

06020

THE STATE OF TEXAS §
COUNTY OF WALKER §

**AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
WILDWOOD SHORES SUBDIVISION
SECTION IV**

This Amended and Restated Declaration of Covenants, Conditions and Restrictions of Wildwood Shores Subdivision supercedes, amends, and restates that certain Declaration of Covenants, Conditions and Restrictions of Wildwood Shores Subdivision dated March 26, 2002 and recorded in the Real Property Records of Walker County at Volume 499, Page 844.

DUNRICH HOLDING COMPANY, L.P., a Texas limited partnership hereinafter called "Declarant" is the owner in fee simple of certain real property located in Walker County, Texas, said property being known as Section IV of Wildwood Shores Subdivision, as per plat thereof of record in the plat records of Walker County, Texas.

The subject property has been divided into individual lots (each, a "Lot", and collectively the "Lots") and reserved areas, all of which will be collectively referred to herein as the "Project", or as **WILDWOOD SHORES, Section IV**. As of the date hereof, Declarant owns in excess of 75% of the Lots.

Know all men by these presents that the Project is hereby placed under the restrictions, covenants and conditions as set forth in this document.

For the purpose of enhancing and protecting the value, utility, attractiveness and desirability of the Project, Declarant hereby declares that all of the Lots thereof shall be held, sold, and conveyed subject to the following easements, covenants, conditions and restrictions, which shall constitute covenants running with the land and shall be binding on all parties having any right, title, or interest in the above described property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

The reference in a deed stipulating the conveyance to be subject to these covenants and citing the recording information will make such Lot subject to these covenants the same as if they were written in such deed. Furthermore, these covenants being placed of record in Walker County is notice to all prospective purchasers thereof that the Project is subject to these covenants, conditions and restrictions whether or not they are referred to in the deed conveying such Lot.

The Project is on private property for the use and benefit of the property owners therein and their guests.

**ARTICLE I
DEFINITIONS**

- Section 1: "Architectural Control Committee" ("ACC"), a committee to approve and/or disapprove construction plans.
- Section 2: "Board" shall mean the Board of Directors of the P.O.A.
- Section 3: "Commons" shall mean any property reserved for or dedicated to the common use of property Owners, or established through easements across Lots, or any properties leased for such purpose.
- Section 4: "Declarant" shall mean DUNRICH HOLDING COMPANY, L.P., its successors and assigns.
- Section 5: "Drives" shall mean any common area reserved for use by Owners for vehicular traffic
- Section 6: "Easements" shall mean any easements or rights of way created by plats or instruments placed of record or as described in any deed for any purpose, including but not limited to drainage, utilities, access or Commons.

- Section 7: "Maintenance" shall mean the exercise of reasonable care to keep buildings, private roads, landscaping, lighting, drainage, irrigation systems, commons and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted.
- Section 8: "Member" shall mean every person or entity that holds membership in the P.O.A. Each purchaser of a Lot becomes a member of the P.O.A. upon such purchase.
- Section 9: "Mortgage" shall mean a bona fide mortgage, a Deed of Trust, or a Vendor's Lien.
- Section 10: "Mortgagee" shall mean a holder of a bona fide mortgage or a beneficiary under or holder of a Deed of Trust.
- Section 11: "Owner" shall mean the record Owner, including Declarant, whether one or more persons or entities, of fee simple title to any Lot, which is a part of the Project, and shall include purchasers under contract for deed, but shall not include those holding title merely as security for performance of an obligation.
- Section 12: "P.O.A." shall mean and refer to WILDWOOD SHORES PROPERTY OWNERS ASSOCIATION, INC. its successors and assigns, or corporate entity of similar name as created by Declarant.
- Section 13: "Permanent Occupancy" shall mean the uninterrupted occupancy of a dwelling for more than 30 days with indications or purpose to continue such occupancy.
- Section 14: "Project" shall mean the real property described herein, and such additions thereto as may be brought within the jurisdiction of the P.O.A. as hereinafter provided.
- Section 15: "Tract" shall mean any Lot or plot of land as is divided or re-divided within the Project subject to this Declaration.
- Section 16: "Vote" shall mean one vote per Lot.

ARTICLE II
EASEMENTS, DRIVES, ROADS, AND PRIVATE ROADS OR VEHICULAR ACCESS ARE ALL
COMMONS AND NOT FOR USE BY THE PUBLIC.

- Section 1: Private roads, drives, or access easements and easements for installation and maintenance of utilities, irrigation and drainage, are established by separate instrument or instruments of record or to be placed of record in the office of the Walker County Clerk and as hereinafter set forth. Within such easements, private roads and Commons, no structure, planting, or other material shall be placed or permitted to remain which may damage, interfere with, or change the direction or flow of drainage facilities or any natural drainage utilized by Declarant in the easements, or which may interfere with passage along such common or private road easements, or which would interfere with maintenance thereof. The easement area of each Lot and all improvements therein shall be continuously maintained by the Owner of such Lot, except for improvements or maintenance of which a public, private, or quasi-public Declarant or P.O.A. or utility company is responsible. Easements established as commons for vehicular access, greenbelts, riding trails, hiking trails, utilities, etc. will be maintained by the P.O.A. and may not be fenced into private property except as hereinafter prescribed.
- Section 2: No dwelling unit or other structure of any kind shall be built, erected, or maintained on or in any such easement, reservation, or right of way, and such easements, reservations and rights of way shall at all times be open and accessible to representatives of the Declarant or P.O.A., to public and quasi-public utility corporations, their employees and contractors, and shall also be open and accessible to Declarant, its successors and assigns, all of whom shall have the right and privilege of doing whatever may be necessary in, or under, and above such locations to carry out any of the purposes for which such easements, reservations, and rights of way are reserved.
- Section 3: The P.O.A., through its duly authorized representatives, employees and contractors shall have the right, after reasonable notice to the Owner thereof, to enter any Lot at any reasonable time to perform such maintenance as may be authorized herein.
- Section 4: The private drive or roadway easements as set forth herein or by separate instruments, or as established within the Commons upon the ground, are for the private use and benefit of the Owners of the Lots within the Project, and

their guests or tenants, as therein prescribed, and under the conditions as therein set forth, and are not dedicated to the general public.

- Section 5: The Declarant or the P.O.A. may take unto itself or execute unto any fresh water supply, electric utility, gas utility, telephone, sewer or other utility entity right of way easements in the form and under the conditions as may at that time be required by said entity as a prerequisite to service of this Project with fresh water, electricity, gas, telephone, sewer, TV cable, or other utility or service.
- Section 6: The Declarant or the P.O.A. may take unto itself or execute unto others right of way easements in the form and under the conditions as at that time may be required by said entity to distribute to each and every Lot herein water for the purposes of consumption or irrigation, and/or to provide drainage, as well as to provide for wastewater collection and other utility services,
- Section 7: It is understood and agreed that the easements granted herein and to be granted hereafter are reserved as permanent easements for the purpose set forth and are not subject to the time limit applicable to other restrictions.
- Section 8: There is hereby reserved a flood easement (the "Flood Easement") on each and every Lot fronting on the shoreline of Lake Conroe and its tributaries or waterways including drainage-ways. This Flood Easement encompasses all land lying at and beneath the 207' elevation. Structures such as piers, docks, decks, other structures and utility buildings may be placed in this easement at owner's risk only, subject to approval of the ACC and the San Jacinto River Declarant or P.O.A.

No dwelling, or air conditioning unit or any other electrical apparatus may be placed in the Flood Easement. Every dwelling placed on any lot in the subdivision must have a finished floor level of not less than 208' elevation.

The flood level in the Project is anticipated to be no more than 207' elevation; however, Declarant and the P.O.A. hereby place each purchaser of a Lot herein on notice that should flood waters exceed the elevation of 207' or come upon the lots herein at any elevation, Declarant, its successors or assigns and the P.O.A. are not responsible therefor and purchaser in accepting the property subject to these covenants, does hereby release the Declarant, its successors and assigns and the P.O.A. from any liability for any damages that may occur from flooding, at any level, of any property, subject to these covenants.

- Section 9: There is hereby dedicated to the property owners in common and to any utility company serving this Project with water, gas, electricity, cable TV or any other utility or service, an easement 25 feet in width adjacent and parallel to each boundary of the roadway easement described above in Section 4 of this Article 11. This easement includes a 15-foot utility easement and drainage easement upon the ground, and a utility easement that extends to a width and height of 20 feet above the ground. This easement extends from each boundary of the roadway easement, into and upon the adjoining property. There is further reserved an easement 40 feet into the property adjacent thereto solely for the purpose of installation of guy wires where necessary for securing utility poles. This easement is 5' on each side of each sideline only as shown upon the plat of record.

ARTICLE III **ARCHITECTURAL CONTROL**

- Section 1: No external improvements or changes shall be erected, placed, or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure, and a complete plan of sewer lines showing relation to Lot boundary lines and water lines has been approved by the ACC as to quality of workmanship and materials, harmony of external design with existing structures, protection of the environment, and as to location with respect to topography and finished grade elevation. Approval shall be as provided herein.
- Section 2: The ACC is hereby authorized to enforce, any building or fire codes, or any rules, restrictions or requirements concerning the construction of buildings, sewer systems and water systems in this Project, that have been made by any local, county, or state authority, or otherwise, having the legal authority to make such requirements.
- Section 3: The ACC is composed of three persons appointed by the Board of the P.O.A. or by Declarant in the interim. In the event of death, dismissal, or resignation of any member of the committee, the remaining members shall have full Declarant or P.O.A. to designate a successor, subject to approval of the P.O.A. Board. Neither the members of the

committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant except as is budgeted and approved by the P.O.A. Board.

Section 4: The approval or disapproval as required in these covenants shall be in writing. In the event the committee, or its designated representative, fail to approve or disapprove within thirty (30) days after complete and properly detailed plans and specifications have been submitted to it, provided such plans and specifications do not violate these covenants, approval shall be deemed granted and the related covenants shall be deemed to have been fully complied with; however, any building or improvements placed upon a lot herein that was not so presented to the ACC for approval prior to start of construction or placement will be in violation of these restrictions and may be removed by the ACC at the property owner's expense. If the P.O.A. pays for such removal, the cost, plus interest at 10% per annum, will become a lien upon the property upon payment of such cost by the P.O.A. Said interest accrual shall commence on the thirtieth (30) day after written request for reimbursement of said cost is sent by P.O.A to property owner.

ARTICLE IV USE RESTRICTIONS

Section 1: With the exception of commons or reserves, all Lots are designated as residential home sites for single family dwellings, except for the following lots which shall be designed as multi-family lots: Lot 19, Block 2, Section IV and Lot 13, Block 3, Section IV. The use of the multi-family lots and the construction criteria shall be dictated by a separate set of rules concerning multi-family construction, which shall be promulgated by the Architectural Control Committee.

These covenants shall apply to the multi-family lots except in the case of a direct conflict, which conflict shall be decided solely by the Architectural Control Committee.

Section 2: Any dwelling constructed on a Lot must have a floor area of not less than 1200 square feet, including covered screened porches and exclusive of open uncovered or unscreened porches, terraces, patios, driveways, carports and garages, and shall be constructed of at least standard frame construction. If any building is set on blocks or piers, it shall have an outside or perimeter beam or skirting of stone, natural rock, brick, treated lumber or concrete on all sides of the building. Any such structure must be completely dried in within 6 months of beginning of construction.

Any dwelling constructed on a Lot must have exterior walls of (i) cedar, redwood, pine or other natural wood boards or logs and must be stained and/or sealed for preservation and not painted, (ii) logs or natural wood cut to simulate logs, (iii) all or part natural rock, brick or stone, or upon proof of quality and permanence to the ACC artificial stone may be allowed, or (iv) a combination of brick, stone, or natural rock and wood siding, such as Hardi-plank or other similar siding, painted and/or treated in earthtone or neutral colors approved by the ACC. The purpose of this covenant is to maintain a natural and rural effect; therefore, any refinishing of the wood in the process of maintenance or restoration in the future must also conform to these covenants. Such refinishing, resealing, or restaining must be performed at least every two years, unless a longer period is approved in writing by the ACC, which approval shall not be unreasonably withheld. All stains and scalers must be submitted to the ACC for approval. Any dwelling constructed on said lots will be roofed with metal roofing or composition shingles colored dark green, brown, or another acceptable color to blend in with the countryside. Wood shingles will also be allowed.

Section 3: No structure of a temporary character, trailer, basement, tent, shack, garage, or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently, except that a travel trailer may be used while the Owner is completing construction on a home, only with the prior written consent of the ACC, which consent will specify the period of time the travel trailer may remain on the Lot. However the travel trailer may not be stored on the Lot when not occupied and in no instance will the trailer be left upon the premises unoccupied by Owner. Outbuildings shall be permitted in the Project, subject to ACC approval. Storage buildings may not be utilized as residences on the Lot. Any building of any type must be approved by the ACC before placement, construction or erection on the Lot; and no other building may be constructed prior to the construction of the residence.

Outbuildings will be constructed of a design and materials in keeping with the style and quality of the dwelling on the Lot. Plans and specifications must be submitted to the ACC and approved as herein set forth for all buildings and structures.

Section 4: No Lot shall be used or maintained as a dumping ground for rubbish or trash, and no garbage or other waste shall be kept except in sanitary containers. All other equipment for the storage and disposal of such materials shall be kept in a clean and sanitary condition.

Section 5: No animals except household pets may be kept upon any Lot. No pig of any type will be considered a household pet.

A. No goats, sheep or livestock, including horses, may be raised or kept on any Lot, nor shall any Lot be used to raise chickens, ducks or any fowl or emu.

B. No Lot may be used to raise, house, or train dogs commercially, or keep any creature that may be noxious or offensive to the neighborhood as determined by the P.O.A.

C. There may be no activity or condition on any property that is noxious offensive or dangerous to the neighborhood, including but not limited to aggressive household pets.

Section 6: No abandoned or inoperative vehicles or trailers shall be permitted to remain on any Lot or in front of any Lot. Personal boats in good and usable condition may be kept on a Lot; however, such boats, and trailers, and any vehicle other than personal automobiles, must be kept in an outbuilding on the Lot. No vehicle with a carrying capacity in excess of one ton will be allowed to be parked on any Lot, Roadway or Commons.

Section 7. The Declarant and the P.O.A. will have the right to enter upon any Lot and remove noxious, offensive or unsightly items, vehicles, or trailers, trash, junk or garbage, all as determined by Declarant or the P.O.A. from such Lot after having given the owner thereof written notice to remove same within 10 days after notice and owner's failure to do so.

Declarant and the P.O.A. shall have the option to place the items removed into storage or dispose of same if considered by the Declarant or P.O.A. to be of no real value. Should the item(s) be placed in storage, the lot owner will be responsible to pay storage and redeem same within 30 days by paying all storage & moving costs. If not redeemed the item(s) will be sold for charges.

If the sale of the removed items fails to cover cost of removal and storage, the Declarant or the P.O.A. may file a lien against the particular Lot for cost of such removal and storage, plus 10% thereof.

The cost of trash or garbage removal service will be established from time to time by the P.O.A. Charges will be based on cost to the P.O.A. The P.O.A. may contract this service to a third party. Garbage fees will be in the form of an assessment. Rules and procedures for disposition of garbage and trash will be as promulgated from time to time by the P.O.A.

Section 8: No entity, other than Declarant or the P.O.A. may conduct any commercial activity on any Lot, including daily or weekly room lodging such as bed and breakfast establishments, fishing, boating, or hunting guide services that have guided trips or outings emanating from the Project. Notwithstanding the foregoing, Owners of Lots may conduct "home office" activities that do not result in unreasonable traffic to or from the Project or unreasonably interfere with any other Owner within the Project.

Section 9: It is hereby specifically stated that to rent space to campers, recreational vehicles, trailers, or other units for occupancy or storage or to maintain stables, kennels or space for rental to others is considered commercial operation for purposes of these restrictions, and is not permitted. However, an Owner whose dues and assessments are paid current may rent their home to another family for periods of time not less than monthly, subject to Article XII below, but such rental does not relieve the Owner from the obligations hereunder.

- Section 10: No dwelling or garage or outbuilding shall be placed nearer to any property line of a Lot than twenty (20) feet from the roads, or road easements, or five (5) feet from adjacent Owner's property line, or in other areas as shown on the plat of the Project.
- A. No shed or outbuilding shall be placed nearer than thirty (30) feet from the front boundary line of a Lot, nor nearer than thirty (30) feet from any boundary line of the Lot that adjoins any Commons, nor nearer than ten (10) feet from any other boundary line of the Lot, nor nearer the front than the primary dwelling on such Lot.
- B. Lakefront Lots may have no sheds or outbuildings placed within 30 feet of the shoreline, except as otherwise provided herein for boat houses, lifts, decks and docks, as described. See Article IV, Sections 13, 13A, 13B, 13C, 13D, 13E, and 13F, below.
- C. Declarant or the P.O.A. herein may issue variances on the location of houses or other improvements where, in its consideration, the variance will benefit the owner of the lot and will not adversely affect the neighborhood.
- Section 11: All Lots shall be served by a central sewer treatment system approved by the appropriate governmental authorities. The sewer system will be a central plant installed by Declarant or Declarant's designee. No septic tanks are allowed. No outdoor toilets are allowed. No alternative systems are allowed.
- Section 12: No Lot may be re-divided by any Owner, without the prior written consent of Declarant, except that Declarant, its successors or assigns, may replat Lots for better utilization and function. However, any such replat will be subject to approval by all governmental authorities having jurisdiction, and all purchasers of Lots herein hereby waive the right or necessity of approval and hereby appoint Declarant, its succession and assigns as power of Attorney to execute any such plat in their stead.
- A. No Lot may be utilized for more than one single-family residence, unless such lot has been designated herein as a multi-family lot.
- B. For purposes of this Section, single family residences means one detached, site-built residential house designed to be occupied by one family only and no more than one 2-car garage either attached or detached.
- Section 13: Subject to any rules of the P.O.A., Declarant, the San Jacinto River Authority, or any other governmental authority, Owners of lake front Lots may install piers from their Lots into the lake, except that, notwithstanding the foregoing to the contrary, piers may not be constructed on Lots 11-18, Block 1, Section IV. Piers permitted by this Declaration may not be more than 20 feet in length, provided that such pier may not extend further than 6 feet into the lake or channel from the shoreline of the Lot. No pier may be installed nearer to a side Lot line than 10 feet. All such piers must be made of Penta Treat, wolmanized wood or wood treated with some similar preservative that is not in violation of any regulation of the Declarant, the P.O.A., or any governmental entity. Piers and docks may be constructed of flotation devices such as are approved by the San Jacinto River Authority, Declarant, the P.O.A., or other agencies with authority over such matters. All such installation must be kept secured and in good repair and appearance and the plans and specifications therefor must be approved by the ACC prior to installation.
- A. Boat docks and piers may not extend more than 3 feet above the elevation of 201'.
- B. The bottom of the floor of boat sheds may not extend more than 4 feet above the elevation of 201'.
- C. Decks and walks may not be more than 18 inches above the ground level of the Lot as established by the Declarant within 15 feet of the lake shore nor more than 36 inches above the ground level of the Lot as established by the Declarant within 30 feet of the lake shore.
- D. Boat lifts must be submerged so as not to have mechanism exposed above the 201' water level and must not lift the boat more than 2 feet above the water level, or 2 feet above the 201' elevation, whichever is higher.
- E. Boat slips or boat docks must be dug into the lot so that the same may be constructed to project not more than six feet into the lake from the shoreline, which shoreline shall be located and surveyed by the Lot Owner. No boat slip may be constructed nearer to a side lot line than 10 feet, without the prior written consent of the ACC, which shall not be unreasonably withheld.

- F. Bulkheading of the Lot shoreline is prohibited without the prior written consent of Declarant or the ACC except that bulkheading is required around the perimeter of any cut into the Lot and bulkheading is permissible along the shoreline adjacent to a pier between the pier and the shoreline.
- G. The shoreline of each waterfront Lot must be sloped into the lake and protected with grass or other plant material to prevent erosion. Declarant or the P.O.A. may, in their sole discretion, upon determination that it is necessary for the preservation of the shoreline provide that bulkheading will be installed on all Lots affected by the determination. In such instance, Declarant or the P.O.A. has the right to install or cause to be installed the bulkhead, to backfill as necessary, to install cables into the ground, and do all things necessary and required to secure the bulk-head, including the right to cross any lot to access the work area. Declarant or the P.O.A. herein will assess the Owners of such Lots affected for the cost of such improvements as hereinafter provided for assessments.
- H. All lakefront or waterfront Lots are subject to an easement for access to the water to dredge, clean or otherwise maintain the lake or stream. This easement runs from the water's edge into and upon each waterfront Lot for a distance of 15 feet from the water's edge. All improvements allowed and constructed in this easement are placed therein at the Lot Owner's risk.

Section 14: Rules governing size of craft and motors will be made from time to time by the P.O.A. regarding boats traversing the channels within the Project, as well as speed limits of all water craft and activities within the water channels.

Section 15: No firearm may be discharged in the Project and no other weapon such as a bow and arrow, spear, or pellet gun may be discharged in the Project.

A. Hunting is not allowed in the Project. Hunting however is allowed in the National Forest, subject to certain rules and regulations. A permit for hunting in the Forest may be obtained from the Forest Service office. (Subject to change and is not within the control of Declarant or P.O.A.)

B. Feeding of wild life is permissible in the Project. Deer, bird, squirrel and other feeders may be installed in any Lot by its Owner and on any Commons or reserves by Declarant or the P.O.A.

Section 16: No 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 oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 17: No culvert, bridge, or crossing within the Project may be installed by Lot Owners unless approved by the proper authorities and the ACC.

Section 18: No "For Sale, For Rent or Lease" signs will be placed upon any Lot or residence therein by any person or entity or the P.O.A. The P.O.A. has the right to remove and dispose of any such signs. No other signs are permitted without approval of the ACC. Builders' "for sale" signs are allowed on new homes, subject to approval by Declarant or the P.O.A.

Section 19: Prior to beginning construction on any house or building on any Lot herein, such Lot Owner must first obtain a Building Permit from Walker County, Texas, and must install a driveway from street to slab of at least four inches (4") thick of compacted rock, gravel, crushed limestone or better to prevent tracking of mud onto the streets.

Section 20: Should any Lot Owner herein violate these covenants and restrictions, and should such violation continue for fifteen (15) days after written notice of said violation is sent to such Owner, then the Declarant or the P.O.A. is hereby granted authority and the power to (i) on behalf of the Owner of such Lot, bring such Lot into compliance, and obtain reimbursement from such Owner, or (ii) file suit to enforce compliance. The Declarant or the P.O.A. may charge as a special assessment all costs of time and expenditures, including legal fees, member's time, meeting fees, cost of removal of improvements in violation, and all related expenses. This special assessment will attach to the Lot upon which the violation occurs and will become a lien as provided in these covenants for assessments and liens.

- Section 21: Any on-going violation may be prosecuted on an on-going basis.
- Section 22: Use of all Commons is subject regulations to be imposed by Declarant or the P.O.A.
- Section 23: 4-wheelers and dirt bikes may be used within the Project only pursuant to rules promulgated by the Declarant or the P.O.A. No vehicles operated by unlicensed persons will be allowed to operate within the Project.
- Section 24: There may be no clotheslines installed on any Lot and clothes or linens may not be hung outside to dry.
- Section 25: All animals including cats, dogs or other pets, must be kept inside the house, in a fenced area or on a leash, or secured on the Lot and not allowed to run loose within the Project.
- Section 26: Air Conditioning window units are not allowed on any residence constructed on a Lot. All air conditioning units must be central units, ducted to vents, and shall be placed or constructed at at least 208' elevation. Air conditioning units must not protrude from windows or other openings.
- Section 27: All external devices for receiving television, radio or other signals are subject to approval by the ACC. No such device in the form of a dish will be allowed if the dish is more than 24" in diameter, unless a specific variance is issued with reason by the ACC.

ARTICLE V
OWNER'S OBLIGATION TO REPAIR

- Section 1: Each Owner shall, at his sole cost and expense, repair and maintain his residence, and other buildings on his Lot, keeping the same in a condition comparable to the condition of such building at the time of its initial construction, excepting only normal wear and tear.
- Section 2: Each dwelling in the Project must have installed by owner an individual grinder and pump to service the dwelling and to pump sewage into the sewer system for treatment. The Owner of the dwelling will be responsible for the continued operation and maintenance of the grinder/pump in a manner to ensure against failure.

Should the grinder/pump unit fail in its operation, Owner will immediately replace same with a new unit of comparable capability and quality. Should Owner fail to do so within 24 hours or less, if threatening to the health and welfare of the neighborhood, then the utility company providing sanitary sewer service is thereby authorized to replace the grinder/pump unit and charge against owner and the property the reasonable cost of services and the grinder/pump unit.

ARTICLE VI
MEMBERSHIP IN ASSOCIATION: VOTING RIGHTS

- Section 1: Every Owner of a Lot shall be a member of the P.O.A. Membership shall be appurtenant to and may not be separated from ownership of a Lot.
- Section 2: For purposes of voting, Declarant will be construed as an owner and member with the same voting privileges of one (1) vote per Lot owned, and Declarant is also entitled to one vote for each Lot sold so long as Declarant retains a financial interest or any ownership in the Project.
- Section 3: Each Owner shall be entitled to one vote for each full Lot owned by such Owner. When more than one person holds an interest in a given Lot or condo, all such persons shall be members and the vote for such Lot shall be exercised as they may determine among themselves. In no event shall more than one (1) vote be cast with respect to any Lot owned by such members.
- Section 4: All votes will be by ballots mailed to the last known address of each Owner per the records of the P.O.A. These ballots must be mailed back by the member to the address described with such ballot. Each vote will be identified by a lot, block and section number, stating the lots owned and the number of votes represented thereby.

Any ballot vote must allow no less than a 30-day period between mail out of ballots and the return of mailed ballots.

Section 5: The P.O.A. shall be governed by and act through a Board of Directors. Declarant shall initially appoint a five (5) member Board of Directors for the P.O.A. with terms running one to five years, who shall serve until their respective terms expire and their successor is elected. On the anniversary date of such appointments, and on the same date of each following year, the members of the P.O.A. shall meet for the purpose of electing a member or members of the Board of Directors for that year as set forth herein. Such Board of Directors shall have the full powers and duties as may be reasonably necessary to carry out the purposes and duties of the P.O.A. as provided herein. All Board members' terms shall be for one (1) year with the exception of the initial Board members appointed by Declarant. The above stated term and election date may vary fifteen (15) days before or after said date at the option of Board. Mail ballots will be provided for all voters who may return the ballots within the prescribed time and manner or who may bring the completed ballots to the above-mentioned meeting. The person receiving the most votes shall be declared the winner. If two or more positions are being filled, then the persons receiving the most votes shall be declared the winners.

ARTICLE VII ASSESSMENTS

Section 1: Declarant hereby covenants for each Lot within the Project, and each Owner of a Lot is hereby deemed to covenant by acceptance of his contract or deed for such Lot, whether or not it shall be so expressed in his contract or deed, to pay to the P.O.A. (1) annual assessments, and (2) special assessments for capital improvements. Such assessments will be established and collected by the Board as hereinafter provided. The annual and special assessments, together with interest, and with costs and reasonable attorney's fees incurred to collect same, shall be a charge on the land and a continuing lien on each Lot against which such assessment is made. Each assessment, together with such interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person or persons who owned the Lot at the time of the assessment. By a successor in title's acceptance of a contract or deed for such Lot when assessments are due, such personal obligation shall pass to the successors in title whether or not expressly assumed by them. However, the first Owner liable will not be relieved of liability thereby.

Section 2: The annual assessments levied by the Board of the P.O.A. shall be used exclusively to promote the health, safety, welfare, and recreation of the residents of the Project, and for the construction, improvement and maintenance of the commons, drainage and irrigation systems, or community facilities and private or public roads and roadway easements or rights of way within the Project. The provision for maintenance of public roadways is made herein only in the case that the county, city, state or other public entity responsible therefor should fail to maintain said roadways properly. However, there will be an assessment for maintenance of private roads in this section as set forth herein. Furthermore access to this Project is over a forest road and assessments will include the cost and maintenance of this forest road.

Section 2A: Although the water channels in the Project are property under the ownership and the supervision of the San Jacinto River Authority and are not the property of the Owners, Declarant or the P.O.A., it is understood that dues and assessments may and will be used to maintain these channels in depth and width and to remove any obstacles to navigation thereof, and to perform any other work deemed necessary by the Declarant or the P.O.A. for the benefit of Lot Owners herein.

Section 3: In addition to the annual assessments authorized above, the P.O.A. may levy, in any assessment year, a special assessment applicable to that year, but only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of the commons or a capital improvement to the Project or any designated private roadway or public roadway within or giving access to the Project. Any such assessment must be approved by a majority of votes cast by members, in a manner of voting as herein prescribed by ballot.

Section 4: The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of the due date thereof and shall fix the dates such amounts become due. Notice of the annual assessments shall be sent to every Owner subject thereto. The P.O.A. shall, on demand, and for a reasonable charge, furnish a certificate signed by an officer of the P.O.A., setting forth whether the assessment against a specific Lot has been paid, and may on or before February 15th of each year, cause to be recorded in the office of the County Clerk of the County, a list of delinquent assessments as of that date setting forth and establishing the amount of the lien

therefor. Failure to record such list by such date shall not affect the validity of such lien. Said lien shall arise and become effective on the date of the assessment, and shall be automatically extinguished and released upon full payment of the assessment and related charges or expenses.

Section 5: Any assessment not paid by its due date shall be deemed in default. Any assessment not paid within thirty (30) days after the due date shall bear interest from the thirtieth (30th) day after the due date at the highest legal rate per annum. The P.O.A., acting through its Board of Directors, may bring legal action against the Owner personally obligated to pay the same, and/or may foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common areas, community facilities, roadway easements, or abandonment of his Lot.

Section 6: The assessment lien provided for herein shall be superior to the lien of any mortgage hereafter created; provided that if this document is an amendment or supplement to a prior Declaration, then this document hereby extends and renews the priority or perfection of such assessment lien created in such prior Declaration. A sale or transfer of any Lot shall not affect the assessment lien. The sale or transfer of any Lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall not extinguish the assessment lien as to any assessment made, or any payments, which become due, prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, except as otherwise provided herein in Section 12 of Article VIII. However, any lender, investor or purchaser, without further pursuit of diligence, may rely on a certificate executed by the president and attested by the Secretary of the P.O.A. certifying the status of dues, assessments or liens.

Section 7: Any expenses of any suit brought by the P.O.A. and/or Declarant herein, and any expenses of defense of any suit brought against the P.O.A., its officers, or directors, and/or Declarant, in regard to the administration or enforcement of these covenants shall be borne by the P.O.A. and the P.O.A. shall have and hold any rights to recovery of such expenses.

If the P.O.A., its officers, or directors, and/or Declarant prevail in any suit brought against them by any Owner in the Project with regard to the P.O.A. or Declarant's administration or enforcement of these covenants, then such defendants are entitled to recovery and judgment against the suing Owner for their costs of suit, including but not limited to, expert witnesses, attorneys, appraisers, surveyors, and litigation expenses. The amount of any such judgment obtained for damages or cost shall automatically become a lien against the judgment debtor's property in this Project upon entry of such judgment. Otherwise, this lien will attach to such property as prescribed by law.

Section 8: Each Owner in the Project agrees that should suit be brought by Declarant and/or the P.O.A. to enforce performance of the covenants or to collect assessments, the suing party will be and is entitled to judgment for damages and all costs of suit, including but not limited to expert witnesses, attorneys, appraisers, surveyors, and court costs, should the suing party prevail.

The amount of any such judgment obtained for damages or cost shall automatically become a lien against defendant's property in this Project upon entry of such judgment. Otherwise this lien will attach to such property as prescribed by law.

Section 9: It is specifically stipulated that should Declarant, its successors or assigns foreclose on any property sold under deed property will revert to the status of Declarant's inventory free of the obligation of any accrued and unpaid assessments or costs and/or liens therefor that became due or were incurred prior to such reversion. Any such liens of record will be released by the appropriate officer or officers of the P.O.A. upon presentation of release thereto by Declarant. Upon failure of such action by said Declarant or P.O.A., or in lieu thereof, Declarant may file a release executed on and by its own behalf (and send a copy to the P.O.A. President), which will be conclusive evidence to all persons that such lien is thereby released, unless the P.O.A., acting within its authority, files a proper court action to invalidate said release within thirty (30) days after recordation. Furthermore, see Section 13 of Article VIII herein.

ARTICLE VIII
NOTICE OF AUTHORITY FOR ASSESSMENTS

- Section 1: Each interested party or purchaser of a Lot is hereby made aware of the fact that some of the roadways within the Commons are dedicated or will be dedicated, to the use of the property Owners herein, their guests or tenants, and are not dedicated to the county, any municipal body or public Declarant or P.O.A. nor to the public. Such purchaser or other interested party is hereby given notice that the maintenance of such Commons roads, county roads, or National Forest roads, if any, where deemed necessary by the P.O.A., and of other designated areas and facilities, called common areas, and the payment for Security Guards and Patrols, if any, garbage pick-up and other conveniences deemed necessary and requisite to the pleasure, comfort, security and enjoyment of the Owners in this Project, will be provided for through an assessment or assessments, as the case may be, to be levied against each and every Lot that will benefit from the use of common areas and common facilities, such determination to be made by the P.O.A. Determination of pro-rata assessment will be on a per Lot basis.
- Section 2: Each purchaser of a Lot hereby agrees that the P.O.A. has the authority to administer the assessment funds and attend to the management and maintenance of all common areas, services and facilities in said Project, and does hereby grant and give unto the said P.O.A., its successors and assigns, the authority to levy and collect assessments as necessary, and to expend said funds as necessary, subject to the requirements as herein set forth, for the purpose of the maintenance of all facilities and areas and services as herein described.
- Section 3: It is herein stipulated that designated common areas may be used for any purpose required or deemed by the Declarant to the Owners in the Project, such purposes to include, but not be limited to, the installation of any or all utilities, and dedication of such easements and rights of way as deemed necessary by said Declarant or P.O.A. Such dedications may be made upon a plat thereof or by separate instrument in writing and such dedication may be made at the discretion of the Declarant or P.O.A. at anytime, present or future. The Declarant or P.O.A. may allow the installation of any utility main or service extensions in said Commons by letter to or formal agreement with the utility company, or may allow installation of service lines from utility main to dwelling or outlets by oral approval. Any such installations made will be considered approved if the Declarant or P.O.A. has not ordered such installation halted prior to completion thereof.
- Section 4: Any and all levies for any or all purposes as herein set forth may be made and begun at an appropriate time as will be determined by the Declarant or P.O.A. Said action may be made to affect, at different times, any sections or Lots, and levies for maintenance of various areas may be made or begun at different dates, and are not required to be made simultaneously.
- When such determination is made by the Declarant or P.O.A., notice will be given to the Owners of such properties affected, and all of said Owners shall then be required to pay said assessments to the Declarant or P.O.A.
- Section 5: It is specified herein that all funds collected by the Declarant or P.O.A. for maintenance and services of Commons, or for capital improvements will be kept in special bank accounts or savings account for each particular purpose, to be used only for the purposes as herein stated, and an itemized account of all receipts and disbursements will be mailed annually to all Owners in the Project.
- If, at any time, the Owners of sixty-five percent (65%) or more of the Lots affected by an assessment desire that the fund so established and the books and records pertaining thereto be audited, then said Owners may, by affixing their signatures to a petition, cause such audit to be made by delivery of the petition to the President of the P.O.A. Such petition will cite the account by its proper identification and shall stipulate the name of a Certified Public Accountant who shall make such audit and the date that such records shall be made available to said Accountant. The Declarant or P.O.A. will then be compelled to make such records available to the named Certified Public Accountant in the offices of the Declarant or P.O.A. or other place at the discretion of Declarant or P.O.A., and will be authorized to pay to such Accountant reasonable accounting fees for said audit from the funds of the account so audited.
- Section 6: The P.O.A., in initially setting the monthly levy or assessment for any purpose stated herein, will do so on an estimated basis determined by a study of the requirements of said purposes. Said amount so levied may be changed from time to time as necessary to pay the allowed expenses as herein set forth. Should said assessment prove to be

more than needed for such purposes, then, the Declarant or P.O.A. may reduce said levy accordingly, or carry forward such excess to be used to decrease the amount of future assessments.

- Section 7: The P.O.A. will have the right, privilege and powers to levy special assessments as may become necessary for purposes as required and authorized herein. Such special assessments would be made on the same pro-rata basis as hereinabove set forth and paid to Declarant or P.O.A. as prescribed by said Declarant or P.O.A. Upon the approval of the Owners of fifty-one percent (51%) of the lots subject to any special assessment, such special assessments may be made for the purpose of the construction or reconstruction of any desired improvements in the Common areas for the use and benefit of Owners of the Lots subject to such special assessment.
- Section 8: The P.O.A. will have the sole responsibility to collect all assessments. Such assessments will be levied on a monthly basis and the P.O.A. will have the power to allow certain reasonable discounts to Owners paying said assessments semi-annually or annually in advance. The P.O.A. will have the power to add to such assessments appropriate and reasonable penalties against said Owners for delinquency in payment of assessments, as well as the other remedies set forth herein.
- Section 9: Any Owner being delinquent in the payment of any assessment will have filed against his Lot a lien for such assessment, plus any penalties and costs. Such lien shall remain in effect until all past due assessments, penalties and costs have been paid or satisfied as otherwise set forth herein.
- Section 10: Each lien established by the P.O.A. pursuant to the provisions of this instrument may be enforced by recording with the County Clerk of this county a notice of delinquency and lien upon said property, and may be foreclosed in the same manner as provided for the non-judicial foreclosure of a mortgage upon real property under the laws of the State of Texas. In any action to foreclose any such lien, the P.O.A. shall be entitled to costs, including reasonable attorney's fees, and other allowed costs and penalties. The P.O.A. may employ any other process available under the law for collection.
- Section 11: The Declarant or P.O.A. does hereby reserve unto itself and establish and impose upon the Lots in the Project, a lien securing each assessment imposed or to be imposed, or in any way provided for herein, and further securing any costs, interest, or penalties (including attorney's and expert's fees), subject only to any limitations and/or provisions in this instrument.
- Section 12: Each and every assessment and lien, together with any cost, penalties or interest related thereto, established, reserved or imposed under this instrument and Declarant or P.O.A. shall be subordinate to any prior, recorded, valid, bona fide mortgage or trust deed (and the lien and/or title thereof) which has been given in good faith and for value on any interest in any Lot covered by this instrument and Declarant or P.O.A. Any subsequent Owner of any Lot so covered, purchased at foreclosure or otherwise, shall be bound by restrictions, conditions, covenants, reservations, assessments and liens set out in this instrument, excluding any assessment or lien arising prior to a foreclosure sale brought about by a lender under any valid, bona fide mortgage or trust deed. A valid, bona fide mortgage or trust deed for purposes of this document is one given for funds applied to the purchase of, or improvements of, the property upon which the lien is created.
- Section 13: Declarant, its successors and assigns, will sell to purchasers properties within the Project. It is specifically stated and agreed that if one or more Lots or parcels of land are sold to any purchaser by Declarant, by contract for deed, or deed with lien and note or other instrument, and purchaser defaults in payments due under said instruments in any manner, such as failure to pay principal, interest, taxes, insurance or assessments set out hereunder, and said Lot be repossessed, or such contract canceled by Declarant or by any assignee of Declarant's right, title and interest in any such lien or contract, then Declarant or said assignee will not be required to pay to the P.O.A. any delinquent or past due assessments, costs, interest, or penalties, and any liens for non-payment of same filed by said Declarant or P.O.A. are deemed released as regards such property. Evidence of such cancellation, repossession or foreclosure will, in and of itself, be sufficient to effect such release. No further release or action will be required by the Declarant for this purpose; however, this stipulation does not by any means, relieve the purchaser in default, who failed to pay such assessments and/or penalties and cost and from whom said property was repossessed, of his personal liability to pay such delinquent funds. This provision does not affect the rights of the Declarant or P.O.A., as a creditor, to pursue other remedies and liens against persons other than Declarant and against property other than property owned by Declarant.

- Section 14: Rules and regulations governing the use of all commons and facilities will be made and enforced by the Declarant or P.O.A., to insure the best and mutual enjoyment thereof of all qualified property owners and their guests. Any Owner who fails to pay assessments or fails to comply with any requirements or rules and regulations governing the use of said commons and facilities will be denied the use thereof. Such rules and regulations will include, but not be limited to, rules concerning guest privileges to use of commons and any recreation facilities; speed limits on streets; type of vehicles on streets and other commons; control of noise; use of irrigation water, channels or canals; use of any lakes, ponds or streams within the commons; and use of water from a limited commons.
- Section 15: Any Owner may delegate his right of enjoyment to the common areas and facilities to the members of his immediate family, his tenants, or contract purchasers who reside on the property.
- Section 16: The Owner of a Lot or Lots in the Project will be required to keep said property free of any unsightly or offensive accumulation of trash, garbage, or unsightly deposits of any nature or kind from the date of purchase of said Lot. This requirement is effective on occupied and unoccupied Lots. Ten days after written notice to Owner of such situation existing, the P.O.A. or its employees will have the right and authority to enter upon said premises and correct any existing violation of this section. The P.O.A. will charge said Owner a reasonable fee for such work accomplished and bill said Owner for said fee, plus a reasonable service charge per month, for each instance, until Owner pays said P.O.A. in full as billed, all monies so owed the P.O.A. will become a special assessment against the property of owner and will be secured by a lien on said property in the same manner as a lien for special assessments.
- Section 17: In the event the owner of any building in the Project should allow such building to fall into disrepair, or to become in need of paint, repair, or restoration of any nature, or to be in need of other corrective measures, or to become unattractive and not in keeping with the quality of the neighborhood, then the P.O.A. will give such owner written notice of such conditions. Fifteen (15) days after notice of such condition to owner, and failure of owner to begin and continue at a reasonable rate of progress to correct such condition, the P.O.A. may enter upon said premises to do or cause to be done any work necessary to correct said situation. The owner thereof shall be billed for said cost plus ten percent (10%). All monies so owed the P.O.A. will become a special assessment against the property of owner and shall be secured by a lien on such property in the same manner as a lien for special assessments.
- Section 18: The P.O.A. is empowered by the Owner of each Lot or dwelling in this Project, to contract with a utility company for the operation and maintenance of street lighting in this Project and to pay for security lights installed in Commons at the rate of \$2.00 (two dollars) per month to be paid in cash or added to such owner's electric bill each month. This fee may be adjusted up or down in accord with the rates of the utility company. The P.O.A. may include funds for said lights in the general assessment.
- Section 19: In all instances herein where notice is required, notice will have been given upon depositing said notice in the United States mail, proper postage prepaid, addressed to the last known address of such person or party (according to the records of the P.O.A.) to whom notice is to be given.
- Section 20: It is specifically agreed by each purchaser and stipulated herein that the Declarant, its successors, and assigns will have the right of use of all Commons. Such use will be allowed for the purposes of promotion and sale of property by said Declarant and will include the right of Declarant to issue passes and permits to guests or prospective purchasers of property and Declarant's employees to use and enjoy, for limited periods, such Commons, facilities, and services. This right is reserved unto the Declarant, its successors, and assigns so long as said Declarant owns land in the Project and any address thereto, and is marketing same.
- Section 21: It is fully understood that Declarant is subject to the same payments created herein per Lots owned, as is any other Owner; save and except accrued but unpaid or past due assessments, costs, penalties and interest on or related to those Lots foreclosed on by Declarant or received by Declarant as the result of canceling a contract. However, it is fully understood that Declarant may make such payments, including in advance, in the form of payments for improvements, maintenance, repairs, leases, and rentals, and property donation at market value (collectively, "contributions"), and will receive full credit against assessments for such contributions. Such contributions shall accrue interest at twelve percent (12%) per annum on such funds and market value of property contributed until such funds or value are charged against by the P.O.A. Each year the P.O.A. will charge against such contributions and any accrued interest thereon the amount of any assessments due by Declarant, and shall carry forward any credit balances to the next and ensuing years. Should Declarant have a credit balance remaining after sell out of

the total Project of all sections, such credit balance will not be a charge to the P.O.A., but will, in fact, be written off by Declarant.

- Section 22: Should Declarant, however, own completed unsold dwelling units and rent same, then Declarant will pay the same dues and assessments hereon as other Lot owners. The tenants of such units will not be members of the P.O.A.; however, they will have all the rights and privileges of membership, as pertains to the use of facilities.
- Section 23: Should an Owner of any Lot rent its residency constructed on such Lot, the tenant will have access to all the Commons, facilities, and amenities in the Project to which Owner is entitled.

ARTICLE IX.

UTILITY STANDBY CHARGES

- Section 1: The P.O.A. or the Declarant shall have the right to establish utility standby charges and in such case there shall be levied against every individual Lot, severally, a standby charge not to exceed the exact cost per month to the P.O.A. or Declarant charged by any utility serving the Project. Such charge shall be fixed from time to time by the Board of Directors of the Utility Company or the Declarant or P.O.A., which charge shall be due and payable in monthly installments in advance, or as otherwise required; and the payment of such standby charge or charges shall be and is secured by a lien hereby created on each individual Lot. The Declarant or P.O.A. does hereby reserve unto itself, its successors and assigns, and establish and impose, a lien securing the assessment as herein set forth for the prescribed utility standby charge.
- Section 2: This lien may be foreclosed upon, after written notice of delinquency to the Owner of any Lot, as and in the same manner as provided for the non-judicial foreclosure of a mortgage upon real property under the laws of the State of Texas. Any such foreclosure will entitle the lien holder to reasonable attorney's fees and other allowed costs and penalties. In addition, the Declarant or P.O.A. may pursue any other procedures of collection as may be provided under the law.
- Section 3: It is specifically stated herein that all property held by the Declarant, its successors and assigns for sale or resale within the Project is hereby totally exempt from any and all of the requirements of this Article and no lien shall become effective on any of Declarant 's property until said property is sold to individual Lot purchasers by contract or deed.
- Section 4: Such standby charge, the liens securing the payment thereof, and the right and responsibility for the enforcement thereof, are hereby reserved unto and given over to the P.O.A. The right of the P.O.A. to levy such charge, and the creation of all liens securing the payment thereof, except for delinquent payments and liens securing same, shall be released and discharged automatically (without further action) on any Lot upon the conveyance of that Lot to the initial person or persons who will reside on the property, the completion of a dwelling or residence on the property, and connection to the utility with continued service. Such completion may be evidenced by the creation and recordation of the first lien mortgage or deed of trust on the improved property or by the execution of a release by the holder of said lien or by the Board of Directors of the P.O.A. of the lien created hereunder to secure the standby charge; however, prior to same, any and all due or past due charges and fees must be paid in full.
- Section 5: The P.O.A. may assign or pledge to any utility provider this right of assessment and security for standby charges. In such instance, the standby charges will be set at a rate in conformance with published or approved tables of any state agency or authority, if any. In the absence of such agency or authority, the rates will conform to normal and usual rates. This authority granted and created in this article is reserved unto the P.O.A.
- Section 6: A state approved central water system will be provided in the Project by Declarant or its designee, and all Owners of said Lots will be obligated to connect to the system, but will be subject to any standby fee, and all other fees, until a residence is constructed on such Lot. No Owner may drill or operate a water well for any use.
- Section 7: A state approved central wastewater gathering and treatment system will be installed in the Project by Declarant or its designee and every Lot herein with a dwelling constructed thereon will be required to connect to said system.

ARTICLE X

LAW ENFORCEMENT AND STREET RIGHTS

Section 1: Notwithstanding the fact that vehicular access and the commons in this Project are not dedicated to the public, it is hereby stipulated that the County Commissioners Court or other public governing body will have the full authority to establish speed limits or other traffic laws and rules, and penalties for violation thereof, upon the streets of this Project, and the law enforcement officers of the County or of the State of Texas or any other official body having such authority may enter upon this project to enforce such laws the same as if said access commons were public roads.

Section 2: Notwithstanding the fact that Commons in the Project are private and dedicated and made available only to the property owners within the Project, it is hereby stipulated that any law enforcement officer (City, County, State, or Federal) is hereby authorized to enter upon the premises of the Project for all purposes just as though the Project Commons were dedicated to the public, and every law enforcement officer will have the same rights, privileges and duties within the boundaries of this Project as he would have in any Project where the streets and other commons and facilities are dedicated to the public.

ARTICLE XI
GENERAL PROVISIONS

Section 1: Declarant, the P.O.A., or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, and easements, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by Declarant, the P.O.A., or by any Owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the rights to do so thereafter.

Section 2: Invalidation of any one of these covenants or restrictions. by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3: Covenants and restrictions of this declaration may be amended by duly recording an instrument with the Walker County Clerk, executed and acknowledged as approved by the Board, upon the vote of not less than seventy-five percent (75%) of the Lots in the Project. All votes will be as prescribed in Article VI hereof.

Section 4: No breach of any of the provisions, herein contained by reason of such breach shall defeat or render invalid the prior lien of any mortgage made in good faith and for value as to the Project or any Lot therein; provided however, that such conditions shall be binding on any Owner, whose title is acquired by foreclosure, trustee's sale, or otherwise.

Section 5: The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the P.O.A. or any member thereof for a period of twenty-five (25) years from the date of recording of the original Declaration, and thereafter shall continue in effect for additional, successive and recurring periods of ten (10) years, unless they are canceled or amended by written vote by the then Owners of at least seventy-five percent (75%) of the lots in the Project as set forth herein under Article VI.

Section 6: Without complying with Section 3 of this Article, Declarant shall have the right during the term of this Declaration to add any Lots to the real property covered by this Declaration. The Owners of the Lots within such added portion shall become members of the P.O.A. on the same terms and conditions, and subject to the same restrictions, as apply to Owners of Lots within the original Project, except that Declarant may impose additional restrictions on such additions, including increase or decrease in size of improvements, land use, set back lines other requirements considered by Declarant to be beneficial to the best use of the property then being developed.

Section 7: Should any Owner herein, except Declarant, its successor, or assigns, wish to sell a Lot subject to these covenants, and the Owner obtains a firm offer therefor at terms acceptable to Owner and agrees in writing to the sale, any such offer shall be subject to the right of the Declarant to purchase such Lot at the same price and terms. The Declarant will then have 15 days to accept or reject the offer. Should the Declarant accept the offer, the transaction must be closed within 45 days of acceptance, or as otherwise provided in the contract between Seller and prospective purchaser. Should the Declarant reject the offer then the owner may proceed to close the sale with the purchaser under contract at that same price and terms originally offered in the contract, but only to that party.

Section 8: The P.O.A. will have the power to issue a variance as pertains to these covenants, only in individual instances; and only when the P.O.A. determines it is necessary and prerequisite to the use of the property; and is beneficial to the other land owners; and/or is at least not detrimental to the other landowners.

ARTICLE XII
RENTALS

Section 1: Any Owner of a house in the Project may rent that house to outside families for a term not less than monthly subject to the following:

- (a) The house must be complete with operational toilet and plumbing fixtures and facilities connected to the approved wastewater gathering and treatment system.
- (b) The house must be connected to the central water supply system.
- (c) The Owner must be current on all dues and assessment payments.
- (d) The P.O.A. or Declarant will be informed of lease term and of the time and move in date, by fax, phone, or U.S. mail 5 days in advance.
- (e) All tenants must present a letter of permission to occupy the premises signed by Owner upon entrance and present personal I.D. and obtain visitors permit. The P.O.A or Declarant will issue to each tenant guest a family I.D. and information package acquainting them with services and facilities available as well as Lake Conroe and the National Forest.

Section 2: The Owner renting or leasing a house will be responsible for tenants' behavior and compliance with P.O.A. procedures and rules, as well as for tenants' damage to persons or property.

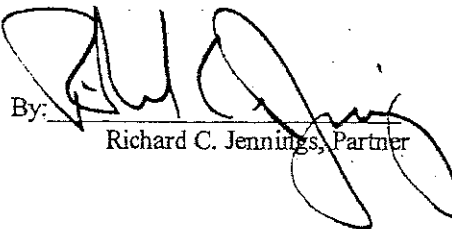
ARTICLE XIII
FRANCHISES

Section 1: Declarant hereby reserves unto itself and its successors and assigns all rights to exclusively maintain and operate, or to contract for, the maintenance and operation of a marina, both public and private; to rent boat stalls, boat slips and other space to Owners herein and guests; to sell boating and fishing equipment and supplies, as well as other items, including food and beverage.

Section 2: Sam Houston Forest Estates is a subdivision adjacent to Wildwood Shores. Declarant or the P.O.A. has the authority to allow residents of Sam Houston Forest Estates the rights to use the Commons and facilities of Wildwood Shores Subdivision upon payment of an initiation fee to the Declarant, to be set by the Declarant, and payment of the dues and assessments to the P.O.A. in the same amount as property Owners pay. These privileges of use will subject the owners in Sam Houston Forest Estates to the same rules of use as an Owner, plus any other rules of use as may be established by the P.O.A.

EXECUTED THIS 5th day of August, 2002.

Dunrich Holding Company, L.P.
a Texas limited partnership

By: 
Richard C. Jennings, Partner

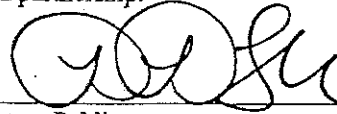
STATE OF TEXAS
COUNTY OF WALKER

§
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ACKNOWLEDGMENT

This instrument was acknowledged before me on the 5th day of August, 2002 by Richard C. Jennings, as Partner of Dunrich Holding Company, L.P., a Texas limited partnership.

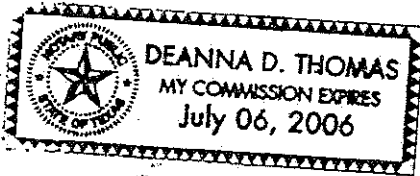
My Commission Expires: 7/6/06



Notary Public

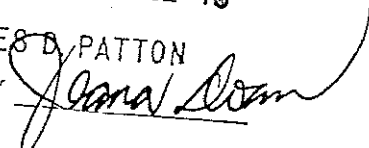
Dee Dee Thomas

Printed Name of Notary



FILED FOR RECORD
COUNTY CLERK
WALKER COUNTY

'02 AUG 5 AM 11 49

JAMES D. PATTON
DEPUTY 

THE STATE OF TEXAS
COUNTY OF WALKER

I, James D. Patton, County Clerk in and for Walker County, Texas do hereby certify that this instrument was filed for record in the volume and page of the named record and at the time and date as stamped hereon by me.



JAMES D. PATTON, CLERK
WALKER COUNTY, TEXAS

Official Public Records