

MAC 2001000280 69 P95

RECORDED AT THE REQUEST OF
FIRST AMERICAN TITLE

TABLE OF CONTENTS

015-21-0257

SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
MAGNOLIA CREEK

70-133238

Table of Contents

ARTICLE I Page 2
 DEFINITIONS OF TERMS Page 2

ARTICLE II Page 6
 PURPOSE AND INTENT Page 6

ARTICLE III Page 6
 PROPERTY SUBJECT TO RESTRICTIONS. Page 6
 A. Exhibit "A" and Exhibit "B" Page 6
 B. Annexation and De-annexation of Additional Property Page 6

ARTICLE IV Page 7
 SUPPLEMENTAL RESTRICTIONS Page 7
 A. Purpose Page 7
 B. Neighborhood Assessments Page 7

ARTICLE V Page 8
 MEMBERSHIP AND VOTING RIGHTS Page 8
 A. Eligibility Page 8
 B. Membership Page 8
 C. Voting Rights Page 9
 1. Class "A" Membership (Page 9)
 2. Class "B" Membership (Page 9)
 D. Voting Procedures Page 10
 1. Delineation of Neighborhoods (Page 10)
 2. Election of Neighborhood Representatives and CMF
 Representatives (Page 10)
 3. Proxies and Directed Ballots (Page 11)

ARTICLE VI Page 11
 EFFECTIVE DATE OF DECLARATION Page 11

ARTICLE VII Page 11
 USE RESTRICTIONS Page 11
 A. Residential Uses Permitted Page 11
 B. Non-Permitted Uses Page 11
 C. Other Uses -- Potential for Multi-Family and Commercial Use Tracts Page 13
 D. Golf Course Page 14
 E. Parking Restrictions Page 14
 F. Screening Page 14
 G. Outside Storage and Trash Collection Page 15
 H. Easements Page 15
 1. Utilities and General (Page 15)

2. Easements for Pond Maintenance and Flood Water (Page 16)

3. Easements to Serve Additional Property (Page 17)

4. Easement for Adjacent Golf Course (Page 18)

I. Signs Page 19

J. Reservation of Minerals, Surface Waiver Page 20

K. Common Area Page 21

L. Window Treatments Page 21

M. Deed Restriction Enforcement Page 22

 1. Authority to Promulgate Rules and Regulations (Page 22)

 2. Attorneys Fees (Page 22)

 3. Remedies (Page 22)

N. Antennas Page 22

O. General Nuisances Page 23

P. Tree Removal Page 24

Q. Animals and Pets Page 24

ARTICLE VIII Page 25

 ARCHITECTURAL RESTRICTIONS Page 25

 A. Architectural Review Committee - "ARC" Page 25

 B. ARC Approval Required Page 25

 C. Building Setbacks Page 27

 D. Landscaping Page 27

 E. Grading and Drainage Page 28

 F. Temporary Structures Page 28

ARTICLE IX Page 28

 MAINTENANCE Page 28

 A. General Maintenance Page 28

 B. Landscaping Page 29

 C. Dwelling Exterior Page 29

 D. Other Hazards Page 29

 E. Liability Cost and Approval Page 29

ARTICLE X Page 30

 STANDARDS AND PROCEDURES Page 30

ARTICLE XI Page 30

 VARIANCES Page 31

ARTICLE XII Page 31

 LIMITATION OF LIABILITY Page 31

ARTICLE XIII Page 32

 ASSESSMENTS Page 32

 A. Creation of the Lien and Personal Obligation for Assessments ... Page 32

 B. Purpose of Assessments Page 32

C. Annual Assessment Page 33
D. Special Assessments for Capital Improvements Page 34
E. Neighborhood Assessments Page 34
F. Collection and Remedies for Assessments Page 35
G. Exempt Properties Page 37
H. Notice of Delinquency Page 37

ARTICLE XIV. Page 37
 MODIFICATION AND TERMINATION OF COVENANTS. Page 37

ARTICLE XV. Page 38
 ALTERNATE DISPUTE RESOLUTION. Page 38
 A. Dispute Resolution Committee Page 38
 B. Outside Mediator Page 39
 C. Mediation is Not a Waiver Page 39
 D. Assessment Collection Page 40
 E. Term Page 40

ARTICLE XVI. Page 40
 GENERAL PROVISIONS. Page 40
 A. Severability Page 40
 B. Compliance with Laws Page 40
 C. Gender and Number Page 40
 D. Headlines Page 41
 E. Governing Law Page 41
 F. Fines for Violations Page 41
 G. Books and Records Page 41
 H. Notices Page 41
 I. Mergers Page 41
 J. Current Address Page 42

SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
MAGNOLIA CREEK

THE STATE OF TEXAS
COUNTY OF GALVESTON

THIS SUPPLEMENTAL DECLARATION ("Declaration") is made on the date hereinafter set forth by Mag Creek LP, a limited partnership formed under the laws of Texas (hereinafter referred to as "Declarant"):

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Galveston County, Texas described on Exhibit "A" attached hereto (the "Property"); and

WHEREAS, Declarant desires to develop the Property as a residential and commercial subdivision, together with any other land which Declarant at its sole discretion may hereinafter add thereto, and to provide and adopt a uniform plan of development including assessments, conditions, covenants, easements, reservations, and restrictions designed to govern, control and preserve the values and amenities of the Property for the development, improvement, sale, use and enjoyment of the Property as a residential and commercial subdivision, and

WHEREAS, Declarant desires to subject the Property, together with such additional land as may hereinafter be made subject hereto, to the assessments, conditions, covenants, easements, reservations, and restrictions hereinafter set forth, for the benefit of the Property, additions thereto, and each Owner (as hereinafter defined) of any part thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the Property, to create an Association (as hereinafter defined) to which shall be delegated and assigned the power of administering and

enforcing these assessments, conditions, covenants, easements, reservations and restrictions, including levying, collecting and disbursing the assessments; and

WHEREAS, there has been incorporated the Magnolia Creek Homeowners Association, Inc., a non-profit corporation created under the laws of the State of Texas, whose directors have established By-Laws by which said Association shall be governed through its Board of Directors, for the purpose of exercising the functions aforesaid.

NOW, THEREFORE, Declarant hereby declares that the Property shall be developed, improved, sold, used and enjoyed in accordance with, and subject to the following plan of development, including the assessments, conditions, covenants, easements, reservations, and restrictions hereinafter set forth, all of which are hereby adopted for, and placed upon said Property and shall run with the Property and be binding on all parties, now and at any time hereinafter, having or claiming any right, title or interest in the Property or any part thereof, their heirs, executors, administrators, successors and assigns, regardless of the source of, or the manner in which any such right, title or interest is or may be acquired, and shall inure to the benefit of each Owner of any part of the Property.

ARTICLE I.

DEFINITIONS OF TERMS.

The following words when used herein shall have the following meanings when capitalized (unless the context requires otherwise and the term is then not capitalized):

"ARC" means the Architectural Review Committee established for the Property as set forth in Article VIII, Section A.

"Annual Assessment" means the assessment levied against all Lots and Tracts for the purposes set out in Article XIII, Section B.

"Architectural Guidelines" means a publication of the ARC that sets forth various standards relating to construction of improvements, which publication may be amended without notice to the Owners.

"Association" means the MAGNOLIA CREEK HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation, its successors and assigns, which has jurisdiction

over all properties encumbered by this Declaration, being the tract or tracts of land described in Exhibit "A" attached hereto and such additional property as may hereafter be annexed into the jurisdiction of the Association.

"Board" means the duly elected Board of Directors of the Association.

"Building" means a structure or structures intended for commercial or multi-family residential uses.

"Builder Guidelines" means general guidelines as to construction types and aesthetics as set by the ARC, which may be changed without notice to the Owners.

"Building Site" means a Tract or a portion of a Tract of land used or to be used for commercial or multi-family residential purposes.

"By-Laws" means the By-Laws of the Magnolia Creek Homeowner's Association, Inc., as they may be amended from time to time.

"CMF Area" means a portion of the Property designated by the Declarant as Commercial Property, Multi-Family Property or Residential Property.

"CMF Committee" means those individuals elected pursuant to Article V, Section D(2) to represent the interests of the CMF Areas as set forth in this Declaration and the By-Laws of the Association.

"CMF Representative" means the senior officer of the CMF Committee who shall be responsible for casting all votes attributable to the Units and Tracts in the CMF Areas on all matters requiring a vote of the Membership, unless otherwise specifically provided in this Declaration or the By-Laws.

"Commercial Property" means Tracts that may only be developed for approved commercial purposes.

"Common Area" means all real property owned in fee or held in easement by the Association for the common use and enjoyment of the Owners and shall include areas designated by Declarant to be conveyed by deed or easement to the Association and inclusive of area in the City of League City right of ways, such as easements and esplanades.

"Declarant" means Mag Creek LP, a Texas limited partnership, its successors and

assigns, as evidenced by a written, recorded instrument.

"Declaration" means this Declaration of Covenants, Conditions, and Restrictions for Magnolia Creek.

"Dwelling" means a structure or structures intended for residential use or, in the case of Multi-Family Property, a Unit contained as part of a structure.

"Eligible Property" means all of the property eligible to become subject to this Declaration, as more particularly described on the attached Exhibit "B."

"Homesite" means one or more Lots upon which a single family Dwelling may be erected.

"Limited Common Areas" means Common Area that is restricted for use by less than all Members of the Association.

"Lot" means a parcel of Property platted or replatted as one lot in the Map Records of Galveston County, Texas, and encumbered by this Declaration. Homesites may be comprised of more than one Lot; each such Lot will be subject to the rights and duties of membership in the Association.

"Master Plan" shall mean and refer to the land use plan prepared by or at the request of Declarant, as it may be amended by Declarant in its sole and absolute discretion, from time to time, which plan includes the property described on Exhibit "A". Said Master Plan may include all or a portion of the property described on Exhibit "B" or such other property which Declarant may, without the obligation to do so, from time to time subject to this Declaration by a subsequently recorded written document. Inclusion of property on the Master Plan shall not, under any circumstances, obligate Declarant to subject such property to this Declaration, nor shall the exclusion of property described on Exhibit "B" from the Master Plan bar its later annexation in accordance with this Declaration. Additionally, any use indicated on the Master Plan is tentative and subject to change by the Declarant without notice to the Owners.

"Member" means an Owner, as defined in this Article I, who is in good standing under Article V, Section A. "Residential Members", "Commercial Members", and "Multifamily Members" refer to the Members who own Tracts or Lots with specific use

restrictions placed on a particular Member's property when acquired. If a person, corporation, or other entity owns various types of property, that entity may be considered a Member of every applicable category.

"Multi-Family Property" shall refer to Tracts that shall only be developed for use as multifamily Units, which shall include townhomes, condominiums, and apartments.

"Neighborhood" means a residential area as designated by the Declarant and may be comprised of one or more housing types in which owners have certain common interests other than those common to all Members.

"Neighborhood Assessment" means an assessment that may be levied under Article XIII, Section E against all Lots in a Neighborhood.

"Neighborhood Committee" means those individuals elected pursuant to Article V, Section D(2) to represent the interests of the Neighborhood as set forth in this Declaration and the By-Laws of the Association.

"Neighborhood Representative" means the senior officer of the Neighborhood Committee who shall be responsible for casting all votes attributable to the Lots in the Neighborhood on all matters requiring a vote of the Membership, unless otherwise specifically provided in this Declaration or the By-Laws.

"Owner" means an owner of any portion of the Property. Any person or entity obtaining title to an Owner's property subject to this Declaration shall also be deemed an Owner. Persons or entities owning property annexed into the Association shall also be deemed Owners.

"Property" means all of the property subject to this Declaration, as more properly described on attached Exhibit "A", together with such additional property as may be annexed into the jurisdiction of the Association.

"Recreational Sites" means Common Area property that is set aside for use as recreational facilities, reserves, green space, easements or esplanades and is encumbered by this Declaration, a recorded plat, or both.

"Residential Property" shall refer to Lots that may only be developed with single family Dwellings.

"Special Assessment" means an assessment levied under Article XIII, Section D for a specific purpose.

"Tract" means a parcel of land to be developed for any purpose other than single family residential use.

"Unit" shall mean a Dwelling located within a Multi-Family Property.

ARTICLE II.

PURPOSE AND INTENT.

Development of the Property and the Eligible Property as initially planned, is intended to be a mixed-use development that includes residential, multi-family, recreational, and commercial uses.

This Declaration shall serve as the means by which design, development, construction, and maintenance of the Property and Eligible Property anticipated to be annexed into the Association and subjected to this Declaration will be developed. The Master Plan of the Declarant shall be subject to change as necessary in the sole and absolute discretion of the Declarant.

ARTICLE III.

PROPERTY SUBJECT TO RESTRICTIONS.

A. Exhibit "A" and Exhibit "B"

Exhibit "A" describes the Property that is initially encumbered by this Declaration. The Declarant, as the current owner of the Property described on Exhibit "A", is a Member of the Association and has executed this Declaration.

Exhibit "B" describes the Eligible Property, all or a portion of which may hereafter be annexed into the jurisdiction of the Association and subjected to this Declaration. The annexation shall occur by the consent of the owner of the property to be annexed and shall be evidenced by a written recorded document.

B. Annexation and De-annexation of Additional Property

Without the joinder of any other Owners or Members, the Declarant reserves the exclusive right as long as there is a Class "B" Membership to annex all or any portion of the Eligible Property described on Exhibit "B" hereto. The Declarant also reserves the

exclusive right as long as there is a Class "B" Membership to de-annex and remove all or any portion of the Property described on Exhibit "A" hereto that is not yet developed with the construction of streets and utilities at the time of de-annexation. Such annexation or de-annexation shall be accomplished by the execution and filing for record of an instrument setting forth the land being annexed or de-annexed.

Furthermore, without the joinder of any other Owners or Members, the Declarant reserves the exclusive right to add additional land into Exhibit "B" hereto, thereby increasing the amount of Eligible Property, as long as there is a Class "B" Membership. Additional property may be thereafter annexed and made subject to this Declaration, or property may be withdrawn, by written instrument approved by the affirmative vote of the Members of the Association holding at least seventy-five percent (75%) of the total votes and filed of record in the Official Public Records of Real Property of Galveston County, Texas.

The right of the Declarant to annex or de-annex land under this Section shall pass to the Association upon the termination of the Class "B" Membership pursuant to Article V, Section C.

ARTICLE IV.

SUPPLEMENTAL RESTRICTIONS.

A. Purpose

Declarant may subject selected portions of the Property to additional covenants, conditions and restrictions by recording supplemental restrictions in the real property records.

B. Neighborhood Assessments

The Declarant shall have the right to designate a portion of the Residential Property as a Neighborhood and to provide for services to such Neighborhood to be paid for by the levy of Neighborhood Assessments secured by a continuing lien against the Homesites in such Neighborhood. In addition, the Owners of a majority of the Lots within a particular portion of the Residential Property may petition the Association for the conferral of Neighborhood status on such portion of the Residential Property.

Neighborhood Assessments may be levied to pay the expenses of certain amenities or services available only to a particular Neighborhood.

Each Neighborhood, upon the affirmative vote, written consent, or a combination thereof of the Owners of a majority of the Lots in such Neighborhood, may request that the Association provide a higher level of services or special services for the benefit of such Neighborhood. In the event the Association agrees to provide such services, the cost of such services shall be assessed against all Members within such Neighborhood as the Neighborhood Assessment. If a Neighborhood receives a higher level of service or special services and no longer desires to maintain or pay Neighborhood Assessments for such services, the higher level or special services may be revoked upon written consent of the Owners of a majority of the Lots within such Neighborhood. The Neighborhood Assessment shall be secured by the continuing lien against each Lot in the applicable Neighborhood and shall be enforceable as an assessment set forth under Article XIII, Section F of this Declaration.

ARTICLE V.

MEMBERSHIP AND VOTING RIGHTS.

A. Eligibility

Eligibility to vote or hold office shall be predicated upon a Member being in good standing with the Association. To be in good standing, the Member must have all assessments of every type and category paid up to date and have no outstanding financial obligations to the Association that are delinquent. Additionally, no Member shall be allowed to vote or hold office if that Member is alleged in a formal written notice from one Association to have a deed restriction violation on his property.

B. Membership

The sole criteria to become a Member of the Association is to hold title to a Lot, Tract or Unit within the Property. This is not to imply that any holder of a mere security interest (such as a mortgagee, or holder of any other lien against property) would be a Member, unless that holder of the security interest forecloses and thereby becomes the Owner of the property. Membership is appurtenant to and runs with the land.

Membership is not severable as an individual right and cannot be separately conveyed to any party or entity. Multiple owners of a single Tract, Lot or Unit must vote in agreement (under any method they devise among themselves), but in no case shall such multiple Owners cast portions of votes. All of the votes attributable to any single Tract or Lot must be voted in the same manner (i.e. all votes for, or all votes against a particular issue).

All duties and obligations set forth in this Declaration or any supplemental restrictions are the responsibility of each Member. No waiver of use of rights of enjoyment created by this Declaration shall relieve Members or their successors or assigns of such duties or obligations. Mandatory membership shall begin with the execution of this Declaration and pass with title to the land (regardless of any method of conveyance) to any subsequent grantee, successor, or assignee of Members currently owning the property.

C. Voting Rights

The Association shall initially have two classes of membership, Class "A" and Class "B", as follows:

1. Class "A" Membership:

Class "A" Members shall be all Members with the exception of Class "B" Members, if any. Each Class "A" Member's voting rights shall be based on acreage within the Tract of land owned as to Multi-Family or Commercial Property, and based on the number of Lots owned as to Residential Property, and shall be determined as follows:

Ten (10) votes shall be granted per acre of Commercial Property or Multi-Family Property owned, rounded to the nearest whole acre. One (1) vote shall be granted per platted Lot of Residential Property owned

2. Class "B" Membership:

Class "B" Members shall include the Declarant and such other Owners as the Declarant may, in its sole discretion, confer Class "B" Membership status upon. Each Class "B" Member's voting rights shall be based on acreage owned as to Tracts

(whether Commercial Property or Multi-Family Property), and based on the number of Lots owned as to Residential Property, and shall be determined as follows:

One hundred (100) votes shall be granted per acre of Commercial Property or Multi-Family Property owned, rounded to the nearest whole acre. Ten (10) votes shall be granted per platted Lot of Residential Property owned.

The Class "B" Membership shall cease on January 1, 2020 or on the date that the total votes of the Class "A" Members equals the total votes of the Class "B" Members, whichever occurs first. At such time, any remaining Class 'B Members shall be converted to Class "A" Members.

D. Voting Procedures

1. Delineation of Neighborhoods:

Every Homesite shall be located within a Neighborhood, and every Building Site shall be located within a CMF Area, as designated by Declarant. All Residential Property not included within a Neighborhood designated in supplemental restrictions shall be considered a part of a single unnamed Neighborhood and all Tracts not designated by the Declarant as part of a particular CMF Area shall be considered a part of a single unnamed CMF Area.

2. Election of Neighborhood Representatives and CMF Representatives:

Each Neighborhood shall have a Neighborhood Committee and shall be represented by a Neighborhood Representative; each CMF Area shall have a CMF Committee and shall be represented by a CMF Representative. The selection of the Neighborhood Representatives and CMF Representatives and the Neighborhood Committees and CMF Committees shall be made as set forth in detail in the By-Laws of the Association. The Neighborhood Representatives and CMF Representatives shall cast all votes representing his or her own Neighborhood's or CMF Area's Members at meetings of the Association as such Neighborhood Representatives or CMF Representatives are required to attend. Each Neighborhood Representative or CMF Representative shall cast the number of votes allotted to the Neighborhood or CMF Area he or she represents.

3. Proxies and Directed Ballots:

All votes may be cast by written proxy or directed ballots. The procedure for the use of the proxies and directed ballots shall be as prescribed in the Association's By-Laws.

ARTICLE VI.

EFFECTIVE DATE OF DECLARATION.

The covenants, conditions, and restrictions imposed on the Property shown on Exhibit "A" to this Declaration shall be effective as of the date the executed Declaration is recorded in the Real Property Records of Galveston County, Texas.

ARTICLE VII.

USE RESTRICTIONS.

A. Residential Uses Permitted

Homesites within the Property shall be used exclusively for single-family residential purposes. No multi-family Dwellings may be constructed on any Homesite. No building, outbuilding or portion thereof shall be constructed for production of income such that tenants would occupy less than the entire Homesite. It is permitted for tenants to lease a residence, so long as tenants are leasing the entire land and improvements comprising the Homesite.

No Homesite shall be occupied by more than a single family. For purposes of this restriction, a single family shall be defined as any number of persons related by blood, adoption or marriage living with not more than one (1) person who is not so related as a single household unit, and no more than two (2) persons who are not so related living together as a single household unit, and the household employees of either such household unit. It is not the intent of the Declarant to exclude from a Homesite any individual who is authorized to so remain by any state or federal law. If it is found that this definition, or any other provision contained in this Declaration is in violation of any law, then this Section shall be interpreted to be as restrictive as possible to preserve as much of the original section as allowed by law.

B. Non-Permitted Uses

1. No uses or operations, other than those specified in Sections A and C of this Article, shall be permitted within the Property

2. The following uses and operations shall not be permitted on any portion of the property.

- (a) Refining of petroleum or of its products or byproducts; smelting of iron, tin, zinc, or other ores; drilling for and/or removal of oil, gas, or other hydrocarbon or other hazardous substances;
- (b) Any establishment that offers or sells a product or service that is intended to provide sexual gratification to its users, including, but not limited to, the dissemination or exhibition of obscene materials or objects; any establishment the sole purpose of which is to offer or sell prophylactic devices; any establishment featuring topless, bottomless, or totally nude performances or personnel; or any establishment that regularly shows pornographic movies, or sells or rents pornographic material or movies;
- (c) Any massage parlor, modeling studio, or establishment where men and/or women are engaged in salacious activities;
- (d) Any pawn shop or similar establishment;
- (e) Any establishment that offers or sells paraphernalia related to illegal drug use;
- (f) Any carnival or fair unless organized and/or approved by the Association and/or Declarant;
- (g) Any use devoted primarily to entertain such as an amusement park, amusement arcade, "bingo" parlor, or game center;
- (h) Incinerators, dumpsites or landfills.

3. No business or business activity, whether for profit or not, shall be permitted in or on any Homesite within the Property. No deliveries of stock or merchandise for sale or distribution, no traffic of customers or clients to or from Homesites, no advertising of locations or phone numbers within Neighborhoods as businesses, and no storage of materials, products or stock are permitted on any

Homesite. Garage sales or yard sales (or any similar vending of merchandise) conducted on any Homesite more than once within a 12-month period shall be considered a business activity and is therefore prohibited. No business vehicles displaying commercial signage or advertising shall be permitted to be parked within public view in residential sections other than service vehicles contracted by owners of Homesites to perform specific services. No vehicles with more than two axles shall be permitted to be parked or stored for a period in excess of twelve (12) hours in residential section of the Property, without the prior written permission of the Association, whose approval will be issued at its sole and absolute discretion.

Notwithstanding the foregoing, a Dwelling may be used for a Home Occupation (as hereinafter defined) provided that:

- (i) no person other than a resident of the Dwelling shall be engaged or employed in the Home Occupation at the site;
- (ii) there shall be no visible storage or display of occupational materials or products;
- (iii) there shall be no exterior evidence of the conduct of a Home Occupation and no Home Occupation shall be conducted on the Lot outside of the Dwelling; and
- (iv) no additional parking shall be provided for or required by the Home Occupation.

As used herein, the term "Home Occupation" shall mean a commercial enterprise conducted in a Dwelling which is incidental to the principal residential use.

4. No livestock, domestic or wild animals, nor plants or crops shall be raised on any Homesite for the purpose of selling same, whether for profit or not. Exchange of such animals, plants or produce for anything of value to the seller shall constitute a sale of the merchandise and is therefore prohibited under this provision.

C. Other Uses – Potential for Multi-Family and Commercial Use Tracts

The Property may generally be used for any residential, multi-family, commercial, retail, or industrial purpose, unless prohibited by the provisions of this

Declaration, any applicable supplemental or amended declaration, or by any governmental regulation.

D. Golf Course

The golf course and any expansion thereof which has been or will be established by the Declarant or any other entity shall not be considered as restricted under this Declaration or a part of the Property, unless such golf course is later subjected to this Declaration by a recorded document. As any such golf course shall be considered as separate and apart from the Association, Membership in the Association, by itself, will not grant membership in, access to, or right to use such golf course.

E. Parking Restrictions

No more than four (4) vehicles (passenger cars or noncommercial trucks or vans consistent with the residential use of a Homesite) may be parked on the driveway of a Homesite at any time. Such vehicles to be parked on a Homesite must meet the restrictions of this Declaration and at all times be operable, have current license tags, state inspection stickers, and comply with then current mandatory insurance under the laws of the State of Texas. All vehicles parked within the Property shall also be maintained in a manner such that the appearance of the vehicle does not detract from the marketability and appearance of the Property.

Recreational vehicles such as mobile homes, campers, and boats are not considered vehicles incident to the residential use of a Homesite and therefore may be parked on Homesites only for loading, unloading and cleaning purposes for a period not to exceed forty-eight (48) hours.

Parking of any vehicle other than in a driveway of a Homesite or other paved area provided for parking is expressly prohibited. Parking on streets shall at all times be prohibited for any length of time exceeding twenty-four (24) hours.

F. Screening

In addition to those covenants, conditions and restrictions set forth in Article II of the Declaration of Covenants, Conditions and Restrictions for Magnolia Creek recorded under Galveston County Clerk's File No. 9965227, no Member or occupant of any

portion of the Property shall permit the keeping of articles, goods, materials, refuse, trash or garbage containers, air-conditioners, storage tanks, or like equipment in the open, exposed to public view, or exposed to view from adjacent Building Sites or Homesites. All such items must be screened from view and placed in a location first approved in writing by the ARC. Such screen must be approved in writing by the ARC and shall be of a height at least equal to that of the materials or equipment being stored, but in no event shall such screen be more than six feet (6') in height. Added screening must also be provided to shield such stored materials and equipment from view from adjacent Buildings or Dwellings.

G. Outside Storage and Trash Collection

No equipment, machinery, or materials of any kind or nature shall be stored on any Homesite or Building Site forward of the fence at the front facade of the Dwelling or Building situated thereon, unless the equipment, machinery or materials is being used temporarily (not more than one week) and is incident to repair of the Homesite or Building Site. All equipment, machinery, and materials shall be properly stored out of sight of every other Homesite and Building Site immediately after use of such item, and all trash, debris, excess, or unused materials or supplies shall likewise be disposed of immediately off of the Homesite or Building Site, or stored out of view until trash collection occurs.

Trash may only be placed outside for collection the evening before collection. Such trash must be contained to protect from animals or spillage and trash cans must be removed from sight the same evening of collection.

H. Easements

1. Utilities and General:

There are hereby reserved unto Declarant, so long as the Declarant owns any Property or Eligible Property, the Association, and the designees of each (which may include, without limitation, Galveston County and any utility) access and maintenance easements upon, across, over, and under all of the Property to the extent reasonably necessary for the purpose of replacing, repairing, and maintaining cable television

systems, master television antenna systems, monitoring security, telecommunications, and similar systems, roads, walk-ways, bicycle pathways, lakes, ponds, wetlands, drainage systems, Street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephone, gas, and electricity, and for the purpose of installing any of the foregoing on Property or Eligible Property that Declarant owns or within easements designated for such purposes on recorded plats of the Property or Eligible Property. Notwithstanding anything to the contrary herein, this easement shall not entitle the holders to construct or install any of the foregoing systems, facilities, or utilities over, under or through any existing Dwelling or Building; any damage to a Homesite or Building Site resulting from the exercise of this easement shall promptly be repaired by, and at the expense of, the person or entity exercising the easement. The exercise of this easement shall not unreasonably interfere with the use of any Homesite or Building Site and, except in an emergency, entry onto any Homesite or Building Site to exercise or utilize such easement shall be made only after reasonable notice to the Owner or occupant thereof.

Without limiting the generality of the foregoing, there are hereby reserved for the local water supplier, electric company, cable company and natural gas supplier easements across all the Common Areas for ingress, egress, installation, reading, replacing, repairing and maintaining utility meters boxes, installation equipment, service equipment, security, telecommunication, and any other device, machinery or equipment necessary for the proper functioning of the utility. The Board shall have, by a two-thirds (2/3) vote, the power to dedicate portions or all of the Common Area to League City, Galveston County, Texas, or to any other similar local, state or federal governmental entity.

2. Easements for Pond Maintenance and Flood Water:

Declarant reserves for itself and its successors, assigns and designees the non-exclusive right and easement, but not the obligation, to enter upon the ponds, streams, arid wetlands located within the Property (a) to install, keep, maintain and replace pumps in order to obtain water for the irrigation of any of the Common Area, (b) to

construct, maintain and repair any wall, dam, or other structure retaining water therein, and (C) to remove trash and other debris. Declarant's rights and easements hereunder shall be transferred to the Association at such time as Declarant shall cease to own Property subject to the Declaration, or such earlier time as Declarant may decide, in its sole discretion, and transfer such rights by a written instrument. The Declarant, the Association, and their designees shall have an access easement over and across any of the Property abutting or containing any portion of any of the ponds, streams, or wetlands to the extent reasonably necessary to exercise their rights under this Section.

There is further reserved, for the benefit of Declarant, the Association, and their designees, a perpetual, non-exclusive right and easement of access and encroachment over Common Area extending from the line of mean low water line to the line of vegetation of ponds and streams within the Property, in order: (a) to temporarily flood and back water upon and maintain water over such portions of the Property; (b) to fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain the ponds, streams and wetlands within the Common Area; (c) to maintain and landscape the slopes and banks pertaining to such ponds, streams and wetlands; and (d) to enter upon and across such portions of the Property for the purpose of exercising rights under this Section. All persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from, the exercise of such easements. Nothing herein shall be construed to make Declarant or any other person or entity liable for damage resulting from flood due to hurricanes, heavy rainfall, or other natural disasters.

3. Easements to Serve Additional Property:

The Declarant and its duly authorized agents, representatives, and employees, as well as its designees, successors, assignees, licensees and mortgagees, shall have and there is hereby reserved an easement over the Common Area for the purposes of enjoyment, use, access and development of the Eligible Property, whether or not such property is made subject to this Declaration. This easement includes but is not limited to a right of ingress and egress over the Common Area for construction of roads and for tying in and installation of utilities on the Eligible Property.

4. Easement for Adjacent Golf Course:

A nonexclusive easement is hereby granted by Declarant to Mag Creek Golf Course LP, a Texas limited partnership which is the owner of the Magnolia Creek golf course (the "Golf Course") adjacent to the Property, its servants, independent contractors, agents, members, guests and invitees (collectively, the Golf Course Users) over the Property for the following purposes:

- (i) Retrieval of golf balls, including the right to enter on the Property and any Lot created thereon, for that purpose, provided the right to retrieve golf balls shall only extend to non-enclosed portions of the Property or Lots, and the person retrieving the golf balls shall do so in a reasonable manner and will repair any damage caused by entry onto the Property or Lot to retrieve the golf balls;
- (ii) Flight of golf balls over, across, and upon the Property;
- (iii) Doing of every act necessary and incident to the playing of golf and other recreational activities on the Golf Course, including, but not limited to, the operation of lighting facilities for operation of tennis, swimming, driving range, and golf practice facilities during hours of darkness, and the creation of usual and common noise levels associated with such recreational activities;
- (iv) Creation of noise related to the normal maintenance and operation of the Golf Course, including, but not limited to, the operation of mowing and spraying equipment. Such noise may occur from early morning until late evening; and
- (v) An easement for the over-spray of herbicides, fungicides, pesticides, fertilizers, and water over portions of the Property located adjacent to the Golf Course.

The Easement hereby granted is appurtenant to the Golf Course and shall run with land.

Declarant for itself and each and every subsequent owner of a portion of the

Property, hereby acknowledges and agrees that the existence of the Golf Course is beneficial and highly desirable; however, each such owner acknowledges and agrees that portions of the Property located adjacent to the Golf Course are subject to the risk of damage or injury due to errant golf balls.

Declarant, for itself and each subsequent owner of a portion of the Property, their successors and assigns, hereby assumes the risk of damage and injury and hereby releases the owner of the Golf Course, its successors and assigns, from any and all liability for damage or injury caused by errant golf balls in, on, or around the Property.

I. Signs

No sign or emblem of any kind may be kept or placed upon any Lot or mounted, painted or attached to any Dwelling, fence or other improvement upon such Lot so as to be visible from public view except the following:

(i) For Sale Signs. An Owner may erect one (1) sign on his Lot, not exceeding 2'x3' in area, fastened only to a stake in the ground and extending not more than three (3) feet above the surface of such Lot advertising the property for sale.

(ii) Political Signs. Not more than two political signs, not exceeding 2' x 3' in area, may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, provided that such signs shall not be erected more than thirty (30) days in advance of the election to which they pertain and shall be removed within three (3) days after such election.

(iii) School Spirit Signs. Signs containing information about one or more children residing in the Dwelling and the school they attend shall be permitted so long as the sign is not more than 36" x 36" and is fastened only to a stake in the ground. There shall be no more than one sign for each child under the age of eighteen (18) residing in the Dwelling, and said signs may not be displayed more than three (3) months in a calendar year.

(iv) Security Signs/Stickers. Signs or stickers provided to an Owner by

a commercial security or alarm company providing service to the Dwelling and shall be permitted so long as the sign is not more than 8" x 8" or the sticker is no more than 4" x 4". There shall be no more than one sign and no more than six (6) stickers located on the windows or doors. Stickers shall also be permitted upon windows and doors for the "Child Find" program or a similar program sponsored by a local police and/or local fire department.

No sign will be permitted on any Lot owned by an Owner, as opposed to a Builder, within the Property without the prior written permission of the ARC. No sign will be approved on any such Owner's Lot other than one "For Sale" sign or "For Lease" sign of an appropriate appearance and not greater than six (6) square feet, as determined by the ARC.

All signs within the subdivision are subject to the Builder and/or Architectural Guidelines and Bulletins promulgated by the ARC.

A Builder may place certain information and advertising signs on Lots without the prior permission of the ARC, so long as such signs are similar to those listed as acceptable for Builder use in the Builder and/or Architectural Guidelines and Bulletins promulgated by the ARC and so long as such signs do not otherwise violate this Supplemental Declaration.

If any sign is placed within the subdivision in violation of this Declaration, the Association or its agents shall be authorized to enter upon any lot or Homesite and remove and/or dispose of any such sign violation, and in doing so shall not be subject to any liability for trespass, other tort or damages in connection with or arising from such entry, removal and/or disposal nor in any way shall the Association or its agent be liable for any accounting or other claim for such action.

J. Reservation of Minerals; Surface Waiver

In the event Declarant hereafter reserves any interest it has in the oil, gas and other minerals in, on and under the Property, Declarant on behalf of itself and its successors and assigns, hereby waives the right to use the surface of the Property, other than that land or easements owned by Declarant or other owners of oil, gas or other

minerals for exploring, drilling for, producing and mining oil, gas and other minerals, provided that Declarant hereby retains and reserves, on behalf of itself and its successors and assigns, the right to pool the land with other lands for development of oil, gas and other minerals and the right to drill under and through the subsurface of the land below the depth of one hundred feet (100') by means of wells located on the surface of land or easements owned by Declarant or other owners of oil, gas or other minerals.

K. Common Area

The Association, subject to the rights of the Members and Owners set forth in this Declaration and any amendments or supplemental restrictions, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon and shall keep it in good, clean, attractive and sanitary condition. No Member or Owner may appropriate any portion of the Common Area or any improvement thereon for his or her own exclusive use.

Any Member or his or her guests, family or Invitees that causes damage to the Common Area shall be financially responsible for said damage. The cost of repair, if not timely paid by the Member (within thirty (30) days) shall be assessed against the Member's Building Site, Homesite, or Unit and secured by the continuous lien set forth in Article XIII, Section A of this Declaration.

L. Window Treatments

Within three (3) months of occupying a Dwelling or Building on any Homesite or Building Site, the Owner of such Dwelling or Building shall install window treatments or coverings in accordance with the Building Guidelines and/or Architectural Guidelines promulgated by the ARC from time to time.

Expressly prohibited both before and after the initial three (3) months of occupancy are any temporary or disposable coverings not consistent with the aesthetics of the Neighborhood, such as reflective materials, sheets, newspapers, shower curtains, fabric not sewn into finished curtains or draperies, paper, plastic, cardboard, or other materials not expressly made for or commonly used by the general public for

permanent window coverings in a development of the same caliber as the Property.

M. Deed Restriction Enforcement

1. Authority to Promulgate Rules and Regulations:

The Board of Directors has the authority to promulgate reasonable rules and regulations concerning enforcement of the covenants and restrictions contained in this Declaration, any supplemental restrictions and/or amendments or concerning the use of Common Area and Limited Common Areas.

2. Attorneys Fees:

In addition to all other remedies that may be available, the Association has the right to collect attorney fees from any Owner that is in violation of this Declaration, any applicable supplemental restrictions or amendments, the Architectural Guidelines, the Building Guidelines, or any other rule or regulation promulgated by the Association.

3. Remedies:

Every Owner shall comply with all provisions of this Declaration, the By-Laws, and the rules and regulations of the Association. Failure to comply shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association or, in a proper case, by any aggrieved Owner or Owners. In addition, the Association may avail itself of any and all remedies provided in this Declaration, any amendment, supplemental restrictions, or the By-Laws.

N. Antennas

No exterior antennas, aerials, satellite dishes, or other apparatus for the transmission of television, radio, satellite or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Property, including any Homesite or Building Site, which is visible from any street, common area or other Lot unless it is impossible to receive signals from said location. In that event the receiving devise may be placed in a visible location as approved by the ARC. The ARC may require as much screening as possible while not substantially interfering with reception. The Declarant and/or the Association shall have the right, without obligation, to erect or install an

aerial, satellite dish, master antenna, cable system, or other apparatus for the transmission of television, radio, satellite or other signals for the benefit of all or a portion of the Properties. No satellite dishes shall be permitted which are larger than 1 meter in diameter. No broadcast antenna mast may exceed the height of the center ridge of the roof line. No MMDS antenna mast may exceed the height of twelve feet (12') above the center ridge of the roof line. The Declarant by promulgating this section is not attempting to violate the Telecommunications Act of 1996 (the "Act"), as may be amended from time to time. This section shall be interpreted to be as restrictive as possible while not violating the Act.

O. General Nuisances

No portion of the Property shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, animal, or material be kept upon any portion of the Property 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 Homesites, Building Sites or Recreational Sites.

No noxious, illegal, or offensive activity shall be carried on upon any portion of the Property, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any portion of the Property. There shall not be maintained any plants, animals, device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Property. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted within the Property. No speaker, horn, whistle, bell or other sound device, except alarm devices used exclusively for security purposes, shall be installed or operated on the Property, unless required by federal, state or local regulation. The use and discharge of firecrackers and other fireworks is prohibited within the Property.

It shall be the responsibility of each Owner to prevent the development of any

unclean, unhealthy, unsightly, or unkempt condition on his or her Homesite or Building Site. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, that might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property. Notwithstanding the above, the disassembly and assembly of motor vehicles to perform repair work shall be permitted provided such activities are not conducted on a regular or frequent basis, and are either conducted entirely within an enclosed garage or, if conducted outside, are begun and completed within twelve (12) hours.

P. Tree Removal

Except for clearing of land for development purposes, no trees shall be removed, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved by the ARC. In the event of an intentional or unintentional violation of this Section, the violator may be required to replace the removed tree with one (1) or more comparable trees of such size and number, and in such locations, as the Association may determine necessary, in its sole discretion, to mitigate the damage.

Q. Animals and Pets

No animals, livestock (including swine of any kind) or poultry of any kind shall be raised, bred, or kept on any portion of the Property, except that dogs, cats, or other usual and common household pets, not to exceed a total of four (4) pets, may be permitted in a Dwelling. The foregoing limitation on number of pets shall not apply to hamsters, small birds, fish or other constantly caged animals, 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 (3) months old. No pets shall be permitted to roam free. Any pet that may, in the sole direction of the Association, endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Dwellings or Buildings, be removed upon request of the Board. If the owner of such pet fails to honor such request, the pet may be removed by the Board. No pets shall be kept,

bred; or maintained for any commercial purpose. Dogs shall, at all times when they are outside a Dwelling, be confined on a leash held by a responsible person.

ARTICLE VIII.

ARCHITECTURAL RESTRICTIONS.

A. Architectural Review Committee - "ARC"

The initial ARC shall be composed of three individuals designated by Declarant, one of whom may be designated as Representative to act on behalf of the ARC. The Declarant reserves the right to remove any member of the ARC as well as the right to appoint replacements as necessary by reason of resignation, removal or incapacity. The Declarant shall retain the right of ARC appointment until the earlier of:

1. the date on which Declarant has sold and conveyed all of its Lots and Tracts within the property, or
2. when the Declarant desires to relinquish its authority over ARC appointment.

At such time the Board of Directors of the Association shall have the right to replace such ARC members by duly electing three Owners in good standing with the Association. The Board of Directors shall thereafter have the right to appoint replacements as necessary by reason of resignation, removal or incapacity.

B. ARC Approval Required

No buildings, additions, modifications or improvements shall be erected, placed or performed on any Building Site or Homesite until the construction plans and specifications including, but not limited to, the site plan, design development plan, exterior plan, signage plan, landscaping plan, and lighting plan have been submitted in triplicate to and approved in writing by the ARC as hereinafter provided. The ARC may, at its sole discretion, retain and delegate review of plans and specifications to a designated AIA architect experienced and qualified to review same, who may then render an opinion to the ARC. Approval of plans and specifications shall not cover or include approval for any other purpose and specifically, but without limitation, shall not be construed as any representation as to or responsibility for the design of the

improvement or the ultimate construction thereof. In the event the ARC fails to approve such plans and specifications within thirty (30) days after the receipt thereof, they shall be deemed to be disapproved. The ARC or its assignee, at its sole discretion and to the extent not expressly prohibited by this Declaration and any amended or supplemental restrictions, is hereby permitted to approve in writing deviations in the general use restrictions set forth in Article VII in instances where, in its judgment, such deviations will enhance the beneficial use of and the overall development plan for the Property. The approval of a deviation in the general use restrictions by the ARC does not obligate the ARC to approve a similar deviation at a later time. Notwithstanding any other provision contained herein, any Buildings, Dwellings, additions, or improvements erected or placed on any Building Site or Homesite shall be deemed to comply with the building requirements of the ARC and related covenants contained in this Declaration unless the ARC so notifies the Owner in writing within four (4) years from the completion thereof. This provision, however, shall not be deemed a waiver of the right of the ARC or the Association to enforce the continuing restriction of use contained herein.

The ARC and the Association shall have the authority hereunder to require any Owner or Owner's agents or contractors to cease and desist in constructing or altering any improvements on any Property, where such actions constitute a violation of this Declaration, the Building Guidelines or any other documents promulgated by the ARC. The violating Owner shall remove such violating improvements or sitework at its sole expense and without delay, returning same to its original condition or bringing the Building Site or Homesite into compliance with this Declaration, ARC documents and any plans and specifications approved by the ARC for construction on that Building Site or Homesite. If an Owner proceeds with construction that is not approved by the ARC, or that is a variance of the approved plans, the Association may assess fines as provided in Article XVI, Section F and may continue to assess such fines until ARC approval is granted or the violation is removed. This Declaration is notice of such liability for violation and Owners hereby agree to bear the cost and expense to cure any violations

according to this provision, regardless of the substantial cost, time or loss of business involved.

Written notice may be delivered to the Owner or any agent or contractor with apparent authority to accept same and notice shall be binding on such Owner as if actually delivered to Owner.

The ARC or its agents or assigns shall have the right, but not the obligation, to enter the Property to determine if violations of this Declaration, the Building Guidelines, or any other documents promulgated by the ARC exist.

The ARC shall have the right to set time constraints for both the commencement and completion of construction. If construction fails to start before the designated commencement date or is not completed by the designated completion date, the plans shall be deemed not approved.

The ARC has the right to charge a review fee, to be established by the Board of Directors, for review of any plans or specifications submitted for approval to the ARC.

C. Building Setbacks

In addition to those covenants, conditions and restrictions set forth in Article II of the Declaration of Covenants, Conditions and Restrictions for Magnolia Creek recorded under Galveston County Clerk's File No. 9965227, no Building, Dwelling or other structure shall be erected nearer to any street or property line than that allowed by the applicable plat or other recorded documents unless first approved in writing by the ARC. Sidewalks and driveways shall be permitted to be placed within a setback as approved by the ARC.

D. Landscaping

All open, unpaved space in a Homesite or Building Site, including but not limited to front, side, and rear building setback areas, shall be planted and landscaped prior to occupancy of any Homesite or Building Site in accordance with the plans approved by the ARC and any landscaping guidelines promulgated by such body. Any significant alteration of the existing landscaping on any Homesite or Building Site must have written approval from the ARC.

E. Grading and Drainage

Topography of each and every Building Site and Homesite must be maintained with proper grading and drainage systems such that runoff of water (rain or other precipitation, or manmade irrigation) does not cause undue erosion of the subject Homesite or Building Site itself or any other Homesites or Building Sites, whether adjacent to the subject Homesite or Building Site or not. Owners causing (either directly or indirectly) erosion or other incident damage to personal or real property due to inadequate or defective grading or drainage measures on their own Homesite or Building Site, or because of the excess runoff cause by their own irrigation system, shall be liable to all such damaged parties for the replacement, repair and/or restoration of such damaged real or personal property.

Each Owner shall be responsible for ensuring that all local, state and federal rules and regulations regarding drainage and run-off are met.

F. Temporary Structures

Temporary structures may only be erected by builders or the Declarant with the written prior approval of the ARC. Even temporary structures shall be installed in accordance with any applicable provisions of the Architectural Guidelines promulgated by the ARC; time limitations for such structures are limited to the period of active and exclusive construction and sales within the Property.

ARTICLE IX.

MAINTENANCE.

A. General Maintenance

Each Owner shall maintain and keep in good repair his or her Dwelling or Building and all structures, parking areas and other improvements comprising the Homesite or Building Site. All structures and other improvements designed to be painted must be kept painted and the paint may not be allowed to become faded, cracked, flaked or damaged in any manner. Grass, vegetation and weeds on each Homesite or Building Site shall be cut as often as may be necessary to maintain the same in a neat and attractive condition. Grass growing onto or over sidewalks,

driveways, and curbs shall be presumed to be unattractive.

B. Landscaping

In the event the Owner of any Homesite or Building Site within the Property fails to maintain the landscaping, grass or vegetation of a Homesite or Building Site in a manner satisfactory to the Board of Directors of the Association, the Association, after ten (10) days' notice to the Owner of the Homesite or Building Site setting forth the action intended to be taken by the Association and after approval by a two-thirds (2/3) vote of the Board of Directors, shall have the right but not the obligation, through its agent, contractors and/or employees, to enter upon said Homesite or Building Site and to maintain, cut, trim and/or restore such landscaping, grass or vegetation.

C. Dwelling Exterior

In the event the Owner of any Homesite or Building Site fails to maintain the exterior of the Homesite or Building Site, including the exterior of the Dwelling, Building or other structures and the parking areas, in a manner satisfactory to the Board of Directors of the Association, the Association, after thirty (30) days' notice to the Owner of the Homesite or Building Site setting forth the action intended to be taken by the association and after approval by a two-thirds (2/3) vote of the Board of Directors, shall have the right, but not the obligation, through its agents, contractors and/or employees, to enter upon said Homesite or Building Site and to repair, maintain, or restore the exterior of the Dwelling, Building, other structure or parking areas.

D. Other Hazards

To the extent necessary to prevent rat infestation, diminish fire hazards and/or diminish hazards caused by structural damage, the Association shall have the right, but not the obligation, through its agents, contractors and/or employees, to enter any Dwelling, Building or other improvement located upon such Homesite or Building Site without notice to take the action necessary to prevent such rat infestation, diminish such fire hazards or diminish hazards caused by structural damage.

E. Liability Cost and Approval

Neither the Association nor its agents, contractors, or employees shall be liable,

and are expressly relieved from any liability, for trespass or other tort in connection with the performance of the exterior maintenance or other work authorized in this Section. The cost of such exterior maintenance, hazard diminution and other work shall be the personal obligation of the Owner of the Homesite, or Building Site on which it was performed and shall become part of the assessment payable by the Owner and secured by the lien retained in this Declaration. Alternately, the Association or any Owner of a Homesite or Building Site may bring an action at law or in equity to cause the Owner to bring said Homesite or Building Site into compliance with these restrictions.

All Members' replacement, repair and restoration practices as to the improvements within the Property are subject to the prior approval of the ARC and must comply with all Building and/or Architectural Guidelines which may change from time to time, as found necessary and appropriate in its sole discretion.

ARTICLE X.

STANDARDS AND PROCEDURES.

The ARC shall establish and promulgate the Building and/or Builder Guidelines, which the ARC may modify or amend as it deems necessary and appropriate for the orderly development of the Property, including, but not limited to, those portions of the Building and/or Builder Guidelines regarding workmanship, materials, building methods, observance of requirements concerning installation and maintenance of public utility facilities and services, and compliance with governmental regulations. The Building and/or Builder Guidelines may be amended by the ARC without notice, but they shall not be applied retroactively to reverse a prior approval granted by the ARC or the Association to any Owner or prospective purchaser of any Building Site or Homesite. The rules, standards, and procedures set forth in the Building and/or Builder Guidelines, as same may be amended from time to time, shall be binding and enforceable against each Owner in the same manner and any other restriction set forth in this Declaration.

ARTICLE XI.

VARIANCES.

The ARC may authorize variances from compliance with any of the architectural provisions of this Declaration, any amendment, supplemental restrictions, Building and/or Builder Guideline, or Architectural Guideline, unless specifically prohibited, including restrictions upon height, size, placement of structures, or similar restrictions, when circumstances such as topography, natural obstruction, hardship, aesthetic, or environmental considerations may require. Such variances must be evidenced in writing, must be signed by at least a majority of the ARC, and shall become effective upon execution of the variance. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular provision hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all applicable governmental laws and regulations.

No granting of a variance shall be relied on by any Member or Owner, or any other person or entity (whether privy or party to the subject variance or not), as a precedent in requesting or assuming variance as to any other matter of potential or actual enforcement of any provision of this Declaration. Action of the ARC in granting or denying a variance is a decision based expressly on one unique set of circumstances and need not be duplicated for any other request by any party or the same party for any reason whatsoever.

ARTICLE XII.

LIMITATION OF LIABILITY.

Neither Declarant, the Association, the ARC, the Board, nor any of the respective officers, partners, directors, members, successors or assigns of the above, shall be liable in damages or otherwise to anyone who submits matters for approval to any of the above-mentioned parties, or to any Owner affected by this Declaration by reason of mistake of judgment, negligence, or nonfeasance arising out of or in connection with the

approval or disapproval or failure to approve or disapprove any matters requiring approval hereunder. Approval by the ARC, the Board, or the Association is not intended as and shall not constitute any kind of warranty or guarantee as to the integrity or workability of the plans nor the contractors used.

ARTICLE XIII.

ASSESSMENTS.

A. Creation of the Lien and Personal Obligation for Assessments

The Owner of each Lot and Tract, by virtue of ownership of such property, covenants and agrees to pay to the Association:

1. Annual Assessments,
2. Special Assessments, and
3. Neighborhood Assessments.

The Annual, Special and Neighborhood Assessments, together with late charges, attorney's fees, interest and costs shall be a charge and continuing lien upon the Lot or Tract against which each such assessment is made. Each such assessment, together with late charges, attorney's fees, interest and costs, shall also be the personal obligation of the person or entity who was the Owner of the land at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them.

B. Purpose of Assessments

Annual and Special Assessments levied by the Association shall be used for any legal purpose for the benefit of all Owners as determined by the Association and, in particular, may by way of example and not limitation or obligation include maintenance, repair or improvement of any Common Area, parkways, esplanades, setbacks and entryways, police and patrol service, fire protection, emergency medical service, street cleaning, street lighting, mosquito control, other services as may be in the Owners' interest and for promotion of the recreational interests of the Members. Parkway, esplanades, setbacks and entryways that are not contained in any Common Area shall be included in the Association's maintenance

C. Annual Assessment

The Property shall be subject to the Annual Assessment, as follows:

1. Creation:

Payment of the Annual Assessment shall be the obligation of each Owner and shall constitute a lien on the Building Site or Lot, binding and enforceable as provided in this Declaration.

2. Rate:

The initial Annual Assessment established by the Association shall not exceed \$500 per Lot for Residential Property and \$2,000 per acre of Commercial Property and undeveloped Multi-Family Property. If Multi-Family Property has been developed, the initial annual assessment shall not exceed \$500 per Unit. If a Lot or Tract is owned by the Declarant or has been purchased by a builder and has not yet been improved with a single family Dwelling or Building, the property shall be assessed at fifty percent (50%) of the normal annual assessment that would be owed if improvements had been constructed on the property. Upon purchase from a builder, the new owner shall owe a prorated amount as described under paragraph 4 of this Section. This special rate for Declarant and builder-owned property shall terminate when the Class "B" membership in the Association terminates.

3. Commencement:

For purposes of calculation, the initial Annual Assessment shall commence on the first day of the first month following the date of execution of this Declaration. Annual Assessments shall be due in advance on January 1 for the coming year and shall be delinquent if not paid in full as of January 31 of each year.

4. Proration

An Owner's initial Annual Assessment shall be made for the balance of the calendar year as determined on a pro-rata basis and shall become due and payable on the commencement date described above. The Annual Assessment for any year after the first year shall be due and payable on the first day of January.

5. Levying of the Assessment:

The Annual Assessment shall be levied at the sole discretion of the Board. The Board shall determine the sufficiency or insufficiency of the then current Annual Assessment to reasonably meet the expenses for providing services and may, at its sole discretion and without a vote by the Members, increase the Annual Assessment in an amount up to ten percent (10%) over the previous year's Annual Assessment. The Annual Assessment may only be increased by more than ten percent (10%) over the preceding year's Annual Assessment if such increase is approved by Members in good standing (as represented by their Neighborhood Representatives and CMF Representatives) who represent a majority of the votes present at a meeting called for said purpose.

D. Special Assessments for Capital Improvements

In addition to the Annual Assessments authorized above, the Association may levy a Special Assessment applicable to that year only for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement in the Common Area or any unusual, infrequent expense benefitting the Association, provided that any such assessment shall have the approval of a majority of the Class "A" Members (as represented by their Neighborhood Representatives and CMF Representatives) and Class "B" Members at a meeting duly called for this purpose. Such Special Assessments will be due and payable as set forth in the resolution authorizing such assessment and shall be levied only against those Owners subject to the Annual Assessment as set forth in Section C hereof and shall be pro rated in accordance therewith. The Association, if it so chooses, may levy a Special Assessment against only those Members benefitted by or using the capital improvement for which the Special Assessment is being levied. Special Assessments shall be due upon presentment of an invoice, or copy thereof, for the same to the last-known address of the Owner.

E. Neighborhood Assessments

If a Neighborhood receives special or a higher level of services pursuant to Article IV, Section B of this Declaration, and Neighborhood Assessments must therefore

be imposed to fund such services, payments of such Neighborhood Assessments shall be the exclusive obligation of all Owners owning property within such Neighborhood and will not be charged to Members not owning property within such Neighborhood.

F. Collection and Remedies for Assessments

1. The assessments provided for in this Declaration, together with late charges, attorneys fees, interest and costs as necessary for collection, shall be a charge on and a continuing lien upon the land against which each such assessment is made. Each such assessment, together with late charges, attorney's fees, interest and costs, shall also be the personal obligation of the Owner of the land at the time the assessment became due. This personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them.

2. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) eighteen percent (18%) or (ii) the maximum nonusurious rate of interest. No Owner may waive or otherwise escape liability for the assessments provided for in this Declaration by reason of non-use of Common Area or abandonment of his property.

3. In order to secure the payment of the assessments hereby levied, an assessment lien is hereby reserved in each deed from the Declarant to the Owner of each parcel of property, which lien may be foreclosed upon by non-judicial foreclosure pursuant to the provisions of Section 51.002 of the Texas Property Code (or any successor statute); each Owner grants a power of sale to the Association to sell such property upon default in payment of any amount owed. Alternatively, the Association may judicially foreclose the lien or maintain an action at law to collect the amount owed.

4. The President of the Association or his or her designee is hereby appointed Trustee to exercise the Association's power of sale. The Trustee shall not incur any personal liability hereunder except for his or her own willful misconduct.

Although no further action is required to create or perfect the lien, the Association may, as further evidence and notice of the lien, execute and record a document setting forth the amount of the delinquent sums due the Association at the

time such document is executed and the fact that a lien exists to secure the repayment thereof. However the failure of the Association to execute and record any such document shall not, to any extent, affect the validity, enforceability, or priority of the lien. The Association shall also have the right to notify a delinquent Owner's lender, in writing, of such Owner's delinquency and default.

In the event that the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 (or any successor statute) and to exercise the power of sale hereby granted, the Association shall mail to the defaulting Owner a copy of the Notice of Trustee's Sale no less than twenty one (21) days prior to the date of the proposed foreclosure sale, postage prepaid, registered or certified mail, return receipt requested, properly addressed to such Owner at the last known address of such Owner according to the records of the Association or by hand delivery.

At any foreclosure proceeding, any person or entity, including but not limited to the Declarant, Association or any Owner, shall have the right to bid for such property at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same. During the period property is owned by the Association following foreclosure, (i) no right to vote shall be exercised on its behalf; (ii) no assessment shall be levied on it; and, (iii) each other Lot and Tract may be charged, in addition to its usual assessment, its equal pro rata share that would have been charged such property if it had not been acquired by the Association as a result of foreclosure.

Out of the proceeds of such sale, there shall be paid all expenses incurred by the Association in connection with such default, including attorneys' fees and trustee's fees; second, from such proceeds there shall be paid to the Association an amount equal to the amount of assessments in default inclusive of interest, late charges and attorneys' fees; and, third, the remaining balance, if any, shall be paid to such Owner. Following any such foreclosure, each occupant of any such Lot or Tract foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant-at-sufferance and may be removed from possession by any lawful means, including a judgment f or

possession and any action of forcible detainer and the issuance of writ of restitution thereunder.

G. Exempt Properties

The following are exempt from payment of assessments under this Declaration: schools, churches and recreational facilities and reserves.

All properties dedicated to any accepted use by a municipal county, federal, or other governmental authority and all properties owned by charitable or non-profit organizations that are exempt from taxation by federal laws and the laws of the State of Texas shall be exempt from the assessments created herein and the Owners thereof shall have no voting rights with respect thereto.

H. Notice of Delinquency

The Association shall be required to give a written notice of delinquency to any Owner who has not paid an assessment that is due under this Declaration. Such notice must be mailed to the Owner's last known address. The address of the Lot, Homesite or Building Site shall be presumed to be the address for proper notice unless written notice of another address shall be provided to the Association.

ARTICLE XIV.

MODIFICATION AND TERMINATION OF COVENANTS.

Each restriction and covenant contained in this Declaration may be amended, modified, or terminated by the filing of a recorded instrument executed by the Association or its legal representatives, successors or assigns. Approval by Owners having seventy-five percent (75%) of the combined total votes of the Class A" and Class "B", if any, Membership shall be required to amend, modify or terminate these restrictions and covenants.

However, the Declarant may unilaterally amend this Declaration at any time if such amendment is (a) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation, or judicial determination; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots, Homesites or Building Sites; (c) required by an institutional or

governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots, Homesites or Building Sites; or (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots, Homesites or Building Sites; provided, however, any such amendment shall not adversely affect the title to any Lots, Homesites or Building Sites unless the Owner shall consent thereto in writing.

ARTICLE XV.

ALTERNATE DISPUTE RESOLUTION.

A. Dispute Resolution Committee

No dispute between any of the following entities or individuals shall be commenced until the parties have submitted to non-binding mediation: Owners; Members; the Board of Directors; officers in the Association or Neighborhood Committees; the Association; or any Neighborhood Committee. Each individual shall represent himself or herself, or, in the case of ownership by a business or other entity, such entity shall appoint a representative. A Neighborhood Committee shall be represented by an Owner who sits on the Board of such Committee. The Association shall be represented by a member of the Board of Directors. The Board of Directors shall be represented by an individual designated by the Board of Directors. The dispute shall be brought before the Association's Dispute Resolution Committee for resolution. This non-binding mediation process shall be used for all disputes concerning less than five times the annual assessment for one year for one Lot at the time the mediation is requested. In the event that the parties cannot come to an agreement under this process of mediation by the Dispute Resolution Committee, the parties must submit to mediation under Section B of this Article.

The Dispute Resolution Committee shall consist of three (3) individuals, at least two (2) of whom must be Members, all appointed by the Board of Directors of the Association. The Board shall maintain, if possible, a list of no less than twenty (20)

volunteer Members in good standing willing to serve on such committee. All such volunteers shall be required to attend a training session before being eligible to actually serve on the Dispute Resolution Committee.

Disputes between Owners that are not regulated by this Declaration shall not be subject to the dispute resolution process.

B. Outside Mediator

If a dispute between any of the above entities or individuals concerns more than five times the Annual Assessment for one year for one Lot at the time the mediation is requested, or if the parties cannot reach agreement under Subsection A of this section, the parties must voluntarily submit to the following mediation procedures before commencing any judicial or administrative proceeding. Each party will represent himself/herself individually or through an agent or representative, or may be represented by counsel. The dispute will be brought before a mutually selected mediator. Such mediator will either be an attorney-mediator skilled in community association law, a Professional Community Association Manager ("P.C.A.M.") as certified by the Community Associations Institute, or a Certified Property Manager ("C.P.M.") as certified by the Institute of Real Estate Managers. In order to be eligible to mediate a dispute under this provision, a Mediator may not reside in the Property, work for any of the parties, represent any of the parties, nor have any conflict of interest with any of the parties. The Board shall maintain a list of no less than ten (10) potential mediators, but the parties will be in no way limited to their choice by this list. Costs for such mediator shall be shared equally by the parties. If the parties cannot mutually agree upon the selection of a mediator after thirty (30) days, each party shall select its own mediator and a third will be appointed by the two selected mediators. If this selection method must be used, each party will pay the costs of its selected mediator and will share equally the costs of the third appointed mediator.

C. Mediation is Not a Waiver

By agreeing to use this dispute resolution process, the parties in no way waive their rights to extraordinary relief including, but not limited to, temporary restraining

orders or temporary injunctions, if such relief is necessary to protect or preserve a party's legal rights before a mediation may be scheduled.

D. Assessment Collection

The provisions of this Declaration dealing with Alternate Dispute Resolution shall not apply to the collection of assessments by the Association as set out in this Declaration.

E. Term

This Article XV shall be in full force and effect for an initial period of three (3) years from the date of execution of this Declaration. Thereafter this Article XV shall remain in full force and effect unless, at the first open meeting of the Association after such initial period, a majority of quorum of the Neighborhood Representatives or the Board of Directors votes to terminate the provisions of this Article XV, Alternative Dispute Resolution.

ARTICLE XVI.

GENERAL PROVISIONS.

A. Severability

The invalidity of any one or more of the provisions of this Declaration shall not affect the validity of the other provisions thereof.

B. Compliance with Laws

At all times, each Owner shall comply with all applicable federal, state, county, and municipal laws, ordinances, rules, and regulations with respect to the use, occupancy, and condition of the Property and any improvements thereof. If any provision contained in this Declaration or any supplemental declaration or amendment is found to violate any law, then the provision shall be interpreted to be as restrictive as possible to preserve as much of the original provision as allowed by law.

C. Gender and Number

The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof applicable either to corporations (or other entities) or individuals,

male or female, shall in all cases be assumed as though in each case fully expressed.

D. Headlines

The titles and captions for this Declaration and the sections contained herein are for convenience only and shall not be used to construe, interpret, or limit the meaning of any term or provision contained in this Declaration.

E. Governing Law

The provisions in this Declaration shall be governed by and enforced in accordance with the laws of the State of Texas. Any and all obligations performable hereunder are to be performed in Galveston County, Texas

F. Fines for Violations:

The Association may assess fines for violations of the restrictive covenants contained in this Declaration, other than non-payment or delinquency in assessments, in an amount to be set by the Board of Directors, which fines shall be secured by the continuing assessment lien set out in this Declaration.

G. Books and Records

The books, records and papers of the Association shall by appointment, during normal business hours, be subject to inspection by any Member. The Articles of Incorporation, ByLaws, and this Declaration shall likewise be available for inspection, by appointment during normal business hours by any Member at the office of the Association.

H. Notices

Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing.

I. Mergers

Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, the Association's properties, assets, rights and obligations may be transferred to another surviving or consolidated association or,

alternatively, the properties, assets, rights and obligations of another association may be transferred to the Association as a surviving corporation. The surviving or consolidated association shall administer any restrictions together with any Declarations of Covenants, Conditions and Restrictions governing these and any other properties, under one administration. No such merger or consolidation shall cause any revocation, change or addition to this Declaration.

J. Current Address

Owners are required to notify the Association of their current address at all times.

EXECUTED this the 18th day of December, 2000.
DECLARANT.

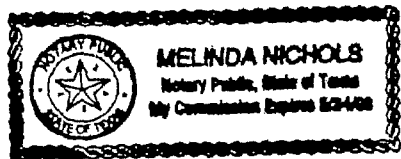
MAG CREEK, L P , a Texas limited partnership
By KW Interests, LLC, a Texas limited liability company, General Partner

By [Signature]
Lynn B Watkins, Manager

THE STATE OF TEXAS

COUNTY OF GALVESTON

This instrument was acknowledged before me on the 18th day of December, 2000, by Lynn B Watkins, Manager of KW Interests, LLC, a Texas limited liability company, as General Partner of Mag Creek, L P , a Texas limited partnership, on behalf of said limited liability company and limited partnership



[Signature]
Notary Public - State of Texas

FIRST AMERICAN TITLE
INSURANCE COMPANY OF TEXAS
1101-K WEST MAIN
LEAGUE CITY, TX 77573
GF# 703-133238

015-21-0303

OWNERS/BUILDERS:
Consented and agreed to:

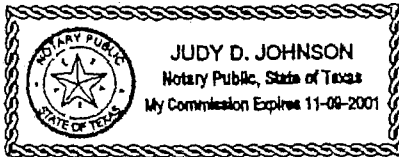
MHI PARTNERSHIP, LTD.

By: [Signature]
Name: FRANK MCGUYER
Title: CHAIR / CEO

State of Texas

County of Harris

This instrument was acknowledged before me on the 27 day of November,
2000 by Frank McGuyer as General Partner of
MHI Partnership, Ltd., a limited partnership, on behalf of said limited partnership



Judy D Johnson
Notary Public, State of Texas

015-21-0304

OWNERS/BUILDERS:
Consented and agreed to:

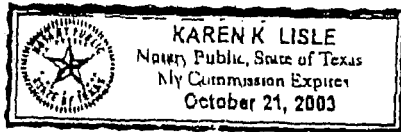
STANDARD PACIFIC OF TEXAS, INC

By: Michael W Brady
Name: MICHAEL W. BRADY, PRESIDENT
Title: _____

State of Texas

County of Dallas

This instrument was acknowledged before me on the 15 day of December,
2000 by MICHAEL W. BRADY, PRESIDENT of STANDARD
PACIFIC OF TEXAS, INC., a Delaware corporation, on behalf of said corporation.



Karen K Lisle
Notary Public, State of Texas

JOINDER OF LIENHOLDER

The undersigned, being the holder of that certain lien against the Property evidenced by that certain Deed of Trust... hereby consents to the execution of the foregoing Supplemental Declaration of Covenants, Conditions, and Restrictions for Magnolia Creek ("Restrictions") and subordinates the lien created by the Deed of Trust to the foregoing Restrictions and agrees that in the event of a foreclosure of the Property the Restrictions will remain in full force and effect and shall not be extinguished by such foreclosure.

RIVERWAY BANK

By: [Signature]
Name/Title: JIM D. MACINTYRE EVP.

The State of Texas

County of Harris

This instrument was acknowledged before me on the 11th day of December, 2000, by Jim D. MacIntyre as Exec. Vice President of Riverway Bank, a Texas corporation, on behalf of said corporation. bank.

[Signature]
Notary Public - State of Texas



Exhibit "A"

Magnolia Creek, Section One, Phase One, a subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Pages 961 and 962 of the Map Records in the Office of the County Clerk of Galveston County, Texas

Magnolia Creek, Section Two, a subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Pages 963 and 964 of the Map Records in the Office of the County Clerk of Galveston County, Texas

Magnolia Creek, Section Three, a subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Pages 965 and 966 of the Map Records in the Office of the County Clerk of Galveston County, Texas

Magnolia Creek, Section Four, Phase One, a subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Pages 967 and 968 of the Map Records in the Office of the County Clerk of Galveston County, Texas

015-21-0307

THE STATE OF TEXAS)
COUNTY OF GALVESTON)

Exhibit "B"
GOLF TRACT "I"
26 642 ACRES

FIELD NOTES of a 26 642 acre tract of land called Tract "I" as surveyed this day, and being situated in the John Dickinson League, Abstract No. 9, Galveston County, Texas; and being out of and a part of a called 127 9586 acre tract of land described in a deed from N D C , Inc., a Texas corporation to KW Interests LLC dated May 30, 1996, and recorded at Film Code Number 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas. This 26.642 acre tract of land is more particularly described by metes and bounds as follows

NOTE ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21 071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM (1986 ADJUSTMENT) ALL DISTANCES ARE ACTUAL DISTANCES SCALE FACTOR = 0 999866224 REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION

COMMENCING at a found 5/8 inch iron rod for the North corner of said 127 9586 acre tract of land, said point having Texas State Plane Coordinates of Y = 13,745,036 84 and X = 3,197,751 56

THENCE S 63°14'12" W with the North line of said 127 9586 acre tract of land a distance of 671 73 feet to a found 5/8 inch iron rod for an angle point.

THENCE S 45°57'47" W a distance of 68 29 feet to a set 5/8 inch iron rod for the North corner of this tract of land and being the PLACE OF BEGINNING, said point having Texas State Plane Coordinates of Y = 13,744,686 94 and X = 3,197,102 78.

THENCE S 02°05'13" E with the East line of this tract of land a distance of 1518 25 feet to a set 5/8 inch iron rod for the Southeast corner of this tract of land, said point being in the North right-of-way line of Brittany Bay Boulevard as surveyed this day

THENCE S 87°55'18" W with the South line of this tract of land and the North right-of-way line of said Brittany Bay Boulevard a distance of 202 65 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the left, concave Southeasterly

THENCE in a Southwesterly direction with the South line of this tract of land, the North right-of-way line of said Brittany Bay Boulevard and said tangent curve to the left having a central angle of 25°19'56", a radius of 2050 00 feet, a length of 906 37 feet and a chord bearing and distance of S 75°15'20" W, 899 00 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE N 02°52'07" E with the West line of this tract of land a distance of 808 72 feet to a set 5/8 inch iron rod for an angle point of this tract of land.

THENCE N 74°59'54" W with the West line of this tract of land a distance of 26 90 feet to a set 5/8 inch iron rod for the most Westerly North corner of this tract of land.

THENCE N 46°52'17" E with the West line of this tract of land a distance of 1373 13 feet to the PLACE OF BEGINNING, containing within said boundaries a calculated area of 26 642 acres (1,160,534 564 sq ft.) of land, more or less.

015-21-0308

STATE OF TEXAS)
COUNTY OF GALVESTON)

Exhibit "B"

GOLF TRACT "VI"
16 780 ACRES

FIELD NOTES of a 16 780 acre tract of land called Tract "VI" surveyed this day, and being situated in the John Dickinson League, Abstract No 9, Galveston County, Texas, and the I & G N R.R. Survey, Section No 1, Abstract No 607, Galveston County, Texas; said 16.780 acre tract of land being out of and a part of the following tracts of land.

- 1) 127 9586 acres called Tract "A" described in a deed from N D C , Inc , a Texas corporation to KW Interests LLC dated May 30, 1996, and recorded at Film Code Number 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas
- 2) 306 36 acres described in a deed from Mahsa Corporation to KW Interests, L L C. dated February 24, 1998, and recorded at Film Code Number 012-38-0070 of the Official Public Records of Real Property of Galveston County, Texas

This 16 780 acre tract of land is more particularly described by metes and bounds as follows

NOTE. ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21.071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM (1986 ADJUSTMENT) ALL DISTANCES ARE ACTUAL DISTANCES SCALE FACTOR = 0 999866224. REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION

COMMENCING at the Southeast corner of Brittany Bay Boulevard (called Tract "B") as recorded at Film Code No 013-40-2650 of the Official Public Records of Real Property of Galveston County, Texas; this commencing point has Texas State Plane Coordinate Values of Y = 13,743,093 94 and X = 3,197,822 07

THENCE S 87°55'18" W with the South line of said Brittany Bay Boulevard a distance of 548.76 feet to the beginning of a tangent curve to the left, concave Southeasterly.

THENCE in a Southwesterly direction with the South line of said Brittany Bay Boulevard, and said tangent curve to the left having a central angle of 89°59'59", a radius of 25.00 feet, a length of 39 27 feet and a chord bearing and distance of S 42°55'18" W, 35 36 feet, to the end of this curve

THENCE S 87°55'18" W with the South line of said Brittany Bay Boulevard a distance of 60 00 feet to a set 5/8 inch iron rod with cap for the PLACE OF BEGINNING of this tract of land; said beginning point having Texas State Plane Coordinates of Y = 13,743,045.98 and X = 3,197,189 71

THENCE S 02°04'42" E with the East line of this tract of land a distance of 334 04 feet to a set 5/8 inch iron rod with cap for the beginning of a tangent curve to the left, concave Northeasterly

THENCE in a Southerly direction with the East line of this tract of land, and said tangent curve to the left having a central angle of 01°44'57", a radius of 780 00 feet, a length of 23 81 feet and a chord bearing and distance of S 02°57'11" E, 23 81 feet, to a set 5/8 inch iron rod with cap for the end of this curve.

THENCE S 53°03'56" W with the South line of this tract of land a distance of 364 67 feet to a set 5/8 inch iron rod with cap for an angle point of this tract of land.

THENCE S 69°55'12" W with the South line of this tract of land a distance of 605 19 feet to a set 5/8 inch iron rod with cap for an angle point of this tract of land.

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000

015-21-0309

PAGE No 2

16.780 Acres (GOLF TRACT "VT")

Exhibit "B"

THENCE N 63°17'07" W with the West line of this tract of land a distance of 684.36 feet to a set 5/8 inch iron rod with cap for the beginning of a non-tangent curve to the right, concave Southeasterly; said point being in the South right-of-way line of said Brittany Bay Boulevard.

THENCE in a Northeasterly direction with the North line of this tract of land, the South right-of-way line of said Brittany Bay Boulevard, and said non-tangent curve to the right having a central angle of 39°39'16", a radius of 1950.00 feet, a length of 1349.59 feet and a chord bearing and distance of N 68°05'41" E, 1322.82 feet, to a set 5/8 inch iron rod with cap for the end of this curve.

THENCE N 87°55'18" E with the North line of this tract of land and the South right-of-way line of said Brittany Bay Boulevard a distance of 204.79 feet to a set 5/8 inch iron rod with cap for the beginning of a tangent curve to the right, concave Southwesterly

THENCE in a Southeasterly direction with the North line of this tract of land, the South right-of-way line of said Brittany Bay Boulevard, and said tangent curve to the right having a central angle of 90°00'00", a radius of 25.00 feet, a length of 39.27 feet and a chord bearing and distance of S 47°04'42" E, 35.36 feet, to the PLACE OF BEGINNING, containing within said boundaries a calculated area of 16.780 acres (730,942.347 sq. ft.) of land, more or less.

015-21-0310

STATE OF TEXAS)
COUNTY OF GALVESTON)

Exhibit "B"

GOLF TRACT "VII"
2 825 ACRES

FIELD NOTES of a 2.825 acre tract of land called Tract "VII" surveyed this day, and being situated in the John Dickinson League, Abstract No 9, Galveston County, Texas; and the I & G.N.R.R. Survey, Section No 1, Abstract No 607, Galveston County, Texas; said 2 825 acre tract of land being out of and a part of a called 306 36 acres described in a deed from Mahsa Corporation to KW Interests, L.L.C. dated February 24, 1998, and recorded at Film Code Number 012-38-0070 of the Official Public Records of Real Property of Galveston County, Texas. This 2.825 acre tract of land is more particularly described by metes and bounds as follows:

NOTE: ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21 071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM (1986 ADJUSTMENT). ALL DISTANCES ARE ACTUAL DISTANCES SCALE FACTOR = 0 999866224 REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION

COMMENCING at beginning of a curve to the left, concave Northwesterly, from this beginning point the radius of said curve bears N 25°17'19" W, said commencing point also being the Southwest corner of Brittany Bay Boulevard (called Tract "B") as recorded at Film Code No. 013-40-2650 of the Official Public Records of Real Property of Galveston County, Texas; this commencing point has Texas State Plane Coordinate Values of Y = 13,741,507 88 and X = 3,194,566 52.

THENCE in a Northeasterly direction with the South right-of-way line of said Brittany Bay Boulevard, and said curve to the left having a central angle of 05°20'37", a radius of 2050 00 feet, a length of 191.19 feet and a chord bearing and distance of N 62°02'23" E, 191 12 feet, to a set 5/8 inch iron rod with cap for the Northwest corner of this tract of land and being the PLACE OF BEGINNING of this tract of land; said beginning point having Texas State Plane Coordinates of Y = 13,741,597 48 and X = 3,194,735 31.

THENCE in a Northeasterly direction with the North line of this tract of land, the South right-of-way line of said Brittany Bay Boulevard and continuing with said curve to the left having a central angle of 15°09'45", a radius of 2050 00 feet, a length of 542.51 feet and a chord bearing and distance of N 51°47'12" E, 540 93 feet, to a set 5/8 inch iron rod with cap for the Northeast corner of this tract of land.

THENCE S 08°51'46" E with the East line of this tract of land a distance of 328 89 feet to a set 5/8 inch iron rod with cap for the Southeast corner of this tract of land.

THENCE S 58°05'17" W with the South line of this tract of land a distance of 427 33 feet to a set 5/8 inch iron rod with cap for the Southwest corner of this tract of land.

THENCE N 27°34'36" W with the West line of this tract of land a distance of 243.96 feet to the PLACE OF BEGINNING, containing within said boundaries a calculated area of 2.825 acres (123,041 945 sq ft.) of land, more or less

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000

STATE OF TEXAS)
COUNTY OF GALVESTON)

015-21-0311

Exhibit "B"
TRACT "VI"
25 671 ACRES

FIELD NOTES of a 25 671 acre tract of land called Tract "VI" surveyed this day, and being situated in the John Dickinson League, Abstract No. 9, Galveston County, Texas; said 25.671 acre tract of land being out of and a part of a 127 9586 acre tract of land called "Tract A" described in a deed from N D C, Inc., a Texas corporation to KW Interests LLC dated May 30, 1996, and recorded at Film Code Number 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas. This 25 671 acre tract of land is more particularly described by metes and bounds as follows:

NOTE ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21 071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM (1986 ADJUSTMENT) ALL DISTANCES ARE ACTUAL DISTANCES SCALE FACTOR = 0.999866224 REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION

BEGINNING at a found 5/8 inch iron rod for the most Easterly North corner of said 127 9586 acre tract of land and being the Northeast corner of this tract of land, this beginning point has Texas State Plane Coordinate Values of Y = 13,745,036.84 and X = 3,197,751.56

THENCE S 02°04'42" E with the East line of this tract of land and the East line of said 127 9586 acre tract of land a distance of 1844.45 feet to a set 5/8 inch iron rod for the Southeast corner of this tract of land, said point being the most Easterly North corner of Brittany Bay Boulevard called Tract "B" as surveyed this day

THENCE S 87°55'18" W with the South line of this tract of land and the North right-of-way line of said Brittany Bay Boulevard a distance of 660.90 feet to a set 5/8 inch iron rod for the Southwest corner of this tract of land.

THENCE N 02°05'13" W with the West line of this tract of land a distance of 1518.25 feet to a set 5/8 inch iron rod for the Northwest corner of this tract of land.

THENCE N 45°57'47" E with the North line of this tract of land a distance of 68.29 feet to a found 5/8 inch iron rod for an angle point of this tract of land and an angle point for said 127 9586 acre tract of land.

THENCE N 63°14'12" E with the North line of this tract of land and the North line of said 127 9586 acre tract of land a distance of 671.73 feet to the PLACE OF BEGINNING, containing within said boundaries a calculated area of 25 671 acres (1,118,223.387 sq.ft.) of land, more or less

STATE OF TEXAS)
COUNTY OF GALVESTON)

Exhibit "B"

TRACT "VII"
238 723 ACRES

FIELD NOTES of a 238 723 acre tract of land called Tract "VII" surveyed this day, and being situated in the John Dickinson League, Abstract No 9, Galveston County, Texas, the I & G N R R. Survey, Section No 1, Abstract No 607, Galveston County, Texas, the J R Coryell Survey, Abstract No 660, Galveston County, Texas, and the A B Langermann Survey, Abstract No 654, Galveston County, Texas; said 238 723 acre tract of land being out of and a part of the following tracts of land

- 1) 127 9586 acres called Tract "A" described in a deed from N D C , Inc , a Texas corporation to KW Interests L L C dated May 30, 1996, and recorded at Film Code Number 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas
- 2) 306 36 acres described in a deed from Mahsal Corporation to KW Interests, L L C dated February 24, 1998, and recorded at Film Code Number 012-38-0070 of the Official Public Records of Real Property of Galveston County, Texas
- 3) 190 3845 acres described in a deed from Lynn B Watkins to KW Interests L L C dated July 24, 1998, and recorded at Film Code Number 012-79-0812 of the Official Public Records of Real Property of Galveston County, Texas
- 4) 287 0171 acres called Tract "B" described in a deed from N D C , Inc , a Texas corporation to KW Interests L L C dated May 30, 1996, and recorded at Film Code Number 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas

This 238 723 acre tract of land is more particularly described by metes and bounds as follows

NOTE ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21 071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM (1986 ADJUSTMENT) ALL DISTANCES ARE ACTUAL DISTANCES SCALE FACTOR = 0 999866224 REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION

BEGINNING at a 5/8 inch iron rod set for a corner of this tract of land and being in the East line of said Item No 1 above, from this beginning point a found 5/8 inch iron rod for the most Northerly corner of said Item No 1 above bears N 02°04'42" W a distance of 1944 45 feet, this beginning point has Texas State Plane Coordinate Values of Y = 13,743,093 94 and X = 3,197,822 07

THENCE S 02°04'42" E with the East line of this tract of land and the East line of said Item No 1 above a distance of 550 37 feet to a set 5/8 inch iron rod for a corner of this tract of land, the Southeast corner of said Item No 1 above and the Northwest corner of said Item No 3 above, from this corner a found 5/8 inch iron rod bears S 87°55'13" W a distance of 2 94 feet

THENCE N 86°54'37" E with the North line of this tract of land and the North line of said Item No 3 above a distance of 1861 15 feet to a set 5/8 inch iron rod for a corner of this tract of land and the Northeast corner of said Item No 3 above, from this corner a found 5/8 inch iron rod bears N 08°24'02" W a distance of 2 09 feet

THENCE S 03°02'26" E with the East line of this tract of land and the East line of said Item No 3 above a distance of 4300 36 feet to a set 5/8 inch iron rod for the most Easterly Southeast corner of this tract of land and the Southeast corner of said Item No 3 above, from this corner a found 5/8 inch iron rod bears N 51°10'48" W a distance of 1 76 feet

015-21-0313

PAGE No 2
238 723 Acres (TRACT "VII")

Exhibit "B"

THENCE S 87°08'09" W with the South line of this tract of land and the South line of said Item No 3 above a distance of 90 83 feet to a found 2 inch galvanized iron pipe for an angle point of this tract of land and an angle point of said Item No 3 above

THENCE S 86°49'53" W with the South line of this tract of land and the South line of said Item No 3 above a distance of 1737 44 feet to a set 5/8 inch iron rod for a corner of this tract of land.

THENCE N 14°47'00" W with the South line of this tract of land a distance of 431 25 feet to a set 5/8 inch iron rod for the beginning of a non-tangent curve to the right, concave Northerly

THENCE in a Northwesterly direction with the South line of this tract of land and said non-tangent curve to the right, having a central angle of 19°24'14", a radius of 530 00 feet, a length of 179 49 feet and a chord bearing and distance of N 74°34'22" W, 178 64 feet, to a set 5/8 inch iron rod for the end of this curve.

THENCE N 64°52'15" W with the South line of this tract of land a distance of 880 84 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the left, concave Southerly

THENCE in a Southwesterly direction with the South line of this tract of land and said tangent curve to the left having a central angle of 56°01'29", a radius of 720 00 feet, a length of 704 03 feet and a chord bearing and distance of S 87°07'01" W, 676 31 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE S 59°06'16" W with the South line of this tract of land a distance of 141 54 feet to a set 5/8 inch iron rod for a corner of this tract of land.

THENCE S 04°01'08" E with the South line of this tract of land a distance of 815 00 feet to a set 5/8 inch iron rod for a corner of this tract of land; said corner being in the South line of said Item No 4 above

THENCE S 87°30'32" W with the South line of this tract of land and the South line of said Item No 4 above a distance of 1678 44 feet to a set 5/8 inch iron rod for the most Southerly Southwest corner of this tract of land, said point being in the East right-of-way line of Bay Area Boulevard as surveyed this day, and the beginning of a non-tangent curve to the right, concave Southeasterly

THENCE in a Northerly direction with the West line of this tract of land, the East right-of-way line of said Bay Area Boulevard and said non-tangent curve to the right having a central angle of 13°51'42", a radius of 1950 00 feet, a length of 471 76 feet and a chord bearing and distance of N 04°00'33" E, 470 61 feet, to set 5/8 inch iron rod for the beginning of a compound curve to the right, concave Southeasterly

THENCE in a Northeasterly direction with the West line of this tract of land, the East right-of-way line of said Bay Area Boulevard and said compound curve to the right having a central angle of 91°38'14", a radius of 25 00 feet, a length of 39 98 feet and a chord bearing and distance of N 56°45'30" E, 35 86 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE N 12°34'38" E with the West line of this tract of land and the East right-of-way line of said Bay Area Boulevard a distance of 60 00 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the right, concave Northeasterly

THENCE in a Northwesterly direction with the West line of this tract of land, the East right-of-way line of said Bay Area Boulevard and said tangent curve to the right, having a central angle of 91°38'14", a radius of 25 00 feet, a length of 39 98 feet and a chord bearing and distance of N 31°36'16" W, 35 86 feet, to a set 5/8 inch iron rod for the beginning of a compound curve to the right, concave Easterly

015-21-0314

PAGE No 3
238 723 Acres (TRACT "VII")

Exhibit "B"

THENCE in a Northerly direction with the West line of this tract of land, the East right-of-way line of said Bay Area Boulevard and said compound curve to the right having a central angle of $02^{\circ}47'58''$, a radius of 1950 00 feet, a length of 95 28 feet and a chord bearing and distance of $N 15^{\circ}36'51'' E$, 95 27 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE $N 17^{\circ}00'07'' E$ with the West line of this tract of land and the East right-of-way line of said Bay Area Boulevard a distance of 213 51 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the left, concave Westerly

THENCE in a Northerly direction with the West line of this tract of land, the East right-of-way line of said Bay Area Boulevard and said curve to the left having a central angle of $07^{\circ}35'09''$, a radius of 2050 00 feet, a length of 271 41 feet and a chord bearing and distance of $N 12^{\circ}50'43'' E$, 271 21 feet, to a set 5/8 inch iron rod for the beginning of a non-tangent curve to the left, concave Northerly

THENCE in a Easterly direction with the North line of this tract of land and said non-tangent curve to the left having a central angle of $16^{\circ}29'40''$, a radius of 1134 24 feet, a length of 326 52 feet and a chord bearing and distance of $N 86^{\circ}48'19'' E$, 325 40 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE $S 46^{\circ}38'45'' E$ with the North line of this tract of land a distance of 328 40 feet to a set 5/8 inch iron rod for an angle point of this tract of land.

THENCE $N 88^{\circ}52'13'' E$ with the North line of this tract of land a distance of 491 59 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE $S 30^{\circ}53'44'' E$ with the North line of this tract of land a distance of 171 55 feet to a set 5/8 inch iron rod for an angle point for this tract of land

THENCE $N 59^{\circ}06'16'' E$ with the North line of this tract of land a distance of 421 38 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the right, concave Southerly

THENCE in a Easterly direction with the North line of this tract of land and said tangent curve to the right having a central angle of $22^{\circ}51'47''$, a radius of 780 00 feet, a length of 311 25 feet and a chord bearing and distance of $N 70^{\circ}32'09'' E$, 309 19 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE $N 05^{\circ}59'00'' W$ with the West line of this tract of land a distance of 381 61 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE $N 55^{\circ}50'28'' W$ with the West line of this tract of land a distance of 70 06 feet to a set 5/8 inch iron rod for the beginning of a non-tangent curve to the left, concave Northwesterly

THENCE in a Northeasterly direction with the West line of this tract of land and said non-tangent curve to the left having a central angle of $11^{\circ}16'19''$, a radius of 780 71 feet, a length of 153 59 feet and a chord bearing and distance of $N 25^{\circ}45'39'' E$, 153 34 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE $N 27^{\circ}11'35'' E$ with the West line of this tract of land a distance of 475 65 feet to a set 5/8 inch iron rod an angle point for this tract of land.

THENCE $S 79^{\circ}51'01'' E$ with the North line of this tract of land a distance of 445 15 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE $N 82^{\circ}23'53'' E$ with the North line of this tract of land a distance of 415 62 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000

PAGE No. 4
238 723 Acres (TRACT VII)

Exhibit "B"

THENCE N 86°06'59" E with the North line of this tract of land a distance of 329 02 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE S 07°52'28" E with the East line of this tract of land a distance of 610 37 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE S 18°36'12" W with the East line of this tract of land a distance of 283 72 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE S 09°51'31" W with the East line of this tract of land a distance of 564 17 feet to a set 5/8 inch iron rod for the beginning of a non-tangent curve to the left, concave Northerly

THENCE in a Northeasterly direction with the North line of this tract of land and said non-tangent curve to the left having a central angle of 82°54'40", a radius of 470 00 feet, a length of 681 07 feet and a chord bearing and distance of N 70°32'55" E, 623 18 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE N 29°05'35" E with the North line of this tract of land a distance of 645 27 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 15°50'36" W with the West line of this tract of land a distance of 778 05 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 31°50'32" W with the West line of this tract of land a distance of 190 00 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 08°23'53" E with the West line of this tract of land a distance of 237 29 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 65°09'11" E with the West line of this tract of land a distance of 407 18 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 33°05'32" E with the West line of this tract of land a distance of 183 91 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 12°22'18" W with the West line of this tract of land a distance of 171 96 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 60°31'20" E with the West line of this tract of land a distance of 266 08 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 33°05'32" E with the West line of this tract of land a distance of 45 62 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 35°31'48" W with the West line of this tract of land a distance of 175 07 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE S 80°34'31" W with the West line of this tract of land a distance of 186 26 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 21°34'56" W with the West line of this tract of land a distance of 221 74 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000

015-21-0317

PAGE No 6
238 723 Acres (TRACT VII)

Exhibit "B"

THENCE in a Northerly direction with the West line of this tract of land and said non-tangent curve to the right, having a central angle of $01^{\circ}44'57''$, a radius of 780 00 feet, a length of 23 81 feet and a chord bearing and distance of $N 02^{\circ}57'11'' W$, 23 81 feet, to the end of this curve

THENCE $N 02^{\circ}04'42'' W$ with the West line of this tract of land a distance of 334 04 feet to a set 5/8 inch iron rod for an angle point of this tract of land and being in the South right-of-way line of said Brittany Bay Boulevard.

THENCE $N 87^{\circ}55'18'' E$ with the North line of this tract of land and the South right-of-way line of said Brittany Bay Boulevard a distance of 60 00 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the right, concave Southeasterly

THENCE in a Northeasterly direction with the North line of this tract of land, the South right-of-way line of said Brittany Bay Boulevard and said tangent curve to the right having a central angle of $89^{\circ}59'59''$, a radius of 25 00 feet, a length of 39 27 feet and a chord bearing and distance of $N 42^{\circ}55'18'' E$, 35 36 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE $N 87^{\circ}55'18'' E$ with the North line of this tract of land and the South right-of-way line of said Brittany Bay Boulevard a distance of 548 76 feet to the PLACE OF BEGINNING, containing within said boundaries a calculated area of 238 723 acres (10,398,768 800 sq ft) of land, more or less

SAVE AND EXCEPT Magnolia Creek, Section Two, a subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Pages 963 and 964 of the Map Records in the Office of the County Clerk of Galveston County, Texas

SAVE AND EXCEPT Magnolia Creek, Section Three, a subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Pages 965 and 966 of the Map Records in the Office of the County Clerk of Galveston County, Texas

STATE OF TEXAS)
COUNTY OF GALVESTON)

Exhibit "B"

TRACT "VIII"
33 947 ACRES

FIELD NOTES of a 33 947 acre tract of land called Tract "VIII" surveyed this day, and being situated in the I & G N R R Survey, Section No 1, Abstract No 607, Galveston County, Texas, and the I & G N R R Survey, Section No 2, Abstract No 606, Galveston County, Texas, said 33 947 acre tract of land being out of and a part of the following tracts of land

- 1) 306 36 acres described in a deed from Mahsai Corporation to KW Interests, L L C dated February 24, 1998, and recorded at Film Code Number 012-38-0070 of the Official Public Records of Real Property of Galveston County, Texas.
- 2) 287 0171 acres called Tract "B" described in a deed from N D C , Inc , a Texas corporation to KW Interests LLC dated May 30, 1996, and recorded at Film Code Number 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas

Thus 33 947 acre tract of land is more particularly described by metes and bounds as follows

NOTE ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21 071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM (1986 ADJUSTMENT) ALL DISTANCES ARE ACTUAL DISTANCES SCALE FACTOR = 0 999866224 REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION

COMMENCING at the Southwest corner of Bay Area Boulevard as surveyed this day and the beginning of a non-tangent curve to the right, concave Easterly; from this corner the Southeast corner of said Item No 2 above and the Southwest corner of said Item No 1 above bears N 87°30'32" E a distance of 2311 11, said commencing point having Texas State Plane Coordinates of Y = 13,738,091 60 and X = 3,194,507 25

THENCE in a Northerly direction with the West right-of-way line of said Bay Area Boulevard and said non-tangent curve to the right having a central angle of 19°54'52", a radius of 2050 00 feet, a length of 712.53 feet and a chord bearing and distance of N 07°03'23" E, 708 95 feet, to a point for the end of this curve

THENCE N 17°00'50" E with the West right-of-way line of said Bay Area Boulevard a distance of 200 06 feet to a point for a tangent curve to the left, concave Westerly

THENCE in a Northerly direction with the West right-of-way line of said Bay Area Boulevard and said tangent curve to the left having a central angle of 26°41'06", a radius of 1950 00 feet, a length of 908 20 feet and a chord bearing and distance of N 03°40'16" E, 900 01 feet, to a point for the end of this curve

THENCE N 09°40'17" W with the West right-of-way line of said Bay Area Boulevard a distance of 129 98 feet to a set 5/8 inch iron rod for the PLACE OF BEGINNING of this tract of land, said beginning point having Texas State Plane Coordinates of Y = 13,740,012 52 and X = 3,194,688 65

THENCE N 73°42'39" W with the South line of this tract of land a distance of 179 24 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE S 59°23'11" W with the South line of this tract of land a distance of 433 76 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000

015-21-0319

PAGE No 2
33 947 Acres (TRACT VIII)

Exhibit "B"

THENCE S 39°16'05" W with the South line of this tract of land a distance of 115 20 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE S 12°51'46" W with the South line of this tract of land a distance of 613 41 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 81°00'36" W with the South line of this tract of land a distance of 607 73 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE S 78°16'43" W with the South line of this tract of land a distance of 392 87 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 29°30'11" E with the West line of this tract of land a distance of 206 31 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 15°27'22" E with the West line of this tract of land a distance of 726 63 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 35°08'33" E with the West line of this tract of land a distance of 111 34 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 54°04'25" E with the North line of this tract of land a distance of 424 01 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 62°45'10" E with the North line of this tract of land a distance of 802 36 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE N 80°55'51" E with the North line of this tract of land a distance of 266 21 feet to a set 5/8 inch iron rod for the beginning of a non-tangent curve to the right, concave Southeasterly and being in the West right-of-way line of said Bay Area Boulevard.

THENCE in a Southeasterly direction with the East line of this tract of land, the West right-of-way line of said Bay Area Boulevard and said non-tangent curve to the right having a central angle of 03°32'32", a radius of 1950.00 feet, a length of 120 56 feet and a chord bearing and distance of S 03°45'33" E, 120 54 feet, to a set 5/8 inch iron rod for the end of this curve.

THENCE S 01°59'17" E with the East line of this tract of land and the West right-of-way line of said Bay Area Boulevard a distance of 308 84 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the left, concave Easterly.

THENCE in a Southerly direction with the East line of this tract of land, the West right-of-way line of said Bay Area Boulevard and said tangent curve to the left having a central angle of 07°41'00", a radius of 2050 00 feet, a length of 274 90 and a chord bearing and distance of S 05°49'47" E, 274 70 feet, to a set 5/8 inch iron rod for the end of this curve.

THENCE S 09°40'17" E with the East line of this tract of land and the West right-of-way line of said Bay Area Boulevard a distance of 85 38 feet to the PLACE OF BEGINNING, containing within said boundaries a calculated area of 33 947 acres (1,478,746 439 sq ft) of land, more or less.

SAVE AND EXCEPT Magnolia Creek, Section Four, Phase One, a subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Pages 967 and 968 of the Map Records in the Office of the County Clerk of Galveston County, Texas.

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000

015-21-0320

STATE OF TEXAS)
COUNTY OF GALVESTON)

Exhibit "B"

TRACT "IX"
95 773 ACRES

FIELD NOTES of a 95 773 acre tract of land called Tract "IX" surveyed this day, and being situated in the I & G N R R Survey, Section No 1, Abstract No 607, Galveston County, Texas, and the I & G N R R Survey, Section No 2, Abstract No 606, Galveston County, Texas, said 95 773 acre tract of land being out of and a part of a 287 0171 acre tract of land called Tract "B" described in a deed from N D C , Inc , a Texas corporation to KW Interests LLC dated May 30, 1996, and recorded at Film Code Number 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas This 95 773 acre tract of land is more particularly described by metes and bounds as follows

NOTE ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21 071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM (1986 ADJUSTMENT) ALL DISTANCES ARE ACTUAL DISTANCES SCALE FACTOR = 0 999866224 REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION

BEGINNING at a set 5/8 inch iron rod for the most Westerly Northwest corner of this tract of land and the most Westerly Northwest corner of said 287 0171 acre tract of land, said beginning point having Texas State Plane Coordinates of Y = 13,737,737 20 and X = 3,184,286 34

THENCE N 87°51'32" E with the North line of this tract of land and the North line of said 287 0171 acre tract of land a distance of 5456 67 feet to a set 5/8 inch iron rod for an angle point of this tract of land and an angle point of said 287 0171 acre tract of land.

THENCE N 46°51'28" E with the North line of this tract of land and the North line of said 287 0171 acre tract of land a distance of 2961 28 feet to a set 5/8 inch iron rod for the beginning of a non-tangent curve to the left, concave Northwesterly, said point being in the most Westerly Southwest corner of Brittany Bay Boulevard called Tract "A" as surveyed this day

THENCE in a Northeasterly direction with the North line of this tract of land, the South right-of-way line of said Brittany Bay Boulevard and said non-tangent curve to the left having a central angle of 09°15'32", a radius of 1550 00 feet, a length of 250 48 and a chord bearing and distance of N 77°54'28" E, 250 20 feet, to a set 5/8 inch iron rod for the beginning of a reverse curve to the right, concave Southerly

THENCE in a Easterly direction with the North line of this tract of land, the South right-of-way line of said Brittany Bay Boulevard and said reverse curve to the right having a central angle of 82°57'56", a radius of 25 00 feet, a length of 36 20 feet and a chord bearing and distance of S 65°14'20" E, 33 12 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE N 75°00'14" E with the North line of this tract of land and the South right-of-way line of said Brittany Bay Boulevard a distance of 60 63 feet to the beginning of a tangent curve to the right, concave Westerly

THENCE in a Southwesterly direction with the East line of this tract of land and said tangent curve to the right having a central angle of 51°57'37", a radius of 530 00 feet, a length of 480 65 feet and a chord bearing and distance of S 03°13'21" W, 464 34 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE S 29°24'40" W with the East line of this tract of land a distance of 648 38 feet to the beginning of a tangent curve to the left, concave Easterly

THENCE in a Southerly direction with the East line of this tract of land and said tangent curve to the left having a central angle of 84°56'56", a radius of 50 00 feet, a length of 74 13 feet and a chord bearing and distance of S 08°48'55" E, 67 53 feet, to a set 5/8 inch iron rod for the beginning of a reverse curve to the right, concave Southwesterly

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000

015-21-0321

PAGE No 2

95 773 Acres (TRACT "IX")

Exhibit "B"

THENCE in a Southeasterly direction with the East line of this tract of land and said reverse curve to the right having a central angle of $42^{\circ}46'44''$, a radius of 780 00 feet, a length of 582 37 feet and a chord bearing and distance of $S 29^{\circ}54'02'' E$, 568 94 feet, to a set $5/8$ inch iron rod for the end of this curve

THENCE $N 89^{\circ}50'42'' E$ with the North line of this tract of land a distance of 144 05 feet to a set $5/8$ inch iron rod for an angle point for this tract of land

THENCE $N 63^{\circ}10'45'' E$ with the North line of this tract of land a distance of 193 25 feet to a set $5/8$ inch iron rod for an angle point for this tract of land.

THENCE $N 87^{\circ}42'50'' E$ with the North line of this tract of land a distance of 781 47 feet to a set $5/8$ inch iron rod for an angle point for this tract of land.

THENCE $S 84^{\circ}42'21'' E$ with the North line of this tract of land a distance of 820 05 feet to a set $5/8$ inch iron rod for an angle point for this tract of land.

THENCE $N 76^{\circ}02'36'' E$ with the North line of this tract of land a distance of 460 59 feet to a set $5/8$ inch iron rod for the beginning of a non-tangent curve to the left, concave Easterly and being in the West right-of-way line of Bay Area Boulevard as surveyed this day

THENCE in a Southerly direction with the East line of this tract of land, the West right-of-way line of said Bay Area Boulevard and said non-tangent curve to the left having a central angle of $13^{\circ}53'14''$, a radius of 2050 00 feet, a length of 496 87 feet and a chord bearing and distance of $S 04^{\circ}02'34'' W$, 495 66 feet, to a set $5/8$ inch iron rod for the end of this curve and being in the South line of said 287 0171 acre tract of land.

THENCE $S 87^{\circ}30'32'' W$ with the South line of this tract of land and the South line of said 287 0171 acre tract of land, at 4837 70 feet set a $5/8$ inch iron rod for a point on line and from this set point a found $5/8$ inch iron rod bears $S 38^{\circ}56'16'' E$ a distance of 0 94 feet, continuing along said line a total distance of 10,224 16 feet to a set $5/8$ inch iron rod for the most Westerly Southwest corner of this tract of land and the most Westerly Southwest corner of said 287 0171 acre tract of land.

THENCE $N 04^{\circ}56'50'' W$ with the West line of this tract of land and the West line of said 287 0171 acre tract of land a distance of 90 28 feet to the PLACE OF BEGINNING, containing within said boundaries a calculated area of 95 773 acres (4,171,891 126 sq ft) of land, more or less

SAVE AND EXCEPT Magnolia Creek, Section One, Phase One, a subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Pages 961 and 962 of the Map Records in the Office of the County Clerk of Galveston County, Texas

015-21-0322

STATE OF TEXAS)
COUNTY OF GALVESTON)

Exhibit "B"

TRACT "X"
31 371 ACRES

FIELD NOTES of a 31 371 acre tract of land called Tract "X" surveyed this day, and being situated in the I. & G N R.R. Survey, Section No 1, Abstract No 607, Galveston County, Texas, and the I & G N R.R. Survey, Section No 2, Abstract No 606, Galveston County, Texas, said 31 371 acre tract of land being out of and a part of the following tracts of land.

- 1) 306 36 acres described in a deed from Mahsar Corporation to KW Interests, L.L C dated February 24, 1998, and recorded at Film Code Number 012-38-0070 of the Official Public Records of Real Property of Galveston County, Texas.
- 2) 287 0171 acres called Tract "B" described in a deed from N D C , Inc , a Texas corporation to KW Interests LLC dated May 30, 1996, and recorded at Film Code Number 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas
- 3) 127 9586 acres called Tract "A" described in deed from N D C , Inc , a Texas corporation to KW Interests LLC, dated May 30, 1996, and recorded at Film Code 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas

This 31 371 acre tract of land is more particularly described by metes and bounds as follows

NOTE ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21 071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM (1986 ADJUSTMENT) ALL DISTANCES ARE ACTUAL DISTANCES SCALE FACTOR = 0 999866224 REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION

BEGINNING at a found 5/8 inch iron rod for an angle point of this tract of land and an angle point of said Item No 2 above, said point having Texas State Plane Coordinates of Y = 13,740,147 68 and X = 3,192,093 06

THENCE N 01°58'07" W with the West line of this tract of land and the Northwesterly line of said Item No. 2 above a distance of 265 70 feet to a found 5/8 inch iron rod for an angle point for this tract of land and an angle point of said Item No 2 above.

THENCE N 46°51'28" E with the North line of this tract of land and the Northwesterly line of said Item No 2 above a distance of 1318 66 feet to a found 5/8 inch iron rod for an angle point for this tract of land and an angle point of said Item No 2 above

THENCE N 46°38'48" E with the North line of this tract of land and the Northwesterly line of said Item No. 2 above a distance of 1841 52 feet to a set 5/8 inch iron rod for the beginning of a non-tangent curve to the right, concave Westerly and being the Northwest corner of Bay Area Boulevard as surveyed this day

THENCE in a Southerly direction with the East line of this tract of land, the West right-of-way line of said Bay Area Boulevard and said non-tangent curve to the right having a central angle of 10°18'26", a radius of 1450 00 feet, a length of 260 84 feet and a chord bearing and distance of S 01°49'17" W, 260 49 feet, to a set 5/8 inch iron rod for the beginning of a reverse curve to the left, concave Easterly

THENCE in a Southerly direction with the East line of this tract of land, the West right-of-way line of said Bay Area Boulevard and said reverse curve to the left having a central angle of 20°53'15", a radius of 2050.00 feet, a length of 747.34 and a chord bearing and distance of S 03°28'08" E, 743 21 feet, to a set 5/8 inch iron rod for the beginning of a compound curve to the right, concave Northwesterly

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000

PAGE No 2
31 371 Acres (TRACT "X")

Exhibit "B"

THENCE in a Southwesterly direction with the East line of this tract of land, the West right-of-way line of said Bay Area Boulevard and said compound curve to the right having a central angle of $82^{\circ}23'01''$, a radius of 25.00 feet, a length of 35.95 feet and a chord bearing and distance of $S 27^{\circ}16'45'' W$, 32.93 feet, to a set 5/8 inch iron rod for the beginning of a compound curve to the right, concave Northwesterly and being the Northeast corner of Brittany Bay Boulevard called Tract "A" as surveyed this day

THENCE in a Southwesterly direction with the South line of this tract of land, the North right-of-way line of said Brittany Bay Boulevard and said compound curve to the right having a central angle of $02^{\circ}03'29''$, a radius of 1950.00 feet, a length of 70.05 and a chord bearing and distance of $S 69^{\circ}30'00'' W$, 70.04 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE $S 70^{\circ}31'45'' W$ with the South line of this tract of land and the North right-of-way line of said Brittany Bay Boulevard a distance of 548.20 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the left, concave Southeasterly

THENCE in a Southwesterly direction with the South line of this tract of land, the North right-of-way line of said Brittany Bay Boulevard and said tangent curve to the left having a central angle of $30^{\circ}45'47''$, a radius of 2050.00 feet, a length of 1100.68 feet and a chord bearing and distance of $S 55^{\circ}08'51'' W$, 1087.51 feet, to the end of this curve

THENCE $S 39^{\circ}45'58'' W$ with the South line of this tract of land and the North right-of-way line of said Brittany Bay Boulevard a distance of 187.15 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the right, concave Northwesterly

THENCE in a Southwesterly direction with the South line of this tract of land, the North right-of-way line of said Brittany Bay Boulevard and said tangent curve to the right having a central angle of $36^{\circ}49'43''$, a radius of 1450.00 feet, a length of 932.03 and a chord bearing and distance of $S 58^{\circ}10'49'' W$, 916.07 feet, to a set 5/8 inch iron rod for the end of this curve and being in the Northwesterly line of said Item No 2 above

THENCE $N 46^{\circ}51'28'' E$ with the West line of this tract of land and the Northwesterly line of said Item No 2 above a distance of 81.32 feet to the PLACE OF BEGINNING, containing within said boundaries a calculated area of 31 371 acres (1,366,531.888 sq.ft) of land, more or less.

015-21-0324

STATE OF TEXAS)
COUNTY OF GALVESTON)

Exhibit "B"

TRACT "XI"
51 309 ACRES

FIELD NOTES of a 51 309 acre tract of land situated in the John Dickinson League, Abstract No 9, Galveston County, Texas, and the I & G N R R Survey, Section No 1, Abstract No 607, Galveston County, Texas, said 51 309 acre tract of land being out of and a part of the following tracts of land

- 1) 127 9586 acres called Tract "A" described in a deed from N D C , Inc , a Texas corporation to KW Interests LLC dated May 30, 1996, and recorded at Film Code Number 011-14-2822 of the Official Public Records of Real Property of Galveston County, Texas
- 2) 306 36 acres described in a deed from Mahsa Corporation to KW Interests, L L C dated February 24, 1998, and recorded at Film Code Number 012-38-0070 of the Official Public Records of Real Property of Galveston County, Texas

Thus 51 309 acre tract of land is more particularly described by metes and bounds as follows

NOTE ALL BEARINGS ARE LAMBERT GRID BEARINGS AND ALL COORDINATES REFER TO THE STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, AS DEFINED BY ARTICLE 21 071 OF THE NATURAL RESOURCES CODE OF THE STATE OF TEXAS, 1983 DATUM (1986 ADJUSTMENT) ALL DISTANCES ARE ACTUAL DISTANCES SCALE FACTOR = 0 999866224 REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION

BEGINNING at a found 5/8 inch iron rod for the most Northerly West corner of this tract of land and the most Northerly West corner of said Item No 1 above, said point having Texas State Plane Coordinates of Y = 13,744,706 05 and X = 3,196,638 00

THENCE N 86°50'33" E with the North line of this tract of land and the North line of said Item No 1 above a distance of 514 72 feet to a found 5/8 inch iron rod for the Northeast corner of this tract of land and an angle point for said Item No 1 above

THENCE S 45°57'47" W with the East line of this tract of land a distance of 68 29 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE S 46°52'17" W with the East line of this tract of land a distance of 1373 13 feet to a set 5/8 inch iron rod for an angle point for this tract of land

THENCE S 74°59'54" E with the East line of this tract of land a distance of 26 90 feet to a set 5/8 inch iron rod for an angle point for this tract of land.

THENCE S 02°52'07" W with the East line of this tract of land a distance of 808 72 feet to a set 5/8 inch iron rod for the beginning of a non-tangent curve to the left, concave Southeasterly and being in the North right-of-way line of Brittany Bay Boulevard called Tract "B" as surveyed this day

THENCE in a Southwesterly direction with the South line of this tract of land, the North right-of-way line of said Brittany Bay Boulevard and said non-tangent curve to the left having a central angle of 22°14'09", a radius of 2050 00 feet, a length of 795 58 feet and a chord bearing and distance of S 51°28'18" W, 790 59 feet, to a set 5/8 inch iron rod for the end of this curve

THENCE S 40°21'14" W with the South line of this tract of land and the North right-of-way line of said Brittany Bay Boulevard a distance of 449 71 feet to a set 5/8 inch iron rod for the beginning of a tangent curve to the right, concave Northwesterly

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000

015-21-0325

PAGE No 2
51 309 Acres (TRACT "XI")

Exhibit "B"

THENCE in a Southwesterly direction with the South line of this tract of land, the North right-of-way line of said Brittany Bay Boulevard and said tangent curve to the right having a central angle of 23°34'44", a radius of 1950 00 feet, a length of 802 48 feet and a chord bearing and distance of S 52°08'35" W, 796 83 feet, to a set 5/8 inch iron rod for the beginning of a compound curve to the right, concave Northeasterly and being the Northwest corner of said Brittany Bay Boulevard; said point also being in the East right-of-way line of Bay Area Boulevard as surveyed this day

THENCE in a Northwesterly direction with the South line of this tract of land, the East right-of-way line of said Bay Area Boulevard and said compound curve to the right having a central angle of 102°56'02", a radius of 25 00 feet, a length of 44.91 feet and a chord bearing and distance of N 64°36'02" W, 39.11 feet, to a set 5/8 inch iron rod for the beginning of a compound curve to the right, concave Easterly

THENCE in a Northerly direction with the West line of this tract of land, the East right-of-way line of said Bay Area Boulevard and said compound curve to the right having a central angle of 20°06'31", a radius of 1950 00 feet, a length of 684 37 feet and a chord bearing and distance of N 03°04'46" W, 680 86 feet, to the beginning of a reverse curve to the left, concave Westerly

THENCE in a Northerly direction with the West line of this tract of land, the East right-of-way line of said Bay Area Boulevard and said reverse curve to the left having a central angle of 13°20'42", a radius of 1550.00 feet, a length of 361 02 feet and a chord bearing and distance of N 00°18'09" E, 360.20 feet, to a set 5/8 inch iron rod for the end of this curve, said point being the Northeast corner of said Bay Area Boulevard and also being in the Northwesterly line of said Item No 1 above

THENCE N 46°38'48" E with the North line of this tract of land and the Northwesterly line of said Item No 1 above a distance of 2971 38 feet to the PLACE OF BEGINNING, containing within said boundaries a gross calculated area of 52 659 acres of land, more or less

SAVE & EXCEPT from this tract of land a 1 350 acre tract of land described in a deed from Comvest Corporation, Trustee to City of League City, Texas dated December 18, 1986, and recorded at Film Code No 005-06-2225 of the Official Public Records of Real Property of Galveston County, Texas, leaving within this tract of land (Tract "XI") a net calculated area of 51 309 acres (2,235,000 002 sq.ft) of land, more or less.

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

2001 JAN 02 03:34 PM 2001000280
MEJIA_V \$145.00
Patricia Ritchie, COUNTY CLERK
GALVESTON, TEXAS

Supplemental Declaration of Covenants
Conditions & Restrictions for Magnolia Creek

November 22, 2000