

(b) The Board shall have the right, without the approval of the Members, to borrow money and to mortgage, pledge, deed in trust, or hypothecate any or all of the Common Area as security for money borrowed or debts incurred.

(c) The Board shall have the right to take such steps as are reasonably necessary to protect the Common Area against foreclosure of any such mortgage.

(d) The Board shall have the right to suspend the right of any Member to use the Common Area (other than private Streets) for any period during which any assessment or other amount owed by such Member to the Association remains unpaid in excess of thirty (30) days.

(e) The Board shall have the right to establish reasonable rules and regulations governing the Members' use and enjoyment of the Common Area, and to suspend the right of any Member to use the Common area (other than private Streets) for any period not to exceed sixty (60) days for any infraction of such rules and regulations.

(f) The Board shall have the right, without the approval by the Members, to sell or convey all or any part of the Common Area and the right, to grant or dedicate easements in portions of the Common Area to public or private utility companies.

(g) The Board shall have the right to enter into agreements with one or more Persons pursuant to which individuals who are not Members of the Association are granted the right to use the Common Area and the facilities located thereupon upon payment of such fees as may be determined by the Board.

(h) The Board shall have the right to adopt, implement and maintain a private access control system for the Properties consistent with applicable laws and the right to establish rules and regulations governing traffic and parking on the private Streets and driveways within the Common Area, and to establish sanctions and fines for any violation or violations of such rules and regulations.

SECTION 2. DELEGATION OF USE. Each Member shall have the right to extend his right of enjoyment to the Common Area to the members of his family and to such guests or other persons as may be permitted by the Association. An Owner shall be deemed to have made a delegation of all rights to use the Common Area to the Occupants of any leased residence.

SECTION 3. EASEMENTS-GENERAL. Easements for the installation and maintenance of utilities are reserved as shown and provided for on the plats of the Properties and/or as dedicated by separate instruments. Neither Declarant nor any utility company or authorized political subdivision using the easements referred to herein shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, shrubbery, trees, flowers, improvements or other property of the Owner situated on the land covered by such easements as a result of construction, maintenance or repair work conducted by such parties or their assigns, agents, employees or servants. Declarant expressly reserves the right to grant easements over, under and across any Lot in the Properties for the installation and maintenance of utility and drainage facilities; provided, however, any easement created by the Declarant pursuant to this provision shall not materially adversely affect the use and enjoyment

of any Single Family Residence or the value of any Single Family Residence. Declarant further reserves unto itself, its agents, employees, servants, successors and assigns, the temporary right of ingress and egress, on, over, in, and across the Properties in order to complete development of the Properties and the construction of all Single Family Residences. The rights reserved by Declarant in this paragraph shall be used in such a manner as not to unreasonably interfere with the use and enjoyment of any Single Family Residence in the Properties and such rights shall terminate upon the expiration of the Class B Control Period.

SECTION 4. EASEMENT FOR PUBLIC SERVICES. There is hereby granted to each governmental authority or agency with jurisdiction over the Properties (or any portion thereof) with respect to law enforcement and fire protection, the perpetual, nonexclusive right and easement upon, over and across all of the Properties for purposes of performing such duties and activities related to law enforcement and fire protection in the Properties as shall be required or appropriate from time to time by such governmental authorities under applicable law.

SECTION 5. EASEMENTS FOR ASSOCIATION. There is hereby granted a general right and easement to the Association, its directors, officers, agents, and employees, including, but not limited to, any manager employed by the Association and any employees of such manager, to enter upon any Lot or any portion thereof in the performance of their respective duties or the enforcement of the provisions of this Declaration without liability for trespass. The easement hereby created includes the right to enter upon the Lots for the maintenance and repair of each Lot in accordance with the provisions hereof, to maintain any common fencing, and for the carrying out by the Association of its functions, rights, duties and obligations hereunder; provided, that any such entry by the Association upon any Lot shall be made with as little inconvenience to the Owner as practical, and any damage caused thereby shall be repaired by the Association, and the expense thereof shall be assessed as provided in this Declaration. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to the Owner or Occupant of the residence directly affected thereby.

There is a/s/o hereby granted to the Association, its successors and assigns, a ten (10) foot wide construction and maintenance easement adjacent and parallel to each of the rear and side lot lines of all Lots that abut a perimeter boundary of the Properties, Common Area or a Street where the Declarant has constructed or intends to construct a fence or wall, together with the right of ingress and egress for the purposes, without liability to the Owner for damages arising from the use of the easement, of constructing, repairing, and/or reconstructing the fence or wall. The easement area shall remain unobstructed of any structures or plantings that would prohibit access to the fence or wall for construction and maintenance purposes.

SECTION 6. SECURITY. THE ASSOCIATION MAY, BUT SHALL NOT BE OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTIES DESIGNED TO MAKE THE PROPERTIES SAFER THAN THEY OTHERWISE MIGHT BE. NEITHER THE ASSOCIATION, THE DECLARANT, ANY SUCCESSOR DECLARANT, THE RESIDENTIAL ARC, NOR THEIR AGENTS (INCLUDING ANY MANAGER OF THE ASSOCIATION) SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTIES, HOWEVER, AND NEITHER THE ASSOCIATION, THE DECLARANT, ANY SUCCESSOR DECLARANT, THE RESIDENTIAL ARC, NOR THEIR AGENTS (INCLUDING

ANY MANAGER OF THE ASSOCIATION) SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS, DECLARANT, ANY SUCCESSOR DECLARANT, THE RESIDENTIAL ARC AND THEIR AGENTS (INCLUDING ANY MANAGER OF THE ASSOCIATION) DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE BOARD, THE DECLARANT OR THE RESIDENTIAL ARC MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY LOT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE RESIDENTIAL ARC, THE DECLARANT, ANY SUCCESSOR DECLARANT AND THEIR AGENTS (INCLUDING ANY MANAGER OF THE ASSOCIATION) ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS AND TO THE CONTENTS OF LOTS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE RESIDENTIAL REVIEW COMMITTEE, THE DECLARANT, OR ANY SUCCESSOR DECLARANT AND THEIR AGENTS HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTIES.

SECTION 7. RIGHTS OF DECLARANT DURING CONSTRUCTION AND SALE PERIOD. Notwithstanding any provisions contained in this Declaration, until the Declarant has developed and sold all of its land within the Properties, it shall be expressly permissible for the Declarant and any Builder approved by the Declarant to maintain upon such portion of the Properties as the Declarant may deem necessary, such facilities, and carry on such activities as in the sole opinion of the Declarant may be required, convenient, or incidental to the Declarant's and such Builders development, construction, and sales activities related to their properties, including, but without limitation: the right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Properties; the right to carry on sales and promotional activities in the Properties; the right to place signs in the Common Area and in road rights-of-way within the Properties; and the right to construct and operate business offices, construction trailers, model residences, information and sales offices. The Declarant and any such Builder may use residences as model residences, sales offices and construction offices. Garages in

residences used for sales offices and other purposes must be converted to operative parking garages prior to occupy by a resident.

## **ARTICLE V INSURANCE**

**SECTION 1. INSURANCE.** The Association's Board of Directors, or its duly authorized agent, shall obtain blanket all-risk casualty insurance for all insurable improvements on the Common Area, or if blanket all-risk coverage is not reasonably available, an insurance policy providing fire and extended coverage. Such insurance policies shall be in such amount or amounts as the Board of Directors deems appropriate. The Board may also obtain a public liability policy covering the Common Area, insuring the Association and its Members for all damages or injury caused by the negligence of the Association, its agents, the Members or Occupants, in such amount as the Board deems appropriate. Premiums for all insurance on the Common Area shall be Association Expenses and shall be included in the Residential Assessments.

In addition to the other insurance discussed in this Section, the Board may also obtain, as an Association Expense payable from Residential Assessments, (i) worker's compensation insurance, and the Board shall obtain such insurance if and to the extent required by law, (ii) directors' and officers' liability coverage, and (iii) a fidelity bond or fidelity insurance on directors, officers, employees, and other Persons handling or responsible for the Association's funds.

**SECTION 2. DAMAGE AND DESTRUCTION.** Immediately after damage or destruction by fire or other casualty of all or any part of the property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and the repair or reconstruction of the damaged or destroyed property, to the extent insurance proceeds are available for such purpose. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition which existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. In the event that insurance proceeds are unavailable to repair or reconstruct the Common Area the damaged or destroyed property shall be restored to its natural state. If insurance proceeds are insufficient to cover a repair or reconstruction, the Board may levy a Special Assessment to cover the shortfall, subject to the requirements of Section 5 of Article III above.

## **ARTICLE VI**

### **ARCHITECTURAL STANDARDS AND RESTRICTIONS**

**SECTION 1. PURPOSE.** In order to preserve the natural setting and beauty of the Properties, to establish and preserve a harmonious and aesthetically pleasing design for the project and to protect and promote the value of the Properties, the Lots shall be subject to the restrictions set forth in this Article VI. Every grantee of any interest in a Lot by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article.



SECTION 2. PARC LAKE ESTATES ARCHITECTURAL REVIEW COMMITTEE. There is hereby established the Parc Lake Estates Architectural Review Committee (sometimes hereinafter called the "Residential ARC"), which shall have exclusive jurisdiction over all original construction on the Lots and over modifications, additions, or alterations made on or to the residences and other improvements on the Lots. The Residential ARC shall (i) adopt the Builder Guidelines and (ii) establish application and review procedures for plans and specifications. The Residential ARC shall make the Builder Guidelines available to Builders who seek to engage in development of or construction upon a Lot and who shall conduct their operations strictly in accordance therewith.

The Residential ARC shall consist of a minimum of three (3) and a maximum of five (5) members. Until the date on which it has sold all of its lots within the Properties, the Declarant shall have the right to appoint all members of the Residential ARC as well as the right to remove any member. There shall be no surrender of this right prior to that time, except by a written instrument executed by Declarant and recorded in the real property records of the county in which the Properties are located. Following the expiration of such right, the Board of Directors shall appoint the members of the Residential ARC. The Residential ARC is authorized, but not obligated, to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the Residential ARC in performing its functions set forth herein.

The Declarant, during the period there is a Class "B" Membership, and thereafter, the Board of Directors, shall have the right, but not the obligation, at any time to create a separate committee known as the "Modifications Committee" to perform the obligations of the Residential ARC hereinafter specified with respect to the review of plans for the alteration or modification of the improvements on a Lot after construction of the initial improvements. The Declarant or Board, as applicable, shall also have the right to abolish such committee at any time. In the event such committee is created it shall consist of three (3) members appointed by the Declarant or Board, as applicable, and the Declarant or Board, as applicable, shall have the power to remove a member at any time. In the event a Modifications Committee is created, such committee shall have all of the duties and powers granted to the Residential ARC in this Declaration with respect to the alteration or modification of improvements on a Lot in the Properties unless or until the Declarant or Board, as applicable, determines there should no longer be two (2) separate committees and abolishes the Modifications Committee, in which event all such duties and powers shall thereafter be restored to the Residential ARC.

SECTION 3. ARCHITECTURAL APPROVAL. To preserve the architectural and aesthetic appearance of the Parc Lake Estates project, no construction of improvements, including landscaping, or modifications, additions, or alterations to existing improvements, shall be commenced or maintained by any Owner with respect to any Lot in the Properties, including, without limitation, the construction or installation of sidewalks, driveways, parking areas, mail boxes, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses, landscaping, awnings, walls, fences, exterior lights, garages, guest or servants' quarters, or accessory buildings, nor shall any exterior addition to or change or alteration be made to any improvements (including, without limitation,

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painting or staining of any exterior surface, including fences), unless and until two (2) copies of the plans and specifications and related data showing the nature, color, type, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the Residential ARC including, without limitation, approval as to the compliance of such plans and specifications with this Declaration and the Builder Guidelines, and the harmony of external design, location, and appearance in relation to surrounding structures and topography. One copy of such plans, specifications, and related data so submitted shall be retained in the records of the Residential ARC, and the other copy shall be returned to the Owner marked "approved," "approved with conditions as noted," or "disapproved." The Residential ARC may establish a reasonable fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his improvements, or to paint the interior of the improvements on his property. The Residential ARC shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association and shall use reasonable efforts to give its approval or disapproval of plans and specifications within fourteen (14) days after submission of all items required. The failure of such committee to respond within such period shall be deemed to be a disapproval unless written approval is thereafter given.

Upon approval of plans and specifications, no further approval under this Article VI shall be required with respect thereto, unless construction has not substantially commenced within six (6) months of the approval of such plans and specifications (e.g. clearing and grading, pouring of footings, etc.) or unless such plans and specifications are materially altered or changed. The Residential ARC may disapprove plans and specifications for any reason which is consistent with the objects and purposes of this Declaration as determined by the Residential ARC from time to time, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious.

SECTION 4. LANDSCAPING APPROVAL. To preserve the aesthetic appearance of the Parc Lake Estates project, no landscaping, grading or excavation shall be implemented and installed on a Lot in the Properties unless and until the plans thereof have been submitted to and approved in writing by the Residential ARC. In the installation of landscaping and maintenance of his Lot, each Owner shall comply with the Landscaping Guidelines.

SECTION 5. APPROVAL NOT A GUARANTEE OR VARIANCE. The review and approval of plans pursuant to this Article is made on the basis of aesthetic considerations only and no approval of plans and specifications and no publication of the Builder Guidelines shall be construed as representing or implying that such plans, specifications, or guidelines will, if followed, result in properly designed improvements. Such approvals and Builder Guidelines shall in no event be construed as representing or guaranteeing that any improvements built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, the

Association, the Residential ARC, nor any of their respective officers, partners, directors or members, shall be responsible or liable in damages or otherwise to any Person who submits plans for approval by reason of mistake of judgment, negligence or nonfeasance arising out of the approval or disapproval of any plans or specifications, any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances and regulations, nor any defects in construction undertaken pursuant to such plans and specifications. The purpose of such reviews primarily seeks to conform the aesthetic appearances of development within the Properties. In addition, the approval of plans pursuant to this Article shall not be deemed to be a variance from the specific restrictions of this Declaration or the Builder Guidelines. All variances must be issued in accordance with the provisions of Section 8 of this Article.

SECTION 6. RIGHT TO INSPECT. Any member of the Board of Directors or the Residential ARC and their representatives shall have the right, but not the obligation during reasonable hours to enter upon and inspect any Lot with respect to which construction is underway to determine whether or not the plans and specifications therefore have been approved and are being complied with. Such Person or Persons shall not be deemed guilty of trespass by reason of such entry. In the event the Residential ARC shall determine that such plans and specifications have not been approved or are not being complied with, the Residential ARC shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications. In addition to any other remedies available to the Association, the Board may record in the appropriate land records a notice of violation naming the violating Owner.

SECTION 7. NO WAIVER OF FUTURE APPROVALS. The approval by the Residential ARC of any plans and specifications for any work done or proposed, or in connection with any other matter requiring the approval and consent of such committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

SECTION 8. VARIANCES. The Residential ARC may grant variances from compliance with the restrictions of this Declaration and from any of the Builder Guidelines or Landscaping Guidelines when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations merit a variance and the granting of the variance will have no material adverse effect, in the judgment of the Residential ARC, on surrounding properties. No variance shall (a) be effective unless in writing, or (b) estop the Residential ARC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing, shall not be considered a hardship warranting a variance.

## **ARTICLE VII**

### **SPECIFIC USE RESTRICTIONS**

SECTION 1. SINGLE FAMILY RESIDENCES. Each and every Lot in the Properties is

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hereby restricted to one (1) Single Family Residence and approved outbuildings and improvements, and use for single-family residential purposes exclusively and no Single Family Residence shall be occupied by more than a single family which for purposes hereof shall mean and refer to any number of individuals living together as a single household unit, and the household employees of such household unit.

No garage sale, yard sale, moving sale, rummage sale or similar activity and no trade or business may be conducted in or from any Lot, except that an Owner or Occupant may conduct business activities within the Single Family Residence so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Lot; (b) the business activity does not involve persons coming onto the Properties who do not reside in the Properties or door-to-door solicitation of residents of the Properties; and (c) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties. The Board is authorized to promulgate rules and regulations to insure that home businesses comply with the above standards and to make factual determinations regarding the impact of a home business on the residential character of the Properties. If, in the judgment of the Board, a home business has a detrimental impact on the residential quality of the Properties or otherwise constitutes a nuisance, it is authorized to require that the Owner cease the home business or alter it to the Board's satisfaction. Notwithstanding anything contained in this Section, the Association may sponsor a community wide garage sale or rummage sale at such location or locations as the Board deems appropriate from time to time. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the providers family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required. Notwithstanding the above, the leasing of a Single Family Residence shall not be considered a trade or business within the meaning of this Section. This Section shall not apply to any activity conducted by the Declarant or by a Builder with the approval of the Declarant, with respect to the development and sale of the Lots and Single Family Residences in the Properties.

SECTION 2. LIVING AREA REQUIREMENTS. The total living area of the Single Family Residence on a Lot shall be not less than the minimum number specified in the Builder Guidelines or in the Supplemental Declaration applicable to such Lot, if any.

SECTION 3. TYPE OF CONSTRUCTION. The Supplemental Declaration or the Builder Guidelines applicable to a particular Lot may require that a specified percentage of the exterior wall areas of the residence on such Lot, exclusive of door and window openings, be constructed of masonry or brick veneer or another material approved by the Residential ARC or specified in the Builder Guidelines. No detached garage or accessory building shall exceed one story in height without the written consent of the Residential ARC. Every garage and accessory building (except a greenhouse or storage shed) shall correspond in style and architecture with the dwelling to which it is appurtenant.



SECTION 4. GARAGES AND DRIVEWAYS. Each Single Family Residence must have an attached or detached garage for a minimum of two (2) full size automobiles with an operable garage door maintained in a good condition at all times. Each Owner shall construct and maintain at his or her expense a concrete or asphalt driveway from the garage of his or her residence to the abutting Street, including the portion of the driveway in the street easement, and the Owner shall repair at his expense any damage to the Street or Street curb occasioned by connecting the driveway thereto.

SECTION 5. ANTENNAE AND SATELLITE DISHES. No television, radio, or other electronic towers, aerials, antennae, satellite dishes or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall be erected, constructed, placed or permitted to remain on any Lot or upon any improvements thereon, except that this prohibition shall not apply to those antennae specifically covered by the regulations promulgated under the Telecommunications Act of 1996, as amended from time to time. The Residential ARC is empowered to adopt rules governing the types of antennae that are permissible in the Properties and to establish reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae. To the extent that receipt of an acceptable signal would not be impaired, an antenna permissible pursuant to the rules of the Residential ARC may only be installed in a side or rear yard location, not visible from the Street or neighboring property, and integrated with the dwelling and surrounding landscape. Antennae shall be installed in compliance with all state and local laws and regulations.

SECTION 6. ANIMALS AND PETS. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Lot, with the exception of a maximum of three (3) dogs, cats or other usual and common household pets in the aggregate (excluding in such maximum number, fish and birds); provided, however, exotic animals or animals which endanger health or otherwise constitute a nuisance or inconvenience to the Owners or Occupants within the Properties, in the sole discretion of the Board, may be prohibited by the Board. No animals shall be kept, bred or maintained for any commercial purpose on a Lot. Dogs which are household pets shall at all times whenever they are outside a Single Family Residence be on a leash or otherwise confined within a fenced area of the Owner's Lot. The owner of a pet that has caused damage to property shall be responsible for compensating the owner of the damaged property, but the Association shall have no obligation to enforce such obligation. Animal control authorities shall be permitted to enter the Properties to patrol and remove pets. Pets shall be registered, licensed and inoculated as required by law.

SECTION 7. WINDOW AIR CONDITIONERS. Unless otherwise approved by the Residential ARC, no window or wall type air conditioners shall be permitted to be used, erected, placed or maintained on or in any Single Family Residence.

SECTION 8. RENTING OR LEASING. Single Family Residences may be rented or leased only by written leases and subject to the restriction that all tenants shall be subject to the terms and conditions of this Declaration and the rules and regulations promulgated by the Association as though such tenant were an Owner. Each Owner of a Single Family Residence agrees to cause his or her tenants to comply with this Declaration and the rules and regulations promulgated pursuant hereto, and is responsible and liable for all violations and losses caused by such tenants, notwithstanding the fact that such tenants are fully liable for any such violation.

All provisions of this Declaration and of any rules and regulations promulgated pursuant hereto which govern the conduct of Owners of a Single Family Residence and which provide for sanctions against Owners shall also apply to all Occupants of a Single Family Residence even though such Occupants are not specifically mentioned. Each Owner who leases his or her residence shall provide the Association with a copy of the lease and the mailing address where such Owner can be contacted at all times.

SECTIONS 9. VEHICLES AND PARKING. The term "vehicles", as used herein, shall refer to all motorized vehicles including, without limitation, automobiles, trucks, motor homes, boats, trailers, motorcycles, mini-bikes, scooters, go-carts, campers, buses, and vans.

(a) Passenger Vehicles. Except as hereinafter provided, no Owner, lessee, tenant or occupant of a Lot, including all persons who reside with such Owner, lessee or occupant on the Lot, shall park, keep or store any vehicle on any Lot other than a passenger vehicle or pick-up truck. For purposes hereof, the term "passenger vehicle" is limited to any vehicle which displays a current passenger vehicle license plate and the term "pick-up truck" is limited to a maximum one (1) ton capacity pick-up truck which has not been adapted or modified for commercial use. No passenger vehicle or pick-up truck owned or used by the residents of a Lot shall be permitted to be parked on any Street in the Properties for a period longer than may be specified in the Rules adopted by the Board.

(b) Other Vehicles. No mobile home trailers, recreational vehicles, trailers or boats shall be stored on a Lot or parked on any Street; provided that, a mobile home trailer, recreational vehicle, trailer or boat may be stored in the garage on a Lot or other structure approved by the ARC so long as the mobile home trailer, recreational vehicle, trailer or boat is concealed from view from any Street and any neighboring Lot.

(c) Vehicle Repairs. Repair work on a passenger vehicle is permitted as long as the repair work is being performed on a vehicle owned by the occupant of the Lot and does not exceed seventy-two (72) hours in any calendar month; otherwise, the vehicle repair work must be conducted in the garage, out of view from any Street adjacent to the Lot and all neighboring Lots. For purposes of this Section, a vehicle is "owned by the occupant of the Lot" if the vehicle is (a) owned by any person who resides on the Lot and is regularly used by that person, (b) owned by any person who resides on the Lot and is regularly used by another person who resides on the Lot, or its occupants.

SECTION 10. DISPOSAL OF TRASH. No trash, rubbish, garbage, manure, debris, or offensive material of any kind shall be kept or allowed to remain on any Lot, nor shall any Lot be used or maintained as a dumping ground for such materials. All such matter shall be placed in sanitary refuse containers constructed of metal, plastic or masonry materials with tight fitting sanitary covers or lids and placed in an area adequately screened from public view by planting or fencing. All rubbish, trash, and garbage shall be regularly removed and not allowed to accumulate. Equipment used for the temporary storage and/or disposal of such material prior to removal shall be kept in a clean and sanitary condition and shall comply with all current laws and regulations and those which may be promulgated in the future by any federal, state, county, municipal or other governmental body with regard to environmental quality and waste disposal.

In a manner consistent with good housekeeping, the Owner of each Lot shall remove such prohibited matter from his Lot at regular intervals at his expense.

SECTION 11. DRAINAGE. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or Occupant of a Lot may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers or storm drains. Drainage easements up to twenty (20) feet in width have been created by plat on certain Lots. No landscaping or improvements shall be installed or placed within such drainage easements; provided however, fences may be installed within such drainage easements along the common boundary line between adjacent Lots.

SECTION 12. CLOTHESLINES, GARBAGE CANS, WOODPILES, ETC. All clotheslines, garbage cans, woodpiles, swimming pool pumps, filters and related equipment and other similar items shall be concealed from view of neighboring streets and property with landscaping or fences.

SECTION 13. WEAPONS AND FIREWORKS. The use of fireworks, firearms and other weapons within the Properties is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and small firearms of all types. Nothing contained in this Declaration shall be construed to require the Board to take action to enforce this Section.

SECTION 14. TEMPORARY BUILDINGS. Temporary buildings or structures shall not be permitted on any Lot, provided, however, Declarant may permit temporary toilet facilities, sales and construction offices and storage buildings to be used by Builders in connection with the construction and sale of residences and by contractors performing land development activities within the Properties for Declarant. Builders may use garages as sales or construction offices for the time during which such Builders are marketing homes. At the time of the sale of a Single Family Residence by a Builder any garage appurtenant to such residence used for sales purposes must be reconverted to a functional garage in compliance with the plans approved by the Residential ARC.

SECTION 15. LANDSCAPING. The Owner of each Lot shall landscape the areas of his or her Lot which are visible from the Street or adjacent property in accordance with the Landscaping Guidelines and maintain the Lot as required by Section 26 of this Article VII. The Association may, at its option, plant and install shrubbery and other screening devices around boxes, transformers and other aboveground, utility equipment located on the Lots, and mow and maintain the grass, shrubbery or other screening devices around such utility equipment. The Association shall have the right to enter upon the Lots for such purposes. In addition, in landscaping his or her lot, the Owner of each Lot shall comply with the following specific requirements:

(a) No grading, excavation or fill work of any nature shall be implemented or installed by an Owner on a Lot unless and until plans therefore have been submitted to and approved by the Residential ARC in accordance with the provisions of Article VI of this Declaration

(b) All front and side yards of each Lot shall, unless otherwise approved by the Residential ARC, be sodded with grass; provided that, under no circumstances shall the

predominant area of the front or side yard of a Lot be covered with stone, rock, or gravel.

(c) All landscaping for a Lot shall be completed no later than thirty (30) days following the issuance of a certificate of occupancy for the residence situated thereon. All landscaping in a Lot must be maintained at all times in a neat and attractive manner.

(d) No hedge or shrubbery planting which obstructs sight-lines of Streets and roadways shall be placed or permitted to remain on any Lot where such hedge or shrubbery interferes with traffic sight-lines for roadways within the Properties. The determination of whether any such obstruction exists shall be made by the Board of Directors whose determination shall be final, conclusive and binding on all Owners.

(e) No rocks, rock walls or other substances shall be placed on any Lot as a front or side yard border or to prevent vehicles from parking on or pedestrians from walking on any portion of such Lot or to otherwise impede or limit access to the same. No bird baths, foundations, reflectors, flag poles, statues, lawn sculptures, artificial plants, rock gardens, rock walls, free-standing bird houses or other fixtures and accessories shall be placed or installed within the front or side yards of any Lot.

(f) No vegetable, herb or similar gardens or plants shall be planted or maintained in the front or side yards of any Lot.

SECTION 16. TRAFFIC SIGHT AREAS. All Lots located at Street intersections shall be landscaped so as to permit safe sight across the Street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where this would create a traffic or sight problem.

SECTION 17. MAILBOXES AND HOUSE NUMBERS. The Owner of each Lot shall install and maintain an individual mailbox which conforms to specifications adopted by the Residential ARC, unless provisions are made by the Declarant for the installation of cluster boxes in accordance with U.S. Postal Service requirements. No Owner of a Lot served by a cluster mailbox shall install a mailbox on his Lot. Each Lot shall have a house number identifying its street address made of materials and a color or colors specified by the Residential ARC in keeping with the overall character and aesthetics of the community. Different materials and/or colors for individual mailboxes or street numbers may be specified by the Residential ARC for different Neighborhoods.

SECTION 18. PRIVATE UTILITY LINES. All electrical, telephone, and other utility lines and facilities which are located on a Lot and are not owned by a governmental entity or a public utility company shall be installed underground unless otherwise approved in writing by the Residential ARC.

SECTION 19. ROOFTOP ELEMENTS. All stack vents and attic ventilators shall be located on the rear or side slopes of roofs and mounted perpendicular to the ground plate. All exposed roof stack vents, flashings, attic ventilators, etc. on each Single Family Residence must be painted a similar color as the roof of the Single Family Residence unless otherwise approved by the Residential ARC. No solar collectors shall be placed on a roof slope so that they are visible from a Street or the Common Area.



SECTION 20. DECORATIONS. No decorative appurtenances such as sculptures, birdbaths and birdhouses, flagpoles, fountains or other decorative embellishments shall be placed on the front lawn of a Lot or on the visible side or rear yard of a Lot unless such items have been approved in writing by the Residential ARC and are in compliance with the Builder Guidelines or the Rules adopted by the Board. Notwithstanding the foregoing, customary seasonal decorations for national holidays are permitted for a maximum of thirty (30) days or sixty (60) days, in the case of Christmas, subject to the right of the Board to specify a maximum size and other guidelines for decorations.

SECTION 21. PLAYGROUND EQUIPMENT. All playground equipment on a Lot must be approved by the Residential ARC and must be placed at the rear of the Lot a minimum of ten (10) feet from the side and rear Lot lines and behind a fence or otherwise screened from public view. No such equipment shall exceed sixteen (16) feet in height, including an awning. Any shade covering on playground equipment which is visible from adjacent property or any public area must be a color or colors approved by the Residential ARC.

SECTION 22. OUTBUILDINGS. No tree house, children's playhouse, storage building, outbuilding or structure shall be permitted on any Lot in the Properties without prior written approval of the Residential ARC or the Modifications Committee, as the case may require. Outbuildings or other structures, temporary or permanent, other than the main residence or garage shall be limited to eight (8) feet in height and each outbuilding may not exceed four hundred (400) square feet of floor area. The roof lines of any such outbuildings or structures shall have slope, color and materials similar to those of the main dwelling on the Lot. The floor of a tree house or other play structure must be not more than three (3) feet from the ground. Temporary structures may be used as building offices and other related purposes by Declarant or a Builder. The Residential ARC or the Modifications Committee shall be entitled to review and approve or disapprove, without limitation, all outbuildings, play structures (including basketball backboards and hoops), and storage structures. Any such outbuilding will be required to be constructed with material and design that is determined by the Residential ARC or Modifications Committee to be architecturally and aesthetically compatible with the design of the Single Family Residence thereon and other structures in the Properties. All playground and recreational equipment pertaining to a Lot must be placed at the rear of such Lot. No basketball hoop and, or backboard shall be installed closer to the front or side Lot lines facing on any adjacent Street than the applicable building set-back line along such Street. No outbuilding or play structure will be permitted to (a) be placed on an easement; or (b) be located nearer to a Lot boundary than the applicable building set-back established by plat or Supplemental Declaration.

SECTION 23. SIGNS. No sign or emblem of any kind may be kept or placed upon any Lot or mounted, painted or attached to any Single Family Residence, fence or other improvement upon such Lot so as to be visible from public view except the following:

- (a) For Sale/Lease Signs. An Owner may erect one (1) sign on his Lot, not exceeding 2' x 3' in area, fastened only to a stake in the ground and extending not more than three (3) feet above the surface of such Lot advertising the property for sale or lease.
- (b) Declarant's Signs. Declarant may erect and maintain a sign or signs deemed

reasonable and necessary for the construction, development, operation, promotion, leasing and sale of the Lots.

(c) Builders' Signs. Any Builder may utilize one professional sign (of not more than six (6) square feet in size) per Lot for advertising and sales promotion of the residence on such Lot.

(d) Political Signs. Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, provided that such signs shall not be erected more than thirty (30) days in advance of the election to which they pertain and shall be removed within ten (10) days after such election.

(e) School Spirit Signs. Signs containing information about one or more children residing in the Single Family Residence and the school they attend shall be permitted so long as the sign is not more than 36" x 36". There shall be no more than one sign for each child under the age of eighteen (18), residing in the Single Family Residence. Banners are not permitted.

(f) Security Signs/Stickers. Signs or stickers provided to an Owner by a commercial security or alarm company providing service to the Single Family Residences shall be permitted so long as the sign is not more than 12" x 12" or the sticker is no more than 4" x 4". There shall be no more than one sign per Lot and stickers on no more than fifty percent (50%) of the windows and one on the front door or front entry area.

No sign permitted by this Section shall be lighted. In addition to any other remedies provided for in this Declaration, the Board of Directors or its duly authorized agent shall have the power to enter upon a Lot to remove any sign which violates this Section provided the violating Owner has been given forty-eight (48) hours written notice by the Board of Directors of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments

#### SECTION 24 WALLS AND FENCES.

(a) In no event shall any fence or wall be constructed of chain link or wire. In those instances in which privacy fences are installed, in no case may the privacy fence extend beyond the front of the residence or building line, whichever is less or as otherwise restricted by the Builder Guidelines. No wall, or hedge shall be erected, grown or maintained on any part of the Lot which is in excess of six (6) feet in height. Fences are generally prohibited from extending above the ground by more than six (6) feet; however, the Residential ARC is authorized to approve fences which extend up to a maximum of eight (8) feet above the ground when deemed necessary or appropriate. The type of materials utilized for (including the color thereof) and the location of all fences, walls, hedges, and other structures must be approved by the Residential ARC.

(b) Maintenance of Fences. Ownership of any wall or fence erected on a Lot shall pass with title to such Lot and it shall be the Lot Owner's responsibility to maintain such wall or fence. The maintenance and repair of a fence located on a property line shall be the

joint responsibility of the Owners of the adjacent Lots. In the event the Owner or occupant of any Lot fails to maintain a wall or fence that is visible from a Street or Common area and such failure continues after thirty (30) days' written notice thereof from the Association, Declarant, its successors or assigns, or the Association, may, at their option, without liability to the Owner or Occupant in trespass or otherwise, enter upon said Lot and cause the fence or wall to be repaired or maintained or to do any other thing necessary to secure compliance with this Declaration and to place said wall or fence in a satisfactory condition, and may charge the Owner or Occupant of such Lot for the cost of such work. The Owner or Occupant, as the case may be, agrees by the purchase or occupancy of such Lot, to pay such charge immediately upon receipt of the corresponding statement. Payment of such charges, plus fifty percent (50%) of such costs for overhead and supervision, shall be secured by the lien created in Article III of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum shall begin to accrue on such sum on the thirtieth (30th) day after a written invoice is delivered to Owner.

Fences Erected by Declarant. Declarant shall have the right, but not the obligation, to construct fences or walls within or around the Properties which are deemed by the Declarant to enhance the appearance of the Properties. An Owner shall be responsible for any damage to a fence or wall constructed by or at the direction of the Declarant which is caused by such Owner or his family members, or the negligent, but not the intentional, acts of his guests, agents or invitees.

SECTION 25. PRIVATE WATER WELLS AND SANITARY SEWER SYSTEMS. The Grant Road Public Utility District will provide sanitary sewer services and a water distribution system to provide potable water to each of the Lots. No owner of a Lot shall construct a private water well on his or her Lot.

SECTION 26. OWNER'S MAINTENANCE. Each Owner and Occupant of a Lot shall at all times be obligated to maintain his or her property and all improvements thereupon as well as the area between the boundary lines of his Lot and the curb or edge of the pavement of the adjacent Streets, so as to keep same in a clean, sightly and safe condition and to conform with the Landscaping Guidelines and any specific standards which the Board of Directors may adopt by resolution for the Properties. Unless expressly assumed by the Association, an Owners maintenance obligation shall include, but not be limited to: the maintenance of all visible exterior surfaces of all buildings and other improvements, including fences; the prompt removal of all paper, debris, and refuse; the removal and replacement of dead and diseased trees and plantings; the repair, replacement, cleaning and re-lamping of all signs and lighting fixtures; the mowing, watering, fertilizing, weeding, replanting and replacing of all approved landscaping; and, during construction, the cleaning of dirt, construction debris and other construction-related refuse from Streets and storm drains and inlets. The responsibilities of the Owner of each Lot hereunder also include the obligation to maintain, repair and replace when necessary the public sidewalk along the front of the Lot and along the side on corner Lots, which is constructed either within the right-of-way of the adjacent Street or within an easement across the Lot, and the Street curb. In the event an Owner fails to maintain his Lot and such adjacent property as specified above, the Association shall have the right, but not the obligation, to enter upon the

applicable Lot to perform the necessary work as more specifically set forth in Section 8 of Article X hereof.

**SECTION 27. DAMAGE AND DESTRUCTION OF IMPROVEMENTS.** Each Owner shall maintain, at their expense, casualty insurance on their Single Family Residence in an amount not less than the replacement cost in the event a Single Family Residence shall be partially or entirely destroyed by fire or other casualty, such Single Family Residence shall either be repaired and restored within a reasonable period of time or demolished and the Lot landscaped so that no damaged portion of the former structure remains visible. Subject only to the rights of the holder of a first Mortgage lien on a damaged or destroyed residence, the insurance proceeds from any insurance policy covering a damaged or destroyed Single Family Residence shall be first applied to such repair, restoration or replacement of such residence, or to the demolition of such residence and landscaping of such Lot. Each Owner shall be responsible for the repair, restoration, replacement or demolition of the Single Family Residence owned by such Owner pursuant to the terms of this Declaration. Any such repair, restoration or replacement shall (subject to advances and changes in construction techniques and materials generally used in such construction and then current generally accepted design criteria) be in accordance with the plans and specifications for the Original construction of the Single Family Residence unless otherwise approved by the Residential ARC. If the proceeds of the insurance available to the Owner of a damaged Single Family Residence are insufficient to pay for the cost of repair, restoration or replacement following a casualty (or demolition and landscaping if the Residence is to be demolished), the Owner of such Single Family Residence shall be responsible for the payment of any such deficiency necessary to complete the repair, restoration, replacement or demolition.

## **ARTICLE VIII**

### **ANNEXATION OF ADDITIONAL PROPERTY**

**SECTION 1. UNILATERAL ANNEXATION BY DECLARANT.** The Declarant, as the owner thereof or, if not the owner, with the consent of the owner thereof, shall have the unilateral right, privilege, and option, but not the obligation, at any time and from time to time to annex additional real property within the Parc Lake Estates project or in the vicinity of such project to the jurisdiction of the Association by filing for record a declaration of annexation instrument or Supplemental Declaration in respect to the property being annexed which subjects the Lots within the annexed property to assessment by the Association on a uniform basis with all other Lots within the Association's jurisdiction. Any such annexation shall be effective as to the property described therein upon the filing for record of such declaration of annexation or Supplemental Declaration unless otherwise provided therein.

The right reserved by the Declarant to annex additional land shall not be implied or construed so as to impose an obligation upon the Declarant to subject any property it now owns or may own in the future to this Declaration or to the jurisdiction of the Association. If additional land is not annexed, the Declarant has no obligation to impose any covenants and restrictions similar to those contained herein upon such land nor shall anything contained herein be construed to limit or restrict the use to which such land may be put by the Declarant or by any



subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

**SECTION 2. OTHER ANNEXATIONS.** With the consent of the Owner thereof, the Association may annex other real property to the jurisdiction of the Association. Such annexation shall require the affirmative vote of a majority of the Class "A" Members present in person or by proxy at a meeting called for such purpose, and of the Declarant during the Class B Control Period. Annexation shall be accomplished by filing of record in the real property records of the county in which the Properties are located, an annexation agreement describing the property being annexed. Such annexation agreement shall be signed by the President and the Secretary of the Association, and by the owner of the property being annexed, and any such annexation shall be effective upon filing unless otherwise provided therein.

**SECTION 3. RIGHTS OF OWNERS OF ANNEXED AREA.** The Owners of land in annexed property shall be entitled to use the Common Area in the same manner and to the same extent of the Owners of all other property subject to the jurisdiction of the Association. Annexed property shall be impressed with and subject to Assessments imposed hereby on a uniform basis, consistent with provisions of this Declaration.

## **ARTICLE IX**

### **MORTGAGEE PROVISIONS**

The following provisions are for the benefit of the holders of Mortgages. To the extent applicable, necessary or proper, the provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained herein or therein.

**SECTION 1. NOTICES OF ACTION.** A Mortgagee who provides written request to the Association (such request to state the name and address of such holder, insurer or guarantor and the description of the affected property), will be entitled to timely written notice of:

- (a) any proposed termination of the Association; or
- (b) any condemnation loss or any casualty loss which affects the property on which there is a mortgage or deed of trust held, insured, or guaranteed by such Mortgagee.

**SECTION 2. NO PRIORITY.** No provision of this Declaration gives or shall be construed as giving any Owner or other party priority over any rights of the Mortgagees in the case of distribution of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

**SECTION 3. NOTICE TO ASSOCIATION.** Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's property.

## **ARTICLE X**

### **GENERAL PROVISIONS**

**SECTION 1. TERM.** Unless sooner terminated or amended in accordance with the further

provisions hereof, the provisions of this Declaration shall run with and bind the land and shall be and remain in effect for a period of forty (40) years after the date that this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by the Owners of not less than a majority of the Lots subject to the provisions hereof agreeing to terminate this Declaration has been recorded within the year immediately preceding the beginning of a ten (10) year renewal period, in which case this Declaration shall terminate at the end of its Original term or the applicable extension period. Every purchaser or grantee of any interest in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefore, thereby agrees that the provisions of this Declaration may be extended and renewed as provided in this Section.

SECTION 2. SEVERABILITY. Invalidation of anyone of these covenants by judgment or other court order shall in no wise affect any other provisions, which shall remain in full force and effect except as to any terms and provisions which are invalidated.

SECTION 3. GENDER AND GRAMMAR. The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations (or other entities) or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

SECTION 4. TITLES. The titles of this Declaration of Articles and Sections contained herein are included for convenience only and shall not be used to construe, interpret, or limit the meaning of any term or provision contained in this Declaration.

SECTION 5. AMENDMENT. This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the property subject to this Declaration; (c) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the property subject to this Declaration; or (d) for any other purpose, provided that the amendment has no material adverse effect upon any right of any Owner or that the Owner or Owners so affected have consented thereto.

In addition to the amendments described above, this Declaration may be amended at any time by an instrument signed by the Owners of a majority of the Lots subject to this Declaration and, as long as the Class "B" Membership exists, the Declarant; provided, however, no amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant. Any amendment to this Declaration must be recorded in the real property records of the county in which the Properties are located.

SECTION 6. MERGER AND CONSOLIDATION. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same or similar purposes, the Association's properties, rights, and obligations may be transferred to the surviving or

consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions established by this Declaration, together with the covenants, conditions and restrictions applicable to the properties of the other association as one scheme. No merger or consolidation shall be permitted except with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant.

SECTION 7. DISSOLUTION. The Association may be dissolved with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

SECTION 8. ENFORCEMENT. Each Owner and Occupant shall comply strictly with the covenants, conditions, and restrictions set forth in this Declaration, as may be amended from time to time, and with the rules and regulations adopted by the Board. The Board may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration or the rules and regulations shall be grounds for an action to recover sums due for damages, injunctive relief, or any other remedy available at law or in equity, maintainable by the Board, on behalf of the Association, or by any Owner of a portion of the Properties. Failure of the Board or any other Person to enforce any of the provisions herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall also have the right to enforce, by any proceeding at law or in equity, any other restrictions, conditions, covenants and liens imposed upon any portion of the Properties which by the terms of the instrument creating same grant the Association the power to enforce same, and failure of the Association to enforce such provisions shall in no event be deemed a waiver of the right to do so thereafter. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Lot to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates this Declaration, the Builder Guidelines, or the Landscaping Guidelines. Except in the case of emergency situations, and as otherwise specified herein, the Association shall give the violating Owner ten (10) days written notice of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments. Private property disputes between Owners are matters to be resolved between such Owners and the Board has no obligation to intervene in or resolve any such disputes.

SECTION 9. RIGHT OF ENTRY. The Association shall have the right, but not the obligation, to enter into any Lot for emergency, security, and safety reasons, and to inspect for the purpose of ensuring compliance with this Declaration, the By-Laws, and the Association's

rules, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after request by the Board.

**SECTION 10. NOTICE OF SALE OR TRANSFER OF TITLE.** In the event that an Owner sells or otherwise transfers title to his or her Lot, as specified in Section 3 of Article III, such Owner shall provide the Association with a copy of the executed instrument of conveyance and give the Association written notice, of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Association, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of Assessments, notwithstanding the transfer of title to the Lot. The Board may require payment of a transfer fee to defray the costs incurred in changing its records to reflect the new Owner of a Lot.

**SECTION 11. CUMULATIVE EFFECT; CONFLICT.** The covenant, restrictions and provisions of this Declaration shall be cumulative with all Supplemental Declarations; provided, however, in the event of conflict between the provisions of this Declaration and a Supplemental Declaration, this Declaration shall prevail, it being intended that all Supplemental Declarations be subject and subordinate to this Declaration.

IN WITNESS WHEREOF, this Declaration of Covenants, Conditions and Restrictions of Parc Lake Estates On Eldridge, Ltd. is execute as of 5 day of July month, 2011.

Parc Lake Estates On Eldridge, Ltd.  
a Texas limited partnership

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS UNLAWFUL AND UNENFORCEABLE UNDER FEDERAL LAW.  
THE STATE OF TEXAS  
COUNTY OF HARRIS  
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped herein by me, and was duly RECORDED, in the Official Public Records of Real Property of Harris County, Texas

*gol*

By: Axis Point Developers, LLC.  
General Partner

JUL - 6 2011

By:

*[Signature]*  
Joseph L. Watson  
Its: President



*Sta Stewart*  
COUNTY CLERK  
HARRIS COUNTY, TEXAS

**RECORDER'S MEMORANDUM:**

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

State of Texas  
County of Harris

This instrument was acknowledged before me on the 4 day of June, 2011  
36  
Notary Public, State of Texas *[Signature]*  
Notary's Printed name: Tomasita Beltran  
my commission expires: 5/27/13