

LEGAL DOCUMENTS OF

Longwood Owners' Association, Inc.

INCLUDED:

- 8th Amendment to the Bylaws, revised March 2012
- Rules and Regulations, revised March 2012
- 4th Amended and restated Declaration of Covenants, Conditions
and Restrictions, revised May 2012
- Payment Plan Policy, March 2012
- Fine Schedule, May 2012
- Records Retention Schedule, March 2012
- Records Production Policy, March 2012

June 2012
Supersedes May 1997

17

CORPORATE CERTIFICATE
LONGWOOD OWNERS' ASSOCIATION, INC.

The undersigned certifies that he/she is the President of Longwood Owners' Association, Inc. (the "Association"). The Association is the property owners' association for Longwood Subdivision, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in the Map Records of Montgomery County, Texas (the "Subdivision").

The Association is a Texas non-profit corporation, and a true and correct copy of the **Eighth Amendment to the Bylaws of the Longwood Owners' Association, Inc.** is attached to this certificate as Exhibit "A."

Signed this 22 day of March, 2012.

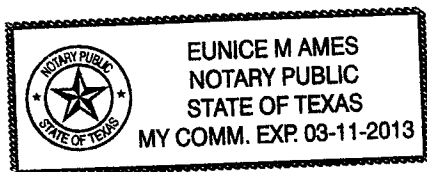
LONGWOOD OWNERS' ASSOCIATION, INC.

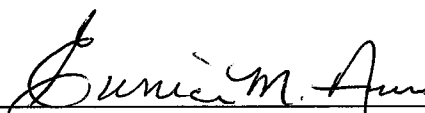
By: 
ORVILLE G. FLEETWOOD, President

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

SWORN TO AND SUBSCRIBED BEFORE ME on the 22nd day of March, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.



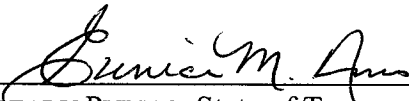

NOTARY PUBLIC, State of Texas



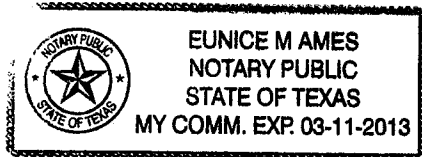
THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 22nd day of March, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.



NOTARY PUBLIC, State of Texas



AFTER RECORDING RETURN TO:

Bryan P. Fowler
The Fowler Law Firm
300 West Davis, Suite 510
Conroe, Texas 77301

**EIGHTH AMENDMENT TO THE
BYLAWS OF THE
LONGWOOD OWNERS' ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is LONGWOOD OWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at such place within Montgomery County, Texas as the Board of Directors of the Association may designate from time to time.

**ARTICLE II
DEFINITIONS**

Section 2.1. "Association" shall mean and refer to LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, its successors and assigns.

Section 2.2. "Declaration" shall mean and refer to the "Third Amended and Restated - Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision which is on file in the Real Property Records of Montgomery County, Texas, under Clerk's File Number 9730777, and all subsequently recorded amendments; said subdivision being known as LONGWOOD, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in the Map of Records of Montgomery County, Texas.

Section 2.3. Other definitions contained in the Declaration referenced above shall have the meanings indicated in the Declaration.

**ARTICLE III
MEETINGS OF MEMBERS**

Section 3.1. Annual Meetings. The regular annual meeting of the Members of the Association shall be held during October of each year, beginning at 7:00 o'clock P.M. on a date and at a place to be designated by the Board of Directors.

Section 3.2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon the written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the membership.

Section 3.3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or any person authorized to call a meeting, by hand delivery to each member, or by mailing a copy of such notice, postage paid, or electronic message transmission, when the electronic message address is provided by the member, or to which the member consents to for the purpose of receiving notice, not less than 10 days nor more than 60 days before such meeting to each Member entitled to vote at such meeting, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and the purpose of the meeting. A reasonable location for any membership meeting shall include, but shall not be limited to any public meeting facility in Conroe, Texas.

Section 3.4. Quorum. The presence at the meeting of Members entitled to vote plus all proxies entitled to be voted, which when combined are equal to at least one-fourth (1/4) of the sum of the entitled votes of the Membership, but not less than 10 votes, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 3.5. Voting. All Owners are Members of the Association. Each Dwelling Owner shall have a single vote, even if that Member owns multiple Dwellings. If two or more persons or entities are recorded as joint owners of a Dwelling, they are collectively defined as the Dwelling Owner and thus collectively as a Member, and therefore, together they are entitled to one vote.

Each Building Site Owner shall have 1/3 vote, even if that Member owns multiple Building Sites. If two or more persons or entities are recorded as joint owners of a Building Site, they are collectively defined as the Building Site Owner, and therefore, together they are entitled to 1/3 vote.

An Owner of both a Dwelling and one or more undeveloped Building Sites shall have one vote. Separate ownership of multiple properties by spouses, whether Dwellings or Building Sites, is

considered joint ownership for the purposes of voting and they shall have only a single vote or 1/3 vote as determined by the property owned.

No Member may cumulate his or her votes at any meeting, for any purpose.

Section 3.6. Methods of Voting. At all meetings of Members, the voting rights of a Member may be cast or given:

- (1) in person or by proxy at a meeting of the Association;
- (2) by absentee ballot; or
- (3) by electronic ballot by electronic mail or facsimile.

Absentee ballots may not be counted, even if properly delivered, if the Member attends any meeting to vote in person so that any vote cast at a meeting by the Member supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal. Absentee or electronic ballots may not be counted on the final vote of a proposal if the motion was amended at a meeting of the Members to be different from the exact language on the absentee or electronic ballot. Any solicitation for votes by absentee ballot by the Association must include an absentee ballot that contains each proposed action and provides an opportunity to vote for or against the proposed action, instructions for delivery of the completed absentee ballot, including the delivery location, all of which are required by Section 209.00592 of the TEXAS PROPERTY CODE.

Section 3.7. Proxies. All proxies shall be executed in writing by the Member, shall appoint as proxy another Member, or the Member's agent holding under the Member's durable power-of-attorney, and must be filed with the Secretary prior to the meeting at which it is in force. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of the Member's Dwelling. No proxy shall be valid after eleven (11) months after the date of its execution, unless otherwise provided in the proxy.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.1. Board of Directors. The affairs of this Association shall be managed by a Board of five (5) directors, who must be Dwelling Owners and Members of the Association. The

President shall be a Dwelling Owner and a Member of the Association and also shall be one of the five (5) directors.

Section 4.2. Term of Office. The directors elected by the Members of the Association shall hold office until successors are elected and qualified at an annual meeting. The Board of Directors will be divided into three classes of two (2), two (2) and one (1) persons who serve staggered, three-year terms. At each annual meeting, the Members shall elect that number of directors whose terms expire at such time.

Section 4.3. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairperson, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least 10 days before each annual meeting, to serve from the time of appointment until the appointment of a new Nominating Committee the following year. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. All persons nominated must be Members of the Association.

Section 4.4. Election. Election to the Board of Directors shall be by secret, written ballot, unless a majority of the sum of the entitled votes present in person or by proxy at a meeting elect to conduct the voting by any other means. At such election, the Members or their proxies may vote their entitled one or 1/3 vote. The person receiving the largest number of votes shall be elected. Voting for each vacancy to be filled shall be conducted separately, e.g. if two directors are to be elected, two ballots would be required.

Section 4.5. Election Vote Tabulators. A person who is a candidate in an Association election or who is otherwise the subject of an Association vote, or a person related to that person within the third degree of consanguinity or affinity, as determined under Chapter 573 of the TEXAS GOVERNMENT CODE, may not tabulate or otherwise be given access to the ballots cast in the election or vote.

Section 4.6. Director Appointments. Any Board member whose term has expired must be elected by the owners who are members of the Association. A Board member may be appointed by the Board only to fill a vacancy caused by a resignation, death or removal, as provided in these

bylaws. A Board member appointed to fill a vacant position shall serve the unexpired term of the predecessor Board member.

Section 4.7. Recount Procedures. A Member may, not later than the fifteenth (15th) day after the date of a meeting at which an election was held, require a recount of votes in accordance with Section 209.0057 of the TEXAS PROPERTY CODE.

Section 4.8. Removal. Any director may be removed from the Board, with or without cause, by a vote of a majority of the sum of the entitled votes of the Members of the Association at any regular or special meeting of the members, having such removal as one of its stated purposes. In the event of death, resignation or removal of a director, a successor shall be selected by the remaining Members of the Board and to serve for the unexpired term of the vacant position.

Section 4.9. Compensation. No director shall receive compensation for any service rendered to the Association in the capacity as director; provided, however, any director may be reimbursed for his or her actual expenses incurred in the performance of associated duties.

ARTICLE V MEETING OF DIRECTORS

Section 5.1. Regular Meetings. Meetings of the Board of Directors shall be held at least quarter-annually at such place, date and time as may be reasonable and necessary to conduct the business of the Association. Regular meetings shall be held when called by the President of the Association after giving not less than three (3) days notice to all Directors, or at a regularly scheduled time and place determined in advance by the Board of Directors. A reasonable location for such meetings shall include, but not be limited to any dwelling in the Subdivision.

Section 5.2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any director after not less than three (3) days notice to each director, which notice may be waived at or prior to such meeting.

Section 5.3. Notice of Meetings. Members shall be given notice of the date, hour, place, and general subject of a regular or special meeting of the Board, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be (a) mailed to each member not later than the tenth (10th) day or earlier than the sixtieth (60th) day before the date of the meeting; or (b) provided at least seventy-two (72) hours before the start of the meeting by (i)

posting the notice in a conspicuous manner reasonably designed to provide notice to the members in a place located on the Association's common property, or on conspicuously located private property within the subdivision, or by posting the notice on an Internet website maintained by the Association, and (ii) by sending the notice by e-mail to each owner who has registered an e-mail address with the Association.

Section 5.4. Open Board Meetings. Regular and special Board meetings shall be open to Members, subject to the right of the Board to adjourn a meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the property Association's attorney, matters involving the invasion of privacy of individual owners, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following any executive session, any decision made in the executive session shall be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual owners, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary shall include a general explanation of any expenditures approved in executive session.

Section 5.5. Meetings Without Notice. The Board, by any method of communication, including electronic and telephonic meetings, may meet without prior notice to Members, if each director may hear and be heard by every other director, or the Board may take action by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate Board attention. The action taken without notice to the Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes at the next regular or special meeting of the Board. Notwithstanding the authority to meet without notice to the Members, the Board may not, without prior notice to the Members, consider or vote on fines; damage assessments; initiation of foreclosure actions; initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety; increases in assessments; levying of special assessments; appeals from a denial of architectural control approval; or the suspension of a right of a particular Member before the Member has an opportunity to attend a Board meeting to present the Member's position, including any defense on the issue.

Section 5.6. Quorum. A majority of the number of directors, but in no event less than three (3) directors, shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is

present shall be regarded as the act of the Board. A director may vote in person or by proxy executed in writing by the director. Every proxy shall be revocable unless expressly provided to be irrevocable and unless otherwise made irrevocable by law. Minutes of all director's meetings that have been approved by a subsequent meeting of the Board shall be sent to all Members, by electronic message transmission to Members who have provided an electronic message address.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 6.1. Powers. The Board of Directors shall have the following rights and powers:

(a) to manage and maintain any Common Properties and Facilities and any adjacent or included public properties subject to the Association's authority and control; and to make assessments annually therefor, and for other purposes, all subject to the provisions of the Declaration;

(b) to construct, or contract construction of, or acquire properties and facilities required for operation or improvement of the subdivision or for recreational use by the Members, however construction or acquisition of any recreational or other facilities requiring special assessments or indebtedness by the Association shall require prior approval by a majority of the sum of the entitled votes of the Members of the Association.

(c) to charge reasonable admission and other fees for the use of any recreational facilities located on Common Properties, and to make, publish and enforce reasonable rules and regulations governing the use and enjoyment of Common Properties and Facilities, or any part thereof, all of which reasonable rules and regulations shall be binding upon, complied with, and observed by each Member. These rules and regulations may include provisions to govern and control the use of Common Properties and Facilities by guests and invitees of the Members, including, without limitation, the number of guests or invitees who may use Common Properties and Facilities, or any part thereof, at the same time;

(d) to suspend the voting rights of a Member and the right of the Member, the rights of the Member's immediate family or the Member's guests to use any Common Properties during the period the Member is in default in excess of thirty (30) days in the payment of any maintenance charge assessment against the Member's Dwelling or Building Site; and to suspend such rights for a

period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations;

(e) to enter management or operating contracts or both, as well as agreements relative to the maintenance and operation of Common Properties and Facilities, in such instances and on such terms as the Board of Directors may deem appropriate; to operate recreational facilities and related concessions located on the Common Properties; to enter lease agreements or concession agreements granting leasehold, concession, or other operating rights relative to recreational facilities located on the Common Properties in such instances and on such terms as the Board of Directors may deem appropriate; however, all contracts for services, leases or concession rights of any kind must be approved by a majority of the Board and must be cancelable on thirty (30) days notice unless otherwise approved by a majority of the sum of the entitled votes of the Members in a called or regular meeting of the Association membership;

(f) to exercise such other rights and powers granted to this Association and not reserved to the Membership by the Declaration, the Articles of Incorporation of the Association, or other provisions of these bylaws.

Section 6.2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete set of minutes of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by Members entitled to vote one-fourth of the sum of the totaled entitled votes of the Membership;

(b) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

(c) fix the amount of each annual Maintenance Expense Charge assessment against properties subject to the jurisdiction of the Association for each assessment period at least thirty (30) days in advance of the due date and, at that time, prepare a roster of the properties and Maintenance Expense Charges applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner; and thereupon to send to every Owner subject thereto written notice of the Maintenance Expense Charge due; which annual assessment shall be set in an amount not to exceed EIGHT HUNDRED DOLLARS (\$800) per Dwelling per year (with one-third of the fixed amount per Dwelling to be assessed against each Building Site) , unless a greater amount is

approved by a majority of the sum of the entitled votes of the Members within the limits and conditions established by the Declaration;

(d) fix the amount of each special assessment against properties subject to the jurisdiction of the Association, as approved by the Membership in accordance with the Declaration, at least thirty (30) days in advance of the due date and, at that time, prepare a roster of the properties and Special Assessment Charges applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner; and thereupon to send to every Owner subject thereto written notice of the Special Assessment Charge due;

(e) take such action as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof;

(f) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(g) procure and maintain such liability and hazard insurance as it may deem appropriate on any property or facilities owned by the Association; and

(h) cause any officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

(i) to determine the uniform amount of liability insurance that all General Contractors must maintain before being permitted to construct homes in the Subdivision, pursuant to paragraph 10.4(b)(ii) and 10.5(3) of the Declaration.

(j) to determine the uniform amount of damage and clean-up deposit that all Contractors must deposit with the Association prior to beginning construction of any new home in the Subdivision, pursuant to paragraphs 10.4(b)(vii) and 10.5(3) of the Declaration.

ARTICLE VII
OFFICERS AND THEIR DUTIES

Section 7.1. Enumeration of Offices. The officers of this Association shall be a President, a Vice President; a Secretary; and a Treasurer, each of whom shall be at all times a Dwelling Owner, a Member of the Association and a member of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

Section 7.2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 7.3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, or until a successor shall be elected and qualified, unless the officer shall sooner resign, or shall be removed, or is otherwise disqualified to serve. Officers shall be allowed to serve in an office for the three (3) years of their term as director, if elected each year by the Board.

Section 7.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of which shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 7.5. Authority to Sign Checks or Contracts. The Board, from time to time, may authorize any person or persons, who need not be officers or directors, but who must be Members of the Association, to sign checks or contracts binding the Association. Such agents may be authorized to sign singly or jointly, as the Board in its discretion may decide. The Board may at any time rescind and revoke such authority granted to any person. Such authority to sign checks may be given to a person or persons in conjunction with or in lieu of the authority of the Treasurer to sign checks. In the absence of any appointments by the Board under this Section 5, the Treasurer of the Association shall have sole authority to sign the Association's checks, and the President and Secretary shall have the sole authority to sign contracts, unless the Board of Director's should direct otherwise by a specific resolution. Except for expenditures of no more than three hundred dollars (\$300) for necessary maintenance and repair or in case of an emergency, no individual Board member is authorized to commit the Association to any expenditures or contractual obligation, whether written or not, without Board approval.

Section 7.6. Resignation and Removal. The Board of Directors may at any time remove any officer from office with or without cause by the vote of the majority of the entire Board of Directors. Such removal shall not operate to remove such person from the Board of Directors, and such person shall remain a member of the Board of Directors unless and until removed by the Members, as provided in these Bylaws. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date the Association receives such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.7. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7.8. Duties. The duties of the officers of the Association are as follows:

(a) **President.** The President shall preside at all meetings of the Board of Directors and of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all Leases, Mortgages, Deeds and other written instruments and shall co-sign all Promissory Notes.

(b) **Vice President.** The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act and shall exercise and discharge such other duties as required by the Board.

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice, when required, of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) **Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign all Promissory Notes of the Association; keep proper books of account; and keep accurate books and records of the fiscal affairs of the Association and make them available for inspection by Members of the Association during normal business hours.

delinquent payments will be determined by the Board in accordance with the terms of the Declaration.

Section 10.2. Collection. The Association may retain an attorney (a) to collect all charges and interest due, and/or (b) to bring an action at law against the Owner personally obligated to pay the same, and/or (c) to foreclose the lien against the property, all as necessary to collect charges due, unpaid interest, costs and reasonable attorney's fees incurred for any such collection effort or action. No Owner may waive or otherwise escape liability for the Maintenance Expense Charge, or any special assessment provided for herein, by non-use of any of the facilities or services provided by the Association or by abandonment of a Dwelling or Building Site or for any other reason whatsoever.

Section 10.3. Amount of Assessment. As more fully provided in the Declaration, the Board of Directors may decrease or increase the amount of the annual Maintenance Expense Charge assessment at any time and from time to time by adopting a resolution for such purpose, but no resolution increasing such assessment shall become effective prior to thirty (30) days from the date of its adoption, but subject to and according to the provisions of the Declaration.

ARTICLE XI

INDEMNIFICATION OF OFFICERS AND DIRECTORS

The LONGWOOD OWNERS' ASSOCIATION, INC. may indemnify and hold harmless its present or former directors and officers to the fullest extent permitted by law from damage, loss, reasonable costs and expenses incurred, or liability that results from any threatened or actual litigation resulting from service as a director or officer of the corporation. Such indemnification may include, without limitation, advancing or reimbursing the director's or officer's reasonable expenses.

ARTICLE XII

LIMITATION OF LIABILITY OF DIRECTORS AND OFFICERS

As more fully provided in the Declaration, no director or officer shall be liable to the Association or to any Member or to any property owner or resident in the Subdivision for monetary damages for an act or omission in the director's or officer's capacity as officer or director, except to the extent the director or officer is found liable for: (a) an act or omission not in good faith that constitutes a breach of duty or involves intentional misconduct or a knowing violation of the law; (b) an act or omission for which an improper benefit is received, whether or not the action was taken within the scope of the director's or officer's office; or (c) an act or omission for which liability is

expressly provided by an applicable statute. If the applicable law is amended after the date of the adoption of these bylaws to authorize action further eliminating or limiting personal liability of directors or officers of non-profit corporations, then the liability of the directors and officers of the Association shall be eliminated or limited to the fullest extent permitted by such statutes.

ARTICLE XIII
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the name of the Association and within the center the word "Texas."

ARTICLE XIV
AMENDMENTS

Section 14.1. Amendment. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of the sum of the votes to which those present are entitled if a quorum of Members is present in person or by proxy. Alternatively, in accordance with the Texas Business Organizations Code, these bylaws may be amended by the Board of Directors of the Association.

Section 14.2. Conflict. In a case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XV
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

RECOMMENDED and approved by the Board of Directors of the LONGWOOD OWNERS' ASSOCIATION, INC. this 22 day of March, 2012.

Signed this 22 day of March, 2012.

LONGWOOD OWNERS' ASSOCIATION, INC.

By: Orville G. Fleetwood
ORVILLE G. FLEETWOOD, President

FILED FOR RECORD

03/27/2012 4:02PM

Mark Tumbull

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

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

03/27/2012



Mark Tumbull

County Clerk
Montgomery County, Texas

CORPORATE CERTIFICATE
LONGWOOD OWNERS' ASSOCIATION, INC.

The undersigned certifies that he/she is the President of Longwood Owners' Association, Inc. (the "Association"). The Association is the property owners' association for Longwood Subdivision, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in the Map Records of Montgomery County, Texas (the "Subdivision").

The Association is a Texas non-profit corporation, and a true and correct copy of the **Rules and Regulations Concerning Use and Occupancy of Longwood Subdivision Revised March 2012** is attached to this certificate as Exhibit "A."

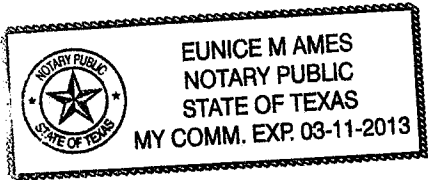
Signed this 22 day of March, 2012.

LONGWOOD OWNERS' ASSOCIATION, INC.

By: Orville G. Fleetwood
ORVILLE G. FLEETWOOD, President

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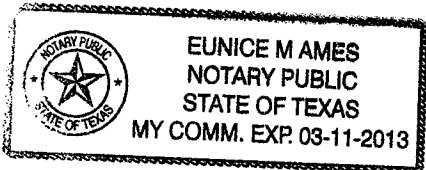
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Eunice M. Ames
NOTARY PUBLIC, State of Texas

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Eunice M. Ames
NOTARY PUBLIC, State of Texas



AFTER RECORDING RETURN TO:

Bryan P. Fowler

The Fowler Law Firm

300 West Davis, Suite 510

Conroe, Texas 77301

RULES AND REGULATIONS

CONCERNING USE & OCCUPANCY OF LONGWOOD SUBDIVISION

Revised March 2012

The following Rules and Regulations Concerning Use and Occupancy of Longwood Subdivision (the "Rules") are hereby approved and adopted this the 22 day of March, 2012, by the Board of Directors (the "Board") of the Longwood Owners' Association, Inc. (the "Association"), pursuant to the express authority of Section 11.2 of the Third Amended and Restated Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision (the "Restrictions"). The Rules modify, replace, and amend all previous rules and/or regulations adopted by the Association.

1. Longwood is a subdivision consisting of single family dwellings. Each dwelling may only be occupied by one immediate family, and for residential purposes.
2. Roofing Materials:
 - a. Roof shingles must be colors as permitted by the Restrictions.
 - b. Roof overlays are not allowed. Prior to roofing, all existing materials must be removed down to clean decking. Any damaged or deteriorated decking must be replaced.
 - c. Subject to the Restrictions and these Rules, and with advance written approval from the Association, an owner may install shingles ("Alternative Shingles") which are designed primarily to:
 - (1) be wind and hail resistant; or
 - (2) provide heating or cooling efficiencies greater than traditional composition shingles; or
 - (3) provide solar energy capture capabilities.
 - d. Once installed, any such Alternative Shingles must:
 - (1) resemble the shingles used or authorized to be used on other structures within the Association; and
 - (2) be more durable than and of equal or superior quality to the shingles used or authorized to be used on other structures within the Association; and

- (3) match the aesthetics of properties surrounding the owner's property.
3. All motor vehicles must be garaged, unless one household owns three vehicles. In the event a household owns three vehicles, only one vehicle is permitted to be parked on a private driveway. Vehicles shall not be parked routinely on the street. Dwellings with shared driveways (Units 2, 3, 4, 5, 6, and 7) must garage all vehicles to permit neighbors' ingress and egress. Vehicles not parked accordingly, shall be subject to removal from the subdivision and into storage at the resident's and/or owner's risk and expense, subject to applicable law.
 4. No campers, motorcycles, trailers, bicycles, RVs, boats, house trailers, buses or other large or special purpose vehicles shall be kept in the subdivision unless they are garaged and out of sight. Except for deliveries, repairs, gardeners and the moving of household goods to and from the subdivision, no home owner nor lot owner shall park any commercial vehicles, tractor, trailer, bus or the like in any of the drives or streets of the subdivision. Owners will not permit any lessees, tenants, guests, or agents to park these prohibited vehicles in the subdivision.
 5. No sidewalk, driveway, parking area, walkway, or street or any other Common Area shall be obstructed in any manner, nor shall any owner or resident store, place or cause to be stored or placed any object in such area. Repairing of vehicles in public view is not permitted. For appearance sake, garage doors should usually be kept closed.
 6. If objects or decorations placed within view of the Common Areas detract from the overall appearance of the subdivision, the Board is authorized to direct removal of any items which the Board, in its sole discretion, determines to be detrimental to the community-wide image of harmonious quality.
 7. No animals are permitted in the subdivision except normal household pets; livestock is prohibited. All pets must be restrained by a leash when outside a dwelling in accordance with applicable laws. Residents shall clean up after their pets throughout the subdivision. The Board has the authority to direct, at its sole discretion, the removal of any pet deemed to be a nuisance to other residents.
 8. With the exception of political signs, which may be displayed no more than fourteen (14) days prior and two (2) days after an election, no "For Sale," sign or other signs of any kind or type is permitted within the subdivision which is visible from any part of the Common Area. Such signs, if erected or displayed in any manner, may be removed by the Board and disposed of at their sole discretion. Exceptions to the prohibition of signs may be granted by the Board for contractors requiring building site identification during construction for delivery of materials and services.
 9. Display of Flags:
 - a. These Guidelines apply to the display of "Permitted Flags" which are:

- (1) the flag of the United States; and
 - (2) the flag of the State of Texas; and
 - (3) the official flag of any branch of the United States armed forces.
- b. These Guidelines do not apply to any flags other than the Permitted Flags listed in Section A above including, but not limited to:
- (1) flags for schools, sports teams, businesses or foreign countries; or
 - (2) flags with marketing, seasonal, historical, commemorative, nautical, political or religious themes; or
 - (3) historical versions of flags permitted in section 9a. above.
- c. Permitted Flags may be displayed subject to these guidelines. Advance written approval of the Architectural Control Committee (“ACC”) is required for any free-standing flagpole and any additional illumination associated with the display of Permitted Flags.
- d. Permitted Flags must be displayed in a respectful manner in accordance with the current relevant federal, state or military code.
- e. Permitted Flags must be displayed from a pole attached to a structure or to a free-standing pole. Permitted Flags may not be draped over or directly attached to structures. For example, a Permitted Flag may not be laid across a fence or stapled to a garage door.
- f. Permitted Flags shall be no larger than three foot (3’) by five foot (5’) in size.
- g. Only one Permitted Flag may be displayed on a flagpole attached to a structure. Up to two Permitted Flags may be displayed on an approved free-standing flagpole that is at least fourteen feet (14’) tall.
- h. Flagpoles must be constructed of permanent, long-lasting materials with an appropriate finish that is harmonious with the dwelling.
- i. A flagpole attached to a structure may be up to six feet (6’) long and must be securely attached with a bracket with an angle of 30 to 45 degrees down from vertical. The flagpole must be attached in such a manner as to not damage the structure. One attached flagpole is allowed on any portion of a structure facing a street and one attached flagpole is allowed on the rear or backyard portion of a structure. Brackets which accommodate multiple flagpoles are not allowed.

- j. Free-standing flagpoles may be up to twenty feet (20') tall, including any ornamental caps. Free-standing flagpoles must be permanently installed in the ground according to manufacturer's instructions. One free-standing flagpole is allowed in the portion of the owner's property between the main residential dwelling and any street and one free-standing flagpole is allowed in the rear or backyard portion of a property.
- k. Free-standing flagpoles may not be installed in any location described below:
 - (1) in any location other than the Owner's property; or
 - (2) within a ground utility easement or encroaching into an aerial easement; or
 - (3) beyond the side or rear setback lines (for example, on a lot with a 10' side setback line, a flagpole may not be installed closer than 10' from the side property line); or
 - (4) beyond half the distance of the front setback line (for example, on a lot with a 30' front setback line, a flagpole may not be installed closer than 15' from the front property line); or
 - (5) closer to a dwelling on an adjacent lot than the height of the flagpole (for example, a 20' flagpole cannot be installed closer than 20' from an adjacent house).
- l. Lighting may be installed to illuminate Permitted Flags if they will be displayed at night and if existing ambient lighting does not provide proper illumination. Flag lighting must:
 - (1) be ground mounted in the vicinity of the flag; and
 - (2) utilize a fixture that screens the bulb and directs light in the intended direction with minimal spillover; and
 - (3) point towards the flag and face the main structure on the property or to the center of the property if there is no structure; and
 - (4) provide illumination not to exceed the equivalent of a 60 watt incandescent bulb.
- m. Flagpoles must not generate unreasonable noise levels which would disturb the quiet enjoyment of other residents. Each flagpole owner should take steps to reduce noise levels by using vinyl or plastic snap hooks, installing snap hook covers or securing a loose halyard (rope) around the flagpole with a flagpole clasp.
- n. Flagpoles are allowed solely for the purpose of displaying Permitted Flags. If a flagpole is no longer used on a daily basis, it must be removed.

- o. All flags and flagpoles must be maintained in good condition. Deteriorated flags must be removed and promptly replaced. Deteriorated or structurally unsafe flagpoles must be promptly repaired, replaced or removed.

10. Rainwater Recovery Systems:

- a. Rainwater Recovery Systems may be installed with advance written approval of the ACC subject to these guidelines.
- b. All such Systems must be installed on land owned by the property owner. No portion of the Systems may encroach on adjacent properties or common areas.
- c. Other than gutters and downspouts conventionally attached to a dwelling or appurtenant structure, all components of the Systems, such as tanks, barrels, filters, pumps, motors, pressure tanks, pipes and hoses, must be substantially screened from public view from any street or common area. Screening may be accomplished by:
 - (1) placement behind a brick fence, a structure or vegetation, approved by the ACC;
or
 - (2) by burying the tanks or barrels.
- d. A rain barrel may be placed in a location visible from public view from any street or common area only if the configuration of the guttering system on the structure precludes screening as described above with the following restrictions:
 - (1) the barrel must not exceed 55 gallons; and
 - (2) the barrel must be installed in close proximity to the structure on a level base with the guttering downspout leading directly to the barrel inlet at a substantially vertical angle; and
 - (3) the barrel must be fully painted in a single color to blend with the adjacent home or vegetation; and
 - (4) any hose attached to the barrel discharge must be neatly coiled and stored behind or beside the rain barrel in the least visible position when not in use.
- e. Overflow lines from the Systems must not be directed onto or adversely affect adjacent properties or common areas.
- f. Inlets, ports, vents and other openings must be sealed or protected with mesh to prevent children, animals and debris from entering the barrels, tanks or other storage devices. Open top storage containers are not allowed, however, where space allows and where appropriate, ACC approved ponds may be used for water storage.
- g. Harvested water must be used and not allowed to become stagnant or a threat to health.

- h. All Systems must be maintained in good repair. Unused Systems should be drained and disconnected from the gutters. Any unused Systems in public view must be removed from public view from any street or common area.

11. Display of Religious Items:

- a. A property owner or resident may display or attach one or more religious items to each or any entry to their dwelling. Such items may include any thing related to any faith that is motivated by the resident's sincere religious belief or tradition.
- b. Individually or in combination with each other, the items at any entry may not exceed 25 square inches total in size.
- c. The items may only be displayed on or attached to the entry door or frame and may not extend beyond the outside edge of the door frame.
- d. To the extent allowed by the Texas state constitution and the United States constitution, any such displayed or affixed religious items may not:
 - (1) threaten public health or safety; or
 - (2) violate any law; or
 - (3) contain language, graphics or any display that is patently offensive to a passerby.
- e. Approval from the Association is not required for displaying religious items in compliance with these guidelines.
- f. As provided by Section 202.018 of the TEXAS PROPERTY CODE, the Association may remove any items displayed in violation of these guidelines.

12. No radio, television or other antennas are permitted if they are visible from any part of the Common Area, unless it is impossible to receive signals from an area which is not visible. In that event, the receiving device may be placed in a visible location approved by the Board. The Board may require as much screening as possible while not substantially interfering with such reception. The Board, by promulgating this regulation, 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 without violating the Act.

13. Solar Energy Devices:

- a. These guidelines apply to solar energy devices ("Devices") as defined in Section 171.107(a) of the Texas Tax Code. A solar energy device means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term

includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

- b. Such Devices may only be installed with advance written approval of the Association subject to these guidelines.
- c. Any such Device must be installed on land or structures owned by the property owner. No portion of the Devices may encroach on adjacent properties or common areas.
- d. Such Devices may only be installed in the following locations:
 - (1) on the roof of the main residential dwelling; or
 - (2) on the roof of any other approved structure; or
 - (3) within a fenced yard or patio.
- e. For Devices mounted on a roof, the Device must:
 - (1) have no portion of the Device higher than the roof section to which it is attached; and
 - (2) have no portion of the Device extend beyond the perimeter boundary of the roof section to which it is attached; and
 - (3) conform to the slope of the roof; and
 - (4) be aligned so the top edge of the Device is parallel to the roof ridge line for the roof section to which it is attached; and
 - (5) have a frame, brackets and visible piping or wiring that is a color to match the roof shingles or a silver, bronze or black tone commonly available in the marketplace; and
 - (6) be located in a position on the roof which is least visible from any street or common area, so long as such location does not reduce estimated annual energy production more than 10% over alternative roof locations (as determined by a publically available modeling tool provided by the National Renewable Energy Laboratory [www.nrel.gov] or equivalent entity).
- f. For Devices located in a fenced yard or patio, no portion of the Device may extend above the top of the fence. If the fence is not a solid fence which blocks view of the Device, the Association may require the Device be placed in a location behind a structure or otherwise require visual screening. The Association may consider installation of Devices on properties without a fenced yard if there is adequate screening from public view from any street or common area.

- g. All Devices must be installed in compliance with manufacturer's instruction and in a manner which does not void material warranties. Licensed craftsmen must be used where required by law. Permits must be obtained where required by law.
 - h. Installed Devices may not:
 - (1) threaten public health or safety; or
 - (2) violate any law; or
 - (3) substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to any adjoining property owner.
 - i. All Devices must be maintained in good repair. Unused or inoperable Devices must be removed.
14. Each owner shall keep his dwelling, including lawns, walls, and fences, in good order and repair.
 15. Vehicles not properly parked or any prohibited vehicle and trailer brought into the subdivision shall be subject to removal from the subdivision to storage by the Board at the resident's risk and expense, subject to applicable law.
 16. Driving within the subdivision on its privately owned streets is a privilege. No fast or reckless driving shall be allowed in the subdivision, nor will any driving anywhere but on the streets and driveways be permitted. The Board, at its sole discretion, shall determine when this rule is violated and the Board's decision to revoke driving privileges, if made, shall be final. Driving privileges may be reinstated at the Board's discretion. Enforcement of driving privilege violations may result in court action at the discretion of the Board. Vehicles driven by individuals whose driving privileges have been revoked shall be subject to removal from the subdivision to storage by the Board at the owner's risk and expense, subject to applicable law. Properly licensed golf carts and bicycles are allowed but must be operated safely and prudently.
 17. The Board may, at its discretion, require each resident of the subdivision to place an identifying sticker on his or her vehicles for security purposes. Any such sticker will be provided by the Board.
 18. No resident of the subdivision nor lot or building site owner, nor any of the residents' or owners' guests, shall cause any excessively loud music or noise, including, but not limited to, home or auto radios, tape or CD players, musical instruments, TVs, voices, pets, engines and equipment, automobiles, and trucks.
 19. The entry gate shall remain closed except during ingress and egress. The gate may be left open for access by party guests for a maximum of one hour; however, it is preferred that

the host furnish such access by providing an attendant to open the gate for identified guests as they arrive.

20. The Restrictions state that “no commercial activity of any type or kind whatsoever shall be permitted in any Dwelling, or portion thereof.” In accordance with (but not limiting) this restriction, no resident, tenant or owner may conduct any sales operation in the subdivision, whether a “garage sale”, yard sale”, or the like, or any product offerings, demonstrations or exhibits, whether in or around any dwelling or on a lot or building site or in the Common Area.
21. Owners shall be held responsible for their lessees or tenants being informed and in complete compliance with the Restrictions and these Rules. Any expense incurred by the Association in enforcing these shall be the responsibility of the owner. These Rules may be amended at any time by the Board.

Effective March 29, 2012.

LONGWOOD OWNERS' ASSOCIATION, INC.

BY: 
Orville G. Fleetwood, President

FILED FOR RECORD

03/27/2012 4:02PM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

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

03/27/2012



County Clerk
Montgomery County, Texas

CORPORATE CERTIFICATE
LONGWOOD OWNERS' ASSOCIATION, INC.

The undersigned certifies that he/she is the President of Longwood Owners' Association, Inc. (the "Association"). The Association is the property owners' association for Longwood Subdivision, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in the Map Records of Montgomery County, Texas (the "Subdivision").

The Association is a Texas non-profit corporation, and a true and correct copy of the **Fourth Amended and Restated Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision Revised March 2012** is attached to this certificate as Exhibit "A."

Signed this 21 day of May, 2012.

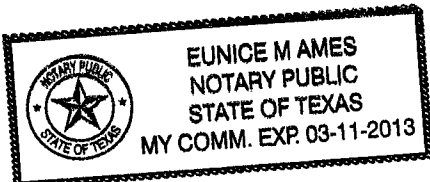
LONGWOOD OWNERS' ASSOCIATION, INC.

By: *Orville G. Fleetwood*
ORVILLE G. FLEETWOOD, President

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

SWORN TO AND SUBSCRIBED BEFORE ME on the 21st day of May, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.

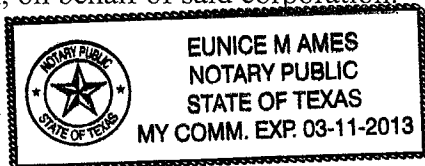


Eunice M. Ames
NOTARY PUBLIC, State of Texas

THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 21st day of May, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.



Eunice M. Ames
NOTARY PUBLIC, State of Texas

PI145-2012047002-31

AFTER RECORDING RETURN TO:

Bryan P. Fowler

The Fowler Law Firm

300 West Davis, Suite 510

Conroe, Texas 77301

**FOURTH AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR

LONGWOOD SUBDIVISION**

THE STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF MONTGOMERY §

WHEREAS, Choate-Melder, Inc., joined by Longwood, Inc., a Texas corporation, as Declarants, executed that one certain Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision, hereinafter called "Declarations" as of the 29th day of December, 1982, which were filed under Clerk's File No. 8309527 and Film Code No. 187-01-0973, et seq., in the Real Property Records of Montgomery County, Texas on February 23, 1983, wherein Article 8, AMENDMENT; RIGHTS OF MORTGAGEES, Section 1. Amendment. states that the same may be amended at any time or times by the affirmative written vote of 3/4ths of the Owners, defined therein as "Dwelling Owners", filed for record in the office of the County Court of Montgomery County, Texas; and

WHEREAS, more than 3/4ths of the Dwelling Owners in the Longwood Subdivision signed that one certain Amendment to Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision, (hereinafter called "First Amendment") filed for record on July 18, 1990 under Clerk's File No. 9029508 at Film Code No. 667-01-1056, et seq., in the Real Property Records of Montgomery County, Texas; and

WHEREAS, more than 3/4ths of the Dwelling Owners in the Longwood Subdivision signed that one certain Amendment to Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision, (herein called "Second Amendment") filed for record on March 8, 1994 under Clerk's File No. 9412968 at Film Code No.955-01-2375, et seq., in the Real Property Records of Montgomery County, Texas; and

WHEREAS, more than 3/4ths of the Dwelling Owners in the Longwood Subdivision signed that one certain Amendment to Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision, (herein called "Third Amendment") filed for record on March 27, 1997 under Clerk's File No. 9730777 at Film Code No. 261-00-0433, et seq., in the Real Property Records of Montgomery County, Texas; and

WHEREAS, in accordance with Texas Property Code, Section 209.0041, sixty-seven (67%) percent of the total votes allocated to property owners in the Longwood Owners' Association, Inc. elected to amend the Third Amendment with this Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision (the "Fourth Amendment") for the purpose of consolidating and perfecting the Declaration of Covenants, Conditions and

Restrictions for Longwood Subdivision together with all amendments recited herein into a restated and clarified format.

NOW THEREFORE, the following amended, restated and consolidated document (herein collectively called the "Restrictions") is here enacted to replace in their entirety the Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision and all amendments thereto recited herein. Except to the extent that any provision of the original Restrictions, the First Amendment, Second Amendment and Third Amendment is herein changed, and specifically in accordance with Texas Property Code, Section 209.0041, sixty-seven (67%) percent of the total votes allocated to property owners in the Longwood Owners' Association, Inc. elected hereby to adopt and ratify all prior amendments and agree to continue and carry forward the original Restrictions as restated in this document. Every contract, deed, or other instrument executed under the recited Declaration of Covenants, Conditions and Restrictions for Longwood Subdivision and all amendments thereto or under these Restrictions and covering the Land or any portion thereof shall hereafter conclusively be held to have been executed, delivered and accepted subject to these Restrictions, regardless of whether or not these Restrictions are set out in full or incorporated by reference in said contract, deed or other instrument.

ARTICLE 1 **DEFINITIONS**

As used in this Declaration, the terms set forth below shall have the meanings indicated

1. **Association.** LONGWOOD OWNERS' ASSOCIATION, INC., its successors and assigns, a Texas non-profit corporation, the Members of which shall be the Owners, as defined herein.
2. **Board.** The Board of Directors of the Association.
3. **Building Site** An unimproved tract, located on the Land, which may be part of a Lot or Lots, a single whole Lot, or more than one Lot and which is intended for construction of a Dwelling.
4. **Building Site Owner.** Any person, firm, corporation or other entity holding record title to a Building Site. Joint owners of a Building Site are, collectively, considered one Building Site Owner for purposes of defining Membership and Voting rights in the Association
5. **Bylaws.** The Bylaws of the Association.
6. **Building Code.** As to any date after the Third Amendment is adopted, this term means the current building and construction code adopted or enacted by the City of Conroe, Texas. If at any time there is no such Building Code adopted or enacted by the City of Conroe, then this term means the current Southern State Building Code, or its successor as then amended and in effect.

7. **Common Area.** All property, located on the Land, which has been designated as Common Area on the developer's original Plat. The Common Area does not include any property conveyed to Dwelling Owners or platted as Lots for the purpose of Dwelling construction. Lots purchased by the Association for use by all Owners may be designated Common Area.
8. **Dwelling.** A completed residence unit, located on the Land
9. **Dwelling Owner.** Any person, firm, corporation or other entity holding record title to a Dwelling. Joint owners of a Dwelling are, collectively, considered one Dwelling Owner for purposes of defining Membership and Voting rights in the Association
10. **Land.** All of that certain tract or parcel of land containing approximately 13.906 acres out of the W. S. Allen, Abstract No. 2, Montgomery County, Texas, and being described by metes and bounds as shown on Exhibit "A" which is attached hereto and incorporated herein. This is the same property which is described on the Plat and is also called herein "the Longwood Subdivision" or "the Subdivision".
11. **Lot.** A tract, located on the Land, which is designated on the Plat and numbered for identification and which is intended for construction of one or more Dwellings..
12. **Maintenance Expense Charge.** The assessment levied pursuant to Article 4, hereof, for managing, maintaining, operating, repairing and insuring the common property, other subdivision property and facilities and other purposes set out in this Declaration (including reserves for replacement and other contingencies).
13. **Maintenance Fund.** Any accumulation of the Maintenance Expense Charges collected pursuant to Article 4, hereof.
14. **Member.** A Member of the Association, as more particularly described in Article 3, hereof.
15. **Mortgage.** A mortgage, Deed of Trust or other instrument executed by an Owner, duly recorded in the Official Public Records of Real Property of Montgomery County, Texas, and creating a lien or security interest encumbering a Dwelling or Building Site or both in order to secure the repayment of a loan.
16. **Mortgagee.** The person or entity who holds a Mortgage as security for repayment of a loan.
17. **Owner.** Both a Dwelling Owner and a Building Site Owner, as defined herein, are included in the definition of Owner where the term is used without a qualifying adjective.
18. **Plat.** The plat of LONGWOOD SUBDIVISION, such plat being filed under Montgomery County Clerk's file no. 8145968 in Plat Cabinet "C", Sheet 186B of the Map

Records of Montgomery County, Texas and including all of the Land, as defined herein and described on Exhibit "A", attached.

19. **Replacement Reserve Fund.** The reserve fund established pursuant to Article 4, hereof, for maintenance, repairs, and replacements to the Common Area and other purposes set out in this declaration.
20. **Rules and Regulations.** The rules adopted and amended and in effect from time to time concerning the management and administration of the Subdivision for the use and enjoyment of the Owners; they are intended to maintain the quality of life and surroundings for all.
21. **Subdivision.** LONGWOOD SUBDIVISION, as described on the Plat or as extended by recorded land additions approved by 75% of the sum of the votes to which the Dwelling Owners and Building Site Owners are entitled, as more specifically described in Article 3, hereof.

ARTICLE 2

GENERAL PROVISIONS RELATING TO USE AND OCCUPANCY

Section 2.1 **Use Restrictions.** During the term of these Restrictions, all Dwellings in the Subdivision shall be used solely for the residential purposes of a single family household unit. No commercial activity of any type or kind whatsoever shall be permitted in any Dwelling, or portion thereof. No Owner shall use or permit such Owner's Dwelling, Building Site or any portion of the Common Areas to be used for any purpose which would (i) void or increase the cost of any insurance in force with respect to the Subdivision, or (ii) make it impossible to obtain any insurance required by this Declaration, or (iii) constitute a public or private nuisance, which determination may be made by the Board in its sole discretion, or (iv) constitute a violation of any applicable law, ordinance, rule or regulation, including, but not limited to this Declaration and the Rules and Regulations issued hereunder, or (v) unreasonably interfere with the use and occupancy of the Subdivision by another Owner(s) as determined by the Board at its sole discretion.

All motor vehicles must be garaged (enclosed), unless one household owns more than two vehicles. In the event a household owns more than two vehicles, only two vehicles are permitted to be parked on a private driveway. Vehicles shall not be parked routinely on the street. Dwellings with shared driveways (Units 2, 3, 4, 5 6, and 7) must garage (enclose) all vehicles to permit neighbors' ingress and egress regardless of the number of vehicles owned. Vehicles not parked accordingly, shall be subject to any and all available enforcement remedies, including fines levied against the Owner.

No campers, motorcycles, trailers, bicycles, RVs, boats, house trailers, buses or other large or special purpose vehicles shall be kept in the subdivision unless they are garaged and out of sight. Except for deliveries, repairmen, gardeners and the moving of household goods to and from the subdivision, no home owner nor lot owner shall park any commercial vehicles, tractor, trailer, bus or the like in any of the drives or streets of the subdivision.

Owners will not permit any lessees, tenants, guests, or agents to park these prohibited vehicles in the subdivision.

No sidewalk, driveway, parking area, walkway, or street or any other Common Area shall be obstructed in any manner, nor shall any owner or resident store, place or cause to be stored or placed any object in such area. Repairing of vehicles in public view is not permitted. For appearance sake, garage doors should usually be kept closed.

No "For Sale", sign or other signs of any kind or type is permitted within the subdivision which is visible from any part of the Common Area. Such signs, if erected or displayed in any manner, may be removed by the Board and disposed of at their sole discretion without liability for trespass for the removal of such signs. Exceptions to the prohibition of signs may be granted by the Board for contractors requiring building site identification during delivery of materials and services.

Vehicles not properly parked or any prohibited vehicle and trailer brought into the subdivision, without Board approval, shall be subject to any and all available enforcement remedies, including fines levied against the Owner and removal of said vehicles.

Section 2.2 **Architectural Control.**

- (a) **General.** At no time shall any person, whether an Owner, as defined above, or otherwise, erect, place, or alter any structure in the Subdivision until such person has first obtained written approval from the Architectural Control Committee of the final building plans, specifications, and plot plan showing the location of such structure as to conformity and harmony of external design with existing structures in the Subdivision, and as to location of the building with respect to topography and finished grade elevation. For the purposes of this Section, the word "alter" shall mean any change, or modification of the exterior of a Dwelling or other structure which is visible from any portion of the Common Areas. Without limiting the meaning of the word, "alter", such word shall include (i) the installation of any antenna or other device designed or used in connection with any communication equipment, (ii) any change in the exterior design, or the color, texture or material composing the exterior veneer, trim or siding of a Dwelling or of the exterior windows, doors or trim around such windows and doors.
- (b) **Architectural Control Committee.** The Architectural Control Committee shall be comprised of at least three (3) persons who shall be appointed by the Board of Directors.
- (c) **Timing and Approval of Plans.** Any person, whether an Owner, as defined above, or otherwise, desiring to erect, place or alter any improvement or structure in the Subdivision shall make written application for approval to the Architectural Control Committee prior to the commencement of any such construction, or alteration or delivery of materials for such construction or alteration. The person making application shall bear all costs for preparation and submission of such application, including, but not limited to, the requirements set out in Article 10, Construction Standards and Procedures. The Architectural Control Committee shall act on all applications within 21 days after the Architectural Control Committee has received the plans and complete information as

described in Article 10 or the application shall be deemed fully approved. If any application is disapproved, the Architectural Control Committee shall state the reasons for the denial in writing in sufficient detail for the applicant to make necessary revisions for resubmission. In each case of resubmission the Architectural Control will act to approve or disapprove within 21 days. The Architectural Control Committee shall decide on all applications by a majority vote.

- (d) **Interiors**. Subject to the other provisions of this Section, each Owner shall have the right without approval to repair, decorate, redecorate or improve the interior of the Owner's Dwelling, provided that such action does not impair the structural integrity, weaken or otherwise adversely affect any other Dwelling or affect any part of the Common Areas.
- (e) **Subdivision Appearance**. It is important to maintain the overall appearance of the Subdivision, including routine mowing, edging and weeding of flower beds. In order to assure all Owners of a continuing level of excellence throughout the Subdivision it is necessary that, except for normal maintenance, no Owner shall landscape, repair, decorate, redecorate, paint, stain, or improve the exterior of any Dwelling, or conduct clearing or alteration of Building Sites without prior approval of the Architectural Control Committee.
- (f) **Signs Prohibited**. No Owner may place, or allow to be placed, any sign in or on any Dwelling or Building Site, or in the lawn, or in any door, window or wall of a Dwelling, or in any Common Area, or any place visible from any Common Area. "For Sale" signs advertising Dwellings are specifically prohibited. At anytime, and upon written request from an Owner, the Board of Directors of the Association may permit signs to be installed and maintained by contractors requiring building site identification during construction for delivery of materials and services.

Section 2.3 Easements and Title to the Common Areas.

- (a) **Common Area Title**. The title to the Common Areas is held by the Association, being conveyed to the Association by the Developer. The Common Areas shall remain undivided.
- (b) **Common Area Usage**. A non-exclusive easement is hereby granted to each owner in and to the Common Areas for each Owner's use and enjoyment of the Common Areas, such easement being subject to the Subdivision's Rules and Regulations.
- (e) **Utility Easements**. A non-exclusive easement across the Common Areas is granted by the Association for the purposes of providing and maintaining utility services to the Dwellings and Common Areas.

Section 2.4 Enforcement. The Association, on the behalf of all Owners in the Subdivision, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations now or hereafter imposed by the provisions of this Declaration. Any failure by the Association to enforce any covenant herein or one or more provisions of these Restrictions herein contained shall in no event be deemed a waiver by the Association or any Owner of the right to do so thereafter. In any proceedings brought to enforce these

Restrictions, the Association shall be entitled to recover, in addition to any relief allowed by any statute or other law, the damages, injunctive and other equitable or legal relief, including mandatory and prohibitory injunctions, costs, and reasonable attorney's fees assessed by a Court. In the event the Association should not prevail in a proceeding brought against one or more Owners to enforce any of these provisions, the Association shall not be liable for the fees of any attorney retained by one or more of such Owners unless the Association is expressly found to have acted in bad faith.

ARTICLE 3
MANAGEMENT AND OPERATION OF SUBDIVISION

Section 3.1 **Association Membership, Voting Rights and Directors.**

- (a) **Membership.** Every Owner, as defined in Article 1, shall be a member of the Association; membership shall be appurtenant to and may not be separated from ownership of a Dwelling or a Building Site. Joint owners of a Dwelling or a Building Site shall, collectively, represent one Membership.

- (b) **Voting.** Each Dwelling Owner shall have one vote, even if that member owns multiple Dwellings. Joint Owners of a Dwelling shall, collectively, have a single vote. Each Building Site Owner shall have 1/3 vote, even if that member owns multiple Building Sites. Joint Owners of a Building Site shall, collectively, have 1/3 vote. An Owner of both a Dwelling and one or more undeveloped Building Sites shall have one vote. Separate ownership of multiple properties by spouses, whether Dwellings or Building Sites, is considered joint ownership for purposes of voting and they shall have only a single vote or 1/3 vote as determined by the property owned.

- (c) **Board of Directors.** The affairs of this Association shall be managed by a Board of directors, the number of Board members to be as set out in the Bylaws, who must be Dwelling Owners and Members of the Association and who are elected by the Members, as set forth in the Bylaws of the Association.

Section 3.2 **Meeting of the Board of Directors.** The Association and Board of Directors shall meet as set forth in the Bylaws.

Section 3.3 **Disputes.** In addition to its other powers conferred by law or hereunder, the Board shall be empowered to create procedures for resolving disputes between Owners and the Board or the Association, including, but not limited to, the appointment of committees, the Architectural Control Committee, mediators, appraisers or arbitrators to assist in the resolution of any such disputes.

Section 3.4 **Professional Management.** The Board may employ such professional management and contract services as the Board deems appropriate, to perform the day to day functions of the Association and to provide for maintenance, repair, landscaping, insurance, legal assistance, accounting, construction, administration and operation of the Subdivision as provided for herein and as provided for in the bylaws. All contracts for services of any

kind must be approved by a majority of the Board and must be cancelable on thirty (30) days notice unless otherwise approved by the bylaws or by a majority of the sum of the entitled votes of the Members in a called or regular meeting of the Association membership.

Section 3.5 **Limitation of Liability of Directors and Officers.** No director or officer shall be liable to the Association, or to any Member, or to any property owner, resident or visitor, or to any guest or to anyone else whomsoever for monetary damages for an act or omission in the director's or officer's capacity as director or officer, except to the extent the director or officer is found liable for:

- (a) an act or omission not in good faith that constitutes a breach of duty of the director or officer or an act or omission that involves intentional misconduct or a knowing violation of the law;
- (b) an act or omission for which the director or officer received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's or officer's office; or
- (c) an act or omission for which the liability of a director or officer is expressly provided by an applicable statute.

If the Texas Miscellaneous Corporation Laws Act or the Texas Non-Profit Corporation Act is amended after the date of the adoption of this Article 3 (Section 3.5) to authorize action further reducing, eliminating or limiting the personal liability of directors or officers, then the liability of directors and officers of the Association shall be eliminated or limited to the fullest extent permitted by such statutes, as so amended. Any repeal or modification of the foregoing paragraph shall not adversely affect any right of protection of a director or officer or the Association existing at the time of such repeal or modification.

Section 3.6 **Indemnification.** The Board of Directors of the Association may, in its discretion, agree to indemnify a person/s who was/were, is, or is threatened to be named defendant or respondent in litigation or other proceedings because the person is or was a director or officer of the Association, is or was on an appointed committee as defined in the Declaration, or other person related to the Association, as provided by Article 1396-2.22A of the Texas Revised Civil Statutes or the Bylaws of the Association. Such indemnification may include, without limitation, advancing the director's or officer's reasonable expenses.

ARTICLE 4

MAINTENANCE EXPENSE CHARGE , ASSESSMENTS AND LIENS

Section 4.1 **Payment of Maintenance Expenses and Owner Transfer Fees.**

- (a) **General.** There shall be an annual Maintenance Expense Charge against each Dwelling

and against each building site upon which a completed dwelling unit has not been built. The Maintenance Expense Charge shall be set by the Board, after the annual budget is established by the Board. The Maintenance Expense Charge shall be set in an amount not to exceed EIGHT HUNDRED DOLLARS (\$800) per year unless a greater amount is approved by 3/4ths of the sum of the entitled votes of the Members of the Association by a ballot vote taken under the provisions of the bylaws. The Maintenance Expense Charge shall be due and payable to the Association at its office in Conroe, Montgomery County, Texas, on January 1 of each year. An Owner Transfer fee of \$100.00 shall be due and payable to the Association upon transfer at closing on any lot or home in the Longwood Subdivision.

(b) **Establishing Budget.** During the last quarter of each year, the Board shall meet and establish a budget for the next succeeding calendar year. This budget will set forth the Board's reasonable estimate of all expenses which the Association will incur in such operation and maintenance of the Subdivision, including without limitation amounts necessary to satisfactorily maintain the Common Areas. The budget is not limited to but may include any one or more of the following:

- (i) reasonable allowance for contingencies,
- (ii) working capital reserves,
- (iii) any operating deficits for prior years,
- (iv) a reasonable and adequate Replacement Reserve Fund, for maintenance, repairs and replacement to the Common Areas, including, without limitation, maintenance, repair and replacement of those elements thereof that must be replaced on a periodic basis and are payable in regular installments rather than by special assessments.
- (v) ad valorem tax expenses of the Common Areas.

After the budget is established and adopted, it shall be made available for inspection by the Owners.

(c) **Establishing Maintenance Expense Charge.** After the Board shall have adopted the budget for the next succeeding calendar year, the Maintenance Expense Charge for that year will be determined by the Board. The portion of the total Maintenance Expense Budget allocable to each Dwelling and Building Site will be determined and each Owner will be obligated to pay such Maintenance Expense Charge for each Dwelling and Building Site owned, in advance, on January 1 of the budget year. Owners of Building Sites upon which a dwelling unit has not been completed and occupied as of January 1st of any year will pay, for each such Building Site or Lot, a Maintenance Expense Charge equal to 1/3rd of the amount paid by an Owner of a completed Dwelling. Maintenance Expense Charges will be prorated for Building Sites acquired and for Dwellings conveyed or occupied during the year.

- (d) **Payment of Maintenance Expense Charge.** No Owner will be exempt from payment of the Maintenance Expense Charge by waiver of use of any part or all of the Common Areas, or because of any restriction of such uses in accordance with these Declarations, the Bylaws or the Rules and Regulations. All of the Maintenance Expense Charge assessed against each Owner shall be due and payable, in advance, on the first day of each calendar year for which the Maintenance Expense Charge in question has been assessed. Any such amount not paid and received by the Association by the 1st of February of such calendar year shall be deemed delinquent, and, without further notice, shall bear and accrue interest beginning on the day of delinquency and continuing until the charge and all accrued and unpaid interest are paid in full. The rate of interest for delinquent charges shall be determined by the Board at the same time the Board determines its budget and the allocations for the next succeeding year, and unless otherwise determined by the Board, such rate shall be equal to the highest current prime rate charged by banks operating in Conroe, Texas plus four percent per annum, but such rate shall not exceed Eighteen Percent (18%) per annum and shall be compounded annually.

Section 4.2 **Special Assessments.** Notwithstanding anything contained herein to the contrary, if the Board at any time determines that the Maintenance Expense Charge assessed for any period is insufficient to provide for the continued operation of the Subdivision and maintenance of the Common Areas or for expenditures the Board is authorized to make under this Declaration, then the Board shall have the authority to levy such special assessments as it shall deem necessary to provide for such continued maintenance, operation, and other expenditures. Without limiting the generality of the foregoing, such special assessment may be assessed only for benefit of the Association, members, the common area or the subdivision in general because of casualty or other loss to any part of the Common Areas, to make up for any deficiencies caused by non-payment of Maintenance Expense Charges by Owners or other persons, to pay ad valorem taxes, or to pay expenses associated with litigation involving the Association, the Board members individually or the Board as a whole. No special assessment shall be effective until the same is approved in writing by Members holding, in the aggregate, at least a majority of the entitled votes in the Association or by a majority of the sum of the votes to which those present at any regular or special meeting of the Members are entitled. Any such special assessment shall be payable on the due date established by the Board at the time the assessment is levied and shall be deemed delinquent if unpaid within thirty (30) days after the due date and will be enforced in the manner herein specified for the payment and enforcement of the Maintenance Expense Charge. Any special assessment levied under this provision shall only be used for the purpose assessed and shall not be assignable or transferrable to any person or entity for any reason, including the satisfaction of any debt, judgment or lien against the Association of any of its assets unless such assignment or transfer was a stated purpose for levying the assessment.

Section 4.3 **Lien; Subrogation.** In order to secure payment of the Maintenance Expense Charge, Special Assessments, accrued interest, if any, and any other sums payable by Owners or other persons hereunder, the vendors lien and superior title to each Dwelling and Building Site shall be and is hereby RESERVED by the Association, which lien may be foreclosed either through appropriate judicial proceedings by the Association or by public sale without judicial proceedings. Each Owner, by accepting conveyance to a Dwelling, or

Building Site, irrevocably grants to the Association a power of sale under the statutes of the State of Texas for enforcement of contractual liens and security interests, so that lien securing payment of the unpaid sums required to be paid by this Declaration may be foreclosed at public sale without judicial proceedings in the manner permitted by the laws of the State of Texas. The Association may at any time or times designate one or more Trustees or Substitute Trustees who shall, on behalf of the Association, exercise such power of sale to enforce the lien reserved and retained by this Section. The vendor's lien and superior title herein reserved and the sums they secure shall be subordinate in all respects to any Mortgage and to the rights of any Mortgagee acquiring title to a Dwelling or Building Site, whether pursuant to the remedies provided for in its Mortgage or to procedures in lieu thereof. Such Mortgagee shall not be liable for the unpaid portion of the Maintenance Expense Charge or other Assessments or other charges due attributable to the Dwelling or Building Site in question that arose prior to such acquisition. In addition to foreclosing the lien hereby retained, in the event of nonpayment by any Owner, or other person, of the Maintenance Expense Charge or portion thereof, the Association may, acting through the Board, upon not less than twenty (20) days prior written notice thereof to such nonpaying Owner or other person, in addition to all other rights and remedies available at law or otherwise, pursue any or all of the following remedies:

- (a) **Publication.** The Association, without prior notice or liability to the nonpaying Owner may publish in appropriate newsletters or other publications, including newspapers, or post in appropriate Common Areas, information concerning the nonpaying Owner, and the amount and time of delinquency.
- (b) **Purchases of Dwelling or Building site.** The Association may upon ten (10) days' written notice purchase from such nonpaying Owner; (and for this purpose each Owner hereby grants to the Association an option to so purchase) such nonpaying Owner's Dwelling or Building Site, at a purchase price equal to the current market price or the price originally paid, whichever is less, less the reasonable expenses incurred by the Association in consummating the purchase, less the amount of the unpaid portion of the Maintenance Expense Charge, Special Assessments, accrued interest and other amounts due giving rise to such option, and less the balance of any debt secured by any Mortgage encumbering the subject property; provided, however, this option of the Association shall be subordinate in all respects to any Mortgage and to any Mortgagee acquiring title to a Dwelling or Building Site, whether pursuant to the remedies provided for in its Mortgage or to procedures in lieu thereof.

Section 4.4 **Maintenance Fund.** The Maintenance Expense Charges, the Owner transfer fee, Special Assessments, accrued interest, if any, and any other sums payable by Owners shall be paid into the Maintenance Fund held for the use and benefit, directly or indirectly, of the Subdivision. Such Maintenance Fund may be expended by the Board for the purposes set forth in this Declaration.

ARTICLE 5
INSURANCE

Section 5.1 **General Provisions.** The Board shall obtain insurance for the Subdivision as it deems appropriate, and may include any one or more of the following types of coverage:

- (a) Insurance on the Subdivision, and all building service equipment and similar equipment located within the Subdivision, against loss or damage by fire or by any and all other risks insured by standard extended coverage policies in use in the State of Texas, with such endorsements as the Board deems advisable for at least the full insurable value of such equipment; but in any event in an amount not less than the full insurable replacement cost thereof. The fully insurable replacement cost of the covered items described herein shall be determined annually by the Board, which may obtain an appraisal in making such determination, the cost of which shall be paid from the Maintenance Fund;
- (b) Comprehensive general liability insurance against claims for bodily injury or death, and for property damage suffered by the public or any Owner, the family, agent, employee or invitee of any Owner occurring in, on or about the Subdivision or upon, in or about the private driveways, roadways, walkways, and passageways, if any, on or adjoining the Subdivision. Any policy obtained pursuant to this subsection (b) may contain a cross-liability endorsement whereby the rights of the named insured shall not prejudice his, her or their action or actions against another named insured, and shall contain a "severability of interest" type of endorsement precluding the insurer from denying a claim of an Owner, or the Association because of the negligent acts of other Owners or the Association;
- (c) Such worker's compensation insurance as may be necessary to comply with applicable laws;
- (d) Employer's liability insurance;
- (e) Fidelity bonds indemnifying the Association, the Board, and the Owners from loss of funds resulting from fraudulent or dishonest acts of any officer, director, manager, trustee, volunteer, or employee of the Association or of any other person who is responsible for handling the funds of the Association. Any policy obtained pursuant to this subsection (e) shall name the Association as an obligee, shall contain an endorsement covering all persons who serve the Association without pay (if the policy would not otherwise cover volunteers), and shall provide that such policy may not be canceled or substantially modified without at least thirty (30) days' written notice to the Association and all first-lien Mortgagees and Servicers identified in writing to the issuer of such policy by the Association as requiring such notice;
- (f) Director's and Officer's liability insurance for the directors and officers of the Association against any liability asserted against any such party, or incurred by such

party in such capacity, or arising out of such party's status or actions as a director or officer; and,

- (g) Such other insurance in such reasonable amounts and in the form as the Board shall deem desirable, or as may be required from time to time by Lending Authorities, if any. The Board may elect to comply with the standards of this Declaration even if Lending Authorities, if any, may be satisfied with less stringent standards.

Section 5.2 **Policies.** All insurance provided for in this Article 5 shall be obtained from responsible insurers authorized to do business in the State of Texas. All such policies of insurance shall name as insured the Association, as trustee for each Owner in accordance with and in proportion to each Owner's interest, and all Mortgagees, all as their respective interests may appear. If possible, all such policies shall be, if available, without contribution with regard to any other policies of insurance carried individually by an Owner and shall provide, if available, that such policy shall not be terminated for any cause without at least thirty (30) days' prior written notice to the Association and the Mortgagees. If possible, all policies of insurance of the character described in this Article shall contain, if available, an endorsement extending coverage to include the payment of Maintenance Expense Charges with respect to damaged Dwellings during the period of their reconstruction. Any proceeds paid in respect to any insurance policy obtained by the Board pursuant to this Article shall be held and disbursed by the Board in accordance with this Declaration.

Section 5.3 **Individual Insurance.** Each Owner shall be responsible, at his own cost and expense, for insuring his own property, including his Dwelling, if any, the contents and furnishings of his Dwelling, and should include, if available, liability insurance. Policies should include, if available, comprehensive general liability insurance against claims for bodily injury or death, and for property damage suffered by the public or any Owner, the family, agent, employee or invitee of any Owner occurring in, on or about the Owner's property or upon, in or about his premises, including private driveways, roadways, walkways, and passageways, if any. The policies carried by the Owners shall provide, if available, that it is without contribution with respect to the policies of casualty insurance obtained by the Board for the benefit of all of the owner's as above provided.

ARTICLE 6

FIRE OR CASUALTY LOSS CONDEMNATION

Section 6.1 **Definitions.** For the purpose of this Article 6, the following definitions shall apply:

- (a) **Damages.** Any loss or injury to a Dwelling which is visible or apparent from the Common Areas, or which impairs or weakens the structural integrity or the support of a Dwelling, or which threatens immediate danger to the structural integrity or support of another Dwelling, or which is likely to cause or allow additional loss, injury or decay either to the Dwelling or any other adjacent Dwelling, or which changes or alters in any way the color, design or appearance of the Dwelling; or, in the case of a Building Site or Lot upon which a completed dwelling unit has not been built, any loss or injury to the property, including death of trees from any cause, storm damage, burning, or any

unsightly or dangerous condition, due to any cause, which is visible from any Common Area or which threatens any Dwelling or is or is likely to become dangerous to residents or non-residents.

- (b) **Destruction**. Any loss or injury to a Dwelling which renders all or any portion of a Dwelling unsuitable for use or habitation by the Owner.
- (c) **Date of Loss**. The last calendar date upon which a particular fire or other casualty would cause a Dwelling to be damaged or destroyed, so that if a Dwelling were to be damaged or destroyed by a fire which extended over two or more days, the Date of Loss would be the date upon which the fire would be extinguished. As to a Building Site or Lot upon which a completed dwelling unit has not been built, the Date of Loss would be the date upon which the damage occurred, or in the case of fire, the date upon which the fire would be extinguished.
- (d) **Contractor**. A person, partnership or corporation regularly engaged in the business of repairing or rebuilding residences or of cleaning up and removing debris from a damaged premises and who is approved by the Association.

Section 6.2 Fire or Casualty Loss - Obligation to Rebuild.

- (a) **In General**. Each Owner recognizes that a damaged or destroyed Dwelling would adversely affect the values of the remaining Dwellings. Each Owner thereupon agrees that if his Dwelling is either damaged or destroyed, such Owner shall promptly set about to repair or rebuild the damaged or destroyed Dwelling in conformity with the architectural standards of the Subdivision or remove the damaged or destroyed Dwelling in its entirety. If for any reason an Owner is unable or unwilling to repair or rebuild, then the Association shall have the right and option to purchase such Dwelling at a value determined by appraisal. In the case of a Building Site upon which a completed dwelling unit has not been built, unsightly damage to trees and vegetation or accumulation of debris from whatever source is also detrimental to the value of the Dwellings in the Subdivision. Each Building Site Owner is expected to clean up, remove debris and restore the appearance of any Building Site suffering Damage from any source.
- (b) **Time**. Not later than ninety (90) days after the Date of Loss, the Owner of a Damaged or Destroyed Dwelling shall deliver to the Architectural Control Committee a complete and final set of plans and specifications for the repair or rebuilding of his Dwelling together with a copy of the executed Contract for such repair or rebuilding between the Owner and a Contractor. The Architectural Control Committee shall either approve or reject the submitted Plans and Specifications within the time provided in Section 2.2 of Article 2 above, or the Plans and Specifications submitted shall be conclusively deemed approved for all purposes. Within sixty (60) days after the Plans and Specifications and Contract have been approved by the Architectural Control Committee the Owner shall begin the repairs or rebuilding in accordance with the Plans and Specifications and the Contract. The Board shall have the authority to extend or shorten the time limits imposed herein, for good cause, which determination may be made by the Board in its sole discretion.

- (c) **Rights of Mortgagees or Insurers.** The obligations of an Owner of a damaged or destroyed Dwelling and the options remaining to the Association, provided in this Article, shall not be affected by any other right or interests which may also exist either under a mortgage or deed of trust executed by the Owner and covering such Dwelling or under one or more policies of insurance insuring the Dwelling against flood, fire or other casualty.
- (d) **Association's Option to Purchase** In the event the Owner of any damaged or destroyed Dwelling should for any reason fail or refuse to repair or rebuild as required by this Article, then beginning ninety (90) days from the Date of Loss and continuing until one hundred eighty (180) days from the Date of Loss, the Association shall have the sole and exclusive right and option to purchase the Dwelling in its damaged or destroyed condition. This right or option may be exercised by either of the following means:
- (i) **Contract with Association.** A written contract of sale made before the expiration of one hundred twenty (120) days after the Date of Loss, by and between the Owner and the Association, acting by its Board of Directors, providing for the sale and purchase of the Dwelling for a price and upon the terms and conditions agreed upon therein; or,
- (ii) **Association's Option.** If, upon expiration of ninety (90) days after the Date of Loss, the Owner and the Association cannot agree on the price, terms and condition of sale, then the Association shall exercise the right and option provided by this subparagraph by giving the Owner written notice of the Association's intention to purchase such damaged or destroyed Dwelling at its fair market value as of ninety (90) days after the Date of Loss, as determined by a qualified appraiser selected by the Owner and the Association. Such notice must be given to the Owner within one hundred twenty (120) days after the Date of Loss. If the Owner and the Association cannot agree on an appraiser within ten (10) days after the Association has given the Owner the notice of its intention to purchase, then the Owner shall select an appraiser, the Association shall select an appraiser, and the two appraisers shall select a third appraiser. For the purposes of this sub-paragraph, the Association and the Owner shall be conclusively bound to the value determined by at least two (2) of the three (3) appraisers. If at least two (2) of the appraisers do not agree on determination of a value, the Association and the Owner shall be conclusively bound to the value determined by averaging the two appraisal values that are closest in value to one another. If the Owner should, for any reason fail or refuse to appoint an appraiser within ten (10) days after the Association has given the Owner the notice of its intention to purchase the Dwelling, then the Owner shall be conclusively bound for all purposes to the value determined by the Association's appraiser. The Association's right and option to Purchase the damaged or destroyed Dwelling shall be specifically enforced by a suit brought by the Association at any time within one hundred eighty (180) days after the Date of Loss. Venue for any such proceeding shall be Montgomery County, Texas. The Association shall be entitled to make or assume any one or more purchase-money mortgage loans for the purpose of this subparagraph, in such amounts and upon such rate, terms and conditions as the Board should determine appropriate.

- (e) **Association's Option to Clear the Dwelling Site.** In the event the Owner of any damaged or destroyed Dwelling should for any reason fail or refuse to repair or rebuild as required by this Article and the Association does not wish to exercise its option to purchase the Dwelling in its damaged or destroyed condition, then beginning six (6) months after loss or thirty (30) days after the insurance proceeds are paid, whichever is sooner, the Association shall have the right and easement to enter the Dwelling and remove, without being liable for trespass or injury to the premises, the Dwelling debris from the lot at the Owner's expense. The Owner shall be given sixty (60) days written notice of the Association's intent to clear the Dwelling site and restore the property to a condition that will not be detrimental to the appearance of the Subdivision. If at the end of the sixty (60) days the Owner has not remedied the condition of his property and restored its appearance, the Association shall have the right to proceed with such clean up and charge any expense incurred to the Owner. Such expense shall be paid within thirty(30) days from date of billing or be deemed delinquent and, without further notice, shall bear and accrue interest beginning on the day of delinquency and continuing until the charge and all accrued and unpaid interest are paid in full. The rate of interest for delinquent charges shall be determined by the Board as in Section 4.1(d), herein. A vendor's lien against the Owner's property is reserved as set out in Section 4.3 to secure payment.
- (f) **Building Site or Lot.** In the case of a Building Site upon which a completed dwelling unit has not been built, any unsightly damage to trees and vegetation or accumulation of debris from whatever source is hereby determined to be detrimental to the value of the Dwellings throughout the Subdivision. Each Building Site Owner is expected to clean up, remove debris and restore the appearance of any Building Site suffering Damage from any source. If, for any reason, the Building Site Owner is unable or unwilling to clean up his Building Site within thirty (30) days from the Date of Loss, the Association shall have the right to proceed with such clean up and charge any expense incurred to the owner, such expense to be repaid to the Association within thirty (30) days or be deemed delinquent, and, without further notice, shall bear and accrue interest beginning on the day of delinquency and continuing until the charge and all accrued and unpaid interest are paid in full. The rate of interest for delinquent charges shall be determined by the Board (as in Section 4.1(d)) at the same time the Board determines its budget and the allocations for the next succeeding year, but such rate shall not exceed Eighteen Percent (18%) per annum. A vendors lien against the building site or lot is reserved as set out in Section 4.3 to secure payment.
- (g) **Association not Liable.** The Association and its officers, directors and members shall not be liable in damages, for specific enforcement, or other equitable relief to any Owner or Owners or other party for any waiver, failure or refusal, intentional or otherwise, by the Association to exercise the rights and options of this Section 6.2 of Article 6 of this Declaration with respect to any Damaged or Destroyed Dwelling or Damaged Building Site. No Owner, mortgagee or other party shall be entitled to recover damages or obtain specific enforcement from the Association for any waiver, failure to exercise this right and option with regard to any Damaged or Destroyed Dwelling or Damaged Building Site. The Association's right and option may not be transferred, assigned or conveyed to any Owner, Owners or other party.

Section 6.3 **Indemnity of Association.** Subject to the provisions of Section 5.3 hereof, each Owner shall be responsible for any costs not otherwise covered by insurance carried by the Association and caused by such Owner's negligence or misuse or by the negligence or misuse of his immediate family, or his agents or employees in the course of their duties, and shall, to the extent not covered by insurance proceeds collected by the Association, indemnify the Association and all other Owners against any such costs.

Section 6.4 **Condemnation of Common Areas.** If a portion or all of the Common Areas shall be taken pursuant to the power of condemnation or eminent domain or under threat of condemnation or eminent domain, any proceeds that are paid to the Association in connection with the same shall be used by the Association for any purpose permitted by this Declaration, as the Board deems reasonably necessary or appropriate under all the circumstances. Without limitation, the Board shall be empowered to use said proceeds for repairs, alterations, or other work it deems reasonably necessary or appropriate as to any parts of the Common Areas still remaining, and may, in addition, expend any of said proceeds for the purchase, lease, or other arrangement for alternative facilities to substitute for any of the Common Areas that have been taken all to the extent that the Board may deem reasonably necessary or appropriate.

Section 6.5 **Condemnation: Mortgagee Rights.** If any Dwelling or portion thereof, Building Site or portion thereof, or Common Area and facilities or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding, no provision of this Declaration shall entitle the Owner or other party to priority over an institutional holder of any first mortgage or equivalent security interest on a Dwelling or Building Site with respect to any distribution to such Dwelling or Building Site of the proceeds of any award or settlement.

ARTICLE 7

AMENDMENT OF DECLARATION AND DURATION OF RESTRICTIONS

These Restrictions shall remain in full force and effect until January 1, 2030 and shall automatically be extended for successive ten (10) year periods thereafter; provided, however, these Restrictions may be terminated on January 1, 2030 or on the commencement of any successive ten (10) year period by the filing for record in the Office of the County Clerk of Montgomery County, Texas, within a period of twelve (12) months prior to such effective date of termination, of a written statement of the election to terminate these Restrictions executed and acknowledged by at least seventy-five percent (75%) of the sum of the votes to which the Dwelling Owners at the time of such filing and Building Site Owners at the time of such filing are entitled.

ARTICLE 8

AMENDMENTS; RIGHTS OF MORTGAGEES

Section 8.1 **Amendment.** For matters which do not affect the interests, options and rights of Mortgagees, these Declarations may be amended at any time or times by the affirmative

written vote of at least seventy-five (75%) of the sum of the votes to which the Dwelling Owners at the time of such amendment and Building Site Owners at the time of such amendment are entitled.

Section 8.2 **Rights of Individual Mortgagees.** In addition to all other provisions of these Declarations regarding the rights and interests of mortgagees, any mortgagee shall be entitled to the following upon request:

- (a) to receive from the Association sixty (60) days' advance written notice of the Association's intention to enforce its liens securing payment of Maintenance Expense Charges due for any Dwelling or Building Site for which the Mortgagee holds a mortgage;
- (b) to have prior and superior right to receive insurance proceeds, sales proceeds and condemnation awards payable with respect to any Dwelling or Building Site for which the Mortgagee holds a mortgage, to the extent of the Mortgagee's interest;

Section 8.3 **Prior Approval.** Without the prior written consent of at least three-fourths (3/4ths) of the Mortgagees, neither the Owners, nor the Association shall, whether by amendment hereof, or by any other act or omission:

- (a) waive or abandon any scheme of development and regulation of the Subdivision, or enforcement thereof, pertaining to the Architectural Control or Maintenance of the Common Areas or any portions thereof;
- (b) fail to maintain fire and extended coverage on the insurable portion of the Common Areas on a current replacement basis in any amount less than the full insurable value thereof (based on current replacement cost);
- (c) use hazard insurance proceeds for losses to any part of the Subdivision (whether Dwellings or Common Areas) for other than the repair, replacement or reconstruction of any part of the Subdivision, except as provided by statute in case of substantial loss to the Dwellings, the Common Areas, or both of same.
- (d) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner; or
- (e) by act or omission, seek to release, abandon, partition, subdivide, hypothecate, encumber, sell or transfer or otherwise alienate the Common Areas, directly or indirectly, except for the granting of public utility easements or easements for other public purposes consistent with the intended use of the Common Areas by the Subdivision.

ARTICLE 9
PARTY WALLS AND FENCES

Section 9.1 **General Rules of Law to Apply.** Each exterior wall which is built as a part of the original construction of a Dwelling upon the Land and placed on the dividing line between two homes shall constitute a PARTY WALL and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 9.2 **Sharing of Repair and Maintenance.** The cost of the reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of such wall.

Section 9.3 **Right to Contribution Runs with the Land.** The right of any Owner to contribution from any Owner under this Article shall be appurtenant to the respective Lot or Building Site and shall pass to such Owner's successors in title.

Section 9.4 **Common Fences.** Any part of an Owner's existing fence (or wall) which also serves as part of a fence later erected by a neighbor to enclose part or all of the neighbor's property, whether physically tied into the existing fence or not, constitutes a COMMON FENCE. The Owner of the existing fence (or wall) shall be compensated by the Owner erecting the new fence for a portion of the cost of the common fence. The cost of the reasonable repair and maintenance of a common fence shall be shared equally by the Owners who make use of such fence.

ARTICLE 10
CONSTRUCTION STANDARDS AND PROCEDURES

Section 10.1 **General.** The construction of Dwellings and other structures within the Subdivision shall conform to and be uniform in the following respects with regard to construction standards and requirements. The Longwood Owners' Association is maintaining a community-wide image of freshness and quality with harmony of design and construction. Preservation of as many trees as possible is desired. Energy saving concepts in design and construction are viewed as important. Dwellings constructed and completed under prior standards shall not be affected by any of these provisions which differ from, or are more restrictive than the standards in effect at the time such Dwelling was built. However, all new construction or remodeling must conform with standards and restrictions, as updated and amended, at the time of construction or remodeling.

Section 10.2 **Size of Dwellings and Building Sites; Easements.**

- (a) **Dwelling Size.** Each Dwelling shall contain a minimum of 1,900 square feet of living area, exclusive of garages, porches, patios and decks and shall be constructed with attached garages of sufficient size to house at least two automobiles.
- (b) **Building Sites.** A Building Site for a Dwelling must contain at least 6,000 square feet of land area and no Lot, tract or parcel of land shall be divided or separated or conveyed as a

Building Site which does not contain at least 6,000 square feet of land area. No Dwelling constructed on a Building Site may cover more than 60% of the land area with house, porches and decks, excepting wood or composite decks are not included in the coverage area.

- (c) **Easements.** All construction in Longwood Subdivision must conform to existing easements as recorded in the Real Property Records of Montgomery County, Texas. As recent amendments to the City of Conroe building restrictions establish minimum front, side, and rear setbacks, the more restrictive set back, as shown on the Plat or the restrictions, or the Building Code shall prevail.

Section 10.3 Topography and Drainage.

- (a) **Drainage.** No water from any home may run across or through any other property without an easement being granted prior to commencement of construction. Contractor shall take necessary measures to control all erosion during and after construction.
- (b) **Guttering and Storm Drainage.** All appropriate roof edges (as determined by the Architectural Control Committee, in its discretion) on all sides of the Dwelling must be guttered. Down spouts should be sized and located such that the water in a normal heavy rain can be handled without overflowing the gutter. All water from the roofs must be moved to the curb except the front water which may surface drain if it does not run across an adjacent property.
- (c) **Drainage Plan.** A drainage plan must be submitted to the Architectural Control Committee when seeking approval for a Dwelling with such plan showing the relationship between the Dwelling and adjacent property and street(s), with drainage flow indicated. At completion of the Dwelling, drainage flow must be as indicated on the approved plan. Owner will be required to correct any non-conforming drainage flow.

Should there be a conflict regarding (a), (b), or (c) above, an engineering drainage plan may be required by the Architectural Control Committee for final approval.

Section 10.4 Construction Standards

- (a) **Materials and Construction Specifications.**
 - (i) **Brick.** Exterior shall be at least 75% brick. The brick shall be “Boral Alamo Queen” brick or an Architectural Control Committee approved brick that is equal in color and quality.
 - (ii) **Driveways, Walkways and Patios.** Driveways, and walkways or patios visible from the Common Areas must be patterned concrete in a design and color matching existing Dwellings.

- (iii) Exterior Lighting. Yard lights shall be of the Victorian or other appropriate style similar to those used in the Common Areas. Approval of the Architectural Control Committee is required before installation.
- (iv) Exterior Trim. Exterior trim may be rough-sawn cedar, smooth fir, or Hardi-Plank. Materials such as stucco, vinyl or aluminum siding are prohibited. Exterior trim shall be painted with Sherwin Williams formula A89W01151, or approved equal in a matching color.
- (v) Fences. Perimeter fencing may be of brick matching the Dwelling or wrought iron, except on any portion of the fence that faces the street. Portions of the fence that face the street shall be of brick matching the Dwelling with the gate(s) to be wrought iron. Chain link or wood fences are prohibited within the Subdivision. Fences shall be at least six (6) feet in height for free-standing homes and seven (7) feet in height for town homes or patio homes. Any fence construction or retaining wall within an easement would have to be approved by the City of Conroe and the utility companies involved; removal of this fence or repair of any damage caused or required by utility operations would be at the expense of the Dwelling Owner.
- (vi) Fire Walls. Fire walls must be constructed in accordance with the Building Code. In addition, the design of the wall shall be compatible with the existing fire walls in the Subdivision.
- (vii) Foundations. In accordance with the Building Code, the top of the finished foundation must be at least twelve (12) inches above the highest ground adjacent to the slab, or in compliance with City Code. In no case should water be allowed to drain to or stand against the foundation. A positive downhill slope of at least five percent (5%) should be established by the builder and maintained by the Owner.
- (viii) Garages. Garages shall be attached to the dwelling. Garage doors must be embossed panel doors, containing no windows, and be similar to garage doors on existing Dwellings. Garage doors may be of wood or metal and shall be painted to match the trim on the Dwelling. Working automatic garage door openers are required.
- (ix) Gutters. All appropriate edges of the roofs (as determined by the Architectural Control Committee, in its discretion) on all sides of the house must be guttered with gutters and downspouts painted to match trim.
- (x) House Numbers. House numbers compatible in size and color to existing house numbers shall be placed in plain view of the street, as close as possible to the street.
- (xi) Insulation. Houses shall be constructed using energy saving concepts in all exterior walls and the ceiling with ceiling insulation values of R-30 or higher.

- (xii) Landscaping. Landscaping shall be harmonious with that of existing Dwellings, shall be installed during the construction phase and will require approval of the Architectural Control Committee before installation.
- (xiii) Lawn Sprinkler System. An automatic lawn sprinkler system is required for irrigating all landscaped areas on all sides of the Dwelling. Zoning is strongly recommended and a separate water tap and meter should be considered to avoid paying sewer charges for irrigation water.
- (xiv) Roof. Roofing to be Elk Prestique I High Definition, Color Weatherwood, composition roofing or approved equal in a color matching existing Dwellings as nearly as possible. Lines of shingles should be straight and parallel with the horizontal fascia of the Dwelling. The pitch and design of the roof shall conform to existing Dwellings. Chimneys must be constructed of brick; the chimney top must be at least two (2) feet above any roof line within ten (10) feet; the chimney must have a spark arrestor installed.
- (xv) Soil Borings and Foundation Design. At least two (2) soil borings fifteen (15) feet or more in depth shall be made on the site to determine the characteristics of the soil. A written report by the soil engineer together with his recommendations regarding foundation requirements as applicable by the building code of the City of Conroe, Texas, should be utilized to design the foundation and slab. A copy of the slab design, signed and sealed by the designing engineer, as applicable by the building code of the City of Conroe, Texas, should be provided to the City of Conroe Permit Office when applying for a construction permit.
- (xvi) Utility Services. Electricity, telecommunications, gas and other transmission or service lines shall be underground throughout the Subdivision.
- (xvii) Windows. Metal windows must be approved by the Architectural Control Committee before purchase. They must be tan in finish, be of insulated glass with two or more panes. Divided light appearance is required wherever windows are visible from the Common Areas. Wood windows may be used, but must be painted the same color as the trim and must be divided light wherever visible from the Common Areas.
- (xviii) Retaining Walls. Retaining wall design must be approved by the Architectural Control Committee.
- (xix) Variances. Should circumstances warrant, the Longwood Owners' Association shall have the authority and discretion to grant reasonable variances as to any provision in Sections 10.3 and 10.4, but is not obligated to do so. Upon the recommendation of the Architectural Control Committee, the Board may consider any requested variance(s) and elect to grant or deny the variance at their sole discretion without explanation. Requests for variances must be submitted in writing together with any proposed justification.

- (xx) Any Other Item. Any other item or element of construction not specifically addressed in this Declaration shall conform to the Dwellings existing in the Subdivision as to design and appearance and be equal to or better in quality of construction.

(b) **Construction Quality and Job Site Conditions.**

- (i) City of Conroe Permits. To the extent required by the Ordinances of the City of Conroe, Texas, a Construction Permit is required prior to commencing construction. To the extent required by the Ordinances of the City of Conroe, Texas, a Certificate of Occupancy is required prior to the Owner moving into the Dwelling. The contractor is responsible for complying with all rules and regulations set forth by the City of Conroe.
- (ii) Insurance and Indemnity. The General Contractor shall pay to the Longwood Owners' Association, upon demand, the reasonable cost to repair (or replace) any damage to streets, Common Areas, property of others or other damage to the Subdivision occurring during and caused by construction or resulting from construction activity. The General Contractor shall provide to the Longwood Owners' Association a certificate of liability insurance coverage in a uniform amount determined by the Board of Directors of the Association in accordance with the Bylaws, but in no event less than \$100,000 to cover liability for any damage caused during construction, including damages caused by the general contractor, his subcontractors, suppliers, material men or other persons having access to the job site through the contractor. Such liability coverage shall not be cancelable without 15 days prior notice to the Longwood Owners' Association.
- (iii) Construction Code. Construction in the Longwood Subdivision must conform to the Building Code as currently amended and adopted by the City of Conroe, Texas, at the time of construction.
- (iv) Conflicts in Standards. Should there be a conflict between the City of Conroe Code and the Standards and Requirements of this Declaration, the more stringent standard will prevail.
- (v) Workmanship Quality. Acceptable quality of workmanship is defined as work satisfying the City of Conroe Code as well as being square, plumb, level and executed at a journeyman level of excellence in all aspects of the construction.
- (vi) Materials Quality. The quality of the materials used in new construction and remodeling shall be equal to or better in appearance, quality, soundness and durability than materials used in existing Dwellings in the Subdivision. Types of materials are addressed elsewhere in Article 10.
- (vii) Job Cleanliness. For each Dwelling being constructed, the contractor must deposit with the Longwood Owners' Association the uniform amount set by the Board, in accordance with the Bylaws, to insure prompt job site cleanup (within ten days) at

job completion. The work site must be free of unsightly trash and waste. A dumpster must be replaced or emptied when full. . Trash scattered beyond the job site by whatever cause shall be picked up by the contractor within one business day. If scattered trash is not picked up promptly, the Association may in the discretion of the Board of Directors have it removed and charge any resulting cost to the contractor to be deducted from the contractor's cleanup deposit. If the cleanup deposit is inadequate to pay for the cost of cleanup by the Association, the contractor and Owner shall be held responsible for any deficiency.

- (viii) Construction Toilet. A construction toilet is required on site from the start of the Dwelling construction job with each such toilet to be serviced at least one time per week. No odors may emanate from the toilet.
 - (ix) Notice to Residents. Contractor must notify all affected residents at least 12 hours prior to any utility service interruptions.
 - (x) Street Access. At no time shall construction traffic or materials block any street or block access to a resident's home. Materials may not be stored in the street.
 - (xi) Timeliness of Completion. All construction shall be pursued diligently from its inception to conclusion without cessation and such construction shall be completed within 9 (nine) months from commencement excluding time lost on account of Acts of God beyond the contractor's control..
- (c) **Contractor's and Owner's Agents**. Contractor and Owner shall each designate and furnish to the Architectural Control Committee the name and telephone number of an agent available for 24 hour per day contact during construction.
- (d) **Construction Site Access**.
- (i) Access Time.

Monday through Friday	--	7:00 am to Sunset
Saturday	--	9:00 am to Sunset
Sunday	--	12:00 noon to 6:00 pm
 - (ii) Security Gate Access. The security system has a digital key pad which controls the entrance gate. Each building contractor will be given a code number to use during construction and will be responsible for security control of his agents, suppliers, employees or any person associated with the construction. When construction is complete, or before if circumstances dictate, that number will be canceled. A new number will be assigned if it is necessary to cancel the access number before completion of construction

Section 10.5 Architectural Control Process. The following items, with all cost for preparation to be borne by the person or entity seeking approval, shall be submitted to the Architectural Control Committee when seeking the required approval:

- (a) **Preliminary Stage** If a preliminary opinion is desired as to the compatibility of a proposed house design with the Subdivision before going to the expense of preparing complete plans, the following should be submitted:
- (i) Two sets of preliminary plans with a plot plan to scale. Show intended type of fencing.
 - (ii) Elevations of all four sides showing intended materials.
- (b) **Permit Stage** When ready for final approval to begin construction, submit the following:
- (i) Two sets of professionally prepared construction plans in full detail, clearly dimensioned and to scale, showing all finishes, structure and materials and showing all elevations.
 - (ii) Plot plans dimensioned and to scale, showing building lines, easements, structure placement, topography with elevations noted and drainage pattern indicated. Show sprinkler system and fences. Note size, type and location of fence.
 - (iii) Provide a copy of easements received for fencing, drainage, and sewer/water connections, if needed.
 - (iv) Submit soil boring information for proposed construction site as approved by the City of Conroe with engineer's foundation recommendations and sealed foundation design.
 - (v) Submit to the Association written proof that soil boring information required by Section 10.4 has been approved by the City of Conroe.
 - (vi) Proposed color scheme for the exterior with samples for materials proposed as "like kind and quality" to those called for in the Restrictions.
 - (vii) Landscaping is required to be completed during construction; a landscaping plan must be approved before landscaping commences.
 - (viii) Name, telephone number and address of OWNER, BUILDER, and ARCHITECT.
- (c) BUILDER or Owner must deposit the amount set by the Board, in accordance with the Bylaws, to insure cleanup and also provide a Certificate of Liability Insurance in the amount of \$100,000 or more, as set by the Board in accordance with the Bylaws.
- (d) OWNER(S) and BUILDER will be required to sign an agreement indicating that they understand the restrictions and covenant and warrant that they will comply with all restrictions.

- (e) The Architectural Control Committee will give approval or rejection as provided in Article 2, Section 2.2(c) hereof, as follows:
- (i) Approval or rejection in writing within twenty-one (21) days after submission of all required information.
 - (ii) Rejection notice will give sufficient detail for applicant to understand the Committee's basis for rejection and allow for resubmission in compliance.
 - (iii) If Architectural Control Committee fails to respond within twenty-one (21) days, submission is deemed fully approved.
 - (iv) In each case of resubmission, the Architectural Control Committee shall make a decision within 21 days or the submission is deemed fully approved as resubmitted. Each rejection must be in writing and give detail sufficient for resubmission in compliance.
 - (v) No construction activities may commence until approval is received in writing.

ARTICLE 11 **MISCELLANEOUS**

Section 11.1 **Severability.** In the event of the invalidity or partial invalidity or unenforceability of any provision or a portion of this Declaration, the remainder of this Declaration shall remain in full force and effect.

Section 11.2 **Rules and Regulations and Fines.** The Rules and Regulations with respect to the day-to-day maintenance, operation and enjoyment of the Subdivision may be amended from time to time by the Board. The Rules and Regulations are of equal dignity with, and shall be enforceable in the same manner as, the provisions of this Declaration, but in the event of a conflict, this Declaration shall control. Each Owner and Building Site or Lot owner, by accepting conveyance of a Dwelling, Building Site or Lot, agrees to comply with and abide by the Rules and Regulations, as the same may be amended from time to time. Additionally, the Board may impose fines or other levies as deemed necessary by the Board with respect to the interpretation, implementation and enforcement of the Declaration, Bylaws, Rules and Regulations and architectural controls and guidelines of the Subdivision.

Section 11.3 **Delay in Enforcement.** No delay in enforcing the provisions of this Declaration as to any breach or violation thereof shall impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time or times regardless of how much time has passed since the breach or violation has occurred.

Section 11.4 **Limitation of Liability.** The Association, its members, agents, employees, officers and

directors, shall not be liable to any Owner or lessee of any Dwelling, any Lot or Building Site or to any other party for any loss, claim or demand in connection with a breach of any provision of this Declaration so long as the acts, or failure to act, resulting in loss or damage were made in good faith, were not a result of gross negligence and were without intent to cause harm, loss or damage.

Section 11.5 Remedies. In the event any one or more persons, firms, corporations or other entities shall violate or attempt to violate any of the provisions of this Declaration, the Articles of Incorporation, the Rules and Regulations or Bylaws, then the Association or each purchaser, grantee, or owner of any portion of the Land may institute and prosecute any proceedings at law or in equity (i) to abate, prevent or enjoin any such violation or attempted violation, or (ii) to recover monetary damages and/or other fines and levies caused by such violation or attempted violation or both (i) and (ii).

Section 11.6 Enforceability. The Restrictions adopted and established for the Land by this Declaration are imposed upon and made applicable to the Land and shall run with the Land and shall be binding upon, inure to the benefit of and be enforceable by the Association, each purchaser, grantee, owner and lessee of the Land or the improvements situated or hereafter situated thereon, or any part of either, and the respective heirs, legal representatives, successors and assigns of the Association and each such purchaser, grantee, owner and lessee.

Section 11.7 Gender. As used in this Declaration, the masculine, feminine, or neuter gender, and the singular or plural number, shall each include the others whenever the context so indicates.

SIGNED this 18 day of May, 2012.

LONGWOOD OWNERS' ASSOCIATION, INC.

By: Orville G. Fleetwood
ORVILLE G. FLEETWOOD, President

By: Cheryl L Stark
Print Name: Cheryl L Stark
Title: Secretary

EXHIBIT "A

"BEING 13.906 acres of land in the W. S. ALLEN SURVEY, ABSTRACT 2, Montgomery County, Texas, being out of and a part of that 35.0 acre tract of land conveyed by C. E. Cherry, et al to T. H. Edens, by deed dated January 23, 1959, recorded in Volume 459, page 566, and subsequently conveyed to Marshall Holloman by deed recorded in Volume 471, page 300, all in the Deed Records of Montgomery County, Texas; said 13.906 acre tract being described by metes and bounds as follows, to-wit:

BEGINNING at a 5/8 inch iron rod in the East line of that certain 15.0 acre tract described in deed from Floyd Puckett, et al, to Robert Lee Puckett, dated April 12, 1956, and recorded in Volume 428, page 139, Deed Records, Montgomery County, Texas; said Iron Rod being at the Southwest corner of that certain 7.52 acre tract described in Deed from Marshall Holloman to William T. Hooper, dated October 9, 1963, and recorded in Volume 551, page 106 of the Deed Records of Montgomery County, Texas, and being the Northwest corner of the herein described tract:

THENCE: North 74° 55' 34" East with South line of said 7.52 acre tract a distance of 421.67 feet to a ½ inch Iron Pipe at an angle point;

THENCE: North 45° 08' 53" East continuing with said South line a distance of 418.21 feet to a 1 inch Iron Pipe in the West line of Longmire Road for the Northeast corner of the herein described tract;

THENCE: South 45° 16' 18" East with said West line a distance of 517.67 feet to a 1 inch Aluminum Pipe at the North corner of a 0.16 acre tract;


THENCE: South 14° 43' 07" East with the West line of said 0.16 acre tract a distance of 306.96 feet to a 1-3/4 inch Iron Pipe in the North line of that certain 2.00 acre tract described in Deed from Robert Louis Gordon, et ux, to Thomas M. Letter, dated February 12, 1969, and recorded in Volume 685, page 539, Deed Records of Montgomery County, Texas, for the Southeast corner of the herein described tract;

THENCE: South 74° 53' 49" West with the North line of said 2.00 tract and the North line of a Conroe High School tract a distance of 1,046.50 feet to a ½ inch Iron Rod at the Southeast corner of the aforementioned 15.0 acre tract for the Southwest corner of the herein described tract, and being the Southwest corner of the original Holloman 35.0 acre tract;

THENCE: North 14° 43' 17" West with the East line of said 15.0 acre tract and the West line of the original Holloman 35.0 acre tract a distance of 547.23 feet to the PLACE OF BEGINNING and containing 13.906 acres of land.

FILED FOR RECORD

05/22/2012 3:10PM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS

COUNTY OF MONTGOMERY

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

05/22/2012



County Clerk
Montgomery County, Texas

(7)

CORPORATE CERTIFICATE
LONGWOOD OWNERS' ASSOCIATION, INC.

The undersigned certifies that he/she is the President of Longwood Owners' Association, Inc. (the "Association"). The Association is the property owners' association for Longwood Subdivision, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in the Map Records of Montgomery County, Texas (the "Subdivision").

The Association is a Texas non-profit corporation, and a true and correct copy of the **Payment Plan Policy of Longwood Owners' Association, Inc.** is attached to this certificate as Exhibit "A."

Signed this 22 day of March, 2012.

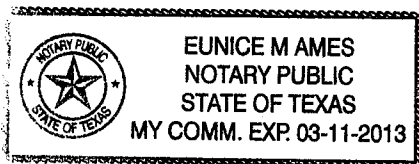
LONGWOOD OWNERS' ASSOCIATION, INC.

By: Orville G. Fleetwood
ORVILLE G. FLEETWOOD, President

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

SWORN TO AND SUBSCRIBED BEFORE ME on the 22nd day of March, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.



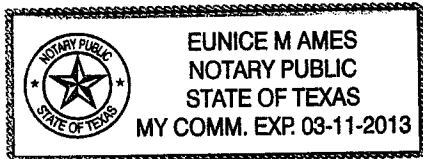
Eunice M. Ames
NOTARY PUBLIC, State of Texas

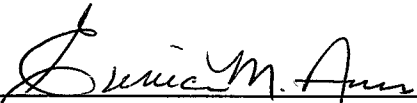


THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 22 day of March, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.





NOTARY PUBLIC, State of Texas

AFTER RECORDING RETURN TO:

Bryan P. Fowler
The Fowler Law Firm
300 West Davis, Suite 510
Conroe, Texas 77301

**PAYMENT PLAN POLICY OF
LONGWOOD OWNERS' ASSOCIATION, INC.**

WHEREAS, the property affected by this Payment Plan Policy is subject to certain dedications, covenants and restrictions (the "Declaration") set out in instruments recorded in the Official Public Records of Real Property at Montgomery County, Texas as follows:

- Clerk's File No. 9730777; and

WHEREAS, pursuant to the authority vested in Longwood Owners' Association, Inc. (the "Association") in the Declaration and as required by the TEXAS PROPERTY CODE, the Board of Directors of the Association (the "Board") hereby promulgates the following Payment Plan Policy.

NOW, THEREFORE, BE IT RESOLVED that the following conditions and requirements are hereby established for Association Payment Plans:

1. Subject to Section 12 below, owners are entitled to make partial payments for delinquent amounts owed to the Association under a Payment Plan in compliance with this Policy.
2. Late fees, penalties and delinquent collection related fees will be not be added to the owner's account while the Payment Plan is active. The Association may impose a fee for administering a Payment Plan. Such fee, if any, will be listed on the Payment Plan form and may change from time-to-time. Interest will continue to accrue during a Payment Plan as allowed under the Declarations. The Association can provide an estimate of the amount of interest that will accrue under any proposed plan.
3. All Payment Plans must be in writing on the form provided by the Association and signed by the owner.
4. The Payment Plan becomes effective and is designated as "active" upon:
 - a. receipt of a fully completed and signed Payment Plan form; and
 - b. receipt of the first payment under the plan; and
 - c. acceptance by the Association as compliant with this Policy.
5. A Payment Plan may be as short as three (3) months and as long as eighteen (18) months based on the guidelines below. The durations listed below are provided as guidelines to assist owners in submitting a Payment Plan.
 - a. Total balance up to 2 times annual assessment ... up to 6 months;
 - b. Total balance up to 3 times annual assessment ... up to 12 months;
 - c. Total balance greater than 3 times annual assessment ... up to 18 months.

6. On a case-by-case basis and upon request of the owner, the Board may approve more than one Payment Plan to be executed in sequence to assist the owner in paying the amount owed. The individual Payment Plans may not exceed eighteen (18) months.
7. A Payment Plan must include sequential monthly payments. The total of all proposed payments must equal the current balance plus Payment Plan administrative fees, if any, plus the estimated accrued interest.
8. If an owner requests a Payment Plan that will extend into the next assessment cycle, the owner will be required to pay future assessments by the due date in addition to the payments specified in the Payment Plan.
9. If an owner defaults on the terms of the Payment Plan, the Payment Plan will be voided. The Association will provide written notice to the owner that the Payment Plan has been voided. It is considered a default of the Payment Plan, if the owner:
 - a. fails to return a signed Payment Plan form with the initial payment; or
 - b. misses a payment due in a calendar month; or
 - c. makes a payment for less than the agreed upon amount; or
 - d. fails to pay a future assessment by the due date in a Payment Plan which spans additional assessment cycles.

In the absolute discretion of the Association, the Association may waive default under item b, c or d above if the owner makes up the missed or short payment on the immediate next calendar month payment. The Association may, but has no obligation to, provide a courtesy notice to the owner of the missed or short payment.

10. On a case-by-case basis, the Association may agree, but has no obligation, to reinstate a voided Payment Plan once during the original duration of the Payment Plan if all missed payments are made up at the time the owner submits a written request for reinstatement.
11. If a Payment Plan is voided, the full amount due by the owner shall immediately become due. The Association will resume the process for collecting amounts owed using all remedies available under the Declarations and the law.
12. The Association has no obligation to accept a Payment Plan from any owner who has defaulted on the terms of a Payment Plan within the last two (2) years.

This is to certify that the foregoing Payment Plan Policy was adopted by the Board of Directors, effective as of March ____, 2012, until such date as it may be modified, rescinded or revoked.

The Board of Directors hereby approves and authorizes the above Policy.

Signed this 22 day of March, 2012.

LONGWOOD OWNERS' ASSOCIATION, INC.

By: Orville G. Fleetwood
ORVILLE G. FLEETWOOD, President

FILED FOR RECORD

03/27/2012 4:02PM

Mark Turnbull

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

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

03/27/2012



Mark Turnbull

County Clerk
Montgomery County, Texas



CORPORATE CERTIFICATE
LONGWOOD OWNERS' ASSOCIATION, INC.

The undersigned certifies that he/she is the President of Longwood Owners' Association, Inc. (the "Association"). The Association is the property owners' association for Longwood Subdivision, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in the Map Records of Montgomery County, Texas (the "Subdivision").

The Association is a Texas non-profit corporation, and a true and correct copy of the **Fine Schedule of Longwood Owners' Association, Inc.** is attached to this certificate as Exhibit "A."

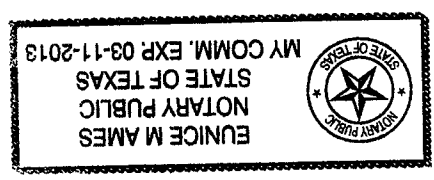
Signed this 21 day of May, 2012.

LONGWOOD OWNERS' ASSOCIATION, INC.

By: Orville G. Fleetwood
ORVILLE G. FLEETWOOD, President

STATE OF TEXAS §
COUNTY OF MONTGOMERY §

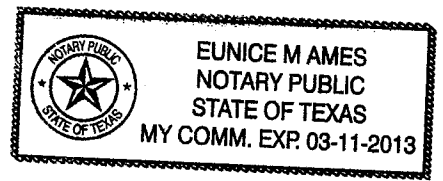
SWORN TO AND SUBSCRIBED BEFORE ME on the 21st day of May, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.



Eunice M. Ames
NOTARY PUBLIC, State of Texas

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 21st day of May, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.



Eunice M. Ames
NOTARY PUBLIC, State of Texas

**FINE SCHEDULE OF
LONGWOOD OWNERS' ASSOCIATION, INC.**

WHEREAS, the property affected by this Fine Schedule is subject to certain dedications, covenants and restrictions (the "Declaration") which are of record in the Official Public Records of Real Property at Montgomery County, Texas, under Clerk's File No. 9730777; and

WHEREAS, pursuant to the authority vested in Longwood Owners' Association, Inc. (the "Association") under the Declaration and pursuant to the express authority of the Texas Property Code, the Board of Directors of the Association (the "Board") hereby promulgates the following Fine Schedule; and

WHEREAS, Pursuant to Section 11.2 of the Declaration, the Board of Directors of the Association is authorized to adopt, amend, repeal and enforce various rules and regulations and fines, as it deems necessary or desirable with respect to the interpretation and implementation of the bylaws, architectural guidelines, Rules and Regulations, and the Declaration; and

WHEREAS, the Association desires, pursuant to the authority set out in the Declaration, and as set out in Chapter 204.010 of the Texas Property Code, to adopt a Fine Schedule and to impose, implement and levy fines as set out in the Fine Schedule, and as may be deemed necessary or desirable, as determined by the Board of Directors of the Association, for the interpretation and implementation of the bylaws, architectural guidelines, Rules and Regulations, and the Declaration.

NOW, THEREFORE, for the purpose of adopting a Fine Schedule for the implementation and enforcement of the bylaws, architectural guidelines, Rules and Regulations, and the Declaration; be it

RESOLVED by the Board of Directors of Longwood Owners' Association, Inc., that the following Fine Schedule be adopted.

FINE SCHEDULE

1. **Violation Policy and Penalties.** Any violation of any of the bylaws, architectural guidelines, Rules and Regulations, and the Declaration, which are applicable to the Subdivision or the Association, by an individual owner, or resident, shall result in the following actions and penalties.
 - a. **First Violation** – a warning will be issued in writing to the owner and, if known to the Association, to the resident of the property. The warning, which may be in the form of a letter, shall contain all required statutory notices, including, without limitation, the notice required under the Texas Residential Property Owners Protection Act, Texas Property Code Section 209.006, as it may be amended from time to time.

- b. Subsequent Violations – owners and residents will be subject to the following penalties for any subsequent violations:
- (1) Non-Continuing Violations. For all non-continuing violations re-occurring within six (6) months of the First Violation:
 - (a) \$50.00 for the second occurrence.
 - (b) \$100.00 for the third occurrence.
 - (c) \$200.00 for each additional occurrence thereafter.
 - (2) Grass and Shrubbery. For failure to mow, trim and weed the yard:
 - (a) \$50.00 per thirty (30) day period of continuing violation.
 - (3) Continuing Violations. For failure to obtain Architectural Control Committee approval, failure to maintain improvements as required, failure to abide by use restrictions as set out in the Declaration, failure to abide by architectural restrictions as set out in the Declaration, and other continuing violations:
 - (a) \$150.00 per thirty (30) day period of continuing violation.
2. **Penalties Responsibility of Owner**. All monetary penalties will be billed to the owner's account and will be payable by the owner to the Association within 30 days of the date of billing.
3. **Penalties Cumulative**. All penalties shall be cumulative but the total amount fined will not exceed \$1,000.00 during the six (6) month period following the First Violation. If the violation continues for more than six (6) months or reoccurs after the end of a six (6) month period, such violation shall be subject to an additional \$1,000.00 cap for each subsequent six (6) month period.
4. **Non-Exclusive Remedies**. The imposition of the monetary penalties provided herein shall not be construed to be an exclusive remedy, and shall be in addition to all other rights and remedies to which the Association may otherwise be entitled, including, without limitation, the filing of an Affidavit of Non-Compliance in the Real Property Records of Montgomery County, Texas, and/or the initiation of legal proceedings seeking injunctive relief and/or damages, attorneys fees, costs of court and all other remedies, at law or in equity, to which the Association may be entitled.
5. **Violation by Resident, Tenant, or Agent**. A violation by a resident, tenant, guest, or agent of the owner shall be treated as a violation of the owner of the property. All monetary penalties shall be billed to the owner.

6. **Courtesy Notice.** For less severe violations, the Association may provide the owner and, if known by the Association, the resident, a courtesy notice and request for compliance within a specified time prior to initiating the notice procedure contained in paragraph 3.

This policy was duly adopted by the Board of Directors of Longwood Owners' Association, Inc., on the 18 day of May, 2012.

The Board of Directors hereby approves and authorizes the Fine Schedule.

Signed this 18 day of May, 2012.

LONGWOOD OWNERS' ASSOCIATION, INC.

By: Orville G. Fleetwood
ORVILLE G. FLEETWOOD, President

FILED FOR RECORD

05/22/2012 3:10PM

Mark Turnbull

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

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

05/22/2012



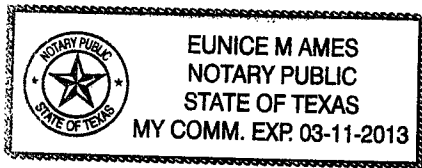
Mark Turnbull

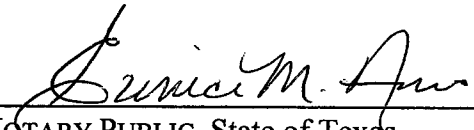
County Clerk
Montgomery County, Texas

THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 22nd day of March, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.





NOTARY PUBLIC, State of Texas

AFTER RECORDING RETURN TO:

Bryan P. Fowler
The Fowler Law Firm
300 West Davis, Suite 510
Conroe, Texas 77301

RECORDS RETENTION SCHEDULE OF LONGWOOD OWNERS' ASSOCIATION, INC.

WHEREAS, the property affected by this Records Retention Schedule is subject to certain dedications, covenants and restrictions (the "Declaration") set out in instruments recorded in the Official Public Records of Real Property at Montgomery County, Texas as follows:

- Clerk's File No. 9730777; and

WHEREAS, pursuant to the authority vested in the Longwood Owners' Association, Inc. (the "Association") in the Declaration and as required by the TEXAS PROPERTY CODE, the Board of Directors of the Association (the "Board") hereby promulgates the following Records Retention Schedule; and

WHEREAS, the Association keeps books, records of account, minutes, bank records, tax information, insurance records, real estate records, and other information, in the regular course of its business; and

WHEREAS, the Board desires to set a schedule for retaining such records and other information maintained by the Association; and

WHEREAS, it is desirable to set a reasonable records retention schedule to maintain control, effective record keeping, and to effectively conduct the Association's normal business.

NOW, THEREFORE, BE IT RESOLVED that the following records retention schedule is established by the Association:

I. CORPORATE "LEGAL" DOCUMENTS & RECORDS

The following records are to be retained permanently:

- Articles of Incorporation / Certificate of Formation
- Bylaws
- Restrictive Covenants / Declaration
- Amendments to the Articles of Incorporation / Certificate of Formation
- Amendments to the Bylaws
- Amendments to the Restrictive Covenants / Certificate of Formation
- Deeds for Association Property
- Annexation Records
- Plats
- Management Certificates

II. CORPORATE FINANCIAL RECORDS

The following Financial Records and Reports shall be kept for seven (7) years:

- Check Register
- Trail Balance
- Prepaid/Accounts Receivable
- Income Statements
- Detailed General Ledger
- Accounts Payable
- Bank Statements/Bank Reconciliations / Cancelled Checks
- Approved Annual Budget
- Annual Assessment Roll and sample of a typical assessment statement
- Year End Audits / Tax Returns

III. MINUTES OR MEETINGS

The following records are to be retained for seven (7) years:

- Approved Minutes of Board Meetings
- Approved Minutes and Records of ACC Meetings
- Approved Minutes of Committee Meetings
- Approved Minutes of Annual and Special Meetings of Members

IV. ACCOUNT RECORDS OF CURRENT OWNERS:

Account records shall be kept for five (5) years.

V. CONTRACTS:

Contracts with a term of more than one (1) year are to be retained for four (4) years after contract expires.

VI. RECOMMENDED RETENTION FOR OTHER CORPORATE RECORDS (in alphabetical order):

Bids/Proposals: Information related to solicitations for bids or proposals shall be retained for three (3) years after the origination date or for as long as the information is deemed useful.

Board Files/Packages from board meetings: Other documents included in the Board package shall be retained for three (3) years.

Budget Support files: Financial reports associated with the development of the annual budget shall be kept for three (3) years after the year for which they were prepared.

Committee Files (agendas, meeting notes, etc.): Minutes of committee meetings shall be permanently retained. Other documents need only be retained for three years or as long as deemed useful to the Committee with respect to an on-going project.

Contracts With a Term of Less Than One Year: Four (4) years after the date the contract is terminated. If a warranty is expressly provided in the contract, the contract shall be retained for a period of five (5) years after the date the warranty expires.

Correspondence: General Correspondence, not in relation to particular property or property owner shall be retained for five (5) years after the origination date or for as long as the information is deemed useful, whichever is longer.

Insurance Claims (Settled): Settled insurance claims shall be retained for five (5) years after the date the claim is settled.

Insurance Policies (Expired): Expired insurance policies shall be retained for five (5) years after the date the policy terminates.

Litigation Files (Settled): Settled litigation files shall be retained for five (5) years after the date the matter is finally concluded; however, if the suit is in regard to a deed restriction suit in which a permanent injunction was obtained, the judgment shall be retained as long as it is in effect (which will usually be as long as the owner who was sued owns or occupies the property).

Legal Opinions: Opinions rendered by the Association's attorney shall be retained permanently.

Legal Status Reports: Routine monthly or quarterly status reports from the Association's attorney shall be retained for three (3) years.

Newsletter / Directories / Inserts / Website Information or other electronic publications of the Association: One (1) copy of each newsletter, directory, etc., shall be permanently retained. Other copies of a newsletter, etc. need not be retained for any length of time.

Personnel Records (if any): Personnel files, if any, (including wage rates, job description, etc.) shall be permanently retained and payroll records on a particular employee shall be retained for five (5) years after the date of termination.

Procedures/Policies/Resolutions of the Board: Procedures, policies, and resolutions of the Board shall be retained for as long as they are in effect. If a Procedure, Policy, or Resolution of the Board is changed, a copy of the original Procedure shall be retained for five (5) years beyond the date that the procedure was adopted or the date the procedure was changed, whichever is longer.

Special Projects: Records relating to a special project shall be retained for the duration of the special project, plus three (3) (except to the extent that documents relating to a special project may be addressed under a different category such as contracts).

Work Orders/Facility Inspection Reports/ Building Repair Information: Records relating to work orders, etc. shall be retained for a period of three (3) years beyond the date of completion of the work, inspection, etc.

VII. RECOMMENDED RETENTION FOR RECORDS RELATING TO INDIVIDUAL MEMBERS OR MEMBER PROPERTIES:

Applications for Improvements and New Construction Files (Plans): Applications and plans related to improvements to members' properties shall be retained for five (5) years from the date of completion of the proposed improvement. Record that a particular improvement has been approved by the association should be retained permanently.

Correspondence: Correspondence to, from, or relating to a member account that is not in connection with a deed restriction violation or accounts receivable activity shall be retained for five (5) years past the origination date or as long as it is deemed useful to the association. Ex. – Title, ownership, or closing information (three years after an ownership change), or a letter from homeowner requesting information on the MUD ditch that abuts the property (three years from date of letter.)

Deed Restriction Activity for Member Properties: Records relating to deed restriction violation activity for members shall be retained for five (5) years after the violation is corrected. If the violation resulted in a suit, any judgment obtained should be retained as long as it is in effect.

This is to certify that the foregoing Schedule was adopted by the Board of Directors, effective as of March ____, 2012, until such date as it may be modified, rescinded or revoked.

The Board of Directors hereby approves and authorizes the above Schedule.

Signed this 22 day of March, 2012.

LONGWOOD OWNERS' ASSOCIATION, INC.

By: Orville G. Fleetwood
ORVILLE G. FLEETWOOD, President

FILED FOR RECORD

03/27/2012 4:02PM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

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sequence on the date and at the time stamped herein
by me and was duly RECORDED in the Official Public
Records of Montgomery County, Texas.

03/27/2012



County Clerk
Montgomery County, Texas

L

CORPORATE CERTIFICATE
LONGWOOD OWNERS' ASSOCIATION, INC.

The undersigned certifies that he/she is the President of Longwood Owners' Association, Inc. (the "Association"). The Association is the property owners' association for Longwood Subdivision, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in the Map Records of Montgomery County, Texas (the "Subdivision").

The Association is a Texas non-profit corporation, and a true and correct copy of the **Records Production Policy of Longwood Owners' Association, Inc.** is attached to this certificate as Exhibit "A."

Signed this 22 day of March, 2012.

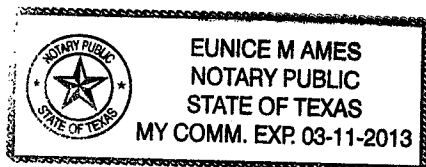
LONGWOOD OWNERS' ASSOCIATION, INC.

By: Orville G. Fleetwood
ORVILLE G. FLEETWOOD, President

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

SWORN TO AND SUBSCRIBED BEFORE ME on the 22nd day of March, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.



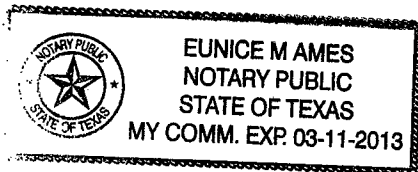
Eunice M. Ames
NOTARY PUBLIC, State of Texas

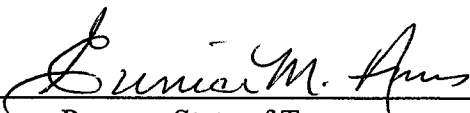


THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 22nd day of March, 2012, by ORVILLE G. FLEETWOOD, President of LONGWOOD OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.





NOTARY PUBLIC, State of Texas

AFTER RECORDING RETURN TO:

Bryan P. Fowler
The Fowler Law Firm
300 West Davis, Suite 510
Conroe, Texas 77301

RECORDS PRODUCTION POLICY OF LONGWOOD OWNERS' ASSOCIATION, INC.

WHEREAS, the property affected by this Records Production Policy is subject to certain dedications, covenants and restrictions (the "Declaration") set out in instruments recorded in the Official Public Records of Real Property at Montgomery County, Texas as follows:

- Clerk's File No. 9730777; and

WHEREAS, pursuant to the authority vested in Longwood Owners' Association, Inc. (the "Association") in the Declaration and as required by the TEXAS PROPERTY CODE, the Board of Directors of the Association (the "Board") hereby promulgates the following Records Production Policy; and

WHEREAS, the Association keeps books and records of account and Minutes of the proceedings of its members and Board of Directors; and

WHEREAS, the Board desires to set the procedure for owners, during reasonable business hours, to inspect, and/or copy the books and records of the Association; and

WHEREAS, it is desirable to impose certain reasonable restrictions to maintain control and minimize the disruption of normal business.

NOW, THEREFORE, BE IT RESOLVED that the following requirements are hereby established for the inspection and/or copying of the records of the Association:

1. Association Records shall be reasonably available to every owner. An owner may also provide access to Records to any other person (such as an attorney, CPA or agent) they designate in writing as their proxy for this purpose. To ensure a written proxy is actually from the owner, the owner must include a copy of his/her photo ID or have the proxy notarized.
2. An owner, or their proxy as described in section 1, must submit a written request for access to or copies of Records. The letter must:
 - a. be sent by certified mail to the Association's address as reflected in its most recent Management Certificate filed in the County public records; and
 - b. contain sufficient detail to identify the specific Records being requested; and
 - c. indicate whether the owner or proxy would like to inspect the Records before possibly obtaining copies or if the specified Records should be forwarded.

If forwarded, the letter must indicate the format, delivery method and address:

- (1) *format*: electronic files, compact disk or paper copies
- (2) *delivery method*: email, certified mail or pick-up

3. Within ten (10) business days of receipt of the request specified in section 2 above, the Association shall provide:

- a. the requested Records, if copies were requested and any required advance payment had been made; or
- b. a written notice that the Records are available and offer dates and times when the Records may be inspected by the owner or their proxy during normal business hours at the office of the Association; or
- c. a written notice that the requested Records are available for delivery once a payment of the cost to produce the records is made and stating the cost thereof; or
- d. a written notice that a request for delivery does not contain sufficient information to specify the Records desired, the format, the delivery method and the delivery address; or
- e. a written notice that the requested Records cannot be produced within ten (10) business days but will be available within fifteen (15) additional business days from the date of the notice and payment of the cost to produce the records is made and stating the cost thereof.

4. The following Association Records are not available for inspection by owners or their proxies:

- a. the financial records associated with an individual owner; and
- b. deed restriction violation details for an individual owner; and
- c. personal information, including contact information other than an address for an individual owner; and
- d. attorney files and records in the possession of the attorney; and
- e. attorney-Longwood Owners' Association, Inc. privileged information in the possession of the Association.

The information in a, b and c above will be released if the Association receives express written approval from the owner whose records are the subject of the request for inspection.

5. Association Records may be maintained in paper format or in an electronic format. If a request is made to inspect Records and certain Records are maintained in electronic format, the owner or their proxy will be given access to equipment to view the electronic records. Association shall not be required to transfer such electronic records to paper format unless the owner or their proxy agrees to pay the cost of producing such copies.
6. If an owner or their proxy inspecting Records requests copies of certain Records during the inspection, Association shall provide them promptly, if possible, but no later than ten (10) business days after the inspection or payment of costs, whichever is later.
7. The owner is responsible for all costs associated with a request under this Policy, including but not limited to copies, postage, supplies, labor, overhead and third party fees (such as archive document retrieval fees from off-site storage locations) as listed below:
 - a. black and white 8½"x11" single sided copies \$0.10 each
 - b. black and white 8½"x11" double sided copies \$0.20 each
 - c. color 8½"x11" single sided copies \$0.50 each
 - d. color 8½"x11" double sided copies \$1.00 each
 - e. PDF images of documents \$0.10 per page
 - f. compact disk \$1.00 each
 - g. labor and overhead \$18.00 per hour
 - h. mailing supplies \$1.00 per mailing
 - i. postage at cost
 - j. other supplies at cost
 - k. third party fees at cost
8. Any costs associated with a Records request must be paid in advance of delivery by the owner or their proxy. An owner who makes a request for Records and subsequently declines to accept delivery will be liable for payment of all costs under this Policy.
9. On a case-by-case basis, in the absolute discretion of the Association, and with concurrence of the owner, the Association may agree to invoice the cost of the Records request to the owner's account. Owner agrees to pay the total amount invoiced within thirty (30) days after the date a statement is mailed to the Owner. Any unpaid balance will accrue interest as an assessment as allowed under the Declarations.
10. On a case-by-case basis where an owner request for Records is deemed to be minimal, the Association or its managing agent reserves the right to waive notice under section 2 and/or fees under section 7.

11. All costs associated with fulfilling the request under this Policy will be paid by the Association's Managing Agent. All fees paid to the Association under this Policy will be reimbursed to the Association's Managing Agent or paid directly to the Association's Managing Agent.

This is to certify that the foregoing Policy was adopted by the Board of Directors, effective as of March 22, 2012, until such date as it may be modified, rescinded or revoked.

The Board of Directors hereby approves and authorizes the above Policy.

Signed this 22 day of March, 2012.

LONGWOOD OWNERS' ASSOCIATION, INC.

By: 
ORVILLE G. FLEETWOOD, President

FILED FOR RECORD

03/27/2012 4:02PM

Mark Tumbull

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

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Records of Montgomery County, Texas.

03/27/2012



Mark Tumbull

County Clerk
Montgomery County, Texas