

**DECLARATION OF COVENANTS, CONDITIONS, & RESTRICTIONS FOR
MONTGOMERY FARMS HOMEOWNERS ASSOCIATION, INC.**

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made this 29th day of February, 2023 by JGL Properties, LLC (hereinafter sometimes referred to as "Declarant").

WHEREAS, Declarant is the owner of a portion of which land has been subdivided as MONTGOMERY FARMS, a subdivision in Montgomery County, Texas ("Subdivision"), as described the General Warranty Deed recorded in under Clerk's File #2021130910, in the Real Property Records of Montgomery County, Texas (all of such land so owned and the improvements now or hereafter situated thereon being hereinafter referred to as the "Property"); and

WHEREAS, it is the desire and intention of Declarant to restrict said Property according to a common plan as to use, permissible construction, and common amenities so that all land within the Property shall be benefited and each successive owner of all or a part of said land shall be benefited by preserving the values and the character of said land; and

WHEREAS, Declarant desires to establish a preeminent residential environment which is dependent upon and in furtherance of aesthetic considerations in order to create a residential community having common areas, facilities and landscaping, and to provide for the maintenance, repair, operation and improvement of same; and, to this end, desires to subject the Property to the covenants, conditions, restrictions, easements, assessments and liens hereinafter set forth, to be binding upon each owner of a lot or lots within the Property, and will also comply with the requirements of local governmental authorities and the zoning, subdivision ordinances, and regulations of Montgomery County, Texas; and

WHEREAS, Declarant has deemed it desirable, and in the best interests of the residents, owners, and future residents and owners of the Property, for the efficient preservation of the values and amenities in the Property and the maintenance, repair, operation and improvement of the common areas, facilities and landscaping, to create an entity to which would be delegated and assigned the powers of maintaining and administering same and enforcing these restrictions, covenants, easements, assessments and liens, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has caused to be incorporated the Montgomery Farms Homeowners Association, Inc., a Texas non-profit corporation;

WHEREAS, Declarant does hereby dedicate utility easements in said MONTGOMERY FARMS, for use by the public as such, reserving the right to itself, its successors and assigns, to, at any time, use the same for installation, maintenance, repair and renewal of any and all public utilities.

NOW, THEREFORE, Declarant, for and in consideration of, and expressly for the benefit of, and to bind, its successors in interest, does hereby agree and declare that the Property, including such additions thereto as may hereafter be made shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, assessments and liens hereinafter set forth which shall run with the land and shall be binding upon all parties having any right, title, or interest in or to the Property, or any part thereof, and their heirs, successors, representatives and assigns. The covenants, conditions, restrictions, easements, assessments and liens hereinafter set forth are covenants running with the land at law as well as in equity.

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. The following words, when used in this Declaration, unless the context shall prohibit, shall have the following meanings:

Section 1.02 “Architectural Control Committee” shall mean and refer to the committee as provided

for in Article IV hereof.

Section 1.03 “Association” shall mean and refer to the Montgomery Farms Homeowners Association, Inc., a Texas non-profit corporation, which will have the power, duty and responsibility of maintaining and administering the Common Areas, Common Property, and all Landscaping in the Common Areas and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing the assessments and charges hereinafter prescribed.

Section 1.04 “Builder” shall mean and refer to any person or entity undertaking the construction of a residence on a Lot for the purpose of selling same for profit.

Section 1.05 “Common Areas” shall mean and refer to areas of land owned or leased by the Association, recreational buildings and appurtenances, fountains, walls, fences, security facilities, parking areas, irrigation systems, lighting facilities, flagpoles, identification markers, playground and appurtenances, swimming pool, if any, and the like, owned, leased, or maintained by the Association in fulfilling its duties and for the benefit of all Members of the Association and other purposes benefiting the Members, including any improvements and Landscaping located thereon, intended, used and designated for the common use, enjoyment and benefit of the Members of the Association.

Section 1.06 “Declarant” shall mean and refer to JGL Properties, LLC, and its successors and assigns.

Section 1.07 “Improvement” shall mean and refer to any dwelling, swimming pool, wall, fence, structure, landscaping, and any other object placed on, in, or under a Lot or Lots.

Section 1.08 “Landscaping” includes but not limited to growing plants, including grass, plantings, vines, ground cover, trees, hedges, shrubs, flowers and general maintenance of landscaping improvements on each lot.

Section 1.09 “Lot” shall mean and refer to any parcel, plot, or tract of land upon which one (1)

single-family residence is intended to be constructed, identified by a lot and block number as shown upon any recorded subdivision map, plat, replat, or revision of the Property, as said recorded subdivision maps or plats may be amended and revised from time to time.

Section 1.10 “Member” shall mean and refer to each Owner of a Lot or an undivided interest therein, who shall be a Member of the Association as provided in Article II hereof.

Section 1.11 “Occupant” shall mean and refer to any person occupying or otherwise using a Lot and/or any house or dwelling situated on such Lot (including lessees).

Section 1.12 “Owner” shall mean and refer to the owner of record (including Declarant), whether one or more persons or entities of a fee simple title to any Lot which is a part of the Property but excluding those having such interest merely as security for the performance of an obligation.

Section 1.13 “Property” shall initially mean and refer to the metes and bounds referenced in the General Warranty deed as recorded under File###2021130910, in the Montgomery County Real Property Records of Montgomery County, Texas.

Section 1.14 “Reserve(s)” shall mean and refer to those reserves (if any), whether restricted or unrestricted, as shown on the Plat. It is anticipated that when Declarant conveys a Reserve, Declarant may include in the conveyance deed restrictions and easements Declarant deems appropriate. Restrictions and easements encumbering a Reserve may be enforced by an Owner, the Association, and Declarant and its successors and assigns.

Section 1.15 “Supplemental Declaration” shall mean and refer to an amendment or supplement to this Declaration executed or consented to by Declarant or by the requisite number of Owners, if applicable, which subjects additional property to this Declaration and/or imposes expressly or by reference additional restrictions and obligations on the land described therein.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 2.01 Association. Declarant has created the Association. The purpose of the Association, in general, shall be to provide for and promote the health, safety, and welfare of the members, to collect the maintenance charges, to administer the maintenance fund, to provide for the maintenance, repair, preservation, upkeep and protection of the streets, common properties and facilities within the Property and such other purposes as are stated in the Articles of Incorporation and consistent with the provisions of the restrictions and all supplemental or amended restrictions.

Section 2.02 Members. Every Owner shall be a Class A Member of the Association. However, there shall be only one vote per Lot, regardless of how many persons own the Lot. If a Lot is owned by more than one person, all co-owners shall share the privileges of such membership and all such co-owners shall be jointly and severally obligated to perform the responsibilities of Owners. The membership rights of an Owner which is not an individual (e.g. a corporation, partnership, etc.) may be exercised by any officer, director, partner, or trustee, or by the individual designated from time to time by the Owner in a written instrument provided to the Association or its designee. Declarant shall be a Class B member of the Association. Until the earlier of (i) the voluntary relinquishment of its voting rights or (ii) the first annual meeting of the association occurring after July 1, 2035, Declarant shall be entitled to two votes for each Lot in the development.

Section 2.03 Board. The Board initially shall consist of the three directors identified in the Certificate of Formation. The initial three directors shall serve at the Declarant's pleasure. Declarant shall have the sole right to remove any director it appoints and to appoint their successor. On or before the 120th day following the date that 75% of the Lots have been sold, the number of directors shall be increased to five and the Owners, excluding Declarant, shall vote to elect two directors to the Board who shall serve for two-year terms. Declarant shall continue to have the exclusive right to appoint three members of the Board until the earliest of the following occur: (a) December 31, 2035 or (b) a residence on the last available building site or lot owned by the Declarant or successors or assigns of Declarant, is completed and sold, or (c) in its discretion, Declarant renounces the right to make such appointments, at which time an election shall be held to fill the Board seats previously held by Declarant. The Board will adopt such By-laws, Rules,

and Regulations as it deems appropriate consistent with these restrictions and its articles of incorporation.

Section 2.04 Termination of Membership. The membership of a person or entity in the Association shall terminate automatically whenever such person or entity ceases to be an Owner, except that such termination shall not release or relieve any such person or entity from any liability or obligation incurred under or in any way connected with the Association or this Declaration during the period of ownership, nor impair any rights or remedies which the Association or any other Owner has with regard to such former Owner.

ARTICLE III ASSESSMENTS

Section 3.01 Covenants for Assessments. The Declarant, for each Lot owned by it within the Property, hereby covenants to pay, and each purchaser of any such Lot or Residential Land by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay, to the Association the following assessments: (1) Regular Annual Assessments (2) Special Assessments.

Section 3.02 Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of protecting and promoting the comfort, collective mutual enjoyment, health, and welfare of the Owners of the Property, or any part thereof, and for carrying out the purposes of the Association as stated in its Certificate of Formation and this Declaration. The judgment of the Board of Directors of the Association in determining the functions to be performed by the Association, in determining the amount of Regular Annual Assessments, Special Assessments, and in the expenditure of funds shall be final and conclusive so long as its judgment is exercised in good faith.

Section 3.03 Regular Annual Assessments. Each Owner of a Lot shall pay Regular Annual Assessments (herein so called) to the Association.

Section 3.04 Purpose. Regular Annual Assessments shall be levied upon each Lot to provide funds

for the use and benefit of the Owners of the Association. Regular Annual Assessments may be used to finance, but not by way of limitation, the following:

1. Operation, maintenance, repair, and improvement of the Common Areas, including funding of appropriate reserves for future repair, replacement and improvement of same;
2. Payment of taxes and premiums for insurance coverage in connection with the Common Areas, Detention/Drainage Areas, Common Facilities, and Common Property and any other property owned by the Association;
3. Paying the cost of labor, equipment (including expense of leasing any equipment), material, and any associated management or supervisory services and fees required for management and supervision of the Common Areas, Detention/Drainage Areas, Common Facilities, and Common Property;
4. Paying the cost and fees of a manager or firm retained to carry out the duties of the Association or to manage the affairs and property of the Association;
5. Paying the cost of Association liability insurance, including, without limitation, directors and officer's liability coverage and fidelity bonds;
6. Maintaining or replacing any Landscaping, Common Facilities, or Common Areas and the Detention/Drainage Areas and in areas within a public right-of-way where the Association elects to maintain Landscaping and Common Areas;
7. Designing, purchasing and installing any improvements to the Common Areas and the Detention/Drainage Areas;
8. Mowing and routine maintenance of the on all Commons Areas, Common Facilities and Lots where the Association elects to maintain Landscaping;

9. Lighting, improving and maintaining streets, alleyways, sidewalks, and paths in the Common Areas;
10. Collecting and disposing of trash, garbage, ashes, rubbish and other similar items;
11. Payment of legal fees and expenses incurred to collect assessments and enforce these Declarations;
12. Employing policemen or watchmen and/or a security service if deemed necessary, in the sole discretion of the Board;
13. Carrying out the duties of the Board of Directors of the Association; and
14. Carrying out such purposes of the Association as generally benefit all Members of the Association.

Section 3.05 Basis for Assessment. Regular Annual Assessments shall be levied equally against each Lot by the Board of Directors of the Association on an annual basis. After consideration of current costs and future needs of the Association, the Board shall fix the Regular Annual Assessment in accordance with the procedures set forth below in Section 3.06.

Section 3.06 Maximum Annual Assessment. Until December 31, 2023, the maximum Regular Annual Assessment rate shall be \$1,100.00. From and after December 31, 2023, the maximum Regular Annual Assessment rate may be increased each year not more than ten percent (10%) (with such percentage being cumulative from year to year) above the maximum assessment for the previous year by the Board of Directors of the Association without a vote of the Members. The maximum Regular Annual Assessment rate may be increased above ten (10) percent with the approval of a majority of the total membership of the Association by Members voting in person or by proxy at a meeting called for such purpose.

Section 3.07 Special Assessments. In addition to the Regular Annual Assessments the Association

may, by vote of its members in any year or years, levy Special Assessments (herein so called).

Section 3.08 Purpose. Special Assessments may be levied for the following purposes:

1. Defraying the cost of any new construction or reconstruction, unexpected repair or extraordinary maintenance, or replacement of capital improvements for and within the Detention/Drainage Areas, Common Areas, and Common Facilities, including the necessary fixtures and personal property related thereto;
2. Responding to unusual or emergency needs of the Association as a whole as may be expected to occur from time to time;
3. Satisfying the obligation and responsibility of replenishing all or part of any escrow funds held by any other third party which have been withdrawn to pay for obligations incurred
4. or assumed by the Association under agreements with such third party and/or any other governmental authorities;
5. Indemnifying a director, officer, agent or employee of the Association pursuant to the indemnification provision of the Certificate of Formation and Bylaws of the Association or this Declaration;
6. Carrying out any other purposes that benefit the Association as a whole as stated in its Certificate of Formation, Bylaws or as stated herein.

Section 3.09 Basis for Special Assessment. Special Assessments shall be allocated and prorated among the Owners at the date each such Special Assessment is levied in the same manner as Regular Annual Assessments are allocated and prorated among the Lots.

Section 3.10 Vote Required for Special Assessments. The Special Assessments must be approved by fifty-one (51) percent of the total membership of the Association by Members voting in person

or by proxy at a meeting duly called for such purpose, a written notice of which shall be given to all Members at least fifteen (15) days in advance and shall set forth the purpose of such meeting.

Section 3.11 Commencement Date of Annual Assessments. The first Regular Annual Assessment provided for herein shall commence on a date in 2023 fixed by the Board of Directors of the Association and shall continue thereafter from year to year. The assessment for 2023 shall be adjusted according to the number of months remaining in such year and shall be due and payable thirty (30) days after notice of assessment is sent to the Owners.

Section 3.12 Owner's Personal Obligation for Payment of Assessments. The Regular Annual Assessments and all Special Assessments provided for herein shall be the personal and individual debt of the Owner of the Lot during the time the Owner is the record owner of the Lot covered by such assessments. No Owner may, for any reason, exempt himself from liability for such assessments. In the event that any assessment or installment thereof is not paid when due, then the unpaid amount of any such assessment or installment thereof shall become delinquent and shall, together with interest thereon as herein provided, costs of collection thereof, late fees, any delinquent deed restriction violation fees, and attorney fees be a continuing personal obligation and debt of the non-paying Owner secured by the continuing lien imposed by this Declaration on the Lot, including all improvements thereon.

The unpaid amount of any assessment shall bear interest from its due date at ten percent (10%) per annum or the maximum legal rate of interest then prevailing, whichever is lesser. In addition, the Board of Directors of the Association may elect to retain the services of an attorney of its choice for the purposes of collecting any unpaid assessment, late fees, and interest charges thereon, and/or to foreclose the lien imposed by this Declaration against the property subject thereto and/or to pursue any other legal or equitable remedy which the association may have.

Section 3.13 Assessment Lien and Foreclosure. Declarant hereby imposes upon each and every Lot within the Property a continuing lien enforceable by the Association to secure the payment to the Association of the Regular Annual Assessments and Special Assessments (together with interest and the cost of collection, late fees, delinquent deed restriction violation fees, and

reasonable attorneys' fees as provided in Section 3.12 hereof) attributable to the Owner of that portion of the Property (the "Association's Lien"). Each Owner of each Lot, by acceptance of the deed therefore and whether or not it shall be so expressed in such deed, is deemed to covenant and agree to accept such property subject to the Association's Lien. Each Owner of each Lot, by acceptance of the deed therefore and whether or not it shall be so expressed in such deed, hereby expressly vests in the Board of Directors of the Association, or its agents, the right and power to bring all actions against each such Owner personally for the collection of all such assessments as a debt and to enforce the aforesaid Association's Lien by all methods available for the enforcement of such liens, including non-judicial foreclosure pursuant to §51.002 of the Texas Property Code, as same presently exists or as it is subsequently amended; and each such Owner hereby expressly grants to the Board of Directors of the Association a power of sale in connection with said Association's Lien. The Board of Directors of the Association may designate a trustee in writing from time to time to post or cause to be posted the required notices and to conduct such non-judicial foreclosure sale. The trustee may be changed at any time and from time to time by an instrument in writing signed by the President or a Vice-President of the Association and attested by the Secretary or any Assistant Secretary of the Association and filed for record in the official public records of real property of Montgomery County, Texas. The initial designation of a trustee by the Board of Directors of the Association shall be by an instrument in writing that is executed and filed in the same manner as an instrument changing the designated trustee. In any foreclosure proceedings, whether judicial or non-judicial, the Owner shall be required to pay the costs, expenses and reasonable attorney's fees incurred by the Association, and the Association shall have the right and power to bid on the property being foreclosed. The aforesaid Association's Lien shall be superior to all other liens and charges against the Property, except only for ad valorem tax liens and all sums unpaid on a first mortgage lien or first deed of trust lien of record, securing in either instance sums borrowed for the improvement and/or purchase of the property in question, to which said liens, and any renewals, extensions, supplements, and modifications thereof, the Association's Lien shall be subordinate and inferior. Provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a foreclosure sale of any such Lot pursuant to the terms and conditions of any such mortgage or deed of trust. Any foreclosure and sale of a portion of the Property pursuant to said superior liens shall not relieve any such Owner of personal liability for the sums owing under this Article nor the new Owner thereof from liability

for the amount of any assessments thereafter becoming due nor from the continuing lien imposed hereby securing payment of any such subsequent assessments. The Association, acting through its Board of Directors, shall have the power to subordinate the aforesaid Association's Lien to any other lien.

Section 3.14 Exempt Property. The Common Areas and any common areas of any other association which may merge or consolidate with the Association, any common areas contained or defined within a Supplementary Declaration filed as provided in Article I of this Declaration, and all portions of the Property owned by or otherwise dedicated to any political subdivision or municipal utility district (excluding portions of public or private utility easements located upon or within the boundaries of the Lots, which shall not be not be exempt), shall be exempted from the assessments and lien created, reserved, or contemplated herein.

ARTICLE IV ARCHITECTURAL REVIEW COMMITTEE

Section 4.01 Designation of Committee. The Association shall have an Architectural Review Committee appointed by the Board of Directors as set forth below, which shall consist of three (3) members who may be Members of the Association. The Board of Directors may appoint non-members to the Committee in the event no members notice the Association of their interest in being appointed. The Association shall notice members when positions on the Committee are available and how the members must give the Association notice of the member's interest in being appointed. Members must indicate to the Association that they want to be considered at least 10 days before the position is filled by appointment. All Committee positions to be filled by appointment must be conducted in an open meeting. So long as Declarant owns one (1) or more Lots the appointment of the members of the Architectural Review Committee must be approved in writing by Declarant, and any and all members of such committee may be removed and replaced by the Declarant without cause. Once Declarant owns no Lots the Board of Directors shall have the exclusive right and power at any time and from time to time to appoint, remove, and fill vacancies on the Architectural Review Committee.

Section 4.02 Function of Architectural Review Committee. No Improvement, as that term is defined in Article I, shall be erected, constructed, placed, altered (by addition or deletion),

maintained or permitted to remain on any Lot until plans and specifications, in such form and detail as the Architectural Review Committee may deem necessary, shall have been submitted to and approved in writing by such committee. The Architectural Review Committee shall have the power to employ professional consultants to assist it in discharging its duties. The decision of the Architectural Review Committee shall be final, conclusive, and binding upon the applicant.

Section 4.03 Content of Plans and Specifications. The plans and specifications required by the Architectural Review Committee to be submitted and approved may include, without limitation, the following:

1. A topographical plat showing existing contour grades and showing the location of all improvements, structures, walks, patios, driveways, fences and walls. Existing and finished grades shall be shown at Lot corners and at corners of proposed improvements. Lot drainage provisions shall be indicated as well as cut and fill details if any applicable change in the Lot contours is contemplated.
2. Exterior elevations.
3. Exterior materials, colors, textures, and shapes.
4. Structural design.
5. Landscaping plan, including walkways, fences and walls, elevation changes, watering systems, vegetation, and ground cover.
6. Parking area and driveway plan.
7. Screening, including size, location and method.

The Architectural Review Committee may, at its discretion, grant the approval required by this Article for one set of plans and specifications submitted by a Builder for Improvements on multiple

Lots, and such approval shall be effective for each Lot on which such Improvements are constructed.

Section 4.04 Basis of Approval. Approval of plans and specifications shall be based, among other things, on adequacy of site dimensions, structural design, conformity, and harmony of external design and of location with neighboring structures and sites, relation of finished grades and elevations to that of neighboring sites, and conformity to both the specific and general intent of the protective covenants and restrictions.

Section 4.05 Failure of the Committee to Act. If the Architectural Review Committee fails to approve or disapprove such plans and specifications or to reject them as being inadequate within thirty (30) days after receipt of completed applications and plans as determined by the Committee, it shall be conclusively presumed that such committee has approved such plans and specifications, EXCEPT that the Architectural Review Committee has no right or power, either by action or failure to act, to waive, or to grant any variance from, the requirements of the protective covenants, conditions, and restrictions contained in Article IV hereof, except as specifically provided therein.

Section 4.06 General Rules and Regulations. The Committee shall have the authority to adopt rules, and regulations related to construction of Improvements. Prior to any construction activity on a Lot or group of lots for which there is not a home with restroom facilities available to construction personnel, a portable toilet must be on site. Prior to the time framing of a new home begins, a trash containment method must be on site and a debris fence constructed of material approved by the committee and of a height approved by the committee must be erected along the lot line other than the lot line opening to the street to which the Improvements face. The debris fence must be maintained in first class order throughout the period of time during which the construction activities take place. Any street within the Property onto which mud is tracked from a Lot shall be promptly cleaned up. No concrete truck may wash out at any location except the washout location established by the Builder. No materials or equipment shall be permitted on adjacent Lots without written approval from both the Owner of any adjacent Lot and the Committee. It is the responsibility of the Builder Owner/ Builder to inform all sub-contractors of

the rules and regulations.

Section 4.07 Minimum Construction Standards. The Committee may from time to time promulgate an outline of minimum acceptable construction standards; provided, however, that such outline will serve as a minimum guideline and may be amended from time to time.

Section 4.08 Disclaimer. No approval of plans and specifications and no publication or designation of architectural standards shall ever be construed as representing or implying that such plans specifications or standards will result in a properly designed structure or satisfy any legal requirements.

Section 4.09 Limitation of Liability. The Architectural Review Committee has no liability or obligation whatsoever in connection with any plans and/or specifications and no responsibility for the adequacy thereof or for the construction of any improvements contemplated by any such plans and/or specifications. The Architectural Review Committee has no duty to inspect any improvements; and, if the Architectural Review Committee should inspect any improvements, the Architectural Review Committee shall have no liability or obligation to any party arising out of such inspection. The Architectural Review Committee expressly shall have no liability or responsibility for defects in or omissions from any plans and/or specifications or for defects in or omissions from the construction of any improvements. Notwithstanding any covenant, condition or term contained in this Declaration or provision of the Bylaws of the Association to the contrary, the Architectural Review Committee shall not have any liability to any Owner arising or resulting from any act or omission of the Architectural Review Committee taken or omitted pursuant to this Declaration or the Bylaws of the Association. Each Owner, by accepting a conveyance of any Lot or of any portion of the Property, shall be deemed conclusively to have unconditionally and irrevocably waived all claims against the Architectural Review Committee arising or resulting from acts or omissions pursuant to this Declaration or the Bylaws of the Association.

ARTICLE V USE RESTRICTIONS

Section 5.01 Covenants Applicable. The following provisions shall be applicable to any and all construction, improvement, alteration, or addition to the Lots.

Section 5.02 Use. Each Lot shall be used exclusively for single-family residential purposes only. For purposes of this Declaration, "single-family residential" use means no more than one dwelling unit shall be constructed on any Lot, and the residents thereof shall be members of the same family, i.e., related to each other by blood or adoption. No building or structure intended for or adapted to business purposes, and no apartment house, hospital, sanatorium or doctor's office, or any multi-family dwelling shall be erected, placed, permitted, or maintained on any Lot, or on any part thereof. Except for normal construction activity, sale, and re-sale of the Lots, no commercial or business activity shall be conducted within the Property, including without limitation, within any residence. No Owner may actively engage in any solicitations for commercial purposes within the Property. No solicitors of a commercial nature are allowed within the Property. No day care center or facility may be operated out of a residence. No improvement or structure whatsoever, other than a high-quality private dwelling house, patio walls, swimming pool, garage, waterfront structure, or guesthouse, may be erected, placed, or maintained on any Lot.

It is permitted for Owners to lease a Dwelling in the Subdivision, so long as Occupants are leasing the entire land and improvements comprising the Property. Leasing a Dwelling for residential purposes shall not be considered a "business", provided the terms herein are satisfied. This provision shall not preclude the Association or an institutional lender from leasing a Dwelling upon taking title following foreclosure of its security interest in the Dwelling or upon acceptance of a deed in lieu of foreclosure. "Leasing" for the purposes of this Declaration, is defined as occupancy of a Dwelling by any person other than the Owner, for which the Owner receives consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. All leases must be in writing and shall contain such terms as the Board may prescribe from time to time. All leases shall provide that they may be terminated in the event of a violation of the Declaration or the Dedicatory Instruments by an Occupant or Occupant's family, and the Board, in its sole discretion may require termination by the Owner and eviction of the Occupant in such event. Rental or lease of the Lot and Dwelling shall not relieve the Owner from compliance with this Declaration or the Dedicatory Instruments. Owners may not lease Property for less than three (3) days at a time. No Dwelling may be occupied by more than one single family. Any violation of Rental restrictions or this section are subject to fines or any other enforcement action pursuant

to the "Enforcement" Section of these Declarations.

Section 5.03 Subdivision. No Lot shall be further divided or subdivided, nor shall the boundary line of any Lot be modified after a subdivision plat including such Lot has been approved and filed of record; provided, however, Declarant shall be permitted to subdivide or change the boundary line of any Lot owned by the Declarant.

Section 5.04 Signs. No sign of any kind shall be displayed to the public view on or from any part of any Lot, except religious and political signs in accordance with the Texas Property Code or Government Code, and signs temporarily used by Declarant or any Owner, of not more than five square feet, advertising the Lot for sale or rent, or signs of architects and builders during the period of construction and sale of improvements on any Lot.

Section 5.05 Storage Sheds. Storage sheds and greenhouses may only be located in the backyard of a Lot and must not be visible from the street.

Section 5.06 Dwelling Size. The minimum size of the total living area of the main residential structure, exclusive of open porches, shall be 2,000 square feet.

Section 5.07 Type of Construction. Materials and Landscaping.

- (a) The Committee must approve the exterior finish to be applied to Improvements. The Committee's approval or rejection of the type of exterior finish materials as well as the color of the exterior finish shall be final. In approving or rejecting any proposed exterior finish the Committee will endeavor to assure the compatibility of the proposed exterior finish with that used throughout the Property. Further, the Committee may choose to publish the exterior finish criteria for the Property.
- (b) No external roofing material shall be used on any Improvement in any part of the Property without the written approval of the Committee. No approval is required for a like-for-like replacement of roofing materials, Roof vents, vent stacks, galvanized roof

valleys, and other roof items must be painted to match the roof materials. No cedar shingle or wood shingle roofs are permitted.

- (c) No window or wall type air conditioners shall be visible from the street.
- (d) The landscape layout and plans shall first be approved by the Committee before work commences.
- (e) All roof ventilation (other than ridge ventilators) shall be located to the rear of the roof ridge line and/or gable of any structure and shall not extend above the highest point of such structure, so as not to be visible from any street. The Committee shall have the right to approve the exceptions to the foregoing in cases where energy conservation and heating/cooling efficiency require ventilators that, because of the particular roof design, cannot be hidden from view.

Section 5.08 Building Location. No main residence shall be located on any Lot nearer to the front or rear lot line or nearer to the side street lot line than the minimum building lines as shown on the Plat. For this covenant, eaves and steps shall not be considered as part of the building when evaluating encroachments of the setback lines shown on the plat or stated above. Upon written request, the Committee may approve deviations from the building location requirements provided such deviations do not alter the scope and intent of these Covenants.

Section 5.09 Foundation Requirements. All building foundations shall consist of a concrete slab unless the Committee approves a different type of foundation. The finished floor elevation for all structures shall be above the 100-year flood plain as established by applicable governmental authorities. All residential foundations for all Lots in the subdivision must be a minimum of four inches above the finished grade of the Lot at the foundation perimeter. The Committee does not determine whether the structural integrity of the slab is adequate. A structural engineer should be consulted on these matters. The foundation plan shall have an engineer's seal with the engineer's original signature attached before approval by the Committee. Sufficient soil investigation should be obtained for proper foundation design. The Committee may make deviations in the above

foundation requirements provided such deviations do not alter the scope and intent of these Covenants.

Prior to any concrete being placed, a survey of the forms must be made by a registered surveyor and the survey plat shall be provided to the Committee for review and approval of the location of the forms on the Lot. No concrete may be placed until the Committee provides written approval of the location of the forms.

Section 5.10 Annoyance or Nuisance. No noxious or offensive activity shall be carried out upon any Lot, any street, and/or any common area shown on the Plat, nor shall anything be done thereon which may become an annoyance or nuisance. Activities that are especially prohibited include, but are not limited to, the following:

- (a) The performance of work on automobiles or other vehicles upon the Lot or in driveways or streets abutting Lots except as permitted in Section 5.16 of this Article.
- (b) The use or discharge of firearms, firecrackers or other fireworks in any location on the Property.
- (c) Storage in excess of ten gallons of flammable liquids.
- (d) Activities which may be offensive by reason of odor, fumes, dust, smoke, vibration, or pollution, or which are hazardous due to the heightened danger from fire or explosions.

Section 5.11 Temporary Structure. No structure of a temporary character, whether trailer, basement, tent, shack, garage, barn, or other outbuilding shall be maintained or used on any Lot at any time as a residence, or for any other purpose, either temporarily or permanently; provided, however, that Declarant reserves the exclusive right to erect, place and maintain such facilities in or upon any portion of the Property as in its sole discretion which may be necessary or convenient while selling Lots, selling, or constructing residences, and constructing other improvements upon the Property. Such facilities may include but not necessarily be limited to sales and construction offices, storage areas, and signs. Portable toilet facilities shall be placed at the construction site of all Improvements. Upon approval of the Committee, a Builder erecting Improvements may place a temporary construction office on a Lot or Reserve, which may utilize a window type air

conditioning unit. No garage or other permitted accessory structure shall be erected, placed, or maintained on any Lot until construction of the main residential dwelling has commenced. Any structure on which construction has commenced must be completed within a reasonable length of time not to exceed 180 days without express approval by the Committee.

Section 5.12 Oil and Mining Operations. No water drilling, oil drilling or development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained, or permitted upon any Lot.

Section 5.13 Storage and Disposal of Garbage and Refuse. No Lot shall be used or maintained as a dumping ground for trash, garbage, or other waste material. Trash, garbage, or other waste materials shall not be kept on a Lot except in sanitary containers constructed of metal, plastic, or masonry materials with sanitary covers or lids. Equipment for the storage or disposal of such trash, garbage, or other waste material shall be kept in a clean and sanitary condition. No Lot shall be used for the open storage of any materials whatsoever, which storage is visible from the street, except that new building materials used in the construction of Improvements may be placed upon such Lot at the time construction commences and may be maintained thereon for a reasonable time, as determined by the Committee, so long as the construction progresses without undue delay, until the completion of the Improvements, after which time these materials shall either be removed from the Lot or stored in a location that is not visible from the street in a suitable enclosure that is approved by the Committee on the Lot. There is hereby reserved in favor of the Association the determination of the selection of a private garbage disposal service. Owners may not select their own garbage disposal service. No garbage, trash, debris, or other waste matter of any kind shall be burned on any Lot.

Section 5.14 Utilities. The installation and use of any propane, butane, LP gas or other gas tank, bottle or cylinder of any type (excluding those normally associated with outdoor barbecue grills or used in connection with a standby electric generator that is fully enclosed in an integral manufacturer-supplied sound attenuating enclosure, connected to the main electrical panel of a

residence by a manual or automatic transfer switch and rated for a generating capacity of not less than seven kilowatts.) are prohibited.

Section 5.15 Views, Obstructions, and Privacy. In order to promote the aesthetic quality of Montgomery Farms, the Committee shall have the right to review and approve any item placed on a Lot including, but not limited to the following:

- (a) The location of all windows and the type of proposed window treatments and exposed window coverings, including window and reflective film.
- (b) The probable view from second story windows and balconies and decks (particularly where there is a potential invasion of privacy to an adjoining Lot).
- (c) Sunlight obstructions.
- (d) Flagpoles, flags (all flag policies or restrictions should follow and be subject to Texas Property Code §202.012), pennants, ribbons, streamers, wind socks, and weathervanes.
- (e) Storage sheds.
- (f) Children's playground and recreational equipment.
- (g) Exterior lights.
- (h) Ornamental statuary, sculpture, and/or yard art visible from a street or common area, excluding those which may be part of an otherwise approved landscape plan.
- (i) The location of the Residential Dwellings and other Improvements on the Lot.

Prohibited items. The following items are prohibited from appearing within the Property:

- (a) Clotheslines, reels, hanging circles, and other exterior clothes drying devices.
- (b) Signs (except for signs described in Section 5.04).
- (c) Storage of more than ten gallons of fuel outside of regular vehicle gas tanks.
- (d) Unregistered motor vehicles.
- (e) Motor vehicles that are placed on blocks or jacks.

Section 5.16 Motor Vehicles. No unlicensed motor vehicle shall be operated within the Property. Motor bikes, golf carts, motor scooters, "go-carts" or other similar vehicles shall not be permitted

to be operated on the Property, if, in the sole judgment of the Association, such operation, for reason of noise or fumes emitted, or by reason of manner of use, shall constitute a nuisance or jeopardize the safety of the Owners, their tenants and/or their families.

Section 5.17 Vehicle Storage. No owner of any Lot shall be permitted to perform work on automobiles or other vehicles in driveway or streets abutting such Lot other than work of an emergency or temporary nature on the Owner's vehicle. No motor vehicle or non-motorized vehicle, boat, trailer, marine craft, recreational vehicle, camper, rig off the truck, hovercraft, aircraft, machinery or equipment of any kind may be parked or stored on any part of the Lot, easement, right-of-way, or Common Areas or in the street adjacent to such lot, easement, right-of-way, or Common Areas unless such vehicle or object is completely concealed from public view inside a garage, enclosure approved by the Architectural Control Committee or an area adequately screened by planting or fencing so as not to be seen at ground level from any other Lot. The foregoing prohibition does not apply to passenger automobiles, passenger vans, motorcycles, or pickup trucks that are in operating and in attractive condition, having no commercial advertising thereon that has not been approved by the Board of Directors of the Association, having current license plates and inspection stickers, are in daily use as motor vehicles on the streets and highways of the State of Texas, and which do not exceed six feet, six inches in height or seven feet, six inches in width, or twenty-one feet in length, unless approved by the Board (each a "permitted vehicle"). No vehicle shall be parked such as to obstruct or block a public sidewalk. No vehicle shall be parked on the grass or lawn of a Lot. No vehicle may be repaired on a Lot where such vehicle is not concealed from view inside a garage or other approved enclosure. This restriction shall not apply to any vehicle, machinery, or equipment temporarily parked and in use for the construction, repair or maintenance of a house or houses in the immediate vicinity. No more than two (2) permitted vehicles owned or being used by occupants or residents of a Lot may be parked on the street adjacent to such Lot.

Section 5.18 Antennae and Satellite Dishes. Consistent with the Telecommunications Act of 1996 and the Over-the-Air Reception Devices Rule, satellite dishes may not exceed 36 inches in diameter and must be located within the building lines. Owners are encouraged to discuss with the Committee the location of any satellite dish so that it is not intrusive and to ensure the community's

esthetics are maintained. No antennae or satellite dish may be installed any higher than 4 feet above the roof line's highest point.

Section 5.19 Solar Energy Devices. Committee approval is required prior to the installation of solar energy devices. Should the Committee fail to act on a completed application to install a solar energy device within 30 days of its submission, the application is deemed approved. All solar energy device must be located either on the Owner's roof, in the Owner's fenced yard or patio, or other location approved by the Committee (the "Permitted Locations"). The Committee must approve a solar energy device in a location other than one of the Permitted Locations if the Owner shows that the other location will increase the solar energy device's production by more than ten (10) percent from its production in each of the Permitted Locations. The Committee is not required to approve a solar energy device that a court has adjudicated as a threat to the public health or safety or that violates a law. The Committee is not required to approve a solar energy device if its installation method will void any manufacturer's warranty. Solar energy devices must be located exclusively on the Owner's Lot or Reserve. The frame, the support brackets, and any visible piping or wiring of solar energy devices must be in a silver, bronze, or black tone, or any other tone approved by the Committee. The Committee must approve a solar energy device if it complies with this section and is located on an Owner's roof, provided it is no higher than the roofline, does not extend beyond the roofline, and conforms to the slope of the roof. The Committee must approve a solar energy device if it complies with this section and is located in an Owner's fenced yard or patio and is no taller than the fence.

Section 5.20 Concrete Curb/Driveway Maintenance. The Owner or occupant shall at all times keep the entrance lip, culvert, driveway curb, curb ties, and curb along the street adjacent to the Owner's Lot or Reserve in a good state of repair and attractive in appearance. All culvert sizes and elevations must be approved by the Committee and any other governmental agencies having jurisdiction.

Section 5.21 Exterior Lighting. No exterior lighting shall be installed on any Lot without the Committee's approval. Exterior lighting shall not shine directly on another's Lot. Excessive exterior lighting on any Lot is prohibited. The Committee, in its sole discretion, shall determine

whether any exterior lighting is excessive. Permitted exterior lighting may differ between Lots, in the Committee's sole and absolute discretion.

Section 5.22 Animals. No animals or livestock shall be raised, bred, or kept upon any Lot, or portion thereof, except for no more than six (6) chickens, one (1) horse per acre of land, and that no more than a total of three (3) dogs, cats, or other household pets may be kept, provided that they do not create a nuisance.

Section 5.23 Window units and/or window covering. Window units are strictly prohibited. Sheets are not permitted as window coverings. Owners may use two-inch blinds for privacy.

Section 5.24 Fences. All fences shall be 7 feet or shorter. Fencing is optional. If owners decide to include fencing, all fencing that faces the street or main roads shall be cross fencing. All cross fencing shall be white in color, no other color is permitted. Cross fencing designs shall be approved by the Architectural Review Committee in advance of installation. All other fencing not facing the streets/main roads may be cross fencing, wrought iron fencing, or cedar plank. All wrought iron fencing shall be black in color, no other color is permitted. Cedar plank fencing may be stained and sealed but shall not be painted. Stain colors shall be approved by the Architectural Review Committee.

Section 5.25 Drainage. Natural, established drainage patterns of streets, Lots or roadway ditches will not be impaired by any person or persons. Driveway culverts will be sufficient in size to afford proper drainage of ditches without backing water up into said ditch or diverting flow of natural drainage. Drainage plans shall be submitted with the Application/Plans/Specifications referenced in Article IV. Each Owner of a Lot agrees that s/he will not in any way interfere with the Established Drainage Pattern over their Lot from adjoining Lots or other Lots. Any changes necessary in the Established Drainage Pattern must be included on the Owner's plans and specifications when submitted to the Committee. Such drainage plans shall be subject to the Committee's approval. Each Owner agrees to take all necessary steps to provide for additional drainage of their Lot in the event it becomes necessary. The term "Established Drainage Pattern" shall be defined as the drainage pattern that exists at the time Declarant completes all grading and

landscaping within the Property. If an Owner wishes to change the Established Drainage Pattern and is not at that time constructing a home, a drainage plan must be provided to the Committee for approval. No pockets or low areas may be left on the Lot where water will stand following a rain or during normal yard watering. With the approval of the Committee, an Owner may establish an alternate drainage plan for low areas by installing underground pipes and area inlets or other such methods as approved by the Committee.

Section 5.26 Owner's Duty of Maintenance. The Owners and Occupants of each Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep that part of the Property so owned or occupied including buildings, improvements and grounds in connection therewith, in a well- maintained, safe, clean and attractive condition at all times. No Owner or Builder may enter upon the Lot adjacent to the one on which he or she is building for the purposes of ingress or egress to their Lot during or after construction unless such adjacent Lot is also owned by such Owner, or such Owner has written approval from the adjacent Lot Owner. Such approval must be furnished to the Committee. All such adjacent Lots owned by the same Owner and used for ingress or egress during or after construction shall be kept free of any trash, rubbish, and/or any other building debris.

Such maintenance includes, but is not limited to, the following:

1. Prompt removal of all litter, trash, refuse, and wastes.
2. Watering.
3. Keeping parking areas and driveways in good repair.
4. Complying with all government health and policy requirements.
5. Repair of exterior damage to buildings and improvements and repainting of buildings and improvements when necessary. Keeping building exteriors aesthetically pleasing and in good repair.

6. Keeping side yards free and clear of any Landscaping, fences, or other improvements that would impede or interfere with the flow of stormwater to a street or storm inlet.

Section 5.27 Enforcement. The covenants, conditions, and restrictions set forth herein are enforceable by the Association or the Owner of any Tract through a proceeding brought at law or in equity, including, but not being limited to, an action for actual damages, which shall include, but being without limitation, damages or penalties provided for by the Texas Property Code or under other applicable law, or through proceedings for a temporary restraining order or temporary or permanent injunction. Each Tract Owner agrees that should the Association seek injunctive relief hereunder, the Association need not prove that it has no adequate remedy at law relative to the violation or injury complained of. Specifically, The Association (and any Owner with respect only to the remedies described below) shall have the power to enforce the provisions of this Declaration and the Rules and Regulations and shall take such action as the Board of Directors deems necessary or desirable to cause such compliance by each Member. Without limiting the generality of the foregoing, the Association by any one or more of the following means:

1. By commencing and maintaining actions and suits to restrain and enjoin a member for breach of contract or violation of the Declarations. The association shall have authority to file any suit in law or equity to enforce these deed restrictions; and
2. By levying and collecting, after notice and hearing reasonable and uniformly applied fines and penalties (all of which are to be paid to Montgomery Farms Homeowners Association including attorney's fees), to be assessed every day until the violation is cured or abated, from any Member or for breach of this Declaration or such Rules and Regulations by such Member. All fines are to be secured by a lien in the same manner as the yearly assessments and may be included in the foreclosure of the lot. The max amount of any fine for any violation is \$100. Fine amounts shall be determined by the board of directors by voting and filing a Fining Policy. Though, the lot shall not be foreclosed solely for fines or attorney fees in accordance with the Texas Property Code; and
3. By taking action itself to cure or abate such violation and to charge the expenses thereof, if any, to such violating Members, plus attorney's fees incurred by the Association with respect to exercising such remedy.

Before the Board invokes the remedies provided above, it shall give registered notice of such alleged violation to the Owner and shall allow the Owner a hearing if requested by the Member. If, after the hearing, a violation is found to exist, the Board's right to proceed with the listed remedies shall become absolute. Each day a violation continues shall be deemed a separate violation. Failure of the Association, the Declarant, or any Owner to take any action upon any breach or default with respect to any of the foregoing violations shall not be deemed a waiver of their right to take enforcement action thereafter or upon a subsequent breach of default.

ARTICLE VI

RESERVATION AND GRANT OF EASEMENTS

Section 6.01 Utilities. Easements for installation, construction, reconstruction, patrolling, inspection, maintenance, repair, removal, and/or addition of utility systems or facilities and for ingress and egress to or from and upon such utility easements are reserved by Declarant as shown on the plats of the Property, the provisions of said plats pertaining to the use of land situated within such utility easements being hereby referred to and incorporated herein for all purposes. Full right of ingress and egress shall be had by Declarant, any municipal authority which provides utilities to the Property, at all times over any dedicated easement for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility. All claims for damages, if any, arising out of the construction, reconstruction, patrolling, inspection, maintenance, repair removal and/or addition of utilities or on account of temporary or other inconvenience caused thereby, against the Declarant, or any utility company or municipality, or any of its agents or servants, are hereby waived by the Owners.

ARTICLE VII COMMON PROPERTIES

Section 7.01 Easements of Enjoyment. Subject to the provisions of Section 3 hereof, every Member of the Association shall have a non-exclusive right of easement of enjoyment in and to

the Common Areas.

Section 7.02 Title to Common Areas. Except as otherwise provided herein, Declarant shall convey to the Association fee simple title to the Common Areas owned in fee by Declarant, and the Association shall be responsible for their operation, repair and maintenance in accordance with this Declaration.

Section 7.03 Extent of Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

1. The right of the Association to establish rules and regulations governing the Members' use and enjoyment of the Common Areas, and to suspend the enjoyment rights of any Member for any reasonable period of time for any infraction of such rules and regulations.
2. The right of the Association to sell, convey or dedicate to the appropriate governmental authority the Common Areas, or any part thereof, provided such sale, conveyance or dedication is approved by the majority of the Board of Directors at a regularly held meeting or special meeting.
3. The right of the Association to borrow money for the purpose of improving, maintaining, or repairing the Common Areas, or any part thereof, and to mortgage the Common Areas, or any part thereof, provided the mortgaging of the Common Areas is approved by a majority of the total eligible votes of each class of Members of the Association voting in person or by proxy, at a meeting duly called for such purpose.
4. The right of the Association to take such steps as are reasonably necessary to protect the Common Areas, or any part thereof, against foreclosure.
5. The right of the Association to suspend the right to use the Common Areas of any Member for any period during which any assessment or other amount owed by the Member to the Association remains unpaid or during which such Member is in violation of any of the

provisions of this Declaration.

6. The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities that may be a part of the Common Areas.

ARTICLE VIII MISCELLANEOUS PROVISIONS

Section 8.01 Duration. This Declaration and the covenants, restrictions, conditions, charges, and liens set out herein shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, and every Owner of any part of the Property, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Declaration is recorded, and continuing through and including December 31, 2037, after which time said covenants, restrictions, conditions, charges, and liens shall be automatically extended for successive periods of five (5) years unless a change (the word "change" including additions, deletions or modifications thereto, in whole or in part) is approved by a majority of the total eligible votes of the Members of the Association (regardless of class) voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance of the meeting and shall set forth the purpose of such meeting, or by the written consent of Members holding a majority of the total eligible votes of the Members of the Association (regardless of class).

Section 8.02 Amendment. This Declaration may be amended at any time by the Declarant if it owns at least a super majority (60%) of all lots in the Property (including any additional Property annexed by Declarant). Once Declarant has conveyed the property consisting of forty one (41%) percent of lots, this Declaration may be amended at any time by a majority of the membership of the Association voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty days in advance of the meeting and shall set forth the purpose of such meeting, or by the written consent of Members holding a majority of the total eligible votes of the Members of the Association (regardless of class); provided, however, that Declarant must consent thereto if Declarant owns one or (1) or more of the Lots or any portion of the Residential Land. Any such amendment or termination shall become

effective when an instrument is filed for record in the Official Public Records of Real Property of Montgomery County, Texas, with the signatures of the requisite number of Members (and the signature of Declarant if Declarant owns one (1) or more of the Lots) or any portion of the Residential Land or the filing may include a certificate signed by the Secretary attesting that the requisite number of members voted and passed such amendment.

Section 8.03 Waiver. The Association, every Owner of any part of the Property, Declarant, and their respective legal representatives, heirs, successors, and assigns, shall have the right (but not the duty) to enforce this Declaration and the covenants, restrictions, conditions, charges and liens contained herein. Lack of Enforcement by the Association or any respective legal representative, successors, and assigns does not constitute a waiver of such Enforcement of any part of the Declarations.

Section 8.04 Severability of Provisions. If any paragraph, section, sentence, clause, or phrase of this Declaration shall be illegal, null or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null or void, the remaining paragraphs, sections, sentences, clauses or phrases of this Declaration shall continue in full force and effect and shall not be affected thereby. It is hereby declared that said remaining paragraphs, sections, sentences, clauses, and phrases would have been and are imposed irrespective of the fact that any one or more other paragraphs, sections, sentences, clauses, or phrases shall become or be illegal, null or void.

Section 8.05 Titles. The titles, headings and captions that have been used throughout this Declaration are for convenience only and are not to be used in construing this Declaration or any part thereof.

Section 8.06 Number of Gender of Words. Whenever used in this Declaration, the singular number shall include the plural where appropriate, and vice versa; words of any gender shall include each other gender, where appropriate.

Section 8.07 Assignment. Declarant shall have the right to assign and/or delegate its rights, privileges, duties, and obligations hereunder.

Section 8.08 Insurance. The Board of Directors of the Association shall obtain insurance in case of destruction or damage to Common Areas and Common Facilities (the premiums for which shall be a common expense payable from property assessments). The Board of Directors shall also obtain director and officer's insurance.

Section 8.09 Bylaws of the Association. This Declaration contemplates and refers to Bylaws of the Association. No rights of Members created or described herein, and no provision hereof, shall impair, invalidate or limit the power and authority of the Bylaws to (i) determine or set standards for determining which votes of Members of the Association are "eligible votes," (ii) set quorum requirements for the effective conducting of meetings of Members, the Board or any committee, authorize actions to be taken by Members, the Board or any committee by written consent of appropriate percentages, even without a meeting or prior notice, (iv) set meeting and notice requirements for subject matters addressed in the Bylaws, and (v) otherwise to limit, enhance, impair and modify the voting rights and procedures provided for in this Declaration or under the Texas Non-Profit Corporation Act; provided that, the Bylaws cannot (i) alter the prescribed percentage of votes necessary to amend a specific clause of this Declaration (subject to the determination of quorum and of "eligible votes"), (ii) alter the prescribed percentage of affirmative votes required for action to be taken under and as prescribed by this Declaration (subject to the determination of quorum and of "eligible votes") or (iii) remove, revoke or modify any right or privilege of the Declarant hereunder.

To the extent that the Bylaws provide for a method of delivery (and the effectiveness thereof) of a notice to a Member, a director or the Association for a purpose stated in the Bylaws, and such method or effectiveness is inconsistent or in conflict with the methods of delivery (or the effectiveness thereof) allowed or prescribed by this Declaration, the provisions of the Bylaws shall be controlling.

Section 8.10 Formation of the Association. Declarant shall cause the initial Certificate of Formation of the Association to be prepared and filed. After the Certificate is approved and filed with the Texas Secretary of State, that Certificate may be amended by Declarant on its own motion

at any time prior to the Conversion Date. Alternatively, the Certificate may be amended by the vote of Members holding a majority of the total eligible votes of each class of Members voting in person or by proxy at a meeting duly called for such purpose, or by the written consent of Members holding a majority of the total eligible votes of the Members of the Association (regardless of class), provided that Declarant must consent thereto if Declarant owns one (1) or more of the Lots or any portion of the Residential Land.

Section 8.11 Property Subject to Declaration. The real property covered by this Declaration is all of the real property described in the General Warranty Deed under file #2021130910. All of the Property and any right, title or interest therein shall be owned, held, leased, sold, transferred and/or conveyed by Declarant, and any subsequent owner of all or any part thereof, subject to this Declaration and the covenants, restrictions, conditions, easements, charges and liens set forth herein. The covenants, restrictions, conditions, easements, assessments and liens herein set forth are covenants running with the land at law as well as in equity and shall constitute a general plan for the benefit of and be enforceable by all present and future Owners of any Lot or Lots in the Property and their heirs, personal representatives, successors and assigns, as well as by Declarant and the Association.

Section 8.12 Additional Property Subject to Declaration. Additional property may be added to, or made subject to this Declaration and the covenants, restrictions, conditions, easements, charges and liens set forth herein, in the following manner:

Additional property may be annexed by Supplemental Declaration into the jurisdiction of the Association with the consent of sixty-seven (67) percent of the total eligible votes of the Members (regardless of class) of the Association voting in person or by proxy at a meeting called for such purposes; provided, however, additional phases or sections of Montgomery Farms may be annexed by Declarant without such approval by the Members. The Owners of Lots in such annexed property shall be entitled to the use and benefit of all Common Areas, provided that the Lots in such annexed property shall be impressed with and subject to assessments by the Association as herein specified on a uniform, per Lot basis.

Section 8.13 Merger and Consolidation. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same purposes, the Association's properties, rights, and obligations may be transferred to the surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions established by this Declaration, together with the covenants, conditions and restrictions applicable to the properties of the other association as one scheme. However, such merger or consolidation shall not affect any revocation, change or addition to the covenants established by this Declaration and no merger or consolidation shall be permitted except with the consent of the holders of sixty-seven (67) percent of the total eligible votes of each class of Members of the Association voting in person or by proxy at a meeting called for such purpose.

Section 8.14 Winding Up. The Association may be wound up and terminated with the assent given in writing and signed by not less than sixty-seven (67) percent of the total eligible votes of each class of Members voting in person or by proxy at a meeting called for such purpose. Upon winding up of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization devoted to such similar purposes.

[SIGNATURE PAGE TO FOLLOW]

EXECUTED on this 29th day of February, 2023.

JGL Properties, LLC

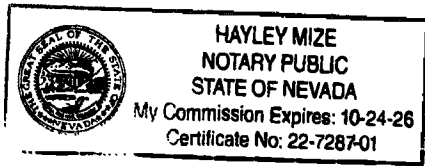
[Signature]

_____, Agent for JGL Properties, LLC

THE STATE OF NEVADA §
 §
COUNTY OF Clark §

BEFORE ME, the undersigned, a notary public in the State of Nevada, on this date personally appeared Teddi E. Maieroni, Agent for JGL Properties, LLC, known to be the person whose name is subscribed to the foregoing instrument and being by me first duly sworn and declared that he executed same in the capacities and consideration therein expressed.

This 28 day of February, 2023.



[Signature]

Notary

Return to:
Law Office of Ashleigh Musselman, PLLC
23221 Aldine Westfield Road, Suite 736
Spring, Texas 77373

E-FILED FOR RECORD

03/07/2023 12:10PM



L. Brandon Steinmann

County Clerk,
Montgomery County, Texas

STATE OF TEXAS,
COUNTY OF MONTGOMERY

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

03/07/2023



L. Brandon Steinmann

County Clerk,
Montgomery County, Texas