 Removal. As to any animals or livestock not permitted by this Section, and as to any Permitted Pet which is allowed to roam free, or which in the sole opinion of the ACC endanger health or safety, make objectionable noise, or constitute a nuisance, annoyance or inconvenience to the Owners or occupants of other Lots, the Community Properties or any property located adjacent to or in the vicinity of the Subdivision, or which is otherwise raised, bred, kept or maintained in violation of this Declaration or applicable Rules and Regulations, the ACC may cause any such animal, livestock or Permitted Pet to be removed from the Subdivision and may prohibit the return of any such Permitted Pet to the Subdivision. Removal as aforesaid will be at the sole expense of the responsible Owner or Owner's tenant and without liability of any kind whatsoever to the Association, including the ACC, their Related Parties, or any Person which the ACC may direct to remove any such animal, livestock or Permitted Pet.

SECTION 5.03 Vehicles; Parking.

5.03.1 Prohibited Vehicles; Covers Prohibited. No boat, mobile home, trailer, boat rigging, truck larger than a three-quarter ton pick-up, recreational vehicle, bus, unused vehicle, inoperable vehicle of any kind (including any vehicle requiring same which does not have both a

current and valid license plate and current and valid state inspection sticker), and no unsightly vehicle as determined in the sole opinion of the ACC, may be parked, stored or kept at anytime within the Subdivision, or on any driveway or upon any Lot unless such vehicle is stored completely within a garage. Use of vehicle covers of any kind (except for vehicles parked completely in a garage) is prohibited.

5.03.2 Prohibited Parking - General. No vehicle of any kind may be parked, stored or otherwise permitted to remain at any time (i) on grass or any other similar portion of any Lot or any other place within the Subdivision not intended customarily for use for parking of vehicles, or (ii) in a slanted or diagonal manner across any driveway or other designated parking space, or in any other manner other than as is customary for the type of parking space being used, or (iii) in such manner as to obstruct or impede sidewalk, driveway or street access or usage, or in such manner that any part of the vehicle extends in to any part of any street or common drive. No Owner or resident is permitted to park or store any vehicle on the Lot of another Owner or resident.

5.03.3 PARKING.

(a) OCCUPANT VEHICLES. IN THIS SECTION "OCCUPANT VEHICLES" MEANS ANY PERMITTED VEHICLES AS TO EACH LOT WHICH ARE OWNED AND/OR OPERATED BY (I) ANY SINGLE FAMILY MEMBER OF THE RESIDENTS OF EACH COTTAGE HOME LOT, AND (II) ANY OTHER PERSON VISITING OR STAYING AT THE LOT WHO PARKS THE VEHICLE WITHIN THE SUBDIVISION AT ANY TIME MORE THAN THREE DAYS IN ANY WEEK OR MORE THAN FIVE DAYS IN ANY CONSECUTIVE THIRTY DAY PERIOD. OCCUPANT VEHICLES MAY BE PARKED ONLY IN THE GARAGE OF THE RESIDENCE AT WHICH THE OPERATOR THEREOF RESIDES. PARKING OF OCCUPANT VEHICLES AT ANY TIME AT ANY LOCATION IN THE SUBDIVISION EXCEPT IN ACCORDANCE WITH THE FOREGOING, INCLUDING PARKING OF OCCUPANT VEHICLES UPON ANY STREET OR SHARED DRIVE WITHIN THE SUBDIVISION, IS STRICTLY PROHIBITED. PARKING IS PERMITTED UPON AREA STREETS LOCATED OUTSIDE OF THE SUBDIVISION SUBJECT TO THE RIGHT OF THE ACC AND APPLICABLE GOVERNMENTAL AUTHORIZES TO RESTRICT OR PROHIBIT SAME AT ANY TIME AND FROM TIME TO TIME, AND PROVIDED FURTHER THAT AT LEAST TWO OCCUPANT VEHICLES MUST BE PARKED IN THE APPLICABLE GARAGE BEFORE ANOTHER OCCUPANT VEHICLE FROM THE SAME LOT MAY BE PARKED ON ANY STREET.

(b) NO GUEST PARKING. NO AREAS WILL BE PROVIDED FOR GUEST PARKING WITHIN THE SUBDIVISION, AND GUEST PARKING UPON ANY AREA STREET MAY ALSO BE RESTRICTED OR PROHIBITED AS ABOVE PROVIDED REGARDING OCCUPANT VEHICLES.

(c) NOTICE OF LIMITED PARKING. PARKING FOR OCCUPANT VEHICLES IS LIMITED TO GARAGES AND NO GUEST PARKING WILL BE AVAILABLE AS ABOVE STATED. PARKING ON AREA STREETS MAY ALSO BE LIMITED OR

UNAVAILABLE. SEE ALSO SECTION 6.01.2 REGARDING LIMITATION AS TO GARAGE SIZE. ANY SUCH LIMITATIONS SHALL NOT BE A BASIS FOR NON-COMPLIANCE WITH APPLICABLE PROVISIONS OF THE DECLARATION OR ANY OTHER GOVERNING DOCUMENTS (INCLUDING APPLICABLE RULES AND REGULATIONS), AND SHALL NOT BE A BASIS FOR ANY CLAIM WHATSOEVER AGAINST DECLARANT, THE ASSOCIATION, THE ACC OR ANY OF THEIR RELATED PARTIES.

(d) TEMPORARY PARKING. TEMPORARY PARKING UPON A STREET OR SHARED DRIVE (AS DEFINED IN SECTION 2.04) IN THE SUBDIVISION IS PERMITTED BY OCCUPANT VEHICLES, GUESTS AND INVITEES, AND BY PICK-UP OR DELIVERY SERVICES, BUT SOLELY FOR PURPOSES OF LOADING AND UNLOADING OF PASSENGERS AND CARGO, AND SUBJECT TO SUCH RULES AND REGULATIONS AS FROM TIME TO TIME PROMULGATED BY THE ACC AND OTHER APPLICABLE ORDINANCES AND LAWS (SUCH AS PROHIBITIONS AGAINST PARKING IN FIRE LANES, OR IN SUCH MANNER AS TO BLOCK ENTRY TO OR EXIT FROM THE SUBDIVISION). "TEMPORARY" MEANS ONLY FOR SO LONG A PERIOD OF TIME AS IS REASONABLY NECESSARY TO COMPLETE LOADING, UNLOADING, PICK-UP OR DELIVERY, WITH SUCH ACTIVITY COMMENCED PROMPTLY AFTER THE VEHICLE IS PARKED. ANY PARKING IN EXCESS OF TWENTY MINUTES IS PRESUMED NOT TO BE TEMPORARY. PICK-UP OR DELIVERIES REQUIRING LONGER THAN TWENTY MINUTES (SUCH AS MOVING IN OR OUT OF A RESIDENCE) SHALL BE COORDINATED WITH THE ASSOCIATION, SHALL BE CONDUCTED IN SUCH MANNER AS TO MINIMIZE INTERFERENCE WITH TRAFFIC AND PEDESTRIAN INGRESS AND EGRESS, AND SHALL OTHERWISE BE CONDUCTED IN ACCORDANCE WITH DIRECTIVES OF THE ASSOCIATION AND APPLICABLE RULES AND REGULATIONS.

(e) SHARED DRIVE OBSTRUCTION PROHIBITED. NO OBJECT, THING OR DEVICE SHALL BE PLACE, STORED OR MAINTAINED WITHIN OR UPON ANY STREET OR SHARED DRIVE (OTHER THAN PARKING OF VEHICLES AS HEREIN PERMITTED), AND NO ACTIVITIES ARE PERMITTED THEREON WHICH WOULD IMPEDE OR IMPAIR IT'S INTENDED USE SOLELY FOR PURPOSES OF PEDESTRIAN AND VEHICULAR INGRESS AND EGRESS. WITHOUT LIMITATION OF THE FOREGOING, NO TOYS, BARBEQUE OR OTHER COOKING EQUIPMENT, OR ANY RECREATIONAL EQUIPMENT SHALL BE PLACED, MAINTAINED OR STORED WITHIN OR UPON ANY SHARED DRIVE, NOR SHALL ANY LOITERING, PLAYING OR GATHERINGS BE PERMITTED THEREIN OR THEREON.

(f) RESPONSIBILITIES OF OWNERS AND TENANTS. OWNERS AND THEIR TENANTS MUST OBTAIN FULL COMPLIANCE WITH THE PROVISIONS OF THIS SECTION (INCLUDING RULES AND REGULATIONS ADOPTED PURSUANT TO THIS DECLARATION) BY THEIR RESPECTIVE RELATED PARTIES, AND EACH IS JOINTLY AND SEVERALLY LIABLE FOR ALL VIOLATIONS BY THEIR RESPECTIVE RELATED PARTIES.

5.03.4 Repair, Rental or Sale of Vehicles Prohibited. No work on any vehicle within the Subdivision, including on any street or Shared Drive, or on any Community Properties, or on any Lot, may be performed at any time other than temporary emergency repairs or other work required in order to promptly remove an inoperable or disabled vehicle from the Subdivision or to and completely within a garage. Repair work on any vehicle within a garage is limited to occasional minor repairs on Occupant Vehicles (such as oil changes, headlight bulb replacements and similar minor repairs). Extensive or frequent work (such as in connection with an auto repair or racing hobby or profession) on any vehicles, including any Occupant Vehicles, is prohibited. Without limitation of the foregoing and except for the limited purposes expressly permitted by the foregoing, no vehicle repair, rental or sales business or activities of any kind, whether or not for profit, may be conducted at any time at any location upon any Lot or elsewhere within the Subdivision.

5.03.5 Vehicle Defined. As used in this Section, "vehicle" means a device in, on, or by which a person or property may be transported, including an operable or inoperable automobile, truck, motorcycle, recreational vehicle, trailer, and such other devices as from time to time specified by applicable Rules and Regulations.

5.03.6 Presumptive Violations. Repairs or other work extending over a period exceeding eight hours is conclusively presumed not to be "temporary". Any vehicle is conclusively presumed to be "unused" or "inoperable" if the vehicle has not been operated outside the Subdivision for seven or more consecutive days or the vehicle has not been operated outside the Subdivision more than twice in any fourteen day period. The provisions hereof do not prejudice the right of the Association to otherwise establish a violation. The foregoing provisions do not apply to any vehicle completely stored within a garage.

5.03.7 Towing. The ACC or its designated representative may cause any vehicle which is parked, stored or maintained in violation of this Declaration or other Governing Documents, or in violation of any ordinance, statute or other governmental regulation, to be removed from the Subdivision to any vehicle storage facility within Harris County, Texas at the sole cost and expense of the Person owning such vehicle (whether or not such Person is an Owner) and/or the Owner as to whom such Person is a tenant, visitor, guest, invitee or other Related Party. Any such removal may be in accordance with any applicable statute or ordinance, including Chapter 2308 of the Texas Occupations Code, as amended.

5.03.8 LIMITATION OF LIABILITY. DECLARANT, THE ASSOCIATION, ACC THEIR RELATED PARTIES, AND ANY PERSON REMOVING ANY VEHICLE AS HEREIN PROVIDED (THE "INDEMNITEES") HAVE NO LIABILITY WHATSOEVER IN CONSEQUENCE OF REMOVAL OF ANY VEHICLE AS HEREIN PROVIDED. THE PERSON OWNING EACH TOWED VEHICLE (WHETHER OR NOT SUCH PERSON IS AN OWNER) AND THE OWNER AND OWNER'S TENANT AS TO WHOM SUCH PERSON IS A VISITOR, GUEST, INVITEE, OR OTHER RELATED PARTY, SHALL HOLD ALL SUCH INDEMNITEES HARMLESS FROM ANY AND ALL CLAIMS, SUITS, ACTIONS, LIABILITIES OR DAMAGES ARISING, DIRECTLY OR INDIRECTLY, AS RESULT OF SUCH REMOVAL. THE PROVISIONS HEREOF ARE CUMULATIVE OF THE PROVISIONS OF SECTION 3.06.

SECTION 5.04

Nuisance; Unsightly or Unkempt Conditions.

5.04.1 General. It is the continuing responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on such Owner's Lot. No Lot may be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition, or that will be obnoxious to the eye. No hobbies or activities which will cause disorderly, unsightly, or unkempt conditions, including without limitation the assembly or disassembly of or repair work on motor vehicles or other mechanical devices, may be performed within the Subdivision. There may not be maintained any plants, animals, devices, thing, use or activities of any sort which in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the residents of the Subdivision.

5.04.2 Nuisance or Annoyance. No substance, thing, or material may be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive trade or activity may be carried on upon any Lot, nor may anything be done thereon tending to cause embarrassment, discomfort, annoyance, or a nuisance to any residents of the Subdivision or to any Person using any property adjacent to the Lot. No spirituous, vinous, malt, medicated bitters, alcohol, drugs or other intoxicants may be sold or offered for sale on any part of any Lot or any other place within the Subdivision. No Lot or any part thereof may be used for any immoral or illegal purposes.

5.04.3 Pollutants; Hazardous Materials. Without limitation of any other provisions of this Section, no Owner or tenant, and Related Parties of either, shall dump grass clippings, leaves or other debris, detergents, petroleum products, fertilizers, or other pollutants or potentially hazardous or toxic substances, in any sewer system, water system, drainage ditch, stream, pond or lake within the Subdivision, or do any thing or maintain or permit any condition in violation of applicable environmental, toxic or hazardous waste or similar laws, rules or regulations. Storage of gasoline, heating or other fuels, or of any hazardous or toxic materials upon any Lot is strictly prohibited (except that up to five gallons of fuel may be stored upon a Lot for emergency purposes and operation of lawn mowers and similar tools or equipment if properly kept and stored in a safe and non-hazardous manner). THE FOREGOING DOES NOT PLACE UPON DECLARANT, THE ASSOCIATION, THE ACC OR ANY OF THEIR RELATED PARTIES ANY OBLIGATION FOR ENFORCEMENT OF ANY APPLICABLE ENVIRONMENTAL, TOXIC OR HAZARDOUS WASTE OR SIMILAR LAWS, RULES OR REGULATIONS.

5.04.4 Sound Devices; Excessive Noise. No exterior speaker, horn, whistle, bell or other sound device shall be located, placed or used upon any Lot or improvement thereon. The foregoing shall not apply to fire or security devices used exclusively for such purpose; provided, such devices must be installed such as not to be visible from any street and otherwise in as inconspicuous a manner as possible. No stereo, television, speaker, horn, whistle, bell or other sound device shall be operated within, and no other sound emitting activity (such as practice of a band, excessively loud social gatherings and similar activities) shall be conducted within a residence, garage or other

structure which is audible outside the Lot lines of the applicable residence, garage or other structure, or which is otherwise an annoyance or nuisance to any other residents as determined in the sole opinion of the ACC.

5.04.5 Authority to Cure. Upon the good faith determination of the ACC that a violation of this Section exists, the ACC may after written notice, take such actions as it deems necessary to abate the violation at the sole cost and expense of the violating Owner and, if applicable, their tenant and without liability for trespass or otherwise.

SECTION 5.05 Disposal of Trash. No trash, rubbish, garbage, manure, debris or offensive material of any kind may be kept or allowed to remain on any Lot, nor may any Lot be used or maintained as a dumping ground for such materials. No incinerator may be maintained on any portion of the Subdivision, and disposal of any materials by incineration within the Subdivision is strictly prohibited. All trash and similar matter to be disposed of must be placed in cans or similar receptacles with tight fitting lids or plastic bags tied or otherwise tightly secured, and must be placed in an area adequately screened by planting or fencing from public view or within a garage except when placed for regular pickup as herein provided. Equipment used for the temporary storage and/or disposal of such material prior to removal must be kept in a clean and sanitary condition, and must comply with all applicable federal, state, county, municipal or other governmental laws and regulations. All such prohibited matter must be removed from each Lot at regular intervals if not removed or removable by a regular garbage and sanitation service. Trash and garbage for pickup by a regular service must be placed in such area or areas as the ACC may from time to time direct, or as the applicable garbage and sanitation service or provider may require; provided trash and garbage may not be placed for pickup earlier than eight (8) hours prior to a scheduled pickup day, and all receptacles therefor and any remaining trash and garbage must be removed from the pickup site by midnight of the pickup day. Any of the foregoing provisions may be modified, added to or deleted by applicable Rules and Regulations.

SECTION 5.06 Firearms and Fireworks Prohibited. The use of firearms in the Subdivision is strictly prohibited. The term "firearms" includes without limitation "B-B" guns, pellet guns, and small or large firearms of all types. Fireworks of any type are strictly prohibited at any place within the subdivision.

SECTION 5.07 Leases.

5.07.1 Restrictions. No Lot may be leased other than for use as a single family residence as herein provided and defined. No Owner may lease a Lot and attendant use of the residence and improvements thereon for transient or hotel purposes. No Owner may lease less than an entire Lot and attendant use of the residence and improvements thereon. All leases: (i) must be in writing; and (ii) are specifically subject in all respects to all provisions of this Declaration and all other Governing Documents (whether or not expressly stated in the lease), and any failure by lessee to comply with this Declaration or any other Governing Documents will be a default under the lease.

5.07.2 Default. In the event of default under any lease due to violation of this Declaration or any other Governing Documents, the Association may (but has no obligation to) initiate any proceedings, actions or litigation under the lease to enforce compliance or to terminate the lease and/or for eviction. With regard to the foregoing, each Owner hereby irrevocably appoints the Association or its designated representative as their attorney-in-fact, agrees to indemnification in regard thereto to the fullest extent herein provided (including as set forth in **Section 3.06**) and agrees to be solely responsible for all costs thereof (including as provided in **Section 3.02.9**). NO PROCEEDINGS, ACTION OR LITIGATION UNDER THIS SECTION OR ANY OTHER PROVISIONS OF THIS DECLARATION OR ANY OTHER GOVERNING DOCUMENTS SHALL EVER BE CONSTRUED AS AN ASSUMPTION BY THE ACC OR ITS RELATED PARTIES OF ANY OBLIGATION WHATSOEVER UNDER ANY LEASE OR REGARDING ANY LEASEHOLD INTEREST, INCLUDING WITHOUT LIMITATION, ANY OBLIGATION REGARDING SECURITY DEPOSITS, MAINTENANCE AND ANY OTHER OBLIGATIONS PURSUANT TO TITLE 8 OF THE TEXAS PROPERTY CODE, ALL SUCH OBLIGATIONS BEING HEREBY EXPRESSLY DISCLAIMED.

5.07.3 Joint and Several Liabilities. Lessor(s) and lessee(s) are jointly and severally liable for the observance and performance of all of the terms and provisions of this Declaration and all other Governing Documents, including without limitation joint and several liability for all damages, costs and expenses resulting from any violation, by either, or by their respective Related Parties, all fines and assessments imposed hereby and with respect to all other rights and remedies regarding enforcement of this Declaration and all other Governing Documents.

SECTION 5.08 Garage Usage. No portion of any garage may be diverted to any use other than the parking of vehicles and other generally accepted and customary usage of a garage. In particular but not in limitation of the foregoing, no portion of any garage may be used as a residence or a game room, or for any similar use as living quarters. Garage doors must be kept in a closed position when the garage area is not being actively used.

SECTION 5.09 Mineral Production. No drilling, development operations, refining, quarrying or mining operations of any kind shall be permitted upon any Lot, nor shall oil wells, tanks, tunnels, mineral excavation or shafts be permitted upon any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be permitted upon any Lot.

SECTION 5.10 Rules and Regulations. The ACC is hereby specifically authorized to promulgate, amend, modify and delete such reasonable Rules and Regulations applicable to the operation, use and occupancy of the Subdivision, including all Lots and Community Properties, as the ACC may from time to time deem beneficial to the Subdivision, including without limitation, Rules and Regulations for imposition of fines for violations of this Declaration or other Governing Documents.

Article VI
Architectural Restrictions

SECTION 6.01 Type of Residence.

6.01.1 Single Family Residence. No building other than one single family residence not to exceed three stories which is to be occupied as a residence by one single family, an appurtenant garage and such outbuildings if and as may be approved in writing by the ACC may be constructed, placed or permitted to remain on each Lot. Without limitation of the foregoing, the term "single family residence" shall be construed to prohibit duplex houses, garage apartments, apartment houses, and any other multi-family dwelling.

6.01.2 Garages and Garage Doors. All single family residences must have an enclosed attached or detached minimum two car parking garage. Each such garage must contain a minimum of three hundred fifty (350) square feet of interior floor space. GARAGES MAY NOT BE OF SUFFICIENT SIZE TO PERMIT PARKING THEREIN OF TWO LARGE VEHICLES SUCH AS TWO SUV'S. ANY SUCH LACK OF PARKING SIZE SHALL NOT BE A BASIS FOR EXEMPTION FROM APPLICABLE PARKING RESTRICTIONS OR RULES AND REGULATIONS. The garage must be architecturally similar and compatible to the appurtenant residence, including as to roof line and appearance. Except for porte-cocheres, carports on Lots are prohibited. All garages must be enclosed with permanent walls and their fronts enclosed with standard type overhead doors customarily used in the building industry which garage doors must be maintained in good working order at all times. ANY REPLACEMENT GARAGE DOOR MUST BE OF EQUAL OR BETTER QUALITY AND SUBSTANTIALLY THE SAME DESIGN AS THE GARAGE DOOR FOR THE GARAGE AS ORIGINALLY CONSTRUCTED, AND MUST BE PAINTED TO MATCH THE COLOR SCHEME OF THE RESIDENCE AS ORIGINALLY CONSTRUCTED OR A SUBSEQUENT COLOR SCHEME WHICH HAS BEEN APPROVED IN WRITING BY THE ACC. Except for interior modifications of a garage wholly consistent with its use as a garage and which do not alter the use or exterior appearance of the garage as originally constructed, no modification of the interior or exterior of any garage as originally constructed is permitted without prior written approval of the ACC. GARAGE DOORS MUST BE KEPT CLOSED AT ALL TIMES EXCEPT FOR ENTRY AND EXIT OF VEHICLES OR DURING BRIEF PERIODS WHEN THE GARAGE IS BEING ACTIVELY USED FOR CUSTOMARY PURPOSES.

6.01.3 New Construction and Continued Maintenance Required. All residences, buildings and structures must be of new construction, and no residence, building or structure may be moved from another location to any Lot without prior written approval of the ACC. All residences, buildings and structures must be kept in good repair, must be painted (as applicable) when necessary to preserve their attractiveness and must otherwise be maintained in such manner as to obtain and maintain Prevailing Community Standards.

6.01.4 Tents, Mobile Homes and Temporary Structures Prohibited. No tent, shack, mobile home, or other structure of a temporary nature shall be placed upon any Lot or elsewhere in

the Subdivision. The foregoing prohibition does not apply to restrict the construction or installation of a single utility or similar outbuilding to be permanently located on a Lot, provided it receives the prior approval of the ACC. In addition, party tents or similar temporary structures may be erected for a limited period of time for special events with prior written approval of the ACC.

SECTION 6.02 Living Area Requirements. All single family residences, exclusive of porches, patios and garages, must contain not less than two-thousand(2,000) square feet.

SECTION 6.03 Location of Residence. No single family residence may be located upon any Lot except in accordance with building setback lines shown on any applicable Plat, or as established by this Declaration or applicable governmental requirements. Subject to the foregoing, no part of any residence, garage or other structure shall be located nearer than three feet from any boundary line of any Lot; provided, however, Declarant and only Declarant may locate or approve location of one or more walls of a single family residence or garage on or within one foot of any side Lot line (a "Zero Lot Line"). For the purposes of this Section, eaves, roof overhangs, steps, fireplaces, chimneys, bay windows, unroofed terraces and similar architectural detail which is a part of a permitted residence or garage shall not be considered as part of a residence or garage. Unless otherwise approved in writing by the ACC, each main residence must face the front building line.

SECTION 6.04 Drainage.

6.04.1 Drainage Devices. During the Development Period Declarant is hereby specifically authorized to excavate as necessary for and to establish, construct and maintain drainage swales, erosion control systems and such other things and devices (herein referred to as "Drainage Devices") upon, over, across or under any part of the Subdivision, including any Lot, as Declarant deems appropriate to properly maintain and control water drainage and erosion. Declarant may also permit any Authorized Builder to establish, construct and maintain Drainage Devices as aforesaid. Declarant hereby reserves for itself and Authorized Builders a blanket easement upon, over, under and across the Subdivision, including each Lot, for purposes of establishment, construction and maintenance of Drainage Devices as aforesaid; provided, such easement may not be exercised and no Drainage Device may be established, constructed or maintained in any manner as to encroach upon the foundation or any other part of any single family residence or its appurtenant garage. Declarant during the Development Period and the ACC thereafter may designate any Drainage Devices as part of the Subdivision Facilities in which case same shall be maintained by the Association. Otherwise, all Drainage Devices shall be maintained by the Owners as hereafter provided. THE FOREGOING SHALL NOT BE CONSTRUED TO OBLIGATE DECLARANT OR ANY AUTHORIZED BUILDER OR THE ACC TO ESTABLISH, CONSTRUCT OR MAINTAIN ANY DRAINAGE DEVICES OF ANY TYPE OR KIND WHATSOEVER, AND ANY REPRESENTATION, WARRANTY OR IMPLICATION AS TO SAME IS HEREBY SPECIFICALLY DISCLAIMED.

6.04.2 Encroachments. In the event of encroachment by any Drainage Device, including any overhead and overhanging encroachments and any encroachments which are completely underground, such as for example but without limitation any overhang by gutters or

underground drainage lines for such gutters (including downspouts for same), it shall be deemed that the Owner of the Lot encroached upon (or into) has granted a perpetual easement for the continuing maintenance and use of the encroaching Drainage Device, and for maintenance, repair or replacement thereof. The provisions hereof shall be subject to reasonable Rules and Regulations as may hereafter be imposed by Declarant during the Development Period or the ACC thereafter.

6.04.3 Owner Obligations. Once established and for so long as continued maintenance thereof is reasonably necessary, all Drainage Devices shall remain unobstructed, and shall be properly maintained by and at the sole cost of the Owner of each Lot to which same pertains or, when any Drainage Device serves more than one Lot (such as in the case of guttering on residences connected to a common line), then maintenance and the costs thereof of the Drainage Device which serves the multiple Lots (being the common line in the aforesaid example but not the guttering or connections for same to the common line) shall be shared pro rate by all of the Owners to which same pertains. Each Owner must refrain from permitting any construction, grading and any other work, act or activity upon such Owner's Lot which would obstruct, alter, divert, impede or impair the proper functioning of any Drainage Device. In addition, each Owner must perform such work, act or activities and install and maintain such Drainage Devices (i) as is reasonably necessary to prevent so far as practical drainage from the Owner's Lot to any other Lot, other than drainage along established swales and along drainage patterns as established by Declarant during the Development Period or the ACC thereafter, and (ii) as needed to maintain so far as practical positive drainage away from the foundation of the residence located upon the Owner's Lot. Without limitation of the foregoing, no Owner may place or permit placement of any flower bed or other landscaping, or any other structure or thing along or near any Lot line which would obstruct, alter, divert, impede, or impair drainage along any Lot line within any swale or otherwise within drainage patterns as established by Declarant during the Development Period or by the ACC thereafter. To obtain and maintain proper drainage, including as required by this Section, and/or as changing circumstances may require, the ACC is hereby specifically authorized to require any Owner to construct, install and maintain such gutters and/or downspouts, drains, drainage lines and any other Drainage Devices as the ACC determines, and/or to remove any obstruction, thing or device or cease any activity, either upon initial construction of any residence or other improvement, or at any time thereafter that circumstances reasonably require.

SECTION 6.05 Lot Resubdivision or Combination. Unless approved by Declarant in writing, no Lot as originally conveyed by Declarant to any Person, including a builder, may thereafter be subdivided or combined with any Lot, or the boundaries thereof otherwise changed.

SECTION 6.06 Lot Fences, Walls and Hedges.

6.06.1 Definitions. As used in this Section (i) "Lot Fencing" means any and all fences and freestanding fence type walls, gateposts, hedges and planters, whenever and wherever located on any Lot, excluding, however, any perimeter fencing which is included in the Subdivision Facilities, and (ii) "hedge" means a row of bushes, shrubs and similar plants which, at natural maturity, will exceed three feet (3') in height and have sufficiently dense foliage as to present a visual and physical barrier substantially similar to a fence.

6.06.2 ACC Approval Required: No Lot Fencing may be constructed, placed or maintained on any Lot without prior written approval of the ACC.

6.06.3 General Requirements: Except as installed by Declarant during the Development Period or unless otherwise approved in writing by the ACC, all Lot Fencing must comply with the following:

- (a) No Lot Fencing may be more than six feet in height.
- (b) All Lot Fencing (other than hedges) must be constructed of redwood or cedar vertical pickets with treated pine (or equivalent) post and supports, or ornamental wrought iron, brick or masonry, or combinations thereof, or composite materials which substantially simulate the appearance of the foregoing, as approved by the ACC.
- (c) NO CHAINLINK TYPE FENCING OF ANY TYPE IS PERMITTED ON ANY LOT.
- (d) NO LOT FENCING SHALL BE ERECTED OR MAINTAINED NEARER TO THE FRONT BUILDING SETBACK LINE THAN THE PLANE OF THE FRONT EXTERIOR WALL OF THE RESIDENTIAL STRUCTURE ON SUCH LOT WHICH IS FURTHERMOST FROM THE FRONT BUILDING SETBACK LINE.

6.06.4 Ownership and Maintenance. Ownership of all Lot Fencing passes with title to the Lot. All Lot Fencing must be continuously maintained in a structurally sound condition, in a neat and attractive condition, in good repair and otherwise as required to obtain and maintain Prevailing Community Standards. The foregoing shall include, without limitation, such maintenance, repair or replacement as is required to prevent listing or leaning, repair of all damaged or broken pickets and other members, and all holes and cracks, and repair or replacement as required to prevent rot or decay, and any other visible signs of dilapidation or deterioration. Lot Fencing which has been defaced with graffiti or other markings shall be restored to its prior condition within 72 hours of such defacement or markings. PAINTING OR STAINING OF WOODEN FENCES IS PROHIBITED UNLESS APPROVED IN WRITING BY THE ACC. All maintenance, repair or replacement of Lot Fencing which separates adjoining Lots, or which is otherwise shared in common by two or more adjoining Lots, is the joint responsibility of, and the costs thereof shall be shared equally by, the adjoining Owners. Otherwise, all such maintenance, repair or replacement shall be the responsibility of, and at the sole cost of, the Owner upon whose Lot the Lot Fencing is located. ONCE INSTALLED, THE LOCATION, STYLE, FINISH, APPEARANCE AND ALL OTHER FEATURES OF LOT FENCING MAY NOT BE MODIFIED OR CHANGES WITHOUT PRIOR WRITTEN APPROVAL OF THE ACC.

SECTION 6.07 Antennas and Satellite Dish Systems.

6.07.1 General Rule. Except as otherwise expressly approved by the ACC in writing, or as otherwise expressly permitted by applicable architectural guidelines or by law, no antenna or satellite dish system of any kind is permitted upon any Lot, or the residence or other improvement

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thereon, except one dish antenna, one meter or less in diameter or diagonal measurement which is designed to receive direct broadcast satellite or to receive or transmit "fixed wireless signals" (as defined by the Federal Communications Commission), and one television antenna to the extent necessary for reception of local television broadcasts, either or both of which must be installed so as not to be visible from any street.

6.07.2 Prohibited Antenna. In no event shall any antenna, "dish" or other device be used for transmitting electronic signals of any kind except as to fixed wireless signal transmission as above provided. Antenna and similar devices of any type used for citizen band ("CB") radio, amateur ("HAM") radio, AM/FM radio, or Digital Audio Radio Service ("DARS"), are prohibited and shall not be erected, placed or permitted to remain on any Lot, on any improvement located on any Lot, or elsewhere in the Subdivision. Without limitation as to the authority of the ACC to grant variances, the ACC is specifically authorized to (but shall not in any event be required to) grant variances as to prohibited antenna, and the ACC may condition granting of any such variance upon placement of the applicable antenna in the attic of a residence.

SECTION 6.08 Signs.

6.08.1 General. As used in this **Section 6.08**, "sign" means and includes any billboards, posters, banners, pennants, displays, symbols, advertising devices of any kind, and any other type of sign of any kind, including without limitation business, professional, promotional or institutional signs. No sign of any kind is permitted on any Lot, or upon any residence, or within any residence if visible from the exterior of the residence, or within the Subdivision except as may be approved in writing by the ACC and except as otherwise expressly permitted in this Section. The foregoing shall not preclude Declarant or an Authorized Builder from placing signs within the Subdivision as permitted by **Section 8.01.7**.

6.08.2 Prohibited Signs. No sign is permitted which contains language, graphics or any display that is vulgar, obscene or otherwise offensive to the ordinary person. Permitted signs must be professionally printed and prepared, and must be properly installed and maintained, to avoid unsightly appearance. The good faith determination of the ACC as to any of the foregoing is final. No sign is permitted to be larger than four square feet. No sign may be illuminated. No sign may be placed on any Lot closer than ten feet from any street or any side or back Lot line, or within any traffic sight line area as defined in **Section 6.09**. No Owner, Owner's tenant or their Related Parties, is permitted to place any sign on another Owner's Lot or upon any Community Properties. Foreclosure, bankruptcy and other distressed sale references are specifically prohibited. Signs disparaging, defaming or demeaning any Person, including Declarant, the Association, the ACC or their Related Parties, on account of race, creed, gender, religion, national origin or otherwise, are specifically prohibited.

6.08.3 Permitted Signs. No sign, except "political signs" as hereafter provided, is permitted upon any Lot or at any other place within the Subdivision, or within or on any residence or other improvement if the sign is visible from outside of the residence or other improvement, unless the sign is first approved in writing by the ACC. No sign will be approved other than (i) one

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“For Sale” or one “For Lease” sign not to exceed six square feet (which may be displayed only during such period of time that the Lot is in fact for sale or lease), and (ii) security service signs, not to exceed two in number per Lot. Security service signs must also be located near the front and/or rear entrances of the residence unless otherwise approved in writing by the ACC, may not exceed eighteen inches by twelve inches in size, and must be professionally printed, prepared and provided by a professional security service company. All approved signs must also comply with **Section 6.08.2**, and any applicable Rules and Regulations. The foregoing shall not preclude Declarant or an Authorized Builder from placing signs within the Subdivision as permitted by **Section 8.07**.

6.08.4 Political Signs. Notwithstanding any other provisions hereof, political signs advertising a political candidate or ballot item for an election (a “Political Sign”) are permitted, subject to the following:

(a) No Political Sign is permitted earlier than the 90th day before the date of the election to which the sign relates, and each Political Sign must be removed in its entirety by the 10th day after the election date.

(b) No more than one Political Sign for each candidate or ballot item may be displayed per Lot.

(c) Each Political Sign must be ground-mounted.

(d) No Political Sign may (i) contain roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component; (ii) be attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object; (iii) include the painting of architectural surfaces; (iv) threaten the public health or safety; (v) be larger than four feet by six feet; (vi) violate a law; (vii) contain language, graphics, or any display that would be offensive to the ordinary person; or (viii) be accompanied by music or other sounds or by streamers or be otherwise distracting to motorists.

(e) The ACC is specifically authorized to amend this Section to the extent permitted or required to conform this Section to the provisions of Section 202.009 of the Texas Property Code, as amended and/or as subsequently construed or applied by a court of competent jurisdiction, any such amendment to be effective from and after the date of filing of same in the Official Public Records of Real Property of Harris County, Texas.

6.08.5 Default. Any sign of any kind placed within the Subdivision in violation of this **Section 6.08**, including any Political Sign, may be removed at any time by or at the direction of Declarant or the ACC and discarded as trash without liability for trespass, conversion or damages of any kind. In addition, the ACC may, after notice and opportunity to be heard, assess as a specific assessment a fine for each day any sign is placed within the Subdivision in violation of this **Section 6.08** not to exceed seventy-five dollars (\$75.00) per day per sign, or as otherwise provided by applicable Rules and Regulations.

SECTION 6.09 Traffic Sight Line Areas. No fence, wall, hedge, tree, shrub planting or any other thing or device which obstructs sight lines at elevations between two and eight feet (2' & 8') above a street shall be permitted (i) on any corner Lot within the triangular area formed by the two (2) boundary lines thereof abutting the corner streets and a line connecting them at points twenty-five feet (25') from their intersection, or (ii) on any Lot within the triangular area formed by the boundary line abutting a street, the edge line of any driveway pavement and a line connecting them at points ten feet (10') from their intersection. The foregoing shall not be construed to prohibit construction of any residence or garage at any location permitted by this Declaration even if the residence or garage encroaches upon either of the aforesaid sight line areas.

SECTION 6.10 Utility, Lighting and Energy Facilities.

6.10.1 Maintenance Of Utilities Required. All utility services intended to be provided to each single family residence as originally constructed, including without limitation water, sewage, electric and gas services, must be maintained by the Owner at all times when a residence is occupied.

6.10.2 Private Utility Lines. All electrical, telephone and other utility lines and facilities which are located on a Lot and which are not owned and maintained by a governmental entity or a utility company must be installed underground unless otherwise approved in writing by the ACC, and must be maintained at all times by the Owner of the Lot upon which same is located.

6.10.3 Air Conditioners. Except as approved by the ACC, no window, wall or exterior roof mounted type air conditioners or heating units, or any part thereof, and no air conditioners or heating units, or any part thereof, which is visible from any street will be permitted. The foregoing shall not apply to any "A/C Unit" installed by Declarant or an Authorized Builder as permitted by **Section 7.05.3**.

6.10.4 Exterior Lighting. Excepting customary Christmas lighting, any exterior lighting of a residence or Lot must be approved by the ACC in accordance with **Article III**. No exterior lighting (including Christmas lighting) may be directed outside property lines of the Lot upon which same is located. All lighting fixtures (except Christmas lighting) must be compatible in style and design to the residence where located. Christmas lighting and related decorations and ornamentation may be displayed between November 15 and January 10, and the ACC may in particular instances or through Architectural Guidelines permit other holiday lighting, decorations and ornamentation (all of which for purposes of this Section are referred to as "Christmas Lighting"); provided, the ACC is authorized to fully regulate all Christmas Lighting in particular instances or by Architectural Guidelines to avoid any annoyance, nuisance, safety hazard or unsightly condition or appearance as determined in the sole opinion of the ACC.

Article VII
Easements

SECTION 7.01 Easements for Encroachment and Overhang. In the event of encroachment by any building, structure or other improvement, including without limitation, any portion of any roadway, walkway, parking area, driveway, water line, sewer line, utility line, sprinkler system, building steps, fences, fireplaces, chimneys, bay windows and similar architectural details, paving, driveway approaches and inturns, decking, footings, piers, piles, grade beams and similar improvements, which encroachment originates during original construction or results at any time from settling or shifting, on or into any adjoining Lot or on or into the Community Properties, not more than thirty inches (30") from any point on the common lot line ("Encroachment"), it shall be deemed that the Owner of the Lot encroached upon (or into) or the ACC (as the case may be) has granted a perpetual easement for continuing maintenance and use of such encroaching improvements, and for maintenance, repair or replacement thereof if performed in substantial compliance with the original construction, over, above, under, and upon the adjoining, encroached upon Lot (or Community Property) for a distance co-existent with the Encroachment. An "Encroachment" as aforesaid includes, without limitation, overhead encroachments and overhangs of walls, roofs or other part of any building or structure, and encroachments which are completely underground. In addition, any such Encroachment is permitted to extend over any otherwise applicable setback line up to thirty inches (30") when the Encroachment originates during original construction or results at any time from settling or shifting as aforesaid. The term "original construction" as used in this Section means construction, placement or modification of improvements which occurs through "completion of the initial sale" of a Lot as that phrase is defined in Section 8.01.

SECTION 7.02 Owners' Access Easement.

7.02.1 Defined. Each Lot and the Community Properties are subject to a non-exclusive access easement for the inspection, construction, maintenance, repair and replacement of improvements located upon any adjacent Lot (the "Accessing Lot") for usage by an Accessing Lot Owner or occupant, or their agents or employees. The Lot or Community Properties being accessed is herein referred to as the "Easement Lot". This access easement area on the Easement Lot (the "Access Area") consists of a strip of land abutting the nearest boundary line of the Accessing Lot of not less than three feet nor more than six feet, as may be reasonably required, and to such additional area as may be approved in writing by the ACC upon written request stating a reasonable necessity for same, provided that the Access Area shall not in any event extend past the exterior wall of any residence or garage, or the foundation of either. THIS ACCESS EASEMENT AREA MAY BE UTILIZED ONLY WHEN AND TO THE EXTENT SAID CONSTRUCTION, MAINTENANCE, REPAIR OR REPLACEMENT CANNOT BE REASONABLY CONDUCTED WITHIN THE BOUNDARIES OF THE ACCESSING LOT. Except in the case of an Emergency, in no event will such easement extend to any part of the single family residence garage, or other building located on the Easement Lot.

7.02.2 Notice; Duration. Prior to use of the Access Area, the Owner or occupant of the Accessing Lot must give written notice of intent to utilize the Access Area stating therein the nature of intended use and the duration of such usage. Such notice must be delivered to the Owner or occupant of the Easement Lot by regular or certified mail or personal delivery, or by attaching same to the front door of the residence located upon the Easement Lot. If by mail, such notice must be given at least ten days prior to use of the Access Area; and if by personal delivery or affixing to the front door, such notice must be given at least seven days prior to use of the Access Area. In case of emergency the Accessing Lot Owner or occupant may commence and continue usage of the Access Area without giving the foregoing notice for so long as is reasonably necessary to control the emergency and complete work necessitated thereby, but must proceed with giving of the required notice as soon as practical after commencement of usage.

7.02.3 Usage. Usage of the Access Area is limited to the minimum reasonable amount of time and area required to complete necessary work to preserve, protect, construct, maintain, repair, and replace the residence or other structures and improvements located on the Accessing Lot. Work during the usage period must be conducted in such manner as to minimize so far as reasonably possible inconveniences and disruptions to the Easement Lot and its occupants. Except in case of emergency or unless otherwise authorized by the Owner or occupant of the Easement Lot, work during the usage period may not be conducted during legal holidays or any Sunday and must otherwise be confined to the hours of 7:00 a.m. to 7:00 p.m., Monday through Friday and 9:00 a.m. to 6:00 p.m. on Saturdays.

7.02.4 ACC Approval of Access Area Improvements. No structure or improvements other than grass, and customary, non-exotic flower and shrubbery beds, may be placed within the Access Area at any time without the prior written approval of the ACC. The ACC may not approve any such structures or improvements which would substantially interfere with, or be unduly burdensome to, or which would cause excessive expense to any potential Accessing Lot if access becomes necessary as herein provided.

7.02.5 Restoration. Promptly after completion of usage of an Access Area, the Accessing Lot Owner or occupant must thoroughly clean the Access Area and repair and restore same to substantially the same condition that existed at the time of commencement of usage; provided, such obligation for restoration does not apply to any structures or improvements which have been placed in the Access Area without written ACC approval. At the time of receipt of notice, the Easement Lot Owner or occupant must promptly notify the Accessing Lot Owner or occupant as provided in **Section 7.02.2** of any structures or improvements within the Access Area which have been approved by the ACC.

SECTION 7.03 Association and ACC Blanket Access Easement. The Association, the ACC and their Related Parties have a continuing non-exclusive easement upon, over, under and across each Lot, and as to the exterior of the residence and garage thereon, and as to the exterior and interior of any other improvement thereon, to the extent reasonably necessary for the performance of any of the functions or duties of the Association or ACC or exercise of any of their rights under

this Declaration. Prior to exercise of such easement rights written notice must be given to the Owner or occupant of the affected Lot stating the expected date of commencement of usage, the nature of the intended use and anticipated duration of such usage. The notice may be given in any manner as permitted by **Section 7.02.2**. In case of an emergency the right of entry and usage shall be immediate without notice, but in such case notice as aforesaid shall be given as reasonable soon as practicable.

SECTION 7.04 Access.

7.04.1 Egress/Regress to Public Way Required. All single family residences shall be constructed, and thereafter same and related improvements shall be maintained, such that a continuous and unobstructed means of ingress, egress and regress to a common public way is maintained in accordance with applicable building codes and ordinances.

7.04.2 Reciprocal Street Easements. The Owner of each Lot in the Subdivision irrevocably grants to each other Owner of a Lot in the Subdivision, and to Declarant, the Association, the ACC and their Related Parties, reciprocal, perpetual, and non-exclusive rights-of-way and roadway easements for purposes of ingress, egress, passage, and travel by vehicles and pedestrians over and across each and all private streets located within the Subdivision, including the Shared Drive as defined in **Section 2.04** which is specifically included within the meaning of the term "private street(s)". In addition, each said Owner hereby grants perpetual easements to Declarant, the Association and their Related Parties for, and irrevocably designates the Association as their agent in fact for, purposes of (i) installation, maintenance, repair, or replacement of all private streets and all other improvements incident thereto as determined in the sole opinion of Declarant and/or the ACC, and (ii) regulation of all aspects of usage of all private streets by Owners, their tenants, their Related Parties, and all other Persons, in accordance with applicable Governing Documents, and in connection therewith each Owner agrees that no other easements or rights of usage of any kind may be granted by any Owner in, upon, under, over or across any private street without the prior written consent of Declarant or the Association. Each Owner hereby additionally grants to Declarant, the Association and the ACC a secondary easement not to exceed four feet from each side of any private street, and as to as much additional surface of each Owner's Lot per **Section 7.03**, as reasonably necessary for the installation, maintenance, repair, or replacement of a any private street and related improvements.

SECTION 7.05 Governmental Functions, Utilities and Other Services.

7.05.1 Governmental Functions; Removal of Obstructions. Blanket non-exclusive easements and rights-of-way are hereby granted to all applicable governmental authorities, to all police, fire protection, ambulance and other emergency vehicles, to garbage and trash collection vehicles and other service vehicles, to the United States Post Office and similar services, and to the respective agents and employees of all of the foregoing, for access, ingress and egress upon, over and across any portion of each Lot and throughout the Subdivision for purposes of the performance of any official business without liability of any kind. **APPLICABLE GOVERNMENTAL AUTHORITIES AS AFORESAID ARE ALSO SPECIFICALLY AUTHORIZED TO REMOVE**

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OBSTRUCTIONS IF NECESSARY FOR EMERGENCY AND SERVICE VEHICLE ACCESS, AND TO ASSESS THE COST OF REMOVAL TO THE OWNER OF THE OBSTRUCTION.

7.05.2 Certain Subdivision Facilities. During the Development Period, Declarant may establish within the Subdivision (including upon any Lot) such easements as Declarant may determine for the placement and maintenance of (i) mail box banks, water banks, master water meters and/or electrical banks designed to serve two or more single family residences, including entry, access and exit areas as to same, (ii) Subdivision entry and/or other identification signs and/or monuments, and (iii) patrol or security access limiting type structures or devices obtained for maintenance by the ACC for such purposes, including without limitation controlled access gates, guardhouses and related structures or devices. PERMANENT EASEMENTS SHALL BE DEEMED TO HAVE BEEN ESTABLISHED BY DECLARANT AS TO ANY SUCH SUBDIVISION FACILITIES PLACED OR CONSTRUCTED UPON ANY LOT OR COMMUNITY PROPERTIES BY DECLARANT DURING THE DEVELOPMENT PERIOD. AS TO EACH SUCH SUBDIVISION FACILITY, THE AFORESAID EASEMENT SHALL EXTEND TO THE AREA OF LAND COVERED BY THE SUBDIVISION FACILITIES, TOGETHER WITH REASONABLE WORKING SPACE AND NECESSARY RIGHTS OF INGRESS, EGRESS AND REGRESS FOR PURPOSES OF THE INSTALLATION, MAINTENANCE, OPERATION, REPAIR AND REPLACEMENT OF THE FACILITY. Declarant may, but is not required to, file a formal easement or easements covering any such Subdivision Facilities in the Official Public Records of Real Property of Harris County, Texas either during or after termination of the Development Period, and the ACC may do so at any time after termination of the Development Period.

7.05.3 A/C Condensing Units. Declarant may place or approve placement of air conditioner condensing units and related pads, wiring, conduits and devices (an "A/C Unit") along any Lot line of a residence in such manner that the A/C Unit encroaches on an adjacent Lot, adjacent reserve subject to Association control or adjacent Community Properties (i) to a distance of not more than thirty-six inches (36") in the case of an A/C Unit located along the Zero Lot Line of a residence, and (ii) to a distance of eighteen inches (18") in any other case. In either case, it shall be deemed that the Owner of the encroached upon property, including the Association, has granted a perpetual easement for continuing maintenance of the A/C Unit(s) thereon, and for maintenance, repair and replacement of the A/C Unit(s) in substantial compliance with the original installation of the A/C Unit(s). The A/C Unit(s) may also be enclosed by property line fencing around the part(s) of the A/C Unit(s) which extend over the Lot line in such manner as may be approved by Declarant or the ACC. Declarant or the ACC may also prohibit fencing along the common boundary line along which one or more A/C Units encroach, and/or limit fencing to enclosure at the front and back of the residence sharing the common boundary line (with gates).

7.05.4 Other Easements. The Association shall have the right to grant, dedicate, reserve or otherwise create, at any time or from time to time, easements for public, quasi-public or private utility purposes, including, without limitation, gas, electricity, telephone, sanitary or storm, cable television and similar services, along, over, above, across and under the Subdivision and any Lot; provided, such additional easements shall not be located in such manner as to encroach upon

the footprint or foundation of any then existing building (including any residence) or any swimming pool. Any such easement shall not be effective unless and until notice thereof is filed in the Official Public Records of Real Property of Harris County, Texas.

SECTION 7.06 Easements Perpetual and Not Conveyed. Title to any Lot conveyed by contract, deed or other conveyance is subject to all easements of record and as otherwise established by this Declaration, and may not be held or construed in any event to include the title to any easement established by this Declaration, including but not limited to any roadways or any drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone way or any pipes, lines, poles, or conduits on or in any utility facility, service equipment or appurtenances thereto. Easement rights established by or obtained pursuant to this Declaration may not, once established or obtained, be adversely effected by any amendment of this Declaration. The foregoing does not limit subsequent abandonment or other modification of easement rights in accordance with applicable instruments covering any easement, by consent or agreement of the affected parties, or as otherwise provided by law.

Article VIII
General Provisions

SECTION 8.01 Development Period.

8.01.1 Application. Notwithstanding any other provisions of this Declaration or any other Governing Documents to the contrary, the provisions of this **Section 8.01** apply during the Development Period (and thereafter as herein provided).

8.01.2 Architectural Control; Builder Approval.

(a) ACC Approval Not Required. Declarant is not required to obtain ACC approval or otherwise comply with any provisions of **Article III** hereof until completion of the initial sale of each Lot, whether or not the initial sale occurs during or after the Development Period.

(b) Declarant's ACC Authority As To Initial Development of Lots. NOTWITHSTANDING ANY OTHER PROVISIONS HEREOF, DECLARANT HEREBY RESERVES AND RETAINS FULL AND EXCLUSIVE AUTHORITY OF THE ACC AS TO EACH LOT, AND THE RIGHT TO ENGAGE IN (AND TO AUTHORIZE ANY AUTHORIZED BUILDER TO ENGAGE IN) ANY AND ALL DEVELOPMENT AND SALES ACTIVITIES REGARDING EACH LOT, UNTIL COMPLETION OF THE INITIAL SALE OF EACH LOT, WHETHER OR NOT COMPLETION OF THE INITIAL SALE OCCURS DURING OR AFTER THE DEVELOPMENT PERIOD. DECLARANT'S AUTHORITY INCLUDES WITHOUT LIMITATION THE RIGHT TO ASSESS (ON A CASE BY CASE BASIS AND WITHOUT FORMAL ADOPTION OF ARCHITECTURAL GUIDELINES) AND TO RECEIVE PAYMENT OF ARCHITECTURAL REVIEW FEES AS AUTHORIZED BY **SECTION 3.02.9**.

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(c) Approval of Builder ("Authorized Builder") By Declarant Required.

During the Development Period no builders are permitted to construct any residence or appurtenant improvements upon any Lot or otherwise conduct any Development Activities (as defined in **Section 8.01.5**) within the Subdivision other than those builders (if any, and whether one or more) which have been approved in advance in writing by Declarant (said approved builder or builders sometimes herein referred to as an "Authorized Builder"). Notwithstanding designation of a builder as an Authorized Builder, Declarant expressly reserves the right from time to time and at any time to regulate the activities of any Authorized Builder and to limit, modify or remove any rights of an Authorized Builder which may otherwise be granted pursuant to this Declaration. Declarant's approval of any builder does not pass to any successor builder, and may not be otherwise transferred or assigned. Declarant's right to approve (or disapprove) any builder during the Development Period may be assigned only to another "Declarant" as so designated in accordance with applicable provisions of this Declaration.

(d) "Completion of the Initial Sale" of Lot Defined. Subject to **Section 3.02.11(a)**, as used in this Declaration and as to each Lot, "completion of the initial sale" means and occurs upon substantial completion of the construction of a single family residence and related improvements upon the Lot and the sale of the Lot to a Person other than Declarant or a builder for use and occupancy of the Lot for a single family residence.

8.01.3 First Meeting of Owners; "Owner ACC Members"; "First Meeting Date".

(a) Declarant shall call the first meeting of Owners within a reasonable time after termination of the Development Period, or such earlier date as determined by Declarant. Declarant shall set the place, the time and the date (the "First Meeting Date") of the first meeting of Owners, and notice thereof must be given to all Owners. Notwithstanding any other provisions hereof or of any other Governing Documents, any notices of or relating to the first meeting of Owners may be mailed by regular mail to the street address of each Lot and may be addressed to "Association Member" or similar generic term. There is no duty by any Person giving any such notice to confirm ownership or any other mailing address. All Owners, whether Class A or Class B Members, are entitled to vote at the first meeting of Owners. Declarant may appoint any persons to act as a chairperson and secretary for the first meeting of Owners, or, if Declarant does not do so, then the Owners shall elect the chairperson and/or secretary, as applicable, for the meeting as the first order of business of the meeting. The Owners shall otherwise conduct the first meeting of Owners as provided in **Section 2.10** hereof, and Declarant need not attend such meeting. The sole purpose of the first meeting is to conduct the election by Owners of all members of the ACC ("Owner ACC Members") unless Declarant designates one or more other purposes in the notice of the meeting. All costs to call, notice and conduct the first Meeting of Owners shall be paid from the ACC Fund. At the first Meeting of Owners, the Owners shall elect three Owner ACC Members, one for a term of two years and two for a term of one year. The candidate receiving the largest number of votes shall be elected for the two year term.

(b) If one or more but less than all Owner ACC Members are elected at the first meeting of Owners, then the Owner ACC Members who have been elected, through less

than a quorum, may appoint as many Owner ACC Members as needed to fill all remaining committee positions. If no Owner ACC Member is elected at the first Meeting of Owners by Class A Members, then at any time until the expiration of ninety days after the First Meeting Date Declarant may appoint one Owner ACC Member who may in turn appoint all remaining Owner ACC Members. If no Owner ACC Member is elected or appointed as aforesaid, then after expiration of the aforesaid ninety day period any Owner may call, notice and conduct an alternate first Meeting of Owners for the purpose of electing Owner ACC Members.

(c) Until expiration of two year following the date of transfer of Declarant control as hereafter provided, Declarant must be (i) provided with true and correct copies of any and all notices given to Owners or Members and all other documents provided with same at the same time any such notice and/or other document is given to Owners or Members, and (ii) given written notice of the name, mailing address, home, work and facsimile telephone numbers, and e-mail address of each Owner ACC Member who is elected or appointed by Class A Members or by Owner ACC Members within thirty days after any applicable election or appointment.

(d) IF THE CLASS A MEMBERS DO NOT ELECT AND DECLARANT DOES NOT APPOINT AT LEAST ONE OWNER ACC MEMBER WITHIN TWO YEARS PLUS ONE DAY AFTER THE FIRST MEETING DATE, THEN (i) ALL FUNDS REMAINING IN THE ACC FUND, IF ANY, WILL BE DEEMED ABANDONED AND EXCLUSIVE OWNERSHIP THEREOF SHALL BE AUTOMATICALLY TRANSFERRED TO DECLARANT, AND (ii) ANY BOOKS AND RECORDS OF THE ASSOCIATION OR ACC IN THE POSSESSION OR CONTROL OF DECLARANT OR DECLARANT'S RELATED PARTIES MAY BE DESTROYED.

8.01.4 Transfer of Declarant Control; Effect.

(a) THE DATE OF TRANSFER OF DECLARANT CONTROL IS THE DATE OF OCCURRENCE OF THE EARLIER OF (1) ELECTION BY CLASS A MEMBERS OR APPOINTMENT BY DECLARANT OF AT LEAST ONE OWNER ACC MEMBER, OR (2) NINETY DAYS AFTER THE "FIRST MEETING DATE" (AS DEFINED IN SECTION 8.01.3).

(b) ON THE DATE OF TRANSFER OF DECLARANT CONTROL (1) ALL ACC MEMBERS AND OFFICERS THERETOFORE APPOINTED OR ELECTED BY DECLARANT (OTHER THAN OWNER ACC MEMBERS) ARE AUTOMATICALLY REMOVED FROM OFFICE AND FULLY RELIEVED THEREAFTER FROM ANY FURTHER RIGHTS, DUTIES, LIABILITIES AND RESPONSIBILITIES REGARDING THE ASSOCIATION, THE ACC OR THE SUBDIVISION, AND (2) THE ASSOCIATION AND ITS MEMBERS BECOME WHOLLY AND SOLELY RESPONSIBLE FOR THE MANAGEMENT, MAINTENANCE AND OPERATION OF THE ASSOCIATION AND ACC, AND OF THE SUBDIVISION, INCLUDING WITHOUT LIMITATION FULL AND SOLE ASSUMPTION BY THE ASSOCIATION OF ALL MAINTENANCE RESPONSIBILITIES OF THE ASSOCIATION.

8.01.5 Development Activities. Declarant, Declarant's Related Parties, any Authorized Builder, and the constructors, sub-contractors, suppliers, vendors and all other related personnel of Declarant or an Authorized Builder (all such Persons sometime herein referred to as "Development Personnel") have the right to transact any business and conduct any activities reasonably necessary for all construction within, and all development of, the Subdivision, and for the sale or rental of Lots and single family residences and any other improvements to be constructed within the Subdivision (all such construction, development, sales and all related business and activities herein referred to as "Development Activities"), including without limitation as follows:

(a) Until completion of the initial sale (as provided in **Section 8.01.2**) of all Lots owned by Declarant or an Authorized Builder, whether or not the initial sale of all Lots occurs during or after the Development Period, Declarant (and any Authorized Builder), have the right to maintain models, to have, place and maintain sales and promotional signs, flags, banners and similar promotional devices within the Subdivision, to conduct from time to time an "open house" and similar events for realtors and other persons which may include without limitation leaving limited access gates (if any) open as hereafter provided, and to use for development, sales and/or promotional purposes all or any part of any Lot, including residence or other improvements located thereon, which is owned by Declarant or an Authorized Builder.

(b) UNTIL COMPLETION OF THE INITIAL SALE (AS DEFINED IN **SECTION 8.01.2**) OF ALL LOTS, DECLARANT MAY LEAVE LIMITED ACCESS GATES, IF ANY, OPEN FOR ANY PERIODS OF TIME (OR AT ALL TIMES) AND OTHERWISE PROVIDE FOR OR PERMIT ACCESS TO THE SUBDIVISION BY ANY PERSONNEL INVOLVED IN ANY DEVELOPMENT ACTIVITIES, TO PROSPECTIVE PURCHASERS, TO REALTORS AND TO OTHER PERSONS AS DECLARANT REASONABLY DETERMINES IS NECESSARY OR CONVENIENT TO ACCOMMODATE ANY DEVELOPMENT ACTIVITIES.

(c) Development Personnel may or will be required during the Development Period to, and are hereby specifically authorized to, engage in construction activities upon multiple Lots or Community Properties, to store equipment or materials on multiple Lots or Community Properties, to create accumulations of trash and debris, and to otherwise engage in activities and create conditions related to its development of the Subdivision, including the construction and sale of residences and any other improvements in the Subdivision. Without limitation of the foregoing, Declarant and any Authorized Builder are specifically authorized to engage in any of the foregoing activities and any other Development Activities at any times and on any days (including Sundays and holidays) as Declarant or the Authorized Builder deems necessary, subject to Declarant's right to reasonably regulate hours and days as to Authorized Builders.

(d) During the Development Period, Development Personnel may use for any Development Activities, without charge, any Community Properties (including Subdivision facilities).

(e) Declarant (and any Authorized Builder) may permit temporary toilet facilities, sales and construction offices and storage areas to be used in connection with the

construction and sale of residences at such locations as Declarant may direct. Declarant may also authorize usage of garages as sales offices during the Development Period. During all times when a garage is used as a sales office, there must be posted a conspicuous sign in such garage advising prospective purchasers that the area must be reconverted to and thereafter maintained as a garage upon the sale of the Lot. At the time of the sale of a residence, any garage appurtenant to any residence used for sales purposes must have been reconverted to a garage.

(f) Development Personnel may park vehicles at any locations within or in the vicinity of the Subdivision as is necessary to conducting of any Development Activities.

(g) Declarant may establish any reasonable regulations as to Owners and tenants, as to the Association and ACC, as to any Related Parties of any of the foregoing, and as to any other Person, which Declarant deems appropriate to avoid hindrance or interference with any Development Activities, including limiting or denying access to areas of the Subdivision, designating temporary dumping sites, maintenance of metal buildings or structures and use of Community Properties and/or Subdivision Facilities in connection with its Developmental Activities.

(h) ABSENT INTENTIONAL AND WILLFUL MISCONDUCT, DECLARANT (AND ANY AUTHORIZED BUILDER) IS NOT LIABLE TO ANY OWNER OR TENANT, OR TO THE ASSOCIATION OR ACC, OR TO ANY RELATED PARTIES OF ANY OF THE FOREGOING, OR TO ANY OTHER PERSON FOR ANY CONSEQUENCES OF THE REASONABLE CONDUCTING OF ANY DEVELOPMENT ACTIVITIES.

8.01.6 Community Properties; Landscaping.

(a) During the Development Period Declarant may provide and construct such Community Properties as Declarant may desire. ONCE PROVIDED OR CONSTRUCTED, ALL COSTS AND EXPENSES OF THE OPERATION, MANAGEMENT, MAINTENANCE, REPAIR AND REPLACEMENT OF COMMUNITY PROPERTIES, INCLUDING ALL COSTS AND EXPENSES OF INSURANCE THEREON AND ALL AD VALOREM TAXES AND OTHER ASSESSMENTS IN THE NATURE OF PROPERTY TAXES COVERING OR FAIRLY ALLOCABLE THERETO, WILL BE PAID BY THE ASSOCIATION (EITHER DIRECTLY OR BY REIMBURSEMENT TO DECLARANT) REGARDLESS OF WHETHER OR NOT TITLE HAS BEEN TRANSFERRED OR CONVEYED TO THE ASSOCIATION AND REGARDLESS OF WHETHER OR NOT ANY APPLICABLE CONTRACT, AGREEMENT OR OTHER ARRANGEMENT FOR OPERATION, MANAGEMENT, MAINTENANCE, REPAIR OR REPLACEMENT IS IN THE NAME OF, IS PROCURED THROUGH OR HAS BEEN TRANSFERRED OR ASSIGNED TO THE ASSOCIATION. The Association will also pay as aforesaid all costs and expenses, regardless of type and including procurement, as to service type Subdivision Facilities such as any patrol, or any garbage or recycling services

(b) WITHOUT LIMITATION OF THE FOREGOING, IT IS EXPRESSLY STIPULATED AND AGREED THAT DECLARANT DOES NOT REPRESENT, GUARANTEE OR WARRANT THAT LANDSCAPING OF ANY KIND WILL BE PROVIDED OR THE

VIABILITY, VITALITY, TYPE, QUALITY, QUANTITY OR CONTINUED EXISTENCE, MAINTENANCE OR REPLACEMENT OF ANY LANDSCAPING EXISTING PROVIDED AT ANY TIME WITHIN OR IN THE VICINITY OF THE SUBDIVISION, AND NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE ANY CLAIM WHATSOEVER AGAINST DECLARANT OR DECLARANT'S RELATED PARTIES REGARDING, DIRECTLY OR INDIRECTLY, ANY LANDSCAPING. THE FOREGOING APPLIES TO ANY AND ALL LANDSCAPING, WHETHER NATURAL OR PRE-EXISTING PRIOR TO INITIATION OF ANY "DEVELOPMENT ACTIVITIES" (AS DEFINED IN SECTION 8.01.5), WHETHER PLANTED OR OTHERWISE MAINTAINED AS PART OF DEVELOPMENT ACTIVITIES, AND AS TO ANY CHANGE, REMOVAL OR OTHER MODIFICATION OF ANY LANDSCAPING. ONCE PLANTED OR OTHERWISE PROVIDED BY DECLARANT OR THE ASSOCIATION, ALL COSTS AND EXPENSES OF MAINTENANCE, REPLACEMENT AND/OR REMOVAL OF, AND ALL RISK OF LOSS AS TO, ALL LANDSCAPING WITHIN ANY COMMUNITY PROPERTIES OR WHICH IS OTHERWISE PROVIDED OR MAINTAINED BY THE ASSOCIATION SHALL BE THE SOLE RESPONSIBILITY OF THE ASSOCIATION, SUBJECT TO DECLARANT'S RIGHTS UNDER SECTION 8.01.6.

(c) Declarant may transfer, convey or assign any or all Community Properties to the Association during the Development Period, and must do so within a reasonable time after termination of the Development Period. THE ASSOCIATION IS OBLIGATED TO ACCEPT ANY CONVEYANCE AND ANY OTHER TRANSFER OF OWNERSHIP OF ANY COMMUNITY PROPERTIES (AS SO DESIGNATED BY DECLARANT DURING THE DEVELOPMENT PERIOD), REGARDLESS OF WHETHER THE CONVEYANCE OR OTHER TRANSFER OCCURS DURING OR AFTER THE DEVELOPMENT PERIOD. THE ASSOCIATION'S ACCEPTANCE AS AFORESAID IS CONCLUSIVELY ESTABLISHED UPON FILING OF THE APPLICABLE INSTRUMENT OF CONVEYANCE OR OTHER TRANSFER IN THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF HARRIS COUNTY, TEXAS, OR AS OF THE DATE OF DELIVERY OF SAID INSTRUMENT TO THE ASSOCIATION.

(d) ANY RIGHT, TITLE OR INTEREST TO ALL COMMUNITY PROPERTIES, REAL OR PERSONAL, WILL BE TRANSFERRED, CONVEYED OR ASSIGNED TO THE ASSOCIATION ON AN "AS IS", "WHERE IS" AND "WITH ALL FAULTS" BASIS, AND, EXCEPT FOR SPECIAL WARRANTY OF TITLE BY, THROUGH OR UNDER DECLARANT, WITHOUT ANY COVENANT, WARRANTY, GUARANTY OR REPRESENTATION WHATSOEVER, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW.

8.01.7 Easements.

(a) Declarant and any Authorized Builder as so designated by Declarant, and their agents or employees (including any contractor or subcontractor) are entitled during the Development Period to use and exercise all easements set forth in this Declaration for, and Declarant may grant or exercise such additional easements for ingress, egress and usage as is reasonably necessary for, construction of single family residences, providing and development of utilities, Community Properties and/or Subdivision Facilities and any and all other developmental activities.

(b) In addition to the general easement as provided in the preceding subsection, until completion of the initial sale (as defined in **Section 8.01.2** hereof) of all Lots, Declarant and any Authorized Builder shall have a temporary construction easement upon, under, over, across and above each Lot and all Community Properties for purposes of installation, construction and completion of the residence, garage and any other structures or improvements upon any adjacent Lot or Community Properties and the conducting of any other development and sales activities in relation thereto, provided that this easement shall not extend in any manner to the interior of any residence or garage and may not be utilized in such manner as to block ingress or egress as to same, and provided further that Declarant or any Authorized Builder utilizing this easement shall restore any parts of the Lot or Community Properties affected by such usage to as nearly as practicable the same condition it was prior to such usage promptly upon completion of such usage.

8.01.8 Amendment of Governing Documents or Plat; Annexation. During the Development Period Declarant reserves the sole and exclusive right, without joinder or consent of, and without notice of any kind to, any Owner or other Person, to (i) amend, modify, revise or repeal, from time to time and at any time, this Declaration and any other Governing Documents, (ii) prepare, amend, modify, revise or repeal any Plat covering or to cover the Subdivision, (iii) designate, construct or expand the Community Properties, and to modify, discontinue, redesignate or in any other manner change the Community Properties, and (iv) annex and subject any other property to the scheme of this Declaration provided any such annexation is not inconsistent with the scheme of development contemplated hereby. During the Development Period, no other properties may be annexed or subjected to the scheme of this Declaration without the written consent of Declarant. Any such amendment, modification, revision, repeal or annexation shall be effective from and after filing of notice thereof in the Official Public Records of Real Property of Harris County, Texas except to the extent expressly otherwise provided in the notice.

8.01.9 Binding Arbitration; Limitations. Declarant may, by written request, whether made before or after institution of any legal action, require that any Dispute (as hereafter defined) be submitted to binding arbitration to be conducted in Harris County, Texas in accordance with the Construction Industry Arbitration Rules (or substantial equivalent) of the American Arbitration Association. "Dispute" means any claim, demand, action or cause of action, and all rights and remedies regarding same, claimed or asserted by the Association, the ACC or any Owner, or by their Related Parties, against or adverse to Declarant, or to any Related Party of Declarant, regarding (i) this Declaration or any other Governing Documents, and/or (ii) any of Declarant's development and/or sales activities within or regarding the Subdivision, including the construction of any residence or other improvement. The decision(s) of the arbitrator shall be final and binding, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The initial cost of such arbitration shall be borne equally by the parties, but the cost of such proceeding, including, without limitation, expert witness fees and reasonable attorneys fees, shall be awarded to the prevailing party. NOTICE OF ANY DISPUTE MUST BE GIVEN TO DECLARANT NOT LATER THAN ONE HUNDRED TWENTY DAY AFTER, AND SUIT REGARDING ANY DISPUTE MUST BE FILED IN A COURT OF COMPETENT

JURISDICTION NOT LATER THAN TWO YEARS PLUS ONE DAY AFTER, THE DATE ANY CAUSE OF ACTION REGARDING THE DISPUTE ACCRUES.

8.01.10 NO IMPAIRMENT OF DECLARANT'S RIGHTS. NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS DECLARATION TO THE CONTRARY, NO PROVISIONS OF THIS SECTION 8.01, AND NO OTHER RIGHTS OR LIMITATIONS OF LIABILITY APPLICABLE TO DECLARANT PURSUANT TO THIS DECLARATION, MAY BE AMENDED, MODIFIED, CHANGED OR TERMINATED EITHER DURING OR AFTER TERMINATION OF THE DEVELOPMENT PERIOD WITHOUT THE PRIOR WRITTEN CONSENT OF DECLARANT.

SECTION 8.02 Enforcement.

8.02.1 Right to Enforce. The Association, its successors and assigns, and any Owner have the right to enforce observance and performance of all restrictions, covenants, conditions and easements set forth in this Declaration and in other Governing Documents, and in order to prevent a breach thereof or to enforce the observance or performance thereof have the right, in addition to all legal remedies, to an injunction either prohibitive or mandatory.

8.02.2 Obligation for Payment of Costs and Expenses Resulting from Violations. Each Owner and tenant of an Owner found to have committed, or who is responsible for, a violation or violations of any of the provisions of this Declaration or any other Governing Documents, is jointly and severally liable for payment to the Association for, and to indemnify and to hold and save harmless the Association, the ACC and their Related Parties from, any and all claims, liabilities, damages, loss, costs, expenses, suits and judgments of whatsoever kind, including reasonable attorney's fees whether incurred prior to, during or after proceedings in a court of competent jurisdiction, incurred or attributable to any such violation(s), and must pay over to the Association all sums of money which the Association or its representatives may pay or become liable to pay as a consequence, directly or indirectly, of such violation(s). All such sums are assessed as a specific assessment, and are secured by the continuing lien established hereunder. All such sums are due and payable upon demand by the Association or its representative without the necessity of any other or further notice of any act, fact or information concerning the Association's rights or such Owner's or their tenant's liabilities under this Section; provided, in the case of indemnification the demand shall contain a statement setting forth the Association's payment or liability to pay the claim with sufficient detail to identify the basis for the payment or liability to pay.

8.02.3 Filing of Notices of Non-Compliance. At any time the Association determines there exists any noncompliance with any provisions of this Declaration or other Governing Documents, the Association may at its option direct that a Notice of Noncompliance be filed in the Official Public Records of Real Property of Harris County, Texas covering the affected Lot or Lots and the Owner(s) thereof at the sole cost and expense of such Owner(s). All such costs and expenses are due and payable upon demand, are deemed a specific assessment applicable to the affected Lot(s) and are secured by the Association's continuing assessment lien.

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8.02.4 No Estoppel, Waiver or Liability. Failure of the Association, the ACC or any Owner to enforce any of the provisions of this Declaration or any other Governing Documents will in no event be deemed a waiver of the right to do so thereafter (including without limitation as to the same or similar violation whether occurring prior or subsequent thereto). No liability may attach to the Association, the ACC or any of their Related Parties for failure to enforce any provisions of this Declaration or any other Governing Documents.

SECTION 8.03 Term. Subject to the provisions hereof regarding amendment, these covenants, conditions, restrictions, reservations, easements, liens and charges run with the land and are binding upon and inure to the benefit of the Association, all Owners, their respective legal representatives, heirs, executors and administrators, predecessors, successors and assigns, and all Persons claiming under them for a period of twenty years from the date this Declaration is filed in the Official Public Records of Real Property of Harris County, Texas, after which time said covenants, conditions, restrictions, reservations, easements, liens and charges will be automatically extended for successive periods of ten years each.

SECTION 8.04 Amendment.

8.04.1 By Owners. Except as otherwise expressly herein provided, the Owners of seventy-five percent (75%) of the total number of Lots then contained within the Subdivision always have the power and authority to amend this Declaration, in whole or in part, at any time and from time to time. The Owner's approval of any amendment of this Declaration may be obtained (i) by execution of the amending instrument or a consent thereto by any Owner of each Lot so approving, (ii) by affirmative vote, in person or by proxy, at a special meeting called for consideration of any such amendment, or (iii) by any combination of the foregoing.

8.04.2 By Association. The Association, acting through the ACC, has the right in its sole judgment, from time to time and at any time, to amend this Declaration without joinder of any Owner or any other Person for the following purposes:

(a) to resolve or clarify any ambiguity or conflicts herein, or to correct any inadvertent misstatements, errors or omissions herein; or

(b) to conform this Declaration to the requirements of any lending institution; provided, the Association has no obligation whatsoever to amend this Declaration in accordance with any such lending institution requirements, and the Association may not so amend this Declaration if in the sole opinion of the ACC any substantive and substantial rights of Owners would be adversely affected thereby; or

(c) to conform this Declaration to the requirements of any governmental agency, including the Federal Home Loan Mortgage Corporation, Federal National Mortgage Agency, Veterans Administration or Federal Housing Administration, and in this respect the Association shall so amend this Declaration to the extent required by law upon receipt of written notice of such requirements and request for compliance; or

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(d) to conform this Declaration to any state or federal constitutional requirements, or to the requirements of any local, state or federal statute, ordinance, rule, ruling or regulation, or to any decisions of the courts regarding same.

8.04.3 Effective Date. Any lawful amendment of this Declaration will be effective from and after filing of the amending instrument in the Official Public Records of Real Property of Harris County, Texas, or such later date as may be stated in the amending instrument.

8.04.4 "Amendment" Defined. In this Declaration and all other Governing Documents the terms "amend", "amendment" or substantial equivalent mean and refer to any change, modification, revision or termination of any provisions of this Declaration or other Governing Documents.

SECTION 8.05 Notices.

8.05.1 General; "Notice" Defined. "Notice" means and refers to all notices or other communications permitted or required under this Declaration. ANY NOTICE IS DEEMED PROPERLY GIVEN ONLY IF GIVEN IN ACCORDANCE WITH THIS SECTION 8.05 EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS DECLARATION. ALL NOTICES MUST BE IN WRITING, MUST BE PROPERLY DATED, AND MUST IDENTIFY ALL PERSONS GIVING THE NOTICE AND ALL PERSONS TO WHOM THE NOTICE IS BEING GIVEN. All notices must be given by personal delivery, by certified or registered mail, return receipt requested, by facsimile transmission, or by e-mail. Notices by mail must be by deposit of the notice, enclosed in a postpaid properly addressed wrapper, in a post office or official depository under the case and custody of the United States Postal Service. Personal delivery may be made to any person at the recipient's address and such delivery may be acknowledged either by the recipient or by the party making the delivery.

8.05.2 To Whom and Where Given.

(a) All notices to Declarant either during or after the Development Period must be given to Declarant as provided in Section 5.255 of the Texas Business Organizations Code, as amended, at Declarant's registered office or principal office.

(b) All notices to the Association or ACC during the Development Period must be given to Declarant as above provided. Thereafter, all notices to the Association or ACC must be given (i) to the Association's registered agent according to the records of the Texas Secretary of State if an agent is appointed by the Association pursuant to Chapter 252 of the Texas Business Organizations Code, or (ii) to any member of the ACC in the same manner as permitted for delivery of notice to the member of the ACC as an Owner, or (iii) to the Association manager at the offices of the Association's Managing Agent, if any.

(c) All notices to an Owner must be delivered to the Owner at the Owner's Lot address, or to the Owner's alternate mailing address provided to the Association by the Owner as hereafter set forth.

(d) All notices to the tenant of an Owner must be delivered to the Lot address of the Lot at which the tenant resides.

(e) In lieu of (or in addition to) delivery to a street or mailing address as above provided, notice may be given by facsimile transmission or e-mail to the facsimile number or e-mail address (i) of an Owner or Owner's tenant according to the records of the Association, or (ii) of the Association, the Association's Managing Agent, if any, or the ACC as provided by same upon written request of any Owner or tenant or as otherwise provided by the Association (such as by publication in an Association newsletter). The foregoing shall not be construed as requiring maintenance of a facsimile number or e-mail address by any of the foregoing Persons.

(f) Notices or other communications are considered to be delivered, as applicable, on the day of personal delivery or deposit in the United States mail in accordance with this **Section 8.05**, or on the day and at the time the facsimile or e-mail is successfully transmitted, provided that transmission of any facsimile or e-mail after 5:00 o'clock p.m. local time of the recipient shall be deemed to be delivered on the following day. When more than one Person is the Owner or tenants of a Lot, the giving of notice as aforesaid to any single Owner or tenant constitutes notice given to all Owners or tenants. REFUSAL TO ACCEPT DELIVERY OR TRANSMISSION OF ANY NOTICE SHALL BE DEEMED ACTUAL NOTICE AND ACTUAL KNOWLEDGE OF THE MATERIALS REFUSED.

(g) One mailbox must be properly maintained at all times upon each Lot (or within a mailbox bank, if applicable), and each such mailbox must be properly maintained at all times to accommodate regular reception of mail and otherwise in accordance with applicable rules and regulations of the United States Postal Service and Rules and Regulations, if any, of the Association.

8.05.3 Owner/Tenant Contact/Occupancy Information Required. As used in this Section "contact information" means name, Lot address, alternate Owner mailing address, if applicable, home and work telephone numbers, and as applicable, mobile and facsimile numbers, and e-mail addresses. Not later than thirty days after acquiring an ownership interest in a Lot, the Owner of the Lot must give notice to the Association of the contact information for all Persons who are Owners of the applicable Lot, and the name(s) of any other person(s) occupying the Lot other than the Owner. Not later than thirty days after acquiring a leasehold interest or other right of occupancy in a Lot, the Owner of the Lot must give notice to the Association of the contact information for all Persons who are tenants as to or who have otherwise acquired a right to occupy the applicable Lot. Not later than thirty days after any change in any of the foregoing contact information, the Owner of the applicable Lot must give notice to the Association of all such changes. In the event of any conflict between the aforesaid notices, the notice last received by the Association shall control. Upon receipt of a notice as aforesaid, that notice shall control until three business days

after receipt of a proper subsequent notice, and all notices given by the Association or ACC pursuant to the prior notice shall be effective until three business days after receipt of the subsequent notice.

12.03.4 Other Information and Governing Documents. The Association may from time to time by written request require any Owner or tenant to verify any information covered by this **Section 8.05** or by **Section 8.06**, or to provide other information or documentation relevant to the functions of the Association by submission of such information and documentation as the Association may reasonably require. Applicable provisions of this Section also apply to notices permitted or required by other Governing Documents except as otherwise expressly provided in such other Governing Documents, and provided that notice given in accordance herewith is in all events sufficient regardless of contrary provisions in other Governing Documents.

SECTION 8.06 Contact/Other Information To and From Mortgagees. Upon written request of the Association an Owner must provide to the Association a written statement setting forth the name, mailing address, telephone number, and if known or reasonably ascertainable, the facsimile number and e-mail address of each mortgagee for each mortgage covering the Owner's Lot, and each insurer or guarantor thereof, and as to each such mortgagee, insurer and guarantor, the nature of the loan or other encumbrance (such as purchase money loan, home equity loan or tax lien), and the account or similar identifying number or other designation applicable to the mortgage. The Association may at any time and from time to time provide to any mortgagee, or the insurer or guarantor of a mortgage, and upon written request of any mortgagee, the insurer or guarantor of a mortgage, the Association shall provide to such mortgagee, insurer or guarantor, a statement of any unpaid assessments or other amounts payable to the Association and any violations of the Governing Documents then known to the Association. If an Owner is delinquent in payment of assessments (regular, special or specific) to the Association, upon written request of the Association a mortgagee, or the insurer or guarantor of a mortgage, shall provide the Association with information setting forth the status of such Owner's debt secured by the mortgagee's lien and other relevant information as set forth in the Association's request. EACH OWNER EXPRESSLY CONSENTS TO THE ASSOCIATION PROVIDING SUCH INFORMATION TO A MORTGAGEE, INSURER OR GUARANTOR, AND TO A MORTGAGEE, INSURER OR GUARANTOR PROVIDING SUCH INFORMATION TO THE ASSOCIATION. As used in this section, "mortgage" means and refers to any mortgage, deed of trust and any other lien or encumbrance against a lot, and "mortgagee" means and refers to the current holder of each mortgage.

SECTION 8.07 Managing Agent. The ACC has the authority, from time to time and at any time, to retain, hire, employ or contract with any one or more Persons to provide management services to the Association, including discharge of such functions and duties of the ACC and/or any Member thereof as the ACC may specify (any such Person herein referred to as a "Managing Agent"). Any Managing Agent shall be retained, hired, employed or contracted for on such terms and conditions as the ACC in its sole good faith judgment may determine; provided, the ACC shall retain the right in all cases as to any Managing Agent to remove the Managing Agent, with or without cause, upon not more than sixty days notice.

SECTION 8.08 Effective Date. This Declaration is effective from and after the date of filing of same in the Official Public Records of Real Property of Harris County, Texas.

IN WITNESS WHEREOF, the undersigned has executed this Declaration to be effective from and after the date of filing of same in the Official Public Records of Real Property of Harris County, Texas.

EXECUTED this 7 day of APRIL, 2008.

THE PRINCETON GROUP, INC.
a Texas corporation
"Declarant"

10R

By: [Signature]
WILLIAM A. BLUM, President

DECLARANT'S ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 7 day of April, 2008, by WILLIAM A. BLUM, President of THE PRINCETON GROUP, INC., a Texas corporation, on behalf of the corporation.

[Signature]
Notary Public, State of Texas

Name: _____
My Commission Expires: _____



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MORTGAGEE/LIENHOLDER CONSENT

The undersigned mortgagee/lienholder,, being the owner and holder of an existing mortgage or lien upon and against the land and property described as the Subdivision in the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for Princeton Heights, as such mortgagee and lienholder, does hereby consent to said Declaration as if the same had been recorded prior to the creation of such lien.

This consent will not be construed or operate as a release of said mortgage or liens owned and held by the undersigned, or any part thereof.

EXECUTED this 2 day of April , 2008.

International Bank of Commerce

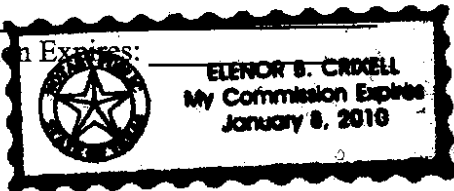
(Print Name of Mortgagee/Lienholder)

By: [Signature]
Name: Darron Drago
Title: Senior Vice President

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 2 day of April , 2008, by DARRON DRAGO , SR. V.P. , of International Bank of Commerce , a banking , on behalf of said bank .

[Signature]
Notary Public, State of Texas
Name:
My Commission Expires:



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04/10/2008 10:59:06 AM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
BEVERLY KAUFMAN
COUNTY CLERK
Fees 284.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically
and any blackouts, additions or changes were present
at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or
use of the described real property because of color or
race is invalid and unenforceable under federal law.

THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in
File Number Sequence on the date and at the time stamped
hereon by me; and was duly RECORDED in the Official
Public Records of Real Property of Harris County, Texas.



Beverly L. Kaufman
COUNTY CLERK
HARRIS COUNTY, TEXAS