

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF PINE RIDGE TERRACE

This Restated Declaration of Covenants, Conditions and Restrictions is made on the date hereinafter set forth by PINE RIDGE TERRACE HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation, for the purpose of stating a Declaration of Covenants, Conditions and Restrictions.

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WITNESSETH

WHEREAS, Declarant is the owner and developer of certain property (the "Property") in Harris County, Texas, which is more particularly described as follows:

A subdivision containing 3.6719 acres out of lot nineteen (19) in block five of "WESTMORELAND FARMS" SECTION TWO SUBDIVISION VOL. 4 PG. 21 H.C.M.R. IN THE CITY OF HOUSTON HARRIS COUNTY, TEXAS.

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WHEREAS, Declarant has subdivided the Property into thirty-six (36) Lots, which Lots are more particularly shown on the Plat; and

WHEREAS, Declarant desired to provide for the preservation of the values and amenities on the Property and for the establishment and maintenance of a common area for ingress and egress across the Property, and further desired to subject such Property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Property and for the benefit of each Owner of a Unit on the Property, all of which the Association also desires; and

WHEREAS, Declarant desires to create and carry out a uniform plan for the improvement, development and sale of the Property for the benefit of the future Owners of Units on the Property, which the Association also desires; and

WHEREAS, Declarant will sell all of the lots to third party builders who will construct single family residences.

WHEREAS, These completed residences are to be sold to purchasers who will all become class A members of the Association,

NOW, THEREFORE, Declarant earlier declared and the Association hereby declares that (i) the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof; and (ii) that each contract or deed which may hereafter be executed with regard to the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to the following covenants, conditions and restrictions regardless of whether or not the same are set out or referred to in said contract or deed.

Definitions

- 1.1. "Architectural Control Committee" shall mean and refer to the committee created pursuant to this Declaration to review and approve plans for the construction or modification of improvements upon the Property as more fully described herein.
- 1.2. "Association" shall mean and refer to PINE RIDGE TERRACE, Inc, a Texas nonprofit corporation, its successors and assigns.
 - 1.3. "Board" shall mean the Board of Directors of the Association.
 - 1.4. "Bylaws" shall mean the Bylaws of the Association.
- 1.5. "Common Area" shall mean that certain real property designated as common area on the Plat, which is for the purpose of ingress and egress to all Units, upon which shall be created an easement for ingress and egress as more fully described herein, except as otherwise provided herein, and which area shall be maintained by the Association.
- 1.6. "Declarant" shall mean and refer to PINE RIDGE TERRACE LP., a Texas Limited Partnership, and its successors, legal representatives and assigns, if such successors, legal representatives or assigns (i) acquire more than one undeveloped Lot from the Declarant for the purpose of development, and (ii) are designated as Declarant by an instrument in writing executed by PINE RIDGE TERRACE LP, and filed of record in the Real Property Records of Harris County, Texas.
 - 1.7. "Declaration" shall mean this instrument as it may be amended from time to time.
 - 1.8. "Dwelling" shall mean a single-family residence unit constructed on the Property.
- 1.9. "Lot" shall mean and refer to each of the thirty-six (36) individual Lots as shown on the Plat.
- 1.10. "Member" or "Members" shall mean any person(s), entity or entities holding membership rights in the Association.
- 1.11. "Owner" shall mean and refer to the record owner, whether one or more persons are entitled, of fee simple title to any Unit which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. However, the term "Owner" shall include any mortgagee or lienholder who acquires fee simple title to any Unit which is part of the Property, through judicial or nonjudicial foreclosure.

1.12. "Plat" shall mean the plat of the Subdivision, which has been recorded in the M Records of Harris County, Texas under Harris County Clerk's File No.	И́ар
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- 1.13. "Property" shall mean and refer to all of that certain real property defined at the beginning of this instrument comprising the Subdivision and shown more particularly on the Plat.
- 1.14. "Subdivision" shall mean PINE RIDGE TERRACE, a subdivision in Harris County, Texas, according to the Plat thereof.
- 1.15. "Unit" shall mean one of the thirty-six (36) single family residential Dwellings constructed on the Property, together with the tract or plot of land conveyed to the Owner of such Unit, on which the Unit is constructed.
- 1.16. "Lot" is any parcel of land as designated on the plat, on which there is or will be built a single family residence and which will be conveyed by lot number and/or metes and bounds description to an owner.

ARTICLE 2.

Purpose

The Property is hereby encumbered by the covenants, conditions, and restrictions hereinafter set forth to insure the best and highest use and the most appropriate development and improvement of each Lot within the Property for residential purposes; to protect the Owners of Units against the improper use of surrounding Units; to preserve, so far as practicable, the value of the Property; to guard against the erection of structures of improper or unsuitable materials; to prevent haphazard and inharmonious improvement of the Lots; to secure and maintain the proper use of easements within the Property; and, in general, to provide for development of the highest quality to enhance the value of the investment made by Owners in purchasing Units within the Property.

ARTICLE 3.

Property Rights

- 3.1. Owner's Easement of Enjoyment. Except as otherwise provided in Section 3.4, every Owner shall have a right and easement of enjoyment in and to the Common Area for ingress and egress which shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:
 - (a) The right of the Association to make, publish and enforce reasonable rules and regulations for the use of the Common Area and any facilities situated thereon, including but not limited to the use of the maintenance, repair, and replacement of improvements in the Common Area, and the right of the Association to contract for exclusive services such as water, sanitary sewage, trash collection and landscaping maintenance to each lot.

- (b) The right of the Association to suspend the voting rights and right to use of the facilities owned by the Association, excluding domestic water, by a Member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.
- (c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless (i) an instrument of agreement to such dedication or transfer, signed by two-thirds (2/3) or each class of Members entitled to vote is properly recorded, in the Official Real Property Records of Harris County, Texas. And (ii) written notice of proposed action under this provision is sent to every Owner and Lienholder not less than ten (10) days, nor more than fifty (50) days in advance of said action.
- (d) The right of the Association to limit the number of guests of Members and to prohibit Members who do not occupy their Townhouse(s) from using the Common Area facilities when the Townhouse(s) is occupied by a tenant other than the Owner.
- (e) The right of Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof and, with the consent of all Lienholders to mortgage said portions of the Common Area owned by the Association and the rights of such mortgagee in said properties shall be subordinate and inferior to the rights of the Owners hereunder.
- 3.2. Delegation of Use. Any Owner may delegate, in accordance with this Declaration and the Bylaws his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property. The Owners hereby covenant that any lease executed on a Lot shall be in writing and contain provisions binding any lessee there under to the terms of the Covenants, Conditions and Restrictions, the By-Laws, and the rules and regulations applicable to the Property and further providing that non-compliance with the terms of the lease shall be a default there under. A copy of any lease entered into by an Owner, along with a list of the names of the occupants of the Townhouse being leased, shall be submitted by such Owner to the Association. Additionally, each Owner agrees to provide each tenant with copies of this Declaration and any rules and regulations of the Association prior to any lease being entered into. The Association shall have all rights but not the obligation, of the Owners a Landlord under each such lease to require that the tenant under any lease comply with the provisions of the Section 2.
- 3.3. <u>Subdivision Street</u>. The street within the Subdivision, as shown on the recorded Plat, shall be a private street, and shall not be dedicated to the public, but instead shall be a part of the Common Area of the Subdivision for the use and benefit of all Owners for access, ingress and egress to and from the Units. The Association shall be responsible and hereby assumes the responsibility to maintain and repair said private street, as well as all utilities and utility lines under said street, utilizing the assessments collected pursuant to Article 5 hereof.

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3.4. <u>Title to the Common Area</u>. The Declarant herby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens. The Common Area shall remain undivided and shall at all times be owned by the Association or its successors, it being agreed that this restriction is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Common Area.

ARTICLE 4.

Membership and Voting Rights

- 4.1. <u>Membership</u>. Every Owner of a Unit shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit. Ownership of such Unit shall be the sole qualification for membership.
- 4.2. Membership Classes and Voting Rights. The Association shall have two (2) classes of voting membership:
 - CLASS A: Class A members shall be all Owners with the exception of Declarant, and shall be entitled to one vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to anyone Unit.
 - CLASS B: Class B members shall be the Declarant, and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:
 - (a) When the total votes outstanding in the Class A membership exceeds the total votes outstanding in the Class B membership; or
 - (b) Seven (7) years from the date this Declaration is titled in the Records of Real Property Records of Harris County, Texas; or
 - (c) At such earlier time as the Class B membership, in its sole discretion, shall elect to record an instrument to such effect in the real property records of Harris County, Texas.

ARTICLE 5.

Covenant for Maintenance Assessments

5.1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any

Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association:

- (a) Annual assessments or charges; and
- (b) Special assessments for capital improvements, or for other extraordinary expenses, such assessments to be established and collected as herein below provided.

The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Unit and improvements thereon against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation and debt of the person who was the Owner of such Unit at the time when the assessment fell due. No Owner may exempt himself from liability for annual or special assessments. The personal obligation for delinquent assessments shall not pass to said Owner's successors in title unless expressly assumed by said successor.

- 5.2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the benefit of the residents of the Units and for the improvement and maintenance of the Common Area. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of the residents in the Property and in particular for the improvement, operation, administration, management, maintenance, repair and replacement of the Property, the Common Area and services and facilities relating to the use and enjoyment thereof, the landscaping and mowing of the grass (and maintenance and replacement thereof) within the Common Area. Assessments shall include, but are not limited to, funds to cover actual Association costs for all taxes, insurance, repair, replacement and maintenance of the Common Area and for the cost of the other facilities and service activities including, but not limited to, security, mowing grass, caring for the grounds, sprinkler system, landscaping, garbage pickup areas, water and sewage service furnished to residences by the Association, and other charges required by this Declaration of Covenants, Conditions, and Restrictions or that the Board of Directors of the Association shall determine to be necessary to meet the primary purpose of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes and other charges as specified herein. It is acknowledged, understood and greed that the judgment of the Board of Directors of the Association in establishing annual assessments and other charges and in the expenditure of said funds shall be final and conclusive so long as said judgment is exercised in good faith.
- 5.3. Maximum Annual Assessment. The initial maximum annual assessment upon each unit shall be determined by a majority vote of the Association. The maximum annual assessment may be increased each year by an agreed percentage above the maximum assessment for the previous year, which increase shall be agreed upon by a two-thirds (2/3rds) majority of the Association at a meeting duly called for this purpose.
- 5.4. Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that calendar

year only for the purpose of defraying, in whole or in part, the cost of an extraordinary expense, or for any construction, reconstruction, repair or replacement of a capital improvement upon the Property, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the Members, who are voting in person or by proxy, at a meeting duly called for this purpose.

- 5.5. Notice and Quorum. Written notice of any meeting called for the purpose of taking any action authorized under Section 5.3 or 5.4 of this Article 5 shall be sent to all Members (i) not less than thirty (30) days in advance of the meeting in the case of annual meetings and (ii) not less than fifteen (15) days in advance of the meeting in the case of special meetings. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, fifty percent (50%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.
- 5.6. Rate of Assessment. The total amount of annual and special assessments for all Units in the Subdivision shall be allocated equally to each of the Units. Each Owner shall pay such Owner's respective share of the total annual and special assessments for the Subdivision, the same being one-thirty-sixth (1/36th) of the total Subdivision assessments per Unit, after all subdivision units have been sold. It is understood that the pro-rata share of subdivision assessment per unit will be calculated and adjusted during the initial development and sale period relative to the total quantity of units sold. Unless approved by all Lienholders, both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis: i.e., 1/12th of the annual assessment on each Lot each month, as follows:
 - (a) Sold Lots, those Lots which have been sold to an Owner shall be assessed the full assessment as set by the Association.
 - (b) <u>Unsold Lots</u>, Those Lots which have not been sold to an Owner and/or which are owned by Declarant shall not be assessed.
- 5.7. Date of Commencement and Due Date of Annual Assessments. The annual assessments provided for herein shall commence as to all Lots no later than the first day of the month following the conveyance of the Common Area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment and shall be sent to every Owner subject thereto. Assessments shall be due and payable monthly or as otherwise directed by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as the date of its issuance.

- 5.8. Interest on Unpaid Assessments. If any assessment is not paid within thirty (30) days after the due date, then such assessment shall be deemed delinquent. The Owner of a Unit upon which any assessment is delinquent shall pay interest on such delinquent assessment, which interest shall accrue beginning thirty (30) days after the due date, at a rate that is the lesser of (i) eighteen percent (18%) per annum, or (ii) the highest rate allowed by applicable usury laws then in effect. Additionally, the Owner of a Unit upon which delinquent assessments are owed shall pay to the Association all costs of collection and reasonable attorney's fees incurred in collecting the delinquent amounts owed, regardless of whether suit is filed to collect such assessments.
- 5.9. Assessment Lien and Foreclosure. Each Owner of any Unit, by accepting a deed therefore, whether or not it shall be so expressed in such deed, shall be deemed to, and hereby does, covenant and agree to pay the Association all annual assessments or charges and all special assessments or charges as more particularly described in this Article 5. Such obligation to pay all annual assessments or charges and all special assessments or charges, and all costs of collection, interest and attorney's fees incurred in collection of assessments or incurred in the enforcement of the terms of this Declaration, shall be a lien against each Unit within the Property, which lien shall become effective upon the recording of this Declaration. All sums assessed in the manner provided in this Article, together with interest as provided in Section 5. 8 hereof and the costs of collection, including attorney's fees as herein provided, constitute a continuing lien and charge on the Unit covered by such assessment, which shall bind such Unit in the hands of the Owner, and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien shall be superior to all other liens and charges against the said Unit, except only for tax liens and all sums unpaid on a mortgage lien or deed of trust lien of record, securing in either instance sums borrowed for the purchase of or the improvement of the Unit in question. The Association shall have the power to subordinate the aforesaid assessment lien to any other lien. Such power shall be entirely discretionary with the Board and such subordination may be signed by an officer of the Association. Such lien for payment of assessments shall attach with the priority above set forth. Each Owner of any Unit, by accepting a deed therefore, whether or not it shall be so expressed in such deed, shall be deemed to, and hereby does, specifically authorize the Association to report to the mortgagee of such Owner's Unit, any unpaid assessments which remain unpaid for longer than thirty (30) days after the same become due.

5.10. Enforcement of Assessment Lien.

(a) The Association shall have the power to sell a Unit at public sale at an auction held between the hours of 10:00 o'clock a.m. and 4:00 o'clock p.m. on the first Tuesday of a month, if the provisions of Section 51.002 of the Texas Property Code, as amended, are complied with. The Board of Directors of the Association is specifically granted the power to designate a trustee in writing to conduct the sale pursuant to Section 51.002 of the Texas Property Code, as amended. The designation of a trustee to conduct the sale shall be in writing, executed by an officer of the Association, and recorded in the County Clerk's Office of Harris County, Texas. Such trustee shall be authorized to sell the Unit against which the maintenance assessment is owed, to execute and deliver to the purchaser or purchasers good and sufficient deeds of conveyance thereto by fee simple

title, with covenants of general warranty, and the title of such purchaser or purchasers, when so made by the trustee, shall be warranted and defended forever by the Owner of such Unit sold. The trustee is also authorized to receive the proceeds of such sale that shall be applied to all reasonable costs and expenses of the sale, including attorney's fees and costs to obtain title evidence, and for all sums owed to the Association for maintenance or other assessments plus accrued interest secured by the lien herein described. At the option of the Association, with or without any reason, a successor substitute trustee may be appointed if such appointment is in writing and recorded in the County Clerk's Office of Harris County, Texas. Any such sale of a Unit pursuant to these provisions shall, without further notice, create the relation of landlord and tenant at sufferance between the purchaser of the Unit and the Unit Owner against whom the foreclosure proceedings were held. Upon failure of such former Unit Owner to surrender possession thereof immediately, then at any time after written notice has been given by the purchaser of the Unit addressed to the former Unit Owner at the Unit Owner's last known address (according to the records of the Association), the former Unit Owner or such other person occupying the premises on the Unit may be removed by a writ of possession obtained by the Unit purchaser, either in the Justice of the Peace Court having jurisdiction and venue, or in any other court hereafter having jurisdiction and venue.

- (b) The Association may additionally institute suit against the Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien judicially. The Association shall further have the right to exercise any and all other rights or remedies available to it at law or in equity.
- (c) In any foreclosure proceeding, whether judicial or nonjudicial, the Owner shall be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association shall have the power to bid on the Property at any foreclosure sale, or other legal sale, and to acquire, hold, lease, mortgage, conveyor otherwise deal with the same.
- 5.11. <u>Property Exempt from Lien</u>. The following property subject to this Declaration shall be exempt from the assessments, charges and liens created herein:
 - (a) All property dedicated and accepted by any local governmental authority and devoted to public use; and
 - (b) All Lots owned by Declarant.

ARTICLE 6.

Architectural Control

6.1. Submission of Plans; Architectural Control Committee. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Property nor shall any exterior addition to or change or alteration to any property be made until the plans and specifications showing the shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation

to surrounding structures by the Board of Directors of the Association, or by an Architectural Control Committee composed of three (3) or more representatives appointed by the Board of Directors. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will for purposes hereof be deemed approved and this Article will be deemed to have been fully complied with. Notwithstanding the foregoing, the Board of Directors or the Architectural Control Committee, as the case may be, may postpone a decision on plans for up to thirty (30) days upon written notice to the Owner who submitted the plans, if the Board of Directors or the Architectural Control Committee determines, in its sole discretion, that additional information or material is required in order to make a decision concerning the plans and specifications submitted. The Owner submitting the plans shall immediately comply with the request for additional information or material from the Architectural Control Committee. Approval once given shall be irrevocable. One complete set of the approved plans shall remain in the possession of the association.

- 6.2. Architectural Control Committee Rules. The Board of Directors or the Architectural Control Committee, as the case may be, shall have the authority to adopt such procedural and substantive rules, not in conflict with this Declaration, as it may deem necessary or appropriate for the performance of its duties hereunder. Such rules shall be distributed to Owners of Units.
- 6.3. Conformity. The Board of Directors or the Architectural Control Committee, as the case may be, shall exercise reasonable and prudent judgment to see that the exterior design and location of all improvements, landscaping and alterations on Units within the Property conform to and harmonize with the surrounding Dwellings and character of the improvements on the Lots.
- 6.4. Variances. The Board of Directors or the Architectural Control Committee, as the case may be, may grant variances from compliance with any of the provisions of this Declaration, when, in the opinion of the Board or the Committee, in its sole and absolute discretion, such variance will not be adverse to the overall development plan of the Property, and such variance is justified due to unusual circumstances. All variances must be evidenced in writing and must be signed by at least a majority of the members of the Board of Directors or of the Architectural Control Committee, as the case may be. If a variance is granted, no violation of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. However, the granting of such variance shall not operate to waive or amend any of the terms and provisions of this Declaration for any purpose except as to the particular Unit and in the particular instance covered by the variance, and such variance shall not be considered to establish a precedent for any future waiver, modification or amendment of the terms and provisions hereof.
- 6.5. No Waiver of Future Approvals. The approval or consent of the Board of Directors or the Architectural Control Committee, as the case may be, to any plans or specifications shall not be deemed to constitute a waiver of any right to withhold approval or consent as to similar plans and specifications in the future, nor shall such approval or consent be deemed to set a precedent for future approvals.

6.6. Non-liability of Directors or Committee Members. Neither the Board of Directors or the Architectural Control Committee, as the case may be, nor any member thereof, shall be liable to any Owner or to any other person for any loss, damage or injury arising out of the performance of architectural control duties under this Declaration, or the exercise of any discretionary rights of consent or approval hereunder, unless such loss, damage or injury is due to willful misconduct or gross negligence on the part of such Board member or Committee member.

ARTICLE 7.

Description of Lots

The Property has been divided into thirty-six (36) Lots, each of which is determined by and described in the Plat.

ARTICLE 8.

Maintenance and Repair

8.1. By the Owner. Each Owner is responsible for the maintenance of his own Unit and the improvements situated thereon including, but not limited to, the Dwelling building, the roof thereon, overhangs and balconies, trees, shrubs, grass and other plants, together with all trees, shrubs, grass and other plants which are located on that portion of the Common Area immediately appurtenant to such Unit which comprises that part of the portion of the Common Area marked as Area I on the copy of the Plat attached hereto (the "Landscape Plat"), except to the extent such items are maintained pursuant to section 9.2 herein below. In the event any Owner fails to maintain the Unit or any improvements situated thereon, the Board of Directors, after a majority vote of such Board, shall have the right, through its agents and employees, to enter upon said Unit and to repair, maintain and/or restore the Unit and/or the exterior of a Dwelling building and/or any other improvements erected thereon including, but not limited to, the Dwelling, sidewalks, overhangs and balconies, trees, shrubs, grass and other plants, all at the expense of the Owner of that Unit. In the event the Association must expend any of its funds to repair, maintain and/or restore an Owner's Unit and any improvements thereon as described in this paragraph, the costs associated with such repair, maintenance and/or restoration shall be a charge against the Owner's Unit, and shall constitute a repair assessment against the Owner and the Unit in question. Such repair assessment shall be treated in the same manner as a maintenance assessment as described in Article 5 hereof, and all terms, provisions, rules and regulations in this Declaration concerning maintenance assessments shall apply to the collection and enforcement of collection of a repair assessment, including, without limitation, the right of foreclosure for non-payment of a repair assessment, as more particularly described in Section 5.10 hereof.

For purposes of this Article, the term "maintain" shall mean to keep in good repair, free of material visible structural or cosmetic damage; pruned and watered as applicable; and free of junk, unsightly materials and trash. See also Article 10, Sections 10.5, 10.7, 10.8, 10.11, and 10.14.

8.2. By the Association. The Association shall be responsible to repair and maintain the Common Area (including without limitation the private street, any perimeter fencing, any entrance gates, any driveways, any walkways and any landscaping or plant life situated on any of the Common Area except as otherwise provided in section 8.1 hereinabove), utilizing the assessments collected pursuant to Article 5 hereof. Notwithstanding the foregoing, landscape maintenance of the applicable Common Area by the Association shall be limited to the blowing/raking of leaves and other materials, the planting and care of grass and/or flowers in the Common Areas marked on the Landscape Plat as Area II, and such other scope of work for landscaping and landscape maintenance as shall be approved by a majority of the Members at any meeting called for consideration of such issue. Also, the Association shall be responsible for the repair and maintenance of all private streets, water lines, sanitary sewer, and storm sewer lines, and any improvements placed in common areas for the benefit of the residents. All green areas other than those within the boundary lines of resident owned lots will be considered common areas.

ARTICLE 9.

General Restrictions, Covenants and Conditions

All of the Property shall be owned, held, encumbered, leased, used, occupied and enjoyed by Owners, tenants of Owners, users of the Property and all other persons (except as specifically excluded within this Declaration) subject to the following restrictions, covenants and conditions:

- 9.1. Residential Use. Each and every Unit shall be used for only single-family residential purposes by the Owner and his family, his social guests or his tenants. For purposes of this provision, a Unit shall be deemed to be used for single family residential purposes when it is occupied and used to house persons and their belongings if such persons are the Owners of the Unit or occupy the Unit pursuant to (a) a family or other personal relationship with the Owner, or (b) a rental, leasing or other similar arrangement with the Owner. Notwithstanding the foregoing, Owners may not lease less than all of a Unit or lease individual rooms in the Dwelling. No Unit shall be used for any commercial, business or professional purpose, nor for church purposes. The use of any Unit for the maintenance of personal business or professional records or accounts, or for the handling of personal business or professional telephone calls or correspondence shall not be deemed to be a violation of this provision; provided, however, that consultation with clients or customers or vendors connected with any such business at a Unit is prohibited.
- 9.2. <u>Parking</u>. Parking of motor vehicles on the private street on the Property as shown on the Plat is prohibited. Motor vehicles shall be parked only in garages or on any concrete drive adjoining the garages.

- 9.3. <u>Buildings Permitted</u>. No building shall be erected, altered or permitted to remain on any Lot or Unit other than one single-family residential dwelling, or a replacement dwelling in the event of fire or other casualty. Any replacement dwelling that might be constructed on a Unit shall be of equivalent size and construction material as the existing building on each Unit. No outbuildings or storage sheds shall be permitted on any Unit. No additions to the existing structure of each Dwelling on a Unit, once built, shall be permitted. Each Dwelling will be two stories with an attached two-car garage on the lower story.
- 9.4. Existing Easements. Restrictions and Setback Lines. The Property is subject to easements, restrictions and building or setback lines as reflected on the Plat. The Property is and shall be subject to all such easements, restrictions, and building or setback lines, and the terms and provisions hereof shall be cumulative of same.
- 9.5 <u>Rubbish. Trash and Garbage</u>. No garbage, refuse or waste shall be kept except in sanitary containers.
- 9.6. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Unit except that household pets may be kept, provided not for any commercial purpose. No more than three (3) household pets may be kept on any Unit.
- 9.7. <u>Signs.</u> No signs of any character shall be allowed on any Unit, with the exception of one (1) sign, not to exceed 9" X 11" in size, indicating the name of the security company which services the Unit, and one sign with a maximum of five (5) square feet of display area and a maximum height of four feet from ground level to be used for the sale of the property only.
- 9.8. Antenna. No television, radio or any other type of antenna or other similar structure or object shall be placed upon the roof of any Dwelling nor shall such antenna or other structure or object be erected as a freestanding structure or object. Each Owner may, at his own expense; place a reasonably sized antenna in the attic area of his Dwelling. Each Owner may, at his own expense, place a satellite dish not to exceed 30" in diameter at the back of his Unit, provided that such dish is not visible from the private street.
- 9.9. Leasing. Any Owner may lease all, but not a portion, of his Unit to a single-family tenant. All leases of any Dwelling building on a Unit shall be subject to the terms and provisions of this Declaration. The Owner of any Unit may rent or lease such Unit only if there is a lease in writing, which contains a provision specifically stating that the lease is subject to this Declaration and to the Articles of Incorporation, Rules and Regulations for Use of Common Areas, and Bylaws of the Association. An Owner shall be held responsible for the acts or omissions of its tenant in the event of a violation of any of the foregoing during such tenancy.
- 9.10. <u>Subdividing</u>. No Lot shall be further divided or subdivided, nor may any easements or other interests less than the whole be conveyed by the Owner thereof without the prior written approval of the Board of Directors of the Association. Should the replatting of the new lots be required, the cost of such replatting and of the filing of the new plat shall be borne solely by the owner. Should two lots or more be combined for the construction of one single

family residence such may be done by approval of the Board of Directors and such approval may not be unreasonably with held.

- 9.11. Nuisance. It is further expressly provided that no activity shall be carried on upon any portion of the Property that might be reasonably considered as giving annoyance to Owners or neighbors of ordinary sensibilities or which might be considered to reduce the value or desirability of the Property. No part of any Unit shall be used (i) for the sale, display or storage of junk or used automobiles, (ii) for the sale, display or storage of any other articles in connection with a commercial enterprise, or (iii) for any activity that shall constitute a public or private nuisance. No article deemed to be unsightly by the Board of Directors or the Architectural Control Committee, as the case may be, shall be permitted to remain on any Unit so as to be visible from adjoining Units or from public or private thoroughfares. Without limiting the generality of the foregoing, boats, campers, wagons, trailers, motorcycles and garden maintenance equipment shall be kept at all times, except when in actual use, within the garage. No Owner of a Unit shall allow his Dwelling building to fall into disrepair, and all buildings shall be kept in a first class condition, consistent in appearance with the other buildings on the Property. No noise shall be permitted to exist or operate upon any Unit which is offensive or detrimental to any other Owner or an occupant.
- 9.12. Exterior Walls/Roofing Materials. All exterior walls and all roofing materials used on any Dwelling shall first be approved in writing by the Board of Directors or the Architectural Control Committee, as the case be, as to type, color, style and material. All exterior walls and all roofing materials must be of design and quality of construction in the Subdivision, except as may be permitted by the Board of Directors or Architectural Control Committee, as the case may be, the intent being that architectural exterior design may be varied but not in such a manner so as to diminish the value of the neighboring residences.
- 9.13. Fences. No fences shall be erected in front of the Dwelling on any Unit. No fence shall be constructed anywhere on the Property unless the Board of Directors or the Architectural Control Committee, as the case may be, has approved the location, size and design of such fence. Chain link fences are strictly prohibited. The Board of Directors or the Architectural Control Committee, as the case may be, shall have the express right to refuse to permit the construction of any fence on the Property, other than the masonry fence to be erected in the front of the subdivision and the wood perimeter fencing at the sides and rear of the subdivision.
- 9.14. <u>Maintenance of Shrubs</u>, <u>Plantings and Trees</u>. Each Owner shall keep all shrubs, trees and plantings of every kind on such Owner's Unit cultivated, pruned, free of trash and other unsightly material.
- 9.15. <u>Fire or Other Casualty</u>. If a Dwelling located on a Unit is damaged or destroyed by fire, windstorm, flood or other casualty, the Owner of such structure shall complete the repair of the damaged structure to its original condition and state within six (6) months after the date of such fire or other casualty.
 - 9.16. No Warranty of Enforceability. While Declarant does not believe that any of the

restrictive covenants or other terms or provisions contained in this Article 10 or elsewhere in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenants, terms or provisions. Any Owner acquiring a Unit in reliance on one or more of such restrictive covenants, terms or provisions shall assume all risks of the validity and enforceability thereof and, by acquiring the Unit agrees to hold Declarant harmless there from.

9.17. Compliance with Provisions of Declaration. Each Owner shall comply strictly with the provisions of the Declaration. Failure to comply with any of the provisions of the Declaration shall constitute a violation of the Declaration, and shall give rise to a cause of action to recover sums due for damages, costs and attorney's fees, and injunctive relief, maintainable by the Board of Directors on behalf of the Association or by an aggrieved Owner.

ARTICLE 10.

Private Easements

- 10.1. <u>Utility Easements</u>. All utility easements shown on the Plat shall benefit each Owner of a Unit on the Property, and all utility companies who now provide service to the Property, as well as any other companies, which may hereafter, provide service to the Property, including, but not limited to, electricity, gas, water, sewer, telephone and cable television service. Each Owner of a Unit on the Property and their agents shall have mutual non-exclusive access to the utilities across and along such easement for the purpose of serving their respective Unit.
- 10.2. Privatee Easement. Each Owner, subject to the restrictions contained herein, shall have the non-exclusive right to use the private street as shown on the Plat for the purpose of ingress and egress to and from his Unit. This private street easement is dedicated for use as a private drive to be used by the Owners, occupants, tenants and invitees of an Owner. No vehicle or other object of any sort or description shall be permitted to be placed on the private street easement at any time. The private street easement shall specifically not be used for parking of vehicles.
- 10.3. Easements are Private. The above-described easements are specifically not dedicated to the public use and are solely and exclusively for the use of Declarant and the Owners, their heirs, successors, legal representatives and assigns, as owners of the defined portion or portions of the Property for the benefit of which the easements are hereby established; provided, however, that the Owners of the Units which comprise the Property shall specifically have the right to grant to public utilities or other agencies providing utility service the right and privilege to lay, install, maintain, service and replace water, gas, sewer, electrical, telephone and cable television lines in, on and under the applicable utility easement for services to the Property or to each Unit.

ARTICLE 11.

Insurance and Taxes

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- 11.1. <u>Insurance</u>; <u>General Provisions</u>. The Board of Directors of the Association shall have the authority to obtain insurance as follows:
 - (a) Insurance on the common hard assets of the Association situated on the Common Area against loss or damage by fire and loss or damage by risks now or hereafter embraced by standard extended coverage policies in use in the State of Texas, in an amount not less than the full insurable replacement costs thereof. The "full insurable replacement cost" of such common hard assets shall be determined from time to time by the Board and the Board shall have the authority to obtain and pay for an appraisal by a person or organization selected by the Board in making such determination. The cost of any and all appraisals shall be borne by the Association.
 - (b) Comprehensive public liability and property damage insurance against claims for personal injury or death or property damage suffered by the public or any Owner, the family, agent, employee or invitee of any Owner, occurring in, on or about the Common Area or upon, in or about the private driveways, roadways, walkways and passageways, on or adjoining the Property, which public liability and property damage insurance shall afford protection to such limits as the Association shall deem desirable, but not less than \$1,000,000.
 - (c) Such worker's compensation insurance as may be necessary to comply with applicable laws, as determined by the Board of Directors of the Association.
 - (d) Employer's liability insurance in such amount as the Association may deem desirable, as determined by the Board of Directors of the Association.
 - (e) Fidelity bonds or directors' and officers' liability indemnifying the Association, the Board of Directors of the Association and the Owners from loss of funds resulting from fraudulent or dishonest acts of any employee of the Association or of any other person handling the funds of the Association in such an amount as the Board of Directors of the Association may deem desirable.
 - (f) Such other insurance in such reasonable amounts as the Board of Directors of the Association shall deem desirable.

The premiums for all insurance acquired on behalf of the Association pursuant to the provisions hereof shall be borne by the Association.

All insurance provided for in this Section shall be affected under valid and enforceable policies issued by insurers of recognized responsibility authorized to do business in the State of Texas.

11.2. Owner Insurance. Each Owner shall be responsible at his own expense and cost for obtaining policies of fire and extended coverage on his Unit and on the contents thereof, and for his personal liability for claims for personal injury or death or property damage suffered by third parties thereon.

In the event of damage or destruction by fire or other casualty to any property covered by insurance written in the name of the Association, the Board of Directors shall, with concurrence of the mortgagee, if any, upon receipt of the insurance proceeds, contract to rebuild or repair such damage or destroyed portions of the Property to as good condition as prior to such destruction. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institutions are insured by a Federal Governmental agency, with the proviso agreed to by said bank or institution that such funds may be withdrawn only by signature of at least fifty-one percent (51%) of the members of the Board of Directors or by an agent duly authorized by the Board of Directors. The Board of Directors shall advertise for sealed bids with any reputable contractors, and then may negotiate with any contract for, who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed building or buildings. In the event the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding to the same condition as formerly. the Board of Directors shall levy a special assessment against the Owner or Owners of the damaged Dwelling or Dwellings, as the case may be, in such proportions as the Board of Directors deems fair and equitable in light of the damage sustained by such Dwelling or Dwellings to make up any deficiency. In the event that such insurance proceeds exceed the cost of repair and reconstruction, such excess shall be paid over to the respective mortgagees and Owners of the damaged Dwelling in such proportions as the Board of Directors deems fair and equitable in light of the damage sustained by such Dwellings. In the event of damage or destruction by fire or other casualty to any Dwelling, garage, or other property covered by insurance written in the name of an individual Owner, said Owner shall, with concurrence of the mortgagee, if any, upon receipt of the insurance proceeds, contract to repair or rebuild such damaged or destroyed portions of the Dwelling, garage, or other property covered by insurance in a good and workmanlike manner in substantial conformance with the original plans and specifications of said Dwelling. In the event such Owner refuses or fails to begin the repair of any and all such damage to the Dwelling, garage, or other property covered by insurance within thirty (30) days after such damage occurs, and to diligently prosecute the same to conclusion, then the Association, by and through its Board of Directors, is hereby irrevocably authorized by such Owner as his agent and attorney-in-fact to repair and rebuild any such Dwelling and garage, or other property covered by insurance, in a good and workmanlike manner in conformance with the original plans and specifications. The Owner shall then repay the Association in the amount actually expended for such repair, and the Association shall have a lien securing the payment of same identical to that provided above for maintenance assessments and for insurance premiums. as provided in Article 5 hereof, and such lien may be foreclosed and enforced as provided in Section 5.10 hereof.

- 11.3. <u>Insurance Assessment</u>. All costs, charges and premiums for all insurance that the Board of Directors purchases as provided herein for the benefit of all Owners, except on individual Dwellings, shall be a common expense of all Owners and be a part of the maintenance assessment provided in Article 5 hereof.
- 11.4. <u>Taxes</u>. Each Owner shall directly render for taxation his own Unit and all improvements and property thereon, and shall at his own cost and expense promptly pay all taxes, levied or assessed against or upon his Unit and the improvements and property thereon.

ARTICLE 12.

General Provisions

- 12.1. Enforcement; No Waiver. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so at any time thereafter.
- 12.2. <u>Severability</u>. Invalidation of any one of these covenants or restrictions by judgment, court order or other legal ruling shall not affect any other provision herein which shall remain in full force and effect.
- 12.3. <u>Duration and Amendment</u>. The covenants and restrictions of this Declaration shall run with and bind the Land and shall inure to the benefit of the Association and the Owner of any Unit subject to this Declaration, their respective successors, legal representatives, heirs, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall automatically extend for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by not less than two-thirds (2/3rds) of the Unit Owners, provided that no change shall be effective which affects a particular Unit or Dwelling, to the exclusion of the other Units or Dwellings, until the Owner or Owners of such Unit or Dwelling so affected, or their designated agent, has joined in such amendment. No amendment shall be effective unless and until the proposed amendment has been sent to every Owner at least sixty (60) days in advance of any action being taken to approve the amendment.
- 12.4. <u>Notices</u>. Any notice required to be given for any other reason under this Declaration shall be given in the following manner:
 - (a) If to an Owner, by United States mail, postage prepaid, addressed in the name of the Owner at the address of his Dwelling or by delivery in person to the Dwelling, or by mail to such other address previously delivered to the Association.
 - (b) If to the Association, by United States mail, certified or registered mail, return receipt requested, postage prepaid, addressed to the then President of the Association to his Dwelling or to such other address previously given to the members of the Association.
- 12.5. Amendment by Declarant. Notwithstanding anything contained herein to the contrary, Declarant reserves and shall have the continuing right as long as Declarant holds a majority of the votes of the Association, without the consent of other Members or the representatives of any mortgagee, to amend this Declaration for the purpose of clarifying or resolving any ambiguities or conflicts herein, correcting any inadvertent misstatements, errors or omissions herein, provided that no such amendment shall change the stated number of Units herein, without the joiner or written consent of such Unit Owner or Owners so affected by any

such amendment and the mortgagee holding a first lien upon the Unit or Units so affected.

12.6. DECLARANT MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING THE SUBDIVISION OR THE SUBDIVISION'S DEVELOPMENT OR ANY IMPROVEMENT TO OR IMPROVEMENTS ON THE SUBDIVISION, THE CONDITION OF THE SUBDIVISION, OR THE SUBDIVISION'S DEVELOPMENT, ANY SAFETY OR SECURITY MATTERS, THE SUFFICIENCY OF UTILITIES, THE WORKMANSHIP, DESIGN OR MATERIALS USED IN ANY IMPROVEMENTS, INCLUDING WITHOUT LIMITATION ANY COMMON AREA, AND INCLUDING WITHOUT LIMITATION ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY, LIABILITY, FITNESS, OR SUITABILITY FOR ANY PARTICULAR PURPOSE OR USE OR ANY WARRANTY OF QUALITY.

12.7. IT IS AGREED AND UNDERSTOOD BY ALL OWNERS (AND THEIR HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS, ASSIGNS, CONTRACTORS. GUESTS AND INVITEES) THAT THE DECLARANT, THE ASSOCIATION, AND OR THE COMMITTEE, INTHE FURTHERANCE OF THEIR RIGHTS AND DUTIES HEREUNDER. MAY RETAIN THE SERVICES OF VARIOUS INDEPENDENT CONTRACTORS TO PROVIDE SERVICES HEREUNDER, INCLUDING, BUT NOT LIMITED TO POLICEMEN, WATCHMEN, SECURITY SERVICES, FOGGING, INSECTICIDE SERVICES, GARBAGE COLLECTION, ETC. ("SERVICE PROVIDERS"). NEITHER THE ASSOCIATION, THE DECLARANT, NOR THE COMMITTEE, NOR ANY OF THE MEMBERS, AGENTS, OFFICERS OR EMPLOYEES, SHALL BE LIABLE FOR THE NEGLIGENT OR TORTUOUS ACTS OF SUCH SERVICE PROVIDERS UNLESS IT IS DETERMINED BY A COURT OF COMPETENT JURISDICTION THAT THE HIRING OF SAID PARTICULAR SERVICE PROVIDER WAS IN AND OF ITSELF, GROSS NEGLIGENCE ON THE PART OF THE DECLARANT OR THE ASSOCIATION. WITHOUT SUCH A JUDICIAL FINDING. ANY AND ALL LIABILITY IN CONNECTION WITH THE ACTS OF SUCH SERVICE PROVIDERS SHALL BE BETWEEN THE PARTY SO INJURED OR DAMAGED AND THE PERSON OR PARTY (AND THEIR EMPLOYER, IF APPROPRIATE) CAUSING SUCH DAMAGE OR INJURY. EACH OWNER INDEMNIFIES AND HOLDS HARMLESS THE DECLARANT, THE ASSOCIATION AND THE COMMITTEE, AND THEIR MEMBERS. AGENTS, OFFICERS, DIRECTORS AND EMPLOYEES, FROM ANY AND ALL SUCH CLAIMS, INCLUDING CLAIMS ARISING OUT OF THE. SOLE, JOINT, OR COMPARATIVE OR CONCURRENT NEGLIGENCE OF ANY OF SAID INDEMNIFIED PARTIES. THIS INDEMNITY BY THE MEMBERS AND OWNERS SHALL INCLUDE THE PA YMENT OF REASONABLE NECESSARY ATTORNEYS' FEES INCURRED BY THE DECLARANT OR THE ASSOCIATION DEFENDING ANY SUCH ACTION. THE FOREGOING RELEASE OF LIABILITY AND INDEMNITY PROVISIONS ARE INTENDED TO RELEASE AND INDEMNIFY THE DECLARANT, THE ASSOCIATION, THE BOARD OF DIRECTORS, THE COMMITTEE, AND THE MEMBERS THEREOF, AS WELL AS THEIR AGENTS, REPRESENTATIVES, OFFICERS, DIRECTORS AND EMPLOYEES, AGAINST THE CONSEQUENCES OF THEIR OWN NEGLIGENCE OR FAULT ASPROVIDED ABOVE WHEN THE DECLARANT, THE ASSOCIATION, THE BOARD OF DIRECTORS, THE COMMITTEE OR ITS MEMBERS, OR ANY OF THEIR AGENTS, REPRESENTATIVES, OFFICERS, DIRECTORS OR EMPLOYEES, ARE

SOLELY, JOINTLY, COMPARATIVELY, OR CONCURRENTLY NEGLIGENT. IN WITNESS WHEREOF, the Members of the Association whose names are given below hereunto set their hands as of the THE STATE OF TEXAS **COUNTY OF HARRIS** This instrument was acknowledged before me, on the Notary Public, State of Texas **APRIL 22, 2001** Printed Name: Lot or Unit Number THE STATE OF TEXAS **COUNTY OF HARRIS** This instrument was acknowledged before me, on the 2000 by Notary Public, State of Texas RECORDERS MEMORANDUM ANY PROPERTY NECES IN MICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY REGINSE OF CRUGO OF RAME & MYALD AND UNENFORCEASTE UNDER FEDERAL LAW THE STATE OF TEXAS LACKOUTS, ADDITIONS AND CHANGES PRESENT AT THE TIME THE INSTRUMENT VALUE AND RECORDED. Thereby cusfy that this instrument was FLED in File Humber Sequence of the data and at the time stamped britten by mr. and was daily RECORDED in the Orichis Public Reserved at first Property all dense HARRIS COUNTY, TEXAS RET. TO HERBERTJ. ZIEBEN 3 3200 WICCRESTRA. SUITE380 Houston, TEX. 77042