

154-62-1934

M272221

DECLARATION OF COVENANTS AND RESTRICTIONS
LAKEWOOD FOREST, SECTION 15

08/11/89 00375522 M272221

This Declaration of Covenants and Restrictions, Lakewood Forest Subdivision, Section 15 (this "Declaration") is executed by and between Emerald Homes, an Arizona general partnership ("Declarant") and Lakewood Forest Fund, Inc., a Texas non-profit corporation;

WHEREAS, deed restrictions have been filed for record applicable to Lakewood Forest, Sections 1, 2, 3A, 5A, 6, 7, 8, 9, 10, 11, 12 and 14 and Lakewood Forest Patio Homes, Sections 1 and 2 (the "Lakewood Forest Subdivisions"), all of which are subdivisions of land in Harris County, Texas according to the maps or plats thereof as more fully set forth herein;

WHEREAS, Declarant is the owner of all of the lots except for lots 19, 20, 21 and 22 in Block 2, contained in Lakewood Forest, Section 15, a subdivision of land in Harris County, Texas, according to the map or plat thereof recorded in Volume 331, Page 7 of the Map Records of Harris County, Texas. As used herein, the term "Section 15" shall refer to all of the lots in said Lakewood Forest, Section 15; except for lots 19, 20, 21 and 22 in Block 2 of such subdivision. Declarant desires to subject the land in Section 15 to the covenants, conditions, restrictions, assessments and other matters set forth in this Declaration so as to impose mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of real property in the Lakewood Forest Subdivisions and the Declarants;

WHEREAS, Lakewood Forest Fund, Inc., a Texas non-profit corporation was organized to enforce the covenants, conditions and restrictions applicable to the Lakewood Forest Subdivisions and Declarant and Lakewood Forest Fund, Inc., desire to have Lakewood Forest Fund, Inc. enforce the covenants, conditions and restrictions contained in this Declaration and to annex Section 15 within the jurisdiction of Lakewood Forest Fund, Inc.

NOW, THEREFORE, Declarant does hereby declare that Section 15 shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration as follows:

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COURT CLERK
HARRIS COUNTY, TEXAS

ARTICLE I
DEFINITIONS

154-62-1935

Section 1. "LAKEWOOD FOREST FUND, INC.", a Texas Nonprofit Corporation, includes its officers, agents, successors, assigns, and Board of Trustees, and shall sometimes be referred to as the Association or the FUND.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is part of the Properties, but excluding those having such interest merely as security for the performance of an obligation, and excluding those persons or entities holding only a lien, easement, mineral interest, or royalty interest burdening the title thereto.

Section 3. "Property" or "Properties" shall mean and refer to all of Lakewood Forest, as same is legally described in the Map Records of the County Clerk's office of Harris County, Texas, for Lakewood Forest Subdivision, and any additions thereto as may hereinafter be brought within the jurisdiction of the Board of Trustees of LAKEWOOD FOREST FUND, INC.

Section 4. "The Subdivision" shall mean and refer to the Properties as defined above and any additional Properties which may hereinafter be brought within the scheme of these restrictive covenants and hereinafter brought within the jurisdiction of the Board of Trustees of LAKEWOOD FOREST FUND, INC.

Section 5. "Lot" and/or "Lots" shall mean and refer to any plat of land shown upon any recorded subdivision map or plat of the properties, with the exception of (a) reserved tracts, (b) public areas such as parks, parkways and esplanades as shown on any subdivision map or plat, and (c) any common area which is owned by or may be acquired by the FUND.

Section 6. "Common Areas" shall mean all real and personal property which has been or which may be acquired by the LAKEWOOD FOREST FUND, INC., or as platted for the common use and enjoyment of the owners. The term shall be synonymous with "Common Facilities" and "Common Properties".

Section 7. "Architectural Control Committee" shall mean and refer to the Lakewood Forest Architectural Control Committee provided for in Article IV hereof, and shall sometimes be referred to as the Committee.

Section 8. "Supplemental Declaration" shall mean and refer to any supplemental declaration of covenants and restrictions bringing additional property within the scheme of this declaration under the authority provided in Article X hereof, and/or supplementing these restrictions and covenants.

Section 9. "Member" and/or "Members" shall mean and refer to all those owners who are members of the LAKEWOOD FOREST FUND, INC., together with all the owners in the Subdivision who are members of the LAKEWOOD FOREST FUND, INC., as provided in all other supplemental declarations.

Section 10. "Corner Lot(s)" shall mean and refer to any Lot which abuts on more than one street.

Section 11. "Single Family" and/or "Single Family Dwelling" shall mean residential occupancy by members of a family who are related to each other by blood, adoption, or marriage, or residential occupancy by not more than three unrelated persons, living together as a single housekeeping unit as distinguished from a group occupying a boarding house, fraternity house, apartment house, commune or multi-family house.

Section 12. "Business" or "Business Purpose" shall mean and include, but not be limited to, any occupation or venture having profit as one of its major aims; any commercial, industrial or professional dealings; any commercial establishment of any sort; any activity which includes one or more employees of any kind, not a member of the family residing on the premises; any establishment frequented by customers; any other activities which are commercial, profit-oriented, industrial, professional or manufacturing in nature and/or which involve the production, manufacturing, trade or sale of goods and services; and/or any non-profit organizations which have one or more employees (as defined above) and/or which are frequented by customers.

Section 13. "Developer" shall refer to Wesley Development Co., a Texas Corporation, its assigns, heirs and successors in interest; Mac-Carey Properties, Inc., a Texas Corporation, its assigns, heirs and successors in interest; and River Oaks Financial Corporation, a Texas Corporation, its assigns, heirs and successors in interest.

Section 14. "Streets" shall include any street, drive, boulevard, road, lane, avenue or any place that is shown on the recorded plat as a thoroughfare.

Section 15. "Section 1" shall refer to all Lots in Lakewood Forest, Section 1, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 192, page 130, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 1, shall refer to those restrictions and covenants filed for record on October 9, 1973, under County Clerk's file No. D994579 of the Deed Records of Harris County, Texas, and filed under County Clerk's film code No. 168-37-2524 of the Real Property Records of Harris County, Texas.

Section 16. "Section 2" shall refer to all Lots in Lakewood Forest, Section 2, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 203, page 8, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 2, shall refer to those restrictions and covenants filed for record on February 25, 1974, and recorded under County Clerk's file No. E084177 of the Deed Records of Harris County, Texas, and filed under County Clerk's film code No. 174-30-0511 of the Real Property Records of Harris County, Texas.

Section 17. "Section 3A" shall refer to all Lots in Lakewood Forest, Section 3, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 201, page 143, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 3, shall refer to those restrictions and covenants filed for record on March 10, 1975, and recorded under County Clerk's file No. E381975 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 117-11-0321 of the Real Property Records of Harris County, Texas; and "Section 3B" shall refer to all lots in Replat of Reserve "B" Lakewood Forest, Section Three, according to the map or plat thereof recorded in Volume 239, Page 70, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Replat of Reserve "B" Lakewood Forest, Section Three, shall refer to those restrictions and covenants filed for record on January 27, 1977, and recorded under County Clerk's file No. F026851 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 157-17-2300 of the Real Property Records of Harris County, Texas.

Section 18. "Section 5A" shall refer to Lots 1 (one) through 24 (twenty-four), Block 35 (thirty-five) in Lakewood Forest, Section 5, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 203, page 21, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 5A, shall refer to those restrictions and covenants filed for record on July 24, 1978,

and recorded under County Clerk's file No. F693473 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 101-87-1205 of the Real Property Records of Harris County, Texas; and "Section 5B" shall refer to Lots 1 (one) through 5 (five), inclusive, Block 33 (thirty-three); Lots 9 (nine) through 16 (sixteen) inclusive, Block 11 (eleven); Lots 17 (seventeen) through 23 (twenty-three), inclusive, Block 34 (thirty-four) in Lakewood Forest, Section 5, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 203, page 21, of the Map Records of Harris County, Texas, and shall also include any other Lots in Section 5 shown on the recorded plat to be residential Lots, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 5B, shall refer to those restrictions and covenants filed for record on May 7, 1975, and recorded under County Clerk's file No. E428140 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 120-07-0127 of the Real Property Records of Harris County, Texas.

Section 19. "Section 6" shall refer to all Lots in Lakewood Forest, Section 6, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 231, page 49 of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 6, shall refer to those restrictions and covenants filed for record on March 3, 1976, and recorded under County Clerk's file No. E692169 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 136-10-1993 of the Real Property Records of Harris County, Texas.

Section 20. "Section 7" shall refer to all Lots in Lakewood Forest, Section 7, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 239, page 143, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 7, shall refer to those restrictions and covenants filed for record on October 3, 1977, under County Clerk's file No. F318788 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 176-18-2419 of the Real Property Records of Harris County, Texas.

Section 21. "Section 8" shall refer to all Lots in Lakewood Forest, Section 8, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 239, page 138, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 8, shall refer to those restrictions and covenants filed for record on October 3, 1977, under County Clerk's file No. F318791 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 176-18-2434 of the Real Property Records of Harris County, Texas.

Section 22. "Section 9" shall refer to all Lots in Lakewood Forest, Section 9, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 245, page 68, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 9, shall refer to those restrictions and covenants filed for record on October 3, 1977, under County Clerk's file No. F318787 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 176-18-2412 of the Real Property Records of Harris County, Texas.

Section 23. "Section 10" shall refer to all Lots in Lakewood Forest, Section 10, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 260, page 59, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 10, shall refer to those restrictions and covenants filed for record on April 24, 1978, under County Clerk's file No. F567046 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 193-02-1483 of the Real Property Records of Harris County, Texas.

Section 24. "Section 11" shall refer to all Lots in Lakewood Forest, Section 11, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 283, page 90, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 11, shall refer to those restrictions and covenants filed for record on May 25, 1979, under County Clerk's file No. G094925 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 128-99-0902 of the Real Property Records of Harris County, Texas.

Section 25. "Section 12" shall refer to all Lots in Lakewood Forest, Section 12, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 314, page 108, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Section 12, shall refer to those restrictions and covenants filed for record on September 28, 1983, under County Clerk's file No. J159644 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 060-81-1838 of the Real Property Records of Harris County, Texas.

Section 26. "Section 14" shall refer to all Lots in Lakewood Forest, Section 14, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 326, page 127, of the Map Records of Harris County, Texas, and the Declaration of Covenants and Conditions and Restrictions (restrictions and covenants governing property and lots in Lakewood Forest, Section 14), shall refer to those restrictions and covenants filed for record on October 22, 1984, under County Clerk's file No. J747942 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 097-93-2096 of the Real Property Records of Harris County, Texas.

Section 27. "Lakewood Forest Patio Homes, Section 1 and Section 2" shall refer to all Lots in Lakewood Forest Patio Homes, Section 1, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 304, page 26, of the Map Records of Harris County, Texas, and to all Lots in Lakewood Forest Patio Homes, Section 2, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 308, page 68, of the Map Records of Harris County, Texas, and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest Patio Homes in Section 1 and Section 2, shall refer to those restrictions and covenants filed for record on July 21, 1982, under County Clerk's file No. H539757 of the Deed Records of Harris County, Texas, and filed under County Clerk's film No. 020-87-1579 of the Real Property Records of Harris County, Texas. The covenants and restrictions shall not apply to Lot twenty-five (25), Block One (1), of said Patio Homes.

Section 28. "Section 15" shall refer to all Lots in Lakewood Forest, Section 15, an addition in Harris County, Texas, according to the plat thereof recorded in Volume 331, page 70, of the Map Records of Harris County, Texas, and filed under County Clerk's film No. J775718 of the Real Property Records of Harris County, Texas.

Section 29. "Detached Residence" or "Detached Dwelling or Structure" shall mean and refer to a living unit no side of which is on a side boundary line of the Lot upon which such living unit is situated.

Section 30. "Available Parking Spaces in a Garage" shall mean the total number of vehicles which could be parked or stored in a garage if the garage were completely unobstructed.

Section 31. "Record Owner" shall mean the Owner, as defined in section 2 *supra*, of a Lot as reflected in the books of the LAKEWOOD FOREST FUND, INC. For purposes of this Declaration, the owner of the Lot shall be (for voting and notification purposes) the person(s) or entity named in the books and records of the FUND, until such time as proper notification, as provided in Article IX, Sections One (1) and Eight (8), is given to the FUND.

Section 32. "Real Property Records" means the applicable records of the County Clerk of Harris County, Texas, in which conveyances of real property are recorded. 104-155

Section 33. "Lien Holder" means an individual, corporation, financial institution or other entity that holds a vendor's or deed of trust lien or mechanics lien secured by land within the Subdivision.

Section 34. "Residential Lot(s)" means and refers to the Lots, shown upon the Subdivision plat, which are restricted hereby to use for residential purposes. The use of residential Lot(s) shall be limited to single family dwellings, as provided in Article III, Section 1, hereafter, and shall exclude any business, commercial, manufacturing or other prohibited uses.

Section 35. "Approving Section(s)" shall refer to those Sections in which the required number of Lot Owners sign and approve this Declaration.

Section 36. "Majority" shall refer to fifty-one percent (51%) of the Record Owners.

Section 37. "Structure" shall refer to and mean anything constructed on a Lot, including, but not limited to, buildings and any part thereof, garages, dwellings, outbuildings, fences, swimming pools, decking, spas, gazebos, fences, tennis courts, pavement, driveways, walkways, slabs and other things constructed, whether constructed on the Lot or constructed elsewhere and moved onto the Lot.

ARTICLE II

AMENDMENT OF EXISTING RESTRICTIONS AND COVENANTS

Section 1. Purpose of Declaration of Covenants, Conditions and Restrictions. Except as hereinafter provided, the purpose and intent of this Declaration of Covenants, Conditions and Restrictions is to (a) impose certain covenants, conditions and restrictions on Section 15 and annex Section 15 into the jurisdiction of LAKEWOOD FOREST FUND, INC., and (b) amend, in their entirety, the existing Restrictions and Covenants Governing Property and Lots in Lakewood Forest Subdivision, Sections 1, 2, 3A, 3B, 5A, 5B, 6, 7, 8, 9, 10, 11, 12 and 14 and the Restrictions and Covenants Governing Property and Lots in Lakewood Forest Patio Homes, Section 1 and Section 2 (as each of those Sections has heretofore been defined elsewhere in this Declaration). Except as hereinafter provided, the existing restrictions and covenants governing property and Lots for each of the foregoing sections shall be amended in their entirety upon approval of this Declaration by a majority of the members (as that term is defined elsewhere in this Declaration) of each Section of Lakewood Forest. The amendment of the restrictions and covenants, as contained in this Declaration, shall not operate to divest the Board of Trustees of the LAKEWOOD FOREST FUND, INC., or any other affected person, from pursuing a legal action to enforce or abate any violation of any of the restrictions and covenants contained in the existing restrictions and covenants governing property and Lots in Lakewood Forest Subdivision, and shall not operate to relieve any person or entity from his obligation to pay any regular assessments for maintenance fees which had accrued and/or were delinquent at the time of the enactment of this amendment.

Section 2. Effect of Amendment. This Declaration of Covenants, Conditions and Restrictions shall become effective and legally enforceable upon approval by a majority of the members or Lot Owners in an "Approving Section" of the Subdivision. In the event that a majority of such members or Lot Owners shall approve this Declaration in one or more Sections of Lakewood Forest Subdivision, these Declarations of Covenants, Conditions and Restrictions shall become effective and legally enforceable as to each and every Section of Lakewood Forest Subdivision in which at least a majority of the members or Lot Owners have approved this Declaration. Although the intent of this Declaration is to provide a

Sections of Lakewood Forest Subdivision, the covenants, conditions and restrictions contained in this Declaration shall be effective and legally enforceable in those Sections of Lakewood Forest Subdivision in which this Declaration has been approved and ratified as provided herein, even though other Sections of Lakewood Forest Subdivision fail to approve and ratify this Declaration.

Section 3. Severability. Should the Declaration of Covenants, Conditions and Restrictions, contained in this instrument, be invalidated in its entirety by judgment or court order, then the Restrictions and Covenants Governing Property and Lots in Lakewood Forest Subdivision, as same existed prior to this amendment, shall be revived and shall become in full force and effect as it is the intent of the signatories to this Declaration that restrictions and covenants shall govern the properties of Lakewood Forest. In the event that any particular sections or provisions of this Declaration are invalidated by judgment or court order and the entire Declaration is not so invalidated, and, as the result of such invalidation the particular restriction or covenant is no longer enforceable (in its amended form), then the applicable restriction or covenant contained in the Restrictions and Covenants Governing the Property and Lots in Lakewood Forest Subdivision shall be revived and shall become in full force and effect only as to the particular restriction or covenant which had been invalidated.

Section 4. Future Amendments. The provisions of this Article shall govern the enactment of this Declaration. Future Amendments or Revisions or Supplemental Declarations shall be governed by the provisions of Article X.

Section 5. Residential Use Restriction Not Amended. The existing restrictions and covenants of the various Sections of the Subdivision contain restrictions limiting the use of the Properties and Lots therein to single family residential purposes and further exclude any business uses or purposes. These restrictions appear in section one (1), entitled "1. Land Use and Building Type", of the Covenants Applying to Residential Lots in the Restrictions and Covenants Governing Property and Lots in Lakewood Forest, Sections One through Twelve, inclusive, and the Patio Homes, Section One and Two, and in Article Seven, Section One, of the Declaration of Covenants, Conditions and Restrictions, Lakewood Forest Subdivision, Section Fourteen. Each of the restrictions were in full force and effect prior to September 1, 1985. The signatories to this instrument acknowledge and affirm that the present Lot Owners relied upon this restriction in purchasing their Lots. It is the intent of the signatories to the Declaration that the single family residential use or purpose provisions, as stated in this subsection, be continued in this instrument and that the residential use provisions be only clarified and not amended.

Section 6. Effect. This Declaration can only be effective against the Lakewood Forest Subdivisions which consent hereto; however, whether or not any of the Lakewood Forest Subdivisions consent hereto, this Declaration shall continue to be effective as to Section 15.

ARTICLE III

LAND USE AND BUILDING RESTRICTIONS

Section 1. Residential Use. Each Lot in the Subdivision shall be subject to the following use restrictions and such Lots shall be occupied and used only as follows:

- (a) No Lot shall be used for any purpose except for first class single family residential purposes, except as hereinafter provided. The term "residential purposes" as used herein shall be held and construed to exclude hospitals, nursing homes, clinics, duplex houses, apartment houses, multiple family dwellings, boarding houses, hotels, garage apartments, stores, licensed and unlicensed daycare or child care centers, sales offices (except as hereinafter provided), warehouses, or other business related or multiple family dwellings. No Lot shall be used or occupied for any business, commercial, trade or professional purposes whether apart from or in connection with the use thereof as a residency. No building or structure, intended for or adapted to business purposes, shall be

erected, placed, permitted or maintained on such Lots or on any part thereof, and any such described business uses of such property are hereby expressly prohibited. The term "building" or "buildings" as used herein shall be held and construed to mean those permissible buildings and structures which are or will be erected and constructed on the Lots in Lakewood Forest Subdivision. No building shall be erected, altered, placed or permitted to remain on any Lot other than one detached single family dwelling not to exceed two stories in height, together with a private garage, and permitted outbuildings as defined in section 6 of this Article. No building of any kind or character (except as hereinafter provided) shall ever be moved onto any Lot, it being the intention that only new construction shall be placed and erected thereon. It is the intent of this covenant and restriction that no Owner of any Lot shall occupy or use his Lot or any building thereon, or permit the same or any part thereof to be occupied or used for any purpose other than a private single family residency for his own or his family, guests and tenants and the provisions of this section shall be strictly construed.

- (b) The above notwithstanding, the developer, its successors or assigns, and authorized home builders in the Subdivision shall have the temporary right to use a Lot for the erection and operation of a sales office, construction office or model home during the period of, and in connection with, construction and sales operations in the Subdivision, subject to the prior written approval of the Board of Trustees of LAKEWOOD FOREST FUND, INC. Said Board shall have the authority to specify the duration of the time for which such offices may be maintained and the type of office which may be used or maintained in the Subdivision.
- (c) Notwithstanding the above, an outdoor salesperson or other professional person shall have the right to maintain an office in his home subject to the following restrictions: (1) No signs, advertisements, displays, banners, etc., shall be placed or maintained on the Lot, on the residency or any other structure of the Lot, or in any window on any residency; (2) No employees, agents or independent contractors (other than members of the family residing on the property) are employed to work at the premises; (3) No production or manufacturing of goods shall be permitted and no goods or services are sold or exchanged at the premises, except by telephone or mail; (4) Customers shall not be allowed to frequent the residency on a regular basis; and (5) The activity carried on shall not constitute and/or become an annoyance or nuisance to other Lot Owners.
- (d) All exterior construction of the primary residential structure, garage, porches and other appurtenances or appendages of every kind and character on any Lot shall be completed no later than one hundred eighty (180) days from the date of commencement of construction and all interior construction (including, but not limited to, all electrical outlets in place and functional, all plumbing fixtures installed and operational, all cabinet work completed, and all interior walls, ceilings and doors completed) shall be completed no later than one year following the commencement of construction. Selection items, such as wallpaper, vinyl flooring, tile flooring, carpet, appliances, electrical fixtures, and other items which are commonly referred to in the building industry as selection items, are not included within the requirements of this subsection. For the purposes hereof, the term "commencement of construction" shall be deemed to mean the date on which the foundation forms are set. For good cause, the Architectural Control Committee may extend the time for completion of interior construction.
- (e) No dwelling shall be occupied for residential purposes until the exterior and interior of the dwelling has been finished and/or completed to the extent required by the Architectural Control Committee.

- (f) No building material of any kind or character shall be placed or stored upon any residential Lot until the builder or Owner of the Lot is ready to commence improvements, and then such material shall be placed within the property lines of the Lot upon which the improvements are to be erected, screened from public view to the greatest extent possible, and shall not be placed in the street or between the street and the front or side setback lines. The builder or Lot Owner making the improvement shall have the duty to remove his nails and other building material from the street and adjoining Lots. No stump, trees, underbrush or any refuse of any kind or scrap material from the improvements being erected on any residential Lot shall be placed on any adjoining Lot, streets or easements. At the completion of such improvements, such construction material must be immediately removed from the property. If, in the opinion of the Board of Trustees of the LAKEWOOD FOREST FUND, INC., the retainment of such by-products of construction, refuse or scrap material shall cause an unsightly condition or shall become a nuisance to adjoining Lot Owners or a safety or health hazard, said Board may require the removal of said objects prior to the completion of construction of such improvements.
- (g) Neither the Architectural Control Committee nor the Board of Trustees of LAKEWOOD FOREST FUND, INC. shall have any right to grant a variance as to the residential use restriction, and any such variance shall be null and void.
- (h) Each owner of any Lot subject to these Restrictions shall be deemed to have consented, covenanted and agreed by acceptance of a contract, conveyance or other transfer of title covering such Lot that such owner will not apply for a permit to erect, place, alter or add to any structure on any Lot other than a single-family residence or other approved structure as specified and permitted herein.

Section 2. Dwelling Size. The minimum livable or floor area of the main residential structure, exclusive of open or screen porches, stoops, open terraces, garages, patios and attached accessory buildings shall be as set forth below for each Section of Lakewood Forest Subdivision:

- (a) For Sections One, Three A, Three B, Five B, Seven, Eight, Nine and Eleven, the minimum livable area, as defined above, shall not be less than two thousand square feet (2,000 s.f.).
- (b) For Section Two, the minimum livable area, as defined above, shall not be less than two thousand five hundred square feet (2,500 s.f.) for a one story dwelling and three thousand square feet (3,000 s.f.) for a two story house.
- (c) For Section Five A, the minimum livable area, as defined above, shall not be less than two thousand two hundred square feet (2,200 s.f.).
- (d) For Section Six, the minimum livable area, as defined above, shall not be less than two thousand two hundred fifty square feet (2,250 s.f.).
- (e) For Sections Ten and Patio Homes, Sections One and Two, the minimum livable area, as defined above, shall not be less than one thousand eight hundred square feet (1,800 s.f.) for a one story dwelling, and two thousand two hundred square feet (2,200 s.f.) for a two story dwelling.
- (f) For Section Twelve, the minimum livable area, as defined above, shall not be less than two thousand eight hundred square feet (2,800 s.f.).
- (g) For Section Fourteen, the minimum livable area, as defined above, shall not be less than two thousand square feet (2,000 s.f.) for a one story dwelling and two thousand four hundred square feet (2,400 s.f.) for a two story dwelling;

provided that all dwellings constructed or actually under construction at the time of the approval of these restrictions shall not be affected by this provision.

- (h) For Section Fifteen, the minimum livable area, as defined above, shall not be less than two thousand square feet (2,000 s.f.) for single story homes and two thousand five hundred square feet (2,500 s.f.) for two story homes.

Section 3. Quality and Type of Construction, Materials and Landscape. The following restrictions shall govern the construction of any structures on any Lots in the Subdivision:

- (a) No residence shall have less than fifty-one percent (51%) brick or equivalent masonry construction on its exterior wall area, except that detached garages may have wood siding of a type and design approved by the Architectural Control Committee. All exterior first floor walls (exclusive of window and door openings) facing a street shall be erected with complete brick or masonry veneer, except that the Architectural Control Committee has the authority to approve residential construction utilizing other building materials so long as fifty-one percent (51%) of the residency is brick or equivalent masonry construction on its exterior wall area. For purposes of this restrictive covenant, masonry includes stucco and all materials commonly referred to in the Houston, Texas, building industry as masonry. Masonry as used and required herein shall also include brick, brick veneer, stone, stone veneer, or other type of masonry construction, but shall not include asbestos shingles or other similar fireproof boarding.

In computing the above percentage, roof areas, gables and window and door openings shall be excluded, but attached garages, porches and other structures constituting part of the residency shall be included.

- (b) All residential structures shall be constructed on a concrete slab. The minimum top slab elevation for any residence shall be twelve inches (12") above the natural ground elevation of the Lot, or the minimum slab elevation required for a building permit issued by the Harris County Engineer's office, in compliance with the Federal Flood Insurance regulations, or the minimum slab elevation required by the Architectural Control Committee, whichever elevation is higher.
- (c) All roofs of any permitted structures of whatever type shall be constructed of wood shingles or substitute as approved by the Architectural Control Committee. No roof of any building shall be constructed or covered with asphalt or asbestos shingles or composition roofing materials unless (1) it is of a grade to match or better Elk Prestique I shingles (300 lbs. or better) and (2) it is approved by the Architectural Control Committee. All roof mounted solar panels must be fourteen inches (14") from the lower inside roof edges. Panels shall not be mounted on overhangs or free-standing roof areas. Such panels must be made of good quality material and mounted so that in a high wind they do not become unanchored and cause damage to other properties. The above notwithstanding, all solar and alternate energy installations must be approved in writing by the Architectural Control Committee.
- (d) Unless otherwise approved in writing by the Architectural Control Committee, each main residence building and all improvements shall be constructed on the Lot so as to face the front of the Lot. Each corner Lot shall face on the street on which it has the smallest frontage, except that garages on corner Lots may face the side street.
- (e) No window or wall type air conditioner shall be permitted to be used, erected, placed or maintained in or on any building except in authorized sales offices as described above.
- (f) No recreational equipment or structure, such as trampolines,

swing sets, etc., shall be erected or maintained on any Lot forward of the building setback line or side yard lines for corner Lots. All such recreational equipment and structures must be fenced in accordance with the requirements of Section 8. Such recreational equipment or structures shall not be permitted to be used in such manner as to become a nuisance or annoyance to other Lot Owners.

- (g) Mailboxes, house numbers and similar structures must be harmonious with the overall character and aesthetics of the Subdivision.
- (h) All new dwellings in any Section of the Subdivision shall be of a quality of workmanship and materials substantially the same or better than the existing dwellings previously constructed in that Section in which the dwelling is located.
- (i) No residential dwelling which has been previously constructed and which was not otherwise in violation of the existing deed restrictions at the time of construction shall be affected by these restrictions.
- (j) The following special requirements shall be applicable to all Lots in Section 12 of Lakewood Forest Subdivision:
 - (1) Every house shall have built-in security systems for fire and burglar protection;
 - (2) Every swimming pool must provide adequate fencing to keep children out;
 - (3) Every yard must be landscaped with a minimum of two trees with three-inch (3") diameter one foot above the ground on every Lot, and solidly sodded in the front;
 - (4) All garages facing the same street as the house faces must have electronic garage door closures;
 - (5) All permitted sidewalks and driveways must have a pea gravel finish or other finish approved by the Architectural Control Committee.

~~Section 4. Building Locations.~~ The following restrictions, covenants and conditions shall be applicable to all dwellings, garages and other structures constructed on any Lot:

- (a) No building or other structures shall be located on any Lot nearer to the front Lot line or nearer to the side street line than the minimum building setback line shown on the recorded plat.
- (b) For purposes of this Declaration, eaves, steps and open porches shall be considered as a part of the building; provided, however, that the foregoing shall not be construed to permit any portion of a building on any Lot to encroach upon another Lot or to extend beyond the building setback line. Overhangs of the walls or buildings shall be permitted so long as such overhang does not extend out more than two feet (2') from the slab or foundation.
- (c) For purposes of this Declaration, the front Lot line of each Lot shall coincide with and be the Lot line having the shortest dimension abutting a street.
- (d) A corner Lot shall be deemed to front on that street on which it has its least dimension. Dwellings on corner Lots shall have a presentable frontage on all streets on which the particular corner Lot faces.
- (e) The following building setback lines shall govern each Section of Lakewood Forest:
 - (1) For Sections One, Three A, Five A, Five B, Fourteen and Fifteen, no dwelling, building or other structure shall be located on any residential Lot or plot nearer than twenty-five feet (25') to the front Lot line, nor nearer than ten feet (10') to any side street line, unless

otherwise noted on the recorded plat, nor nearer than five feet (5') to the rear Lot line, nor nearer than three feet (3') to any side Lot line.

- (2) For Sections Two and Twelve, no dwelling, building or other structure shall be located on any residential Lot or plot nearer than twenty-five feet (25') to the front Lot line, nor nearer than ten feet (10') to any side street line, unless otherwise noted on the recorded plat, nor nearer than five feet (5') to the rear Lot line, nor nearer than five feet (5') to any side Lot line.
- (3) For Sections Six, Three B, Seven, Eight, Nine, Ten and Eleven, no dwelling, building or other structure shall be located on any residential Lot or plot nearer than twenty feet (20') to the front Lot line, nor nearer than ten feet (10') to any side street line, unless otherwise noted on the recorded plat, nor nearer than five feet (5') to the rear Lot line, nor nearer than three feet (3') to any side Lot line.
- (4) For the Lakewood Forest Patio Homes, Sections One and Two, no dwelling, building or other structure shall be located on any residential Lot or plot nearer than five feet (5') to an interior Lot line, except that a garage located sixty feet (60') or more from the front Lot line may be a minimum distance of three feet (3') from the interior Lot line. No garage door located less than twenty-five feet (25') behind the front wall of the main residential structure shall open at less than a ninety (90) degree angle to the front property line. For the purposes of this covenant or restriction, eaves, steps and unroofed terraces shall not be considered as part of a building, provided, however, that this shall not be construed to permit any portion of the construction on a Lot to encroach upon another Lot. Dwellings constructed in Lakewood Forest Patio Homes, Section One and Section Two, may have one outside wall abutting the property line designated as the "zero setback line" for that Lot by the Architectural Control Committee, except in the case of corner Lots or unless a different layout is authorized in writing by the Architectural Control Committee. Corner Lots may have a "zero setback line" opposite the side street. To provide for uniformity and proper utilization of the building area within the Lots, dwellings or appurtenant structures on a Lot shall not be less than five feet (5') from the dwelling or appurtenant structure on any contiguous Lot(s). Overhang of the walls and roofs of such buildings or structures shall be permitted beyond the zero setback lines and property lines so long as such overhang does not extend out more than eighteen inches (18") from the slab or foundation, and roofs on the zero setback line shall be constructed in such a manner as not to drain onto the adjacent Lot. No windows, doors or other openings may be placed in the wall built on or parallel to the zero setback line unless the wall is a minimum of three feet (3') from the zero setback line except that walls on the zero setback line may have openings if such wall faces onto a reserve or easement. Where a Lot has frontage on both a public street and a private street, the driveway thereon shall provide access from the private street regardless of the amount of frontage on the public street, unless the Architectural Control Committee authorizes a different layout in writing. The side wall of the dwelling or appurtenant structure built on the zero setback line shall be constructed using permanent low-maintenance material consisting of masonry with brick-face exterior or similar material as approved by the Architectural Control Committee. The Owner of any adjacent Lot shall not attach anything to a side wall or fence located upon the zero setback line; nor shall the Owner of any adjacent Lot alter in any manner, i. e., structure, color,

material or otherwise; a side wall or fence located upon the zero setback line without the (1) written approval of the Architectural Control Committee and (2) written consent of the adjoining Lot Owners.

Section 5. Lot Area and Width. No Lot shall be resubdivided, nor shall any building or structure be erected or placed on any Lot having an area of less than that set forth below for each Section of the Subdivision, provided, however, that nothing herein contained shall be construed to prohibit the resubdivision of any Lot or Lots within said Subdivision if said resubdivision increases the minimum Lot area of all Lots affected thereby, it being the intention of this restriction that no Lot within said Subdivision shall contain less than the aforesaid minimum area. The Architectural Control Committee may approve the construction of a single family residency on a building site which consists of parts of one or more Lots provided: (1) the width of such building site at the building setback line shall not be less than set forth below and, (2) the provisions of these restricted covenants fixing distances of improvements from interior Lot lines shall be applicable to the new property lines of such building site. The minimum Lot area and width for each Section of Lakewood Forest Subdivision shall be as follows:

- (a) Except as hereinafter provided, no dwelling shall be erected or placed upon any building site containing less than seven thousand five hundred square feet (7,500 s.f.) in area or having a width of less than sixty-eight feet (68') at the front building setback line shown on the recorded plat of said Subdivision.
- (b) For Sections Fourteen (14) and Fifteen (15), no dwelling shall be erected or placed upon any building site containing less than seven thousand five hundred square feet (7,500 s.f.) in area or having a width of less than seventy feet (70') at the front building setback line shown on the recorded plat of the Subdivision.
- (c) For Lakewood Forest Patio Homes, Sections One and Two, no dwelling shall be erected or placed upon any building site containing less than six thousand five hundred square feet (6,500 s.f.) in area or having a width of less than sixty-eight feet (68') at the front building setback line shown on the recorded plat of the Subdivision.
- (d) For Section Two (2), no dwelling shall be erected or placed upon any building site containing less than twenty thousand square feet (20,000 s.f.) in area or having a width of less than one hundred feet (100') at the front building setback line shown on the recorded plat of the Subdivision.

Section 6. Temporary and Prohibited Structures. No structure of any temporary character, and no trailer, mobile homes, basement, tent, shack, portable building, detached living quarters of any kind, carport, barn, tree house, shed or other outbuilding shall be constructed, used or maintained on any Lot at any time. Under no circumstances shall any such building be used as a residency, either temporarily or permanently. This restriction is subject to the following exceptions:

- (a) There shall be permitted on any residential Lot the use of a dog house, so long as said dog house is not of an unreasonable size, is so placed on a residential Lot so as not to be visible from the street from which said Lot faces, and is placed behind a fence constructed in accordance with these restrictions. The Board of Trustees shall have the authority to determine whether the size of such dog house is reasonable or not.
- (b) There shall be permitted on any residential Lot the use of a storage building, not to exceed six feet (6') in height inclusive of the roof, at its highest point, provided that

such storage building is positioned on each residential Lot in a manner such that the greatest portion of said building as is possible is not visible from the street on which said Lot faces, that such building is approved by the Architectural Control Committee, that said storage building is built and maintained in a manner consistent with these restrictions and covenants, that said storage building is placed behind a fence or other protective screening as provided elsewhere in these covenants, that such outbuilding corresponds in style, architecture and type of material to the main dwelling to which it is appurtenant, and that such storage building complies strictly with the applicable setback lines.

Section 7. Garages. Garages must be provided for all residences and in no case shall a carport act as or be substituted for a garage even on a temporary basis. The garage shall conform in design and material with the main structure. Each detached garage shall be required to be connected to the main dwelling by a breezeway and shall have a minimum setback from the front or side property lines of sixty-five feet (65'), except as hereinafter provided. No garage shall be placed, erected, or maintained upon any part of said premises except for use in connection with a residence already constructed or under construction at the time such garage is placed or erected upon the Lot. There shall be only one (1) garage structure for each Lot which shall have places for no fewer than two (2) vehicles. The maximum number of places for vehicles in any garage structure in the different Sections of the Subdivision shall be as follows:

Section	No. of Cars	Section	No. of Cars
One	Three	Nine	Four
Two	Three	Ten	Four
Three A & B	Three	Eleven	Four
Five A & B	Three	Twelve	Four
Six	Three	Fourteen	Five
Seven	Four	Fifteen	Four
Eight	Four	Patio Homes	Four

No garage door located less than twenty-five feet (25') behind the front wall of the main residential structure shall open at less than a ninety (90) degree angle to the front property line unless expressly approved, in writing, by the Architectural Control Committee. Nothing herein contained shall be construed to permit or allow the use of any garage for other than, primarily, the housing of automobiles or vehicles and any enclosure of the garage which prevents its use for such purpose is specifically prohibited. All garages shall be connected to the nearest street by a driveway which driveway shall be surfaced with concrete or other similar substance approved by the Architectural Control Committee. The Architectural Control Committee shall determine the location of the driveway. No more than one driveway, including an approved circular driveway, shall be permitted on a Lot and the width of the allowed driveway shall not exceed the width of the garage. The Architectural Control Committee shall have the authority, in its sole discretion, to determine the type of construction and location of said garage. In no case may any garage be used for any business and/or business purpose and such garages shall be subject to the provisions of section 1 (a) of this Article. No garage on any Lot shall be used as a residence under any circumstance.

Garage doors shall be kept completely closed when the garage is not in use and no vehicle or other obstruction shall be placed in the garage which prevents the garage door from being closed.

This restriction shall not apply to a recreation room or living quarters constructed on the second floor level of a garage which had been constructed at the time of the enactment of this Declaration. Any construction of a second floor level of a garage (for purposes of creation of a recreation room, living quarters, or otherwise), whether by the original builder or as an alteration to an existing garage, shall require the prior written approval of the Architectural Control Committee.

No garage apartments for rental purposes shall be permitted on any residential Lot.

The restrictions contained herein shall not apply to a porte-cochere provided that said porte-cochere has been approved as to location, size, type of material and design by the Architectural Control Committee prior to its construction, and provided that said porte-cochere corresponds in style, architecture and type of material to the main structure to which it is appurtenant.

Section 8. Fences and Protective Screening. No fence, wall, hedge, pergola, or other attached or detached structure shall be erected, placed, maintained or permitted to remain on any part of any Lot between the street adjoining the Lot and front setback lines and/or forward of the building setback line of such Lot as the case may be or on the Lot building line of any corner Lot on the side facing the street. No fence or wall within the properties is to exceed seven feet (7') in height. The heights or elevations of any wall or fences shall be measured from ground level perpendicularly to the top of the fence. In no event shall any fence or wall be erected, placed or altered on any Lot nearer to the street than the minimum setback lines as shown on the recorded plat. No fence or wall constructed of chain link or other form of metal, wire or wire mesh shall be erected on any Lot, unless completely enclosed inside wood fencing or other approved fencing and unless such fence is lower in height than the outside fence. Wooden fences visible from and adjoining to any street shall be constructed in such a manner that smooth faced pickets will be visible from the street and horizontal rails and vertical posts face into the rear or side yard. Said fences shall be constructed so that there are no gaps between the boards constituting said fence. All fences must be kept in like-new condition, weathering excepted. It shall be the Lot Owner's responsibility to maintain the fence or protective screening in good repair.

All fences on the street to which the Lots face or abut shall be uniform in height, style, color and type of material.

Wrought iron fences shall be permitted provided that the design, color and type of material of such fence is approved by the Architectural Control Committee prior to its construction or installation.

Section 9. Antennas, Electronic Transmitters, Satellite Dishes. The following restrictions, covenants and conditions shall be applicable to antennas, electronic transmitters and satellite dishes:

- (a) No electronic antenna or device of any type other than one antenna for receiving television signals, FM signal and/or citizens band signals shall be erected, constructed, placed or permitted to remain on any Lots, residencies thereon or other permitted buildings constructed in the properties. Only one exterior television antenna shall be allowed for each Lot and only if it is roof mounted and does not exceed four feet (4') over the main roof hip or highest point of the roof of the main residential structure on such Lot. The permitted antenna may be free standing (with or without guide wires) or may be attached to the residential structure; however, in any event, the antenna's location shall be restricted to the rear of the residential structure or to the rear of the roof ridge line, gable or center line of the residential structure so as to be hidden from sight, to the greatest extent practical, when viewed from the front of the Lot.
- (b) In all Lots in Section 12 and Lakewood Forest Patio Homes, Section One and Section Two, no radio or television aerial wires or antennas or satellite dishes shall be maintained or installed on any portion of any residential Lot or any structure thereon unless hidden from outside view, and no radio or television aerial wires or antennas or satellite dishes shall be placed or maintained on the outside of any building nor

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shall any free standing antenna of any style be permitted. All radio or television aerial wires or antennas or satellite dishes must be built within the main structure and not visible from outside such structure. This restriction shall apply to any electronic antenna or other device of any type and no such electronic antenna or device of any other type including, but not limited to, for receiving television signals, FM signals and/or citizens band signals shall be erected, constructed, placed or permitted to remain on any Lot, residency thereon or other permitted building constructed in the said Sections of the Subdivision.

- (c) Satellite dish antennas and/or any other dish type antennas, where permitted, must be mounted in concrete in such a manner that if unanchored in a high wind they will do no damage to the Properties, and mounted to the lowest extent practical behind fences and not visible from the street. Such satellite dish or dish type antenna shall not be more than ten feet (10') in diameter. The location of such satellite dish or dish type antenna shall be restricted to the rear of the residential structure so as to be hidden from sight, to the extent practical, when viewed from the front of the Lot. Notwithstanding the above, the location, size, design and practicality for any satellite dish or dish type antenna must be approved, prior to construction and installation, by the Architectural Control Committee. No other exterior antennas of any sort shall be placed, allowed or maintained upon any structure or Lot situated upon the properties without the written approval of the Board of Trustees of LAKEWOOD FOREST FUND, INC. prior to its construction, erection or installation. The provisions of this subsection shall govern satellite dishes and/or other dish type antennas in Section 12 and Lakewood Forest Patio Homes, Sections One and Two, in the event that the provisions of subsection (b) of Article III, section 9, are invalidated by any statutory provision, judicial decree or order, or by any Federal regulations.
- (d) No radio or other electronic transmitter shall be permitted or maintained on any Lot, the operation of which may interfere with normal radio or television reception of other Lot Owners.
- (e) It is the intent of this section to comply with the applicable requirements and regulations of the Federal Communications Commissions Regulations pursuant to the Communications Act of 1934, as amended.
- (f) The restrictions contained in this section shall not apply to existing antennas or satellite dishes so long as the antenna or satellite dish was not in violation of the Deed Restrictions in existence at the time of enactment of this Declaration; however, these restrictions may be enforced against any subsequent Owner of the Lot, to whom the Record Owner of the Lot at the time of approval of this Declaration may subsequently transfer the Lot.

Section 10. Outdoor swimming pools, hot tubs, spas, decking and gazebos. The design and location of outdoor swimming pools, hot tubs, spas, decking (over six feet in height), greenhouses and gazebos must be approved, prior to installation and/or construction, by the Architectural Control Committee, and such pools, etc., must be securely fenced in accordance with Section 8 of these deed restrictions. Each Lot Owner shall provide adequate fencing around any swimming pool, hot tub and/or spa constructed or installed on his Lot so as to safely keep children out of the pool or spa area. No outdoor swimming pool, hot tub, spa, decking or gazebo may be built or maintained forward of the front building setback line of a Lot, or the side yard lines for corner Lots.

Outdoor swimming pools, hot tubs, spas, decking and gazebos shall not be constructed in such a manner or at such location so as to infringe upon or interfere with any utility easements (as set forth in Article VII) and/or any easements for surface drainage (as set forth in Article III, section 17).

Section 11. Signs. No signs, billboards, banners, posters or advertising devices of any character shall be erected or maintained on any residential Lot except one sign of not more than five square feet (5 s.f.) advertising the Lot for sale or rent, including signs used by a builder to advertise the Lot during the construction or sales of a new dwelling. This restriction shall also apply to all entrance esplanades and the areas along any streets in the Subdivision. No signs of any sort may be attached to trees or to any structure or in windows. The Board of Trustees of the LAKEWOOD FOREST FUND, INC. and/or its agent shall have the right to remove any signs not complying with the provisions of this section, and in doing so, the Board of Trustees of the LAKEWOOD FOREST FUND, INC. or its agents shall not be liable, and are expressly relieved from any liability for trespass or other tort in connection therewith, or arising therefrom such removal.

It is further expressly provided that in no event shall the use of flags or banners be permitted in the promotion, sale or rental of any residency or Lot in the Subdivision.

Section 12. Oil and Mining Operations. No oil or gas drilling, oil or gas development operations or refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall any oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use and boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 13. Livestock, Poultry, Reptiles and Insects. No animals, livestock, rabbits, sheep, goats, swine, reptiles, insects or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats and other common household pets may be kept, provided that such pets are not kept, bred or maintained for any commercial purposes, but only for the use and pleasure of the Owner of such Lots, and provided that such pets are not allowed to roam or wander unleashed in the neighborhood and provided that such pets shall not become a nuisance or annoyance to other Lot Owners in the neighborhood. Regardless of the number, size or type of household pets, such pets shall not be permitted to constitute an undesirable noise or odor nuisance. Excessive barking by dogs, especially between the hours of 10:00 o'clock p.m. and 7:00 o'clock a.m., shall constitute a nuisance per se and the Board of Trustees of the LAKEWOOD FOREST FUND, INC. shall have authority to abate such nuisance by injunctive action or other legal remedies. All animals shall be kept confined inside an enclosed area by their owner and shall not be outside the enclosure except on a leash. No horses shall be kept or stabled on any such Lots. The Board of Trustees of the LAKEWOOD FOREST FUND, INC. shall have the right to limit the number and variety of household pets and shall, in its sole discretion, determine whether the activities of such pets constitute a nuisance or annoyance to other Lot Owners. The Board of Trustees of the FUND shall have the further right to establish regulations providing for the control of pets.

Section 14. Storage and Disposal of Garbage and Rubbish. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste material and such rubbish shall not be kept except in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids. Trash, garbage or other waste shall be kept screened by adequate planting or fencing or in the garage and shall not be kept in an area which extends beyond the front setback line or the front or the side setback lines on a corner Lot and must be concealed from public view, except on the regularly scheduled collection days. All garbage and waste substances being kept temporarily on a Lot pending collection thereof shall be kept in closed sanitary containers with tops or lids, or in plastic bags with the tops thereof tied. All containers, bags or other equipment for the storage or disposal of such waste substances shall be kept in a clean and sanitary condition.

No Lot shall be used for the open storage of any materials whatsoever which storage is visible from the street, except that new building materials used in the construction and improvements

erected upon any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses, without undue delay, until the completion of the improvements, after which time these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot.

There is reserved in favor of the Board of Trustees of the LAKEWOOD FOREST FUND, INC. the determination of the method of garbage disposal as to whether it shall be through public authority or through private garbage collection contractor(s). Said Board shall also be authorized to promulgate rules and guidelines for storage and pickup of garbage, such as back door pickup and type of garbage container. The said Board shall also have the authority to determine the size and type of waste containers, the screening or enclosure thereof, the temporary location of such containers and plastic bags pending collection and the period of time such containers or bags may be situated at such temporary location.

The dumping of rubbish, trash, garbage or other waste materials on vacant Lots is prohibited.

It is further provided that there shall be no burning of trash or leaves at any time in the Subdivision; provided, however, that this section shall not preclude the use of a barbeque grill or other type of grill which is reasonable in size, operated in a reasonable manner, and operated at reasonable times.

Section 15. Water and Sewage Disposal Systems. No individual water supply or sewage disposal system shall be permitted on any Lot. No water well, outside toilets, privy, cesspool, septic tank or other individual water or sewage system shall be constructed, utilized or maintained on any Lot, and each Lot Owner must use the water and sewer services provided until such time as those services are provided by the appropriate state, county, municipal or other governmental authorities.

Section 16. Visual Obstruction at the Intersections of Streets. No object or thing that obstructs sight lines and elevations between two feet (2') and six feet (6') above the surface of the streets or roadways within the triangular areas formed by the intersecting street property lines and a line connecting them at points twenty-five feet (25') from the intersection of the street property lines or extensions thereon shall be placed, planted or permitted to remain on any corner Lot. The same sight line limitations shall apply on any Lot within ten feet (10') from the intersection of a street property line with the edge of a driveway. No vehicles may be parked in driveways on corner lots in such a manner as to obstruct sight lines at intersecting streets; provided further that the provisions of section 26 of this Article shall be controlling. No tree shall be permitted to remain at such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. No fence, wall, tree, hedge or planting shall be maintained in such manner as to obstruct sight lines for vehicular traffic. The decision by the Board of Trustees of the LAKEWOOD FOREST FUND, INC. as to what constitutes such obstruction shall be final and the Board of Trustees of the LAKEWOOD FOREST FUND, INC. shall be vested with authority to remove such obstruction without liability to the Lot Owner in trespass or otherwise.

Section 17. Easement for Surface Drainage. No wall, fence, structure, hedge, trees, shrubs or other obstacles shall be constructed so as to prevent natural surface drainage across the adjoining Lots. Within these slope controlled areas, no structure, planting or other materials shall be placed or permitted to remain or other activity undertaken which may damage or interfere with established slope ratios, create erosion or sliding problems, or which may change the direction or flow of drainage channels or obstruct or retard the flow of water through drainage channels. The slope controlled areas of each Lot and all improvements in them shall be maintained continuously by the Owner of the Lot (except for those improvements for which a utility company is responsible)

in such a manner to comply with this restriction so as not to cause harm or interference with the natural surface drainage of any adjoining Lots. The Architectural Control Committee shall take surface drainage into consideration when considering the location of any structure, fence, pool, etc.

Section 18. Sidewalks. No sidewalks shall be constructed or maintained without the prior written approval of the Board of Trustees of the LAKEWOOD FOREST FUND, INC., and the Board of Trustees of the LAKEWOOD FOREST FUND, INC. shall have the sole authority to determine the location and type of construction of any sidewalks within the Subdivision. Sidewalks shall be defined as walks or raised paths, constructed of concrete or other paved materials, which are parallel to the abutting street and forward of the front or side building line of the Lot nearer than fifteen feet (15') of the abutting street. Notwithstanding the above, the Board of Trustees of the LAKEWOOD FOREST FUND, INC. shall have no authority to require any Lot Owner to construct a sidewalk or to take any portion of Property by eminent domain or otherwise to construct such sidewalks. All permitted sidewalks shall have curb ramps at all crosswalks as required by 23 U.S.C.A. 5402 (b) (1) (F) and all curb ramps shall be constructed in accordance with specifications provided by the Engineering Department of Harris County, Texas.

Section 19. Composite Building Site. Any Owner of one or more adjoining Lots or portions thereof may consolidate such Lots or portions into one building site with a privilege of placing or constructing improvements on such resulting sites in which case setback lines shall be measured from the resulting property lines. Any such composite building site must have a frontage at the building setback line of not less than the minimum frontage of the Lots in the same block. Notwithstanding the above, it is expressly provided that no such consolidation of Lots as provided herein above shall be permitted without the prior written approval of the Architectural Control Committee.

Section 20. Land Near Parks and Water Courses. No building shall be placed nor shall any material or rubbish be placed or stored on any Lot within twenty feet (20') of the property line of any park or edge of any open water course.

Section 21. Windows Facing Streets. No windows facing or visible from the street shall be covered with newspapers, aluminum foil or other unsightly materials. Sheets may be placed upon a window only temporarily for a period not to exceed sixty (60) days from the date of the occupancy of any house. No windows, including those in garages, shall be painted.

Section 22. Cutting Weeds and Drainage. Grass, vegetation and weeds on each Lot shall be cut as often as may be necessary in order to maintain the same in a neat and attractive appearance. All damaged, diseased beyond repair and/or dead trees shall be cut and removed from the Lot. Likewise, all drainage ditches shall be maintained in the same manner and shall be unobstructed at all times. It shall be strictly prohibited to pour oil, gasoline, grease or other petroleum products or substances into any drainage culvert or to otherwise place into any such drainage culvert any objects which might obstruct drainage. Any bridge or culvert constructed over property line and ditches shall be of concrete pipe and a minimum of eighteen inches (18") in diameter, unless the depth of the ditch shall require a larger size for proper drainage.

Section 23. Lot Maintenance. The Owners or occupants of all Lots shall at all times keep all grass and weeds thereon cut in a sanitary, healthful and attractive manner and shall in no event use any Lot for storage of materials and equipment (except for normal residential requirements or incident to construction of improvements thereon as herein permitted) or permit the accumulation of garbage, trash or rubbish of any kind thereon. Every Owner of a Lot by the acceptance of a deed for the same, or by acceptance of

title as devisee or heir, covenants that he, she or it will not permit the Lot or any improvements thereon, including, but not limited to, the grass, shrubs, trees, driveways, walks, and fences thereon, to be otherwise maintained than in good repair and in safe, neat and attractive condition. No weeds, underbrush or other unsightly growth shall be permitted to grow or remain upon the premises. It shall be the Lot Owner's responsibility to keep the lawn abutting the street on his property line properly edged and to remove any dead limbs or trees which are either unsightly or which are a danger to other property owners.

Except for driveways and walkways constructed by the original builder of the dwelling, no part of the front Lot between the streeting adjoining the Lot and the front and/or side building line shall be paved or covered with any other hardened surface (including concrete and rocks) without the prior written approval of the Board of Trustees of the LAKEWOOD FOREST FUND, INC. and the Architectural Control Committee. It is the intent of this paragraph that within the area defined above only grass, decorative landscaping, trees and associated bordering shall be installed, constructed and/or maintained.

The drying of clothes in public view is prohibited, and the Owner or occupants of any Lot shall construct and maintain a drying yard or other suitable enclosure to screen drying clothes from public view, and from the view of neighboring Lots. Similarly, all yard equipment, wood piles or storage piles shall be kept screened by a service yard or other similar facilities so as to conceal them from public view of neighboring Lots, streets or other Properties.

All residences and other buildings must be kept in good repair, and must be painted when necessary to preserve their attractiveness.

In the event that any Owner shall fail to maintain his Lot in accordance with the provisions contained in this section and in the event of default on the part of the Owner or occupant of any Lot in observing the above requirements or any of them, and, in the judgment of the Board of Trustees of LAKEWOOD FOREST FUND, INC., should same result in a condition of unsightliness tending to adversely affect the value or enjoyment of neighboring Lots or should it constitute a hazard to persons or property, the Board of Trustees of LAKEWOOD FOREST FUND, INC., or its deed restriction committee, may give notice of such condition to the Owner of the Lot, demanding that such conditions be abated within ten (10) days from the date the notice is sent. The notice sent by the Board of Trustees of LAKEWOOD FOREST FUND, INC. shall set forth the action intended to be taken by the Board of Trustees of LAKEWOOD FOREST FUND, INC.

The Board of Trustees of LAKEWOOD FOREST FUND, INC. shall have the right and duty to take any action necessary or desirable in the opinion of the Board of Trustees of LAKEWOOD FOREST FUND, INC. to place the subject Lot in a neat, attractive and safe condition consistent with the intention of this section, including but not limited to, mowing the grass; edging the lawn; removing any garbage, debris, trash, weeds or other unsightly or dangerous objects; removing, trimming or pruning any tree, hedge or planting that, in the opinion of the Board of Trustees of LAKEWOOD FOREST FUND, INC. by reason of its appearance, height, location, condition or the manner in which it has been allowed to grow, is detrimental to the enjoyment of adjoining Lots, is unattractive in appearance, or is a safety hazard to persons or property; to repair or paint any fence on a Lot which fence is out of repair or not in conformity with these restrictions; and/or removing any unauthorized signs or structures from the Lot.

If the owner or occupant of the Lot does not rectify the condition by the end of such ten (10) day period, the Board of Trustees of LAKEWOOD FOREST FUND, INC. may, without liability to the Owner or occupant, in trespass or otherwise, enter upon said Lot and cut or cause to be cut such weeds and grass and remove or cause to be removed such garbage, trash and rubbish or do any other thing or cause such work to be performed as is necessary upon the

Lot to rectify the condition or as necessary to secure compliance with these restrictions so as to place said Lot in a neat, attractive, healthful and sanitary condition and may charge the Owner or occupant of such Lot for the costs of such work. The costs of such services shall be added to and become part of the annual maintenance assessment or charge to which such Lot is subjected under these covenants, and as part of such annual assessment or charge, it shall be a lien and obligation of the Owner in all respects as provided in these covenants. The payment for any work performed pursuant to this paragraph shall be due upon presentation to the Owner, either in person or by regular mail, of the FUND's invoice therefor. Default in the prompt and full payment within ten (10) days from the date the invoice is sent to the owner shall entitle the Board of Trustees of LAKEWOOD FOREST FUND, INC. to eighteen percent (18%) interest per annum or the maximum rate of interest allowed by law on the amount due from the date of the invoice, which interest shall also constitute a mechanics lien upon the Lot and an obligation of the Owner thereof.

For the purpose of performing the necessary exterior work, after expiration of the notice period required above, the Board of Trustees of LAKEWOOD FOREST FUND, INC., through its authorized agents, servants, employees or contractors, shall have the right to enter upon any Lot within the properties at reasonable hours between the hours of 7:00 o'clock a.m. and 8:00 o'clock p.m., on any days except Sundays and legal holidays. Such entry shall, however, require a majority vote of the Board of Trustees of LAKEWOOD FOREST FUND, INC.

Section 24. Nuisances and Annoyances. No noxious or offensive activity shall be carried on upon any Lot or in the common area, nor shall anything be done thereon which may be or become any annoyance or nuisance to the other Lot Owners. No Lot shall be used, in whole or in part, for the storage of rubbish or any character whatsoever, nor for the storage of any property or thing that might cause such Lot to appear in an unclean or untidy condition or that will be obnoxious to the eye, nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding property. No activity shall be carried on upon any Lot or in the common area which might reasonably be considered as giving annoyance to the neighbors or other Owners of ordinary sensibilities or which might be calculated to reduce the desirability of the properties as a residential neighborhood, even though such activity may be in a nature of a hobby and not carried on for profit.

Stereos, hi-fis, radios, car radios and stereos, outside stereos and speakers, and other devices or equipment used for transmitting or receiving radio signals or electric signals, and televisions shall be maintained or used at such volume or decibel level as to not disturb the peace, quiet, comfort or serenity of adjoining Lot Owners, and the use of same at such volume or decibel level and/or at unreasonable times shall constitute a nuisance per se.

The discharging of firearms is strictly prohibited in the Subdivision, except for reasonable and necessary protection of person or property.

The use of fireworks, including but not limited to bottle rockets, sky rockets or firecrackers, shall be strictly prohibited and shall be deemed a nuisance per se.

Except in an emergency or when other unusual circumstances exist, as determined by the Board of Trustees of LAKEWOOD FOREST FUND, INC., outside construction work or noisy interior construction work shall be permitted only after 7:00 o'clock a.m. and before 9:00 o'clock p.m.

No repair work, dismantling or assembling of motor vehicles or of any other machinery or equipment shall be permitted in any street, driveway or yard adjacent to a street, or in the common

areas, other than of a temporary nature, but in no event for a period greater than twenty-four (24) hours. No automobiles or other vehicles shall be placed or maintained on blocks even on a temporary basis. Automobiles or other vehicles which are determined to be in violation of this paragraph shall be subject to towaway and the Board of Trustees of LAKEWOOD FOREST FUND, INC., its agents or employees shall be relieved of all liability in taking such action. The Board may also seek all legal remedies permitted by law, including injunctive relief.

The operation of dirt bikes, three wheel vehicles, go-carts or similar vehicles is strictly prohibited and shall not be permitted in the Subdivision, and the operation of such vehicle shall constitute a nuisance per se.

Section 25. Obstruction of Common Area. There shall be no obstruction of the common area. Nothing shall be stored in the common area without the prior written consent of the Board of Trustees of LAKEWOOD FOREST FUND, INC. Nothing shall be done or kept in the common area which will increase the rate of insurance on the common area, without the prior written consent of the Board of Trustees of LAKEWOOD FOREST FUND, INC. No Lot Owner shall permit anything to be done or kept in the common area which will result in the cancellation of insurance for any part of the common area, or which would be in violation of law. No waste shall be placed in or on the common areas.

Section 26. Repair of Damaged or Destroyed Property. The following restrictions shall apply to damaged or destroyed houses and other structures:

- (a) In the event of damage or destruction by fire or other casualty of any house or any other structure covered by insurance written in the name of an individual Owner or builder, said Owner or builder shall, with the concurrence of the mortgagee, if any, upon receipt of the insurance proceeds, contract to repair or rebuild such damaged or destroyed portions of such house or other property in a good workmanlike manner in conformance with the original plans and specifications of said house or in a manner approved by the Architectural Control Committee. If, for any reason whatsoever, such Owner shall refuse or fail to so contract to repair and rebuild any or all of the damage to such house or other property within thirty (30) days from the date of his receipt of the insurance proceeds, regardless of whether or not the insurance proceeds are sufficient to pay all costs of repair and restoration, or shall fail to complete the said repairs or rebuilding within one hundred eighty (180) days from the receipt of the insurance proceeds, the Board of Trustees of LAKEWOOD FOREST FUND, INC., by and through its Board of Trustees, is hereby irrevocably authorized by such Owner to repair and rebuild any such house or other property in a good and workmanlike manner in conformance with the original plans and specifications or in a manner approved by the Architectural Control Committee. The Owner shall then promptly repay the LAKEWOOD FOREST FUND, INC. the amount actually expended for such repairs plus interest thereon at the rate of eighteen percent (18%) per annum or the maximum rate of interest allowed by law, and the LAKEWOOD FOREST FUND, INC. shall have a lien securing payment of said amount and the property shall be subject to foreclosure as herein provided. The provisions of this paragraph shall create a right, but not a duty or obligation to perform such repairs or rebuilding on the part of the Board of Trustees of the LAKEWOOD FOREST FUND, INC.
- (b) In the case of a residence or other structure being completely destroyed beyond repair, the house or other structure shall be reduced to the slab and all debris and remainder of the structure shall be removed within a reasonable time not to exceed ninety (90) days from date of the destruction. The Board of Trustees of the FUND shall also be authorized, but not required, to have the slab removed.

Section 27. Vehicles and Vehicle Parking. No motor homes, boats, trucks, campers, boat rigging, boat trailers, house trailers, mobile homes, truck cabs, detached camper tops, recreational vehicles (RVs), commercial vehicles, any vehicle with commercial logos or signs, any inoperative vehicle, any self-propelled or towable equipment or machine, automobile, vans or other vehicle shall be stored, parked or kept on any Lot unless they are placed and parked in the garage of the homeowner with the garage door completely closed or unless they are only temporarily (for a period not to exceed six hours) parked or placed on the driveway no closer to the street than the building front setback line as shown on the recorded plat of the Subdivision. It is the intent of this section that no such vehicles shall ever be parked on any street or driveway or other portion of the Lot exposed to public view, except for temporary parking incident to the contemporary use of such vehicle, nor shall same be left parked on any Lot unless parked inside the garage or otherwise obscured from general view by some type of screening or fencing approved by the Board of Trustees of LAKEWOOD FOREST FUND, INC., and this section shall be strictly construed for that purpose. No inoperative vehicle (inoperative being defined as not in running or useable condition) may be parked or stored on any Lot or in any street at any time unless stored in a garage. The parking of any automobile vehicle or other vehicle on road shoulders or on the streets bordering any Lot either overnight or for a period longer than six hours is strictly prohibited. No vehicle of any type shall be permitted to park on unpaved surfaces, such as yards, of any Lot at any time.

Mobile homes shall be prohibited on any Lot, whether or not the wheels are attached.

No vehicle of the Lot Owner, his family, guests and invitees, shall be parked on streets or driveways so as to obstruct ingress and egress by the owners of other Lots, their families, guests and invitees except for the reasonable needs of emergency. No vehicle may be parked so as to obstruct postal delivery or to constitute a safety or traffic hazard.

At no times shall any house trailer, or any truck, trailer or commercial vehicles having a rated load capacity in excess of one (1) ton, ever be parked overnight or stored on any residential Lot nor shall any such house trailer, etc., be parked on any street in the Subdivision at any time other than as may be reasonably required incident to construction work on or delivery or pickup of goods, wares, property or materials from a Lot in the Subdivision.

In those cases in which there are not sufficient parking spaces in the garage for all vehicles owned by the Lot Owners and the members of his family actually residing on the Lot, automobiles may be parked on the driveway of the Lot no closer to the street than the building front setback line or side setback line for corner lots as shown on the recorded plat of the Subdivision. The number of available parking spaces in the garage shall be determined by the provisions of section 7 of this Article. The exception contained in this paragraph as to automobiles shall not apply to other vehicles, trailers, campers, boats, etc., enumerated in the first paragraph of this section.

Section 28. Brick Walls and Entrances. Brick walls, entrance esplanades or entrance signs when built by the Developer shall become the property of the LAKEWOOD FOREST FUND, INC., and an easement to maintain said brick walls is hereby retained for the purpose of maintenance. Said walls shall not be altered, replaced or repaired without approval of the Board of Trustees of LAKEWOOD FOREST FUND, INC. No structures or other objects may be attached to or placed on such brick walls, entrance esplanades or entrance signs without the prior written approval of the Board of Trustees of LAKEWOOD FOREST FUND, INC., and the Board shall be vested with authority to remove, without any liability to the Lot Owner, any structures or objects deemed by the Board to be in violation of this section.

Section 29. Nondiscrimination. No action shall at any time be taken by the Board of Trustees of LAKEWOOD FOREST FUND, INC. which in any manner would discriminate against any Lot Owner or Owners in favor of any other Lot Owners.

ARTICLE IV

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Duties of Architectural Control Committee. No building, fence, wall, driveways, sidewalks, swimming pool, gazebo, structural flag pole, satellite dish, windmill, solar panel or any other structures or other improvements shall be commenced, erected, or maintained upon any Lot, nor shall any exterior addition to or change or alteration thereon be made to any residential building site or Lot, until the construction plans, specifications and drawings (showing the front elevation) have been approved by the Architectural Control Committee. Prior to the pouring of the slab, and after the forming, a slab survey shall be supplied to the Committee as to use, quality of workmanship and materials, as to conformity in harmony with the exterior design of the existing structures in Lakewood Forest, and as to location of building and improvements with respect to topography and finished grade elevation.

The person or entity seeking a variance or other proposed action shall first submit to the Committee a preliminary site plan showing all uses and dimensions of the proposed building, structure or other improvement in relation to other structures on the Lot and on adjoining Lots or properties and any other details which the Committee may require. After the preliminary site plan has been approved (with or without modifications or conditions) by the Committee, the final working plans and specifications for the work shown on the preliminary site plan and schematic plan shall then be submitted to the Committee. The Committee shall examine the final working plans and specifications to determine whether they fully comply with these covenants and whether the proposed structure, building or other improvement is in harmony of external design and location in relation to property lines, building lines, easements, grades, surrounding structures and topography.

The final working plans and specifications shall not be submitted to the Committee until the preliminary site plan and the schematic plan have been approved. The final working plans and specifications shall specify, in such form and under such requirements as the Committee may deem necessary, the structural, mechanical, electrical and plumbing details, and the nature, kind, shape, height, exterior color scheme, materials, and location of the proposed structure, building or improvement or alterations thereof. Without limitation of the powers herein granted, the Committee shall have the right to specify a limited number of acceptable exterior materials or finishes that may be used in the construction, alteration or repair of any improvements; the minimum setback lines; the location, height, and extent of fences, walls, or other screening devices; and the orientation of structures, buildings or other improvements with respect to streets and structures on adjacent properties or Lots. Any deviations from the final working plans and specifications, even after construction is commenced, must be approved by the Committee prior to completion of construction. The Committee, at its sole discretion, is hereby permitted to approve deviations in building area and location in instances where, in their sole judgment, such deviation will result in a more commonly beneficial use. Any approval or disapproval by the Committee of any matter herein required or permitted shall be in writing, and when approval is given, such written approval shall become a part of these restrictions. In granting such approval, the Committee may make that approval subject to the compliance with any modifications in the plans, specifications or drawing or upon other conditions required by the Committee, with such modifications or conditions to be specified in writing.

In considering the harmony of external design between existing structures and the proposed building being erected, or altered, the

Architectural Control Committee shall consider the general appearance of the proposed building as that can be determined from front, rear and side elevations on submitted plans. The Committee's objective is to prevent unusual, radical, uncommon, curious, odd, extraordinary, bizarre, peculiar or irregular designs or appearances from being built in the Subdivision. There shall be no review of any action of the Architectural Control Committee except by procedures for injunctive relief when such action is arbitrary or in bad faith; and under no circumstances shall such Committee or its members be subject to any suit by anyone for damages.

Section 2. Committee Membership. The Architectural Control Committee members shall be three (3) in number, and shall be appointed by the Board of Trustees of the FUND. Any approval or disapproval of any proposed variance or other matter requiring action by the Committee shall be in writing and signed by a majority of the Committee. A quorum of two members shall be required for any action. The FUND shall be vested with the power to promulgate rules and procedures for appointment of members to said Architectural Control Committee, and to determine their length of term on the Committee and grounds for their removal. There may not be more than two (2) members from any one (1) Section on the Committee.

Section 3. Replacement. In the event of death, removal, expiration of term or resignation of any member or members of said Committee, the Board of Trustees of the FUND shall appoint a successor member or members, and until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications and plot plans submitted. When by death, removal, expiration of term or resignation of members the Committee is reduced to only one member, the requirement of a quorum shall be suspended until the Board of Trustees of the FUND shall have appointed one or more successor member or members.

Section 4. Minimum Construction Standards. The Architectural Control Committee may from time to time promulgate an outline of minimum acceptable construction standards, provided, however, that such outline will serve as a minimum guideline and such Architectural Control Committee shall not be bound thereby.

Section 5. Variances. These restricted covenants contain certain provisions whereby the Architectural Control Committee is expressly granted the authority, in its discretion, to permit variances from the effect of a particular restricted covenant. The Architectural Control Committee may require the submission to it of such documents and items (including, as examples but without limitation, written requests for and descriptions of the variances requested, plans, specifications, plot plans and samples of material) as it shall deem appropriate, in connection with its consideration of a variance. If the Architectural Control Committee shall approve such request for a variance, the Architectural Control Committee may evidence such approval and grant its permission for such variance only by written instrument, addressed to the owner of the Lot(s) relative to which such variance has been requested, expressing the decision of the Architectural Control Committee to permit the variance, describing the applicable restricted covenant(s) and the particular variance requested, expressing the decision of the Architectural Control Committee to permit the variance describing with applicable conditions on which the variance has been approved, and signed by a majority of the members of the Architectural Control Committee.

Any request for a variance shall be deemed to have been disapproved for the purpose hereof in the event that either: (a) written notice of disapproval is sent from the Architectural Control Committee; or (b) failure by the Architectural Control Committee to approve the request for the variance. In the event that the Architectural Control Committee or any successor to the authority thereof shall not then be functioning, and/or the term of the Architectural Control Committee shall have expired and the FUND shall not have appointed a successor to the authority thereof as

herein provided, no variances from the covenants of this restrictive covenant shall be permitted, it being the intention that no variance be available except in the discretion of the Architectural Control Committee in the manner provided herein. The Architectural Control Committee shall have no authority to approve any variances except as provided herein.

Section 6. Notice and Hearing Requirements. The Architectural Control Committee shall give written notice of any proposed or requested variance or other matter contained in section 1 of this Article to the Owners of all Lots adjoining the Lot or Lots on which the variance or other action will affect and to all other persons deemed by the Committee to be affected thereby. Notice shall also be given to the Board of Trustees of the FUND. Such notice required by this section shall be given after the final working plans and specifications have been given to the Committee by the person or entity seeking the variance or other proposed action, with such notice to be mailed within ten (10) days of the date that such plans and specifications are submitted to the Committee.

Any Owner of a Lot or other person or entity receiving such notice shall have the right to examine all pertinent information, plans and documents and to request a hearing before the Committee to present evidence and arguments in support, opposition or modification of the variance or other proposed action. Upon request by any Owner of a Lot or other person or entity affected, which request must be made in writing within ten (10) days of the receipt of the notice, the Committee shall hold such hearing within thirty (30) days of the date of the request for such hearing. In the event that more than one request for hearing is timely filed, the earliest request received by the Committee shall be used in determining the timetable for the hearing. The Committee shall provide written notice of the time, date and place of the hearing to the person(s) requesting the variance or other action, to all Owners of Lots entitled to notice under the provisions of this section, to all persons who have filed a written request for hearing and to the Board of Trustees of the FUND. Such notice of hearing shall be mailed by the Committee at least ten (10) days prior to the hearing.

The Committee shall render a decision within ten (10) days after the conclusion of the hearing required by this section. If the Committee fails to give written approval or disapproval within thirty (30) days after the final working plans and specifications have been submitted to it if no hearing has been requested, or within ten (10) days after the conclusion of the hearing if one has been requested, the person seeking the variance or other action or any other person affected by the variance or proposed action may file a written request with the Board of Trustees of the FUND to require the Committee to take action. The Board shall forthwith issue a directive to the Committee to act on the matter. The Committee shall act upon the proposed variance or other action within ten (10) days of the date that the written request to the Board is filed with the Board. If the Committee fails to act within such time, the FUND shall either approve or disapprove the variance or other action. The failure of the Committee to comply strictly with the requirements of this section shall not be deemed as approval of the proposed variance or other action as it is the intent of this Article that no variance or other action shall be commenced without first obtaining the written approval of the Committee.

The person(s) or entity seeking the proposed action or variance shall have the burden to show that good cause exists for approving the proposed action and/or granting the variance and that the proposed action or variance will result in a more commonly beneficial use.

The decision of the Committee on any matter contained within this Article shall be final. It shall be a prerequisite to the bringing of any legal action that the requirements of this Article be strictly adhered to by the person seeking such legal action.

Any variance or other matters required to be acted upon by the Committee pursuant to this Article shall not be effective until the Committee has approved such variance or action in writing pursuant to the requirements of this Article. The FUND shall be vested with the authority to enjoin any such variances or matters to ensure that the requirements of this Article are complied with and to seek injunctive relief, even after commencement or completion of construction of any structure, building or other improvement requiring approval under this Article, if the requirements or procedures of this Article are not complied with by the person(s) or entities commencing or completing such construction.

The mailing address of the Architectural Control Committee shall be the same as the LAKEWOOD FOREST FUND, INC., (as specified in Article IX, section 1), and the manner of notice and computation of time periods shall be governed by Article IX, sections 8 and 9.

All plans, requests for variance or other action, requests for hearings, notices, any approvals or disapprovals, and any other written action taken under this Article shall be maintained in the permanent records of the offices of the LAKEWOOD FOREST FUND, INC.

The Architectural Control Committee shall be a committee of the LAKEWOOD FOREST FUND, INC. and not a separate entity. The Committee shall make its recommendations to the FUND and the ultimate approval or disapproval shall be made by the FUND.

ARTICLE V

LAKEWOOD FOREST FUND, INC.

Section 1. Membership. Every record Owner of a Lot in the Subdivision shall be a member of the LAKEWOOD FOREST FUND, INC. Membership shall be appurtenant to and may not be separated from the ownership of the Lot. Ownership of such Lots shall be the sole qualification for membership. Developer(s), as defined elsewhere in this Declaration, shall also be members.

Section 2. Voting Rights. All members shall be entitled to one vote for each Lot in the Subdivision in which they hold the interest required for membership provided in section 1 above. When more than one person or entity holds such interest in any Lot, all such persons or entities shall be members. The vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot.

Section 3. Nonprofit Corporation. A nonprofit corporation entitled LAKEWOOD FOREST FUND, INC., has been organized and duly incorporated; and all duties, obligations, benefits, liens, and rights hereunder shall vest in said corporation.

Section 4. Bylaws. The LAKEWOOD FOREST FUND, INC. may make whatever rules or bylaws it may choose to govern the organization, provided that same are not in conflict with the terms and provisions hereof.

Section 5. Inspection of Records. The members of the LAKEWOOD FOREST FUND, INC. shall have the right to inspect the books and records of the FUND at reasonable times during normal business hours.

Section 6. Maintenance Fund. The LAKEWOOD FOREST FUND, INC. shall have all duties, obligations, benefits, liens and rights enumerated in Article VI, regarding Covenants for Regular, Annual Assessments; and said FUND shall have the authority to collect all regular, annual assessments and to disburse the funds derived therefrom for the purposes enumerated in section 2 of Article VI.

Section 7. Standing. The LAKEWOOD FOREST FUND, INC. shall have legal standing to bring any actions either at law or in equity

for purposes of collecting the regular, annual assessments; enforcing any and all covenants, conditions, restrictions, or other rights granted under this Declaration; to enforce any other rights, obligations, benefits, or liens created in this Declaration; to seek injunctive relief for violations of these restricted covenants; to seek monetary damages, attorney fees, costs and interest as provided in this Declaration; to foreclose on any liens or Vendor's Liens as provided in this Declaration; and to take any other action necessary or proper to protect and defend any duties, obligations, benefits, liens and rights conferred herein.

ARTICLE VI

COVENANTS FOR REGULAR, ANNUAL ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Lot in the Subdivision is hereby severally subject to, and each Owner of any Lot in the Subdivision, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the LAKEWOOD FOREST FUND, INC. the following charges and assessments which shall run with the land and be in the same and equal amount for each Lot in the properties: to wit, a regular annual maintenance assessment in the amount per annum specified, and subject to increase or decrease as provided in section 3 below.

Such assessments shall be established and collected as herein-after provided and shall constitute the proceeds of a fund (hereinafter called "the maintenance fund") to be used for the purposes hereinafter provided. Such regular annual maintenance assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot 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 of the person who was the Owner of such Lot at the time when the assessment became due, but such personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

The lien created herein shall bind such Lot in the hands of the Owner, and his heirs, devisees, personal representatives, assigns and successors. The aforesaid lien shall be superior to all other liens and charges against the Lot, except only for tax liens and all sums unpaid on a first mortgage lien or first deed of trust lien of record, securing in either instance sums borrowed for the improvement of the Lot in question. The Board of Trustees of the FUND shall have the power to subordinate the aforesaid lien to any other lien.

Section 2. Purpose of Assessments. The maintenance fund shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Subdivision, and the Board of Trustees of LAKEWOOD FOREST FUND, INC. shall use the proceeds of said maintenance fund for the use and benefit of all residents of the Subdivision. The uses and benefits to be provided by said FUND shall include, by way of example but without limitation, at its sole option, any and all of the following: maintaining parkways, rights-of-way, vacant lots, easements and esplanades; furnishing and maintaining landscaping, lighting and beautification of the properties; payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions, and conditions affecting the properties to which the maintenance fund applies; payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment; employing police officers and watchmen; fogging, cleaning streets, and collection of refuse; to pay the expenses for all utilities or services furnished to the Common Properties and Common Facilities in the Subdivision; to pay the expenses for the maintenance, repair, care, upkeep, beautification, protection, taxes, insurance, replacement, reconstruction, management, supervision and operation

of or for the Common Properties and Common Facilities in the Sub-division; to pay for capital improvements to such Common Properties and Common Facilities; and doing such other things and taking such other actions as are necessary or desirable in the opinion of the Board of Trustees of LAKEWOOD FOREST FUND, INC. to keep the properties and the Subdivision neat and in good order, or which is considered of general benefit to the Owners or occupants of the Lots in the Subdivision, it being understood that the judgment of the Board of Trustees of LAKEWOOD FOREST FUND, INC. in the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 3. Maintenance Fund; Maximum Regular Annual Assessment. Each Lot shall be subject to an annual maintenance charge for the purpose of creating a fund to be known as LAKEWOOD FOREST FUND, INC., and which maintenance fund charge shall be paid by the Owner of each Lot in conjunction with like charges to be paid by all other Lot Owners, except as noted below. The maintenance charge is hereby initially set at \$295.00 per year for a user or \$195.00 per year for a legitimate builder. Such maintenance charge may be adjusted by LAKEWOOD FOREST FUND, INC. from year to year as the needs of the property may, in its judgment, require, but in no event shall such maintenance charge increase by more than ten percent (10%) over the maintenance charge of the previous year.

From and after January 1, 1988, the maximum annual assessment per Lot may be adjusted to more clearly reflect the true costs and anticipated economic conditions affecting the Subdivision, and the Board of Trustees of LAKEWOOD FOREST FUND, INC. may, by a majority vote of a quorum of members, increase the annual assessment by not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the Lot Owners. The Board of Trustees of the LAKEWOOD FOREST FUND, INC. may, after consideration of current maintenance costs and future needs of the LAKEWOOD FOREST FUND, INC., fix the actual assessment for any one year at a lesser amount than specified herein, but such rate shall not constitute a waiver by the Board of Trustees of LAKEWOOD FOREST FUND, INC. of its right to revert to the full assessment for future years.

A "user" shall be defined as a Lot Owner, other than the Developer. A Developer shall be exempt from the maintenance fee as to undeveloped lots. A "builder" shall be defined as a builder of homes who is registered with a recognized builder's association, or is otherwise in the business of building homes. The determination by the Board of Trustees as to whether the builder qualifies under the provisions of the Section shall be final and conclusive so long as said determination is exercised in good faith. The assessment for a builder shall begin at the time the Lot is first taken down by the initial builder. The user rate of assessment shall become applicable when (1) the Lot is conveyed by the builder or developer to a "user", as defined herein, or (2) the builder has (a) substantially completed the residence and (b) leased the residence under a lease or rental agreement, contract for deed or other conveyance.

This maintenance charge shall become applicable to each Lot after said Lot is conveyed to a builder or user and shall be secured by a Vendor's Lien on each Lot as and when conveyed. Should the ownership of a Lot change during the calendar year, the maintenance charge shall be prorated accordingly. If it becomes necessary to turn the collection of the maintenance charge over to an attorney, then in that event the Lot Owner will be liable for reasonable attorney's fees and costs incurred. Such maintenance charge shall be paid annually on the first day of January of each year in advance. All past due maintenance charges shall bear interest from their due date at the rate stated in section 6 hereof. Appropriate recitations with respect to the maintenance fund and the reservation of the Vendor's Lien shall be included in each contract of sale and/or deed executed and delivered by Mac-Carey Properties, Inc., any builder, any developer, and/or any Lot Owner with respect to each Lot. The failure to include such recitations in the contract of sale and/or deed shall not affect the validity of the Vendor's Lien.

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During or before October of each year, the LAKEWOOD FOREST FUND, INC. shall hold a meeting for the Lot Owners for the purpose of reviewing the proposed budget for the next calendar year and seeking guidance and input from the Lot Owners. The provisions of this section pertaining to the maintenance charge and the disposition of the funds collected may be changed by the Owners of a majority of Lots in all Sections of Lakewood Forest even if a majority of the Lot Owners within a particular Section do not approve the changes. Any said changes to these provisions shall become effective on January 1 of any successive one (1) year period thereafter by executing and acknowledging an appropriate agreement or agreements in writing for such purpose and filing the same for record in the Office of the County Clerk of Harris County, Texas, at any time prior to January 1 of the year the charges are to become effective.

The maintenance charge provided in this section shall be effective during the full term of this Declaration, unless changed as provided herein, in which event the maintenance charge, as changed from time to time, pursuant to the provisions of this section, shall be effective during the full term of this Declaration.

Section 4. Date of Commencement of Annual Assessments; Due Dates. The annual assessment period shall run from January 1 through December 31 of each year. The Board of Trustees of LAKEWOOD FOREST FUND, INC. shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice, by regular mail, of the annual assessment shall be sent to each Lot Owner at the direction of the Board of Trustees of LAKEWOOD FOREST FUND, INC. The Board of Trustees of LAKEWOOD FOREST FUND, INC. shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the LAKEWOOD FOREST FUND, INC. setting forth whether the assessments on a specified Lot have been paid.

Section 5. Effect of Nonpayment of Assessments; Remedies of the LAKEWOOD FOREST FUND, INC. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of up to a maximum of eighteen percent (18%) per annum or the maximum rate of interest allowed by law, in the discretion of the Board of Trustees of LAKEWOOD FOREST FUND, INC., provided that the rate of interest is uniform as to all Lots. The Board of Trustees of LAKEWOOD FOREST FUND, INC. shall set the applicable rate of interest by the 31st day of December of each year for the coming calendar year. The Board of Trustees of LAKEWOOD FOREST FUND, INC. may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien created hereby against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot.

To evidence the aforesaid assessment lien, the FUND shall prepare a written notice of assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Such notice shall be signed by one of the Trustees of the FUND and shall be recorded in the office of the County Clerk of Harris County, Texas. Such lien for payment of assessments shall attach with the priority above set forth from the date that such payment becomes delinquent set forth in this Article and may be enforced by the foreclosure of the defaulting Owner's Lot by the FUND in like manner as a mortgage on real property subsequent to the recording of a notice of assessment lien as provided above, or the FUND may institute suit against the Owner personally obligated to pay the assessment and/or for foreclosure of the aforesaid lien judicially. In any foreclosure proceeding, whether judicial or nonjudicial, the Owner shall be required to pay the costs, expenses and reasonable attorney's fees as provided in this Article.

Section 6. Subordination of Lien to Mortgage and Escrow of Annual Assessments. The lien for the assessment provided for herein, as it applies to any lot, shall be second, subordinate and

inferior to all liens granted or created at the request of the Owner of any Lot to secure payment of monies advanced or to be advanced on account of the purchase price and/or the improvement of any such Lot; provided, however, as a condition precedent to such subordination, the holder of such mortgage shall escrow sufficient funds, on a monthly basis, in the same manner that property taxes are escrowed, from the account of the Lot Owner, with said amount escrowed monthly to equal the amount of the annual assessment required herein divided by twelve. The holder of the mortgage shall timely pay said annual maintenance fees from said escrow account to the LAKEWOOD FOREST FUND, INC., when due, and prior to delinquency, on an annual basis, as stated in this Article VI, and shall be subject to the provisions of Section 3 hereof, providing for amendments of the annual assessment fees. Neither the failure of the holder of the mortgage to escrow funds, as required herein, nor the sale or transfer of the Lot shall relieve the Owner of such Lot from liability for any assessments theretofore having become due on such Lot from the lien thereof.

Section 7. Vendors Lien. It is expressly agreed that each Lot Owner, by virtue of his ownership of the Lot, possesses a percentage ownership of the common elements, common areas and common facilities of the Subdivision. The percentage ownership shall be determined by dividing the common elements, common areas and common facilities by the total number of Record Owners. Each signatory to this instrument and every Lot Owner in the Subdivision further acknowledges that part of the purchase price of his Lot includes a percentage ownership of the common elements, common areas and common facilities and the further consideration of the services to be performed by the FUND, including, but not limited to, the providing of garbage collection, street lights, contract police services and other services which were material to the purchase of the Lot in the Subdivision. Each signatory and each Lot Owner contractually agrees to the assessment of fees, and Vendors Liens securing same, provided for in this Article, and further contractually agrees that said Lien, if not sooner paid, or not foreclosed upon either by judicial or nonjudicial proceedings, shall be paid at the closing on the sale of the Lot burdened by such Lien.

ARTICLE VII

EASEMENTS

Section 1. The Developer, its assigns and successors, shall have the right to construct, erect and maintain over, along, upon and under the several streets, drives, lanes, roads, easements in reserve areas, as shown on the subdivision plat, wires, poles for the purpose of constructing and maintaining a system of television cable, electric lights, power, telegraph and telephone lines and connections; and to construct, lay and maintain along, in and under any and all such streets, lanes, drives, roads, easements in reserve areas, all pipe, conduits, valves and other necessary and proper equipment for the construction of systems of drainage, sewage and water supply (retaining also the right to grant or deny to areas beyond said subdivision connection, privileges on said drainage, sewage or water systems), gas, light and power, telegraph and telephone service and other utilities to the Subdivision and the Lot Owners therein; and for all other purposes incident to the development and use of said property as a community unit in a subdivision.

Section 2. It is agreed and understood that the title conveyed to any Lot or parcel of land in said Subdivision by contract, deed or other conveyance shall not in any event be held or construed to include the title to the water, gas, sewer, electric light, electric power, television cable or telegraph or telephone lines, poles or conduits or any other utility or appurtenances thereto, constructed by Developer, its assigns or successors, or by any public utility companies through, along or upon any portion of

any public utility companies through, along or upon any portion of the here and above mentioned streets, drives, lanes, roads, easements, reserve areas, and the right to maintain, repair, sell or lease such lines, utilities and appurtenances is hereby expressly reserved by Developer, its assigns and successors.

Section 3. Brick walls or entrances, when built by Developer, shall become the property of the LAKEWOOD FOREST FUND, INC., and an easement to maintain said brick wall is hereby retained for the purpose of maintenance. Said wall shall not be altered, replaced or repaired without approval of the LAKEWOOD FOREST FUND, INC. It is expressly agreed and understood that the title conveyed to any Lot or parcel of land in said Subdivision by contract, deed or other conveyance shall not in any event be held or construed to include title to the brick wall above described.

Section 4. There are dedicated and reserved permanent and unobstructed easements as shown on the recorded plat of Lakewood Forest Subdivision across certain designated portions of various of the Lots therein upon, under and through which to construct and maintain water, telephone and electric light services and other public utilities, which said easement shall be a burden and charge against such Lot or Lots in Lakewood Forest Subdivision by whomsoever owned, and there is also dedicated and reserved an unobstructed aerial easement for utilities five feet (5') wide and from a plane twenty feet (20') above the ground upward located adjacent to all easements shown on the above described or mentioned recorded plat. There is also dedicated and reserved to the LAKEWOOD FOREST FUND, INC. a permanent and unobstructed easement on the streets of the Subdivision for purposes of enforcing the provisions of Article III, section 27, herein.

Section 5. No utility company, water district or other authorized entity or political subdivision, using the easements herein referred to shall be liable for any damage done by them or their assigns, agents, employees or servants, to shrubbery, trees, flowers or other property of the Owner of the Lot situated on the land covered by said easement. Further, as referenced heretofore, an easement is hereby granted to the LAKEWOOD FOREST FUND, INC., its officers, agents, employees and to any management company selected by the Board of Trustees of the LAKEWOOD FOREST FUND, INC. to enter in or to cross over the common area in any Lot to perform the duties of maintenance and repair of the residency or common area provided for herein.

Section 6. Notwithstanding anything to the contrary contained in this Article, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Properties except as initially programmed or thereafter approved by the Developer. Should any utility furnishing a specific service covered by the general easement herein provided request a specific easement by separate recordable document, the Developer shall have the right to grant such easement without conflicting with the terms hereof.

Section 7. As to Lots in the common area adjoining Lots with improvements situated on the zero setback line, said Lots shall be subject to a three foot (3') access easement for the construction, repair and maintenance of improvements located upon any adjacent Lot where said improvements are located on the zero setback line of the adjacent Lot. The zero setback line Owner must replace any fencing, landscaping or other items on the adjoining Lot that he may disturb during such construction, repair or maintenance. Additionally, this easement, when used, must be left clean and unobstructed unless the easement is actively being utilized, and any items removed must be replaced. The zero setback line Owner must notify the Owner of the adjacent Lot of his intent to do any construction or maintenance upon the zero setback line wall at least twenty-four (24) hours before any work is started, with the hours that such access easement may be utilized being restricted to between the hours of 8:00 o'clock a.m. to 5:00 o'clock p.m. Monday through Friday and 9:00 o'clock a.m. to 6:00 o'clock p.m. on Saturdays.

Section 8. It is the intent of this Declaration that all easements, exceptions and reservations contained on any recorded plats of any Section(s) of the Subdivision shall remain in full force and effect and all such easements, exceptions and reservations are incorporated herein for all purposes as if set forth herein verbatim.

Section 9. The easements provided for in this Article shall in no way affect any of the recorded easements in Lakewood Forest Subdivision.

ARTICLE VIII

UNDERGROUND ELECTRICAL SYSTEM

Section 1. Underground Electrical Distribution System. An underground electrical distribution system will be installed in those parts of the Properties, designated Underground Residential Subdivision. The Owner of each Lot in the Underground Residential Subdivision shall, at his own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electric Code) the underground service cable and appurtenances from the point of the electrical company's metering on customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electrical company at a point designated by such company at the property line of each Lot. The electrical company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition, the Owner of each Lot shall, at his own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the electrical company furnishing service) for the location and installation of the meter of such electrical company for the residence constructed on such Owner's Lot. For so long as underground service is maintained, the electrical service to each Lot in the Underground Residential Subdivision, shall be uniform in character and exclusively of the type known as a single phase, 120/240 volt, three wire, 60 cycle, alternating current.

Section 2. Use of Easements. Easements for underground utility services may be crossed by driveways and walkways provided prior arrangements have been made with the utility furnishing service. Such easements for underground services shall be kept clean of all other improvements, including buildings, patios, or other pavings, other than crossing walkways or driveways, and no utility company using the easements shall be liable for any damage done by them or their assigns, their agents, employees or servants to shrubbery, trees, flowers or other improvements of the Owner located on the land covered by said easements.

Section 3. The restrictions and covenants contained in this Article shall be applicable to all Sections of the Subdivision, designated as Underground Residential Subdivision, which shall include, but not be limited to, Sections 12 and 14 and Lakewood Forest Patio Homes, Section One and Section Two, of Lakewood Forest Subdivision.

Section 4. No provision of sections 1, 2 or 3 contained in this Article (the text of which is prescribed by the electric company) shall in any manner operate or be construed to permit the construction on any Lot of any type of residential structure other than a single family residence as provided in Article III. The easements and provisions stated in this Article shall in no way affect any of the recorded easements on any of the Properties and/or Lots of the Subdivision, except as expressly provided herein.

NOTICE REQUIREMENTS; MANAGEMENT AGREEMENTS; LEASES AND DELEGATIONS

Section 1. Notice to LAKEWOOD FOREST FUND, INC. Any Owner who mortgages his property, conveys his interest in his property by deed, contract for deed, lease, rental agreement or other conveyance, shall give notice to the LAKEWOOD FOREST FUND, INC., giving the name and address of the mortgagee, grantee, contract purchaser, lessee, or renter, as the case may be. The FUND shall maintain such information in its permanent records. It shall be the responsibility of the Lot Owner to notify the FUND of the proper name and address of the current Owner, and unless such notification is received all correspondence and billings shall be sent to the name and address contained in the last entry on the rolls of the FUND for that Lot. Such notification shall be deemed sufficient for all notification purposes. Should any Owner lease and/or rent and/or contract to deed his property, said Owner shall notify the FUND of his current address (including a complete street address, any apartment number or other designations, and the complete zip code) and shall promptly notify the FUND of any subsequent changes of address. Such notification to the FUND of a new address and/or any changes of address shall be made within ten days of the date that the new address is acquired and shall be by written communication to the FUND. Any notice or other written communication required in this Declaration to be sent to a Lot Owner may be sent to the last known address of the Lot Owner, and such notification shall be deemed sufficient for all notification purposes. Should there be any action requiring a vote or assent of the Lot Owners, and the Lot Owner has failed to provide the notifications required by this section, then the FUND need only exercise reasonable diligence to locate the Owner. The burden of showing lack of reasonable diligence shall be upon the Lot Owner. The mailing address for the LAKEWOOD FOREST FUND, INC. shall be 12415 Louetta Road, Cypress, Texas 77429, or such other address as the FUND shall so designate in writing to the Lot Owner(s).

Section 2. Notice of Default. The FUND shall notify a first mortgagee in writing, upon request of such mortgagee, of any default by the mortgagor in the performance of such mortgagor's obligations as set forth in this Declaration, and which default had not been cured within thirty days.

Section 3. Examination of Books. The FUND shall permit record owners of lots herein to examine the books and records of the FUND during normal business hours and/or by appointment.

Section 4. Reserve Fund. The FUND shall establish an adequate reserve fund for the replacement of the common area property and any other fixed assets owned by the FUND, and shall fund the same by regular payments rather than by special assessments.

Section 5. Delegation of Owners' Use of Common Areas. Any Owner may delegate, in accordance with bylaws of the FUND, his right of enjoyment to the common areas and facilities to the members of his family, his tenants, or contract purchasers who reside on the property. No such delegation shall work a severance of the rights of enjoyment of the common areas and facilities from the ownership of a Lot, and any such delegation by any Owner shall automatically terminate upon conveyance of legal title to such Lot by said Owner.

Section 6. Leases and Rental Agreements. All leases and/or rental agreements and/or contract for deed of any dwellings or other structures on any Lot must: (1) be in writing, (2) provide that all such leases and rental agreements or contract for deed are specifically subject in all respects to the provisions of this Declaration, the Articles of Incorporation of the FUND, and bylaws of the FUND, and (3) provide that any failure by the lessee or renter or contract purchaser to comply with the terms and conditions of the documents enumerated in (2) shall be a default under

such leases or rental agreements or contract purchaser. Additionally, each Lot Owner shall furnish his tenant(s) with a current copy of this Declaration and deed restrictions on or before the effective date of the lease or rental agreement. The failure of the Lot Owner to so furnish his tenant(s) with a current copy of this Declaration shall in no way relieve either the Lot Owner or the tenant(s) from the duties, obligations, restrictions, conditions or provisions of this Declaration. All lessees and/or renters and/or contract purchasers of any Lot in the Subdivision shall be bound by the provisions of this Declaration even if the lessor and/or grantor fails to comply with the requirements in this section. Other than the foregoing, there shall be no restriction on the right of any Owner to lease his property in a manner consistent with the provisions of this Declaration.

Section 7. Management Agreements. Any management agreement entered into by the LAKEWOOD FOREST FUND, INC. shall be terminable by the FUND for cause upon not more than sixty days written notice, and the term of such management agreement will not exceed the period of three years, renewable by agreement of the parties to such agreement for successive three-year periods.

Section 8. Manner of Notice. Every notice required under the provisions of this Declaration may be served by delivering a copy of the notice to the Lot Owner or other party entitled to receipt of the notice, or to his duly authorized agent, either in person or by certified mail to his last known address. Notice by mail shall be complete upon deposit of the notice, enclosed in a post paid, properly addressed envelope, in a post office or official depository under the care and custody of the United States Postal Service. Where a particular provision provides for notice by regular mail, such notice may be sent by regular mail under the same provisions as contained in the preceding sentence. Whenever a party has the right or is required to do some act within a prescribed period after the service of the notice upon him by mail, three days shall be added to the prescribed period. Nothing herein shall preclude any party from offering proof that the notice was not received, or, if the notice was sent by mail, that it was not received within three days from the date of deposit in a post office or official depository under the care and custody of the United States Postal Service. However, the burden of proof shall be upon the recipient of the notice to establish conclusively that such notice was not received or, was not received within three days from the date of mailing.

Section 9. Computation of Time Periods. In computing any period of time prescribed or allowed in this Declaration, the day of the act, event, or notice after which the designated period of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Saturday, Sunday or legal holiday, in which event the period runs until the end of the next day which is neither a Saturday, Sunday nor legal holiday. The date for any hearings prescribed by this Declaration shall also be computed by the provisions of this section.

ARTICLE X

GENERAL PROVISIONS

Section 1. Term and Amendment. The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and be binding on the LAKEWOOD FOREST FUND, INC., all signatories hereto and all Lot Owners in the Subdivision, their respective legal representatives, heirs, successors and assigns, for an initial term commencing on the effective date hereof and ending on the thirty-first (31st) day of December, 2020. The rights, uses, easements and privileges of the Lot Owners in and to the common areas as provided for herein shall be deemed to be covenants running with the land and shall be perpetual. During the initial term, the covenants and restrictions of this

Declaration may be changed or amended only by an instrument signed by the Record Owners of not less than seventy-five percent (75%) of the Lots in the "Approving Section(s)" of the Subdivision, and properly recorded in the appropriate records of Harris County, Texas. Upon the expiration of such initial term, said covenants and restrictions (if not previously amended, and as amended, if amended), and the enforcement rights relative thereto, shall be automatically extended for successive periods of ten years. During such ten-year extension periods, the covenants and restrictions to this Declaration may be changed or amended only by an instrument signed by the Record Owners of not less than seventy-five percent (75%) of all the Lots in the "Approving Section(s)" of the Subdivision, and properly recorded in the appropriate records of Harris County, Texas. Any amendment of this Declaration must be recorded in the Real Property Records of Harris County, Texas.

If a Lot is owned by joint Owners, there shall be only one vote cast for each such Lot and the approval of any one joint Owner shall be sufficient for the purpose of providing the required approval of this Declaration as to such Lot. Either husband or wife may provide the required approval in cases where such Lot is owned by married persons, but the signature of both husband and wife shall not be required. The signatures of the Lot Owner(s) need not be acknowledged or notarized. It shall be sufficient that the custodian of records of the LAKEWOOD FOREST FUND, INC. verify that the required number of Lot Owners approved the Declaration; that the signature sheets or cards are maintained and will be maintained in the permanent records of the FUND; and that the name of the Owners of the Lots approving this Declaration have been verified as being the Record Owners of such Lots. The Record Owner shall be such Owner or Owners having title to such Lot at the time the required approval is obtained as to that Lot. After a Lot Owner approves and signs the Declaration, the fact that the Owner subsequently conveys the Lot shall not affect the validity of the previous signing of the Declaration, and further approval as to that Lot shall not be required. Where a Record Owner (such as a builder or developer) owns more than one Lot, his signature on the Declaration shall constitute approval as to all Lots owned by him in the Subdivision.

For Amendment purposes, the "Approving Sections" shall be treated as if they were one Section such that the combined approval of seventy-five percent (75%) of the Record Owners in such "Approving Section(s)" shall be required. It shall not be required that the approval of seventy-five percent (75%) of the Record Owners on a Section by Section basis be obtained.

Following any such Amendment, every reference herein to this Declaration shall be held and construed to be a reference to this Declaration as so amended.

It is the intent of this section that all restrictions, covenants, conditions, easements, exceptions, reservations and each and every term and provision of this Declaration shall be perpetual unless amended or terminated in the manner provided in this section.

Section 2. Enforcement. Upon any violation or attempt to violate any of the covenants herein, it shall be lawful for the LAKEWOOD FOREST FUND, INC., or any other Owner to prosecute any proceeding at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from doing so or to recover damages or other dues for such violations. The Board of Trustees of LAKEWOOD FOREST FUND, INC. or any Lot Owner shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. It is expressly provided that the LAKEWOOD FOREST FUND, INC. shall have standing to bring any action to enforce, by any proceeding at law or in equity, the restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration.

In the event of any violation or attempted violation of any of the terms or provisions of this Declaration, enforcement of the terms and provisions shall be authorized by any proceedings at law or in equity against any person or persons so violating or attempting to violate any of the provisions hereof, including by means of actions to restrain or prevent such violations or attempted violation by injunction, prohibitive or mandatory, and it shall not be a prerequisite to the granting of such injunction that there shall be an inadequate remedy at law or that there shall be any showing of irreparable harm or damage if such injunction is not granted. It shall be stipulated in any such legal action for injunctive relief that there is no adequate remedy at law and that irreparable harm or damage will result if the injunction is not granted. In addition, any person entitled to endorse the provisions hereof may recover such damages, either actual or punitive, as such person may show himself justly entitled by reason of such violation of the terms and provisions hereof.

Failure or delay by the Board of Trustees of the LAKEWOOD FOREST FUND, INC. or by any Owner or by any other person or entity having any rights herein to enforce any covenant or restriction hereof shall not be construed to constitute a waiver of the right to thereafter enforce such provision or any other provision hereof. Such failure or delay of any such party shall not be considered as a basis for estoppel either in equity or at law. Such parties may exercise their rights herein despite said delay or failure to enforce said terms and provisions hereof on a prior occasion.

Section 3. Severability. In the event that any of the provisions hereof, or any portion thereof, shall become or be held to be invalid, whether by judicial decision or otherwise, such invalidity shall not affect, alter or impair any other provision hereof that was not so declared invalid, and such other provisions shall be and remain in full force and effect in accordance with the terms hereof.

Section 4. Annexation. Additional lands may become subject to the scheme of this Declaration in the following manner:

- (A) with the written consent of one hundred percent (100%) of the property owners in the area to be annexed and with the unanimous approval of the Board of Trustees of the LAKEWOOD FOREST FUND, INC.; and
- (b) the execution and filing for record by the owner of the property being added or annexed of an instrument which shall be called "Articles of Annexation" which shall at least set out and provide in substance: the name of the owner of the property being added or annexed who shall be called the "declarant"; the perimeter description of the property being added or annexed which for descriptive purposes may be designated as the fifteenth, sixteenth, etc., as the case may be, Section under this Declaration; the description of the residential areas and of the common areas of the property being added or annexed and the rights and easements of the Owners in and to the common area; that the property is being added or annexed in accordance with the provisions of this Declaration of Covenants, Conditions and Restrictions, and that the property being annexed shall be developed, held, used, sold and conveyed in accordance with and subject to the provisions of this Declaration of Covenants, Conditions and Restrictions; that all of the provisions of the Declaration of Covenants, Conditions and Restrictions shall apply to the property being added or annexed with the same force and effect as if said property were originally included therein as part of the original development; that the property being added or annexed is submitted to the jurisdiction of the Board of Trustees of LAKEWOOD FOREST FUND, INC. with the same force and effect as if said property were originally included in this Declaration of Covenants, Conditions and Restrictions as

part of the original development; that the common area of the property being added or annexed will be conveyed to the Board of Trustees of LAKEWOOD FOREST FUND, INC., subject to the rights of the owners therein, prior to the sale of the first lot in the added or annexed property; such "Articles of Annexation" may contain such other provisions which are not inconsistent with the provisions of this Declaration of Covenants, Conditions and Restrictions; and, the consent as required in subsection (a) above has been obtained in the manner prescribed therein.

- (c) At such time as the "Articles of Annexation" are filed for record and the common area of the annexed property has been conveyed to the Board of Trustees of LAKEWOOD FOREST FUND, INC., the annexation shall be deemed accomplished and the annexed area shall be part of the properties and subject to each and all of the provisions of this Declaration of Covenants, Conditions and Restrictions and to the jurisdiction of the Board of Trustees of LAKEWOOD FOREST FUND, INC. in the same manner and with the same force and effect as if such annexed property had been originally included herein as part of the initial development. Each Lot Owner, lien holder, builder, Developer and other persons or entities having an ownership interest in the land in the annexed area shall sign this Declaration and any Supplemental Declarations as a condition precedent to the annexation becoming legally effective.
- (d) After addition and annexation are made to the development, all assessments collected by the Board of Trustees of LAKEWOOD FOREST FUND, INC. from the Owners in the annexed areas shall be commingled with the assessments collected from all other Owners so that there shall be a common maintenance fund for the properties.

Section 5. Joinder of Lien Holders. The undersigned lien holder(s) join herein solely for the purpose of subordinating the liens held by them of record upon the properties to the covenants, conditions and restrictions hereby imposed by this Declaration with, however, the stipulation that such subordination does not extend to any lien or charge imposed by or provided for in this Declaration.

Section 6. Lien Holders' Rights. No violation of any restrictions, covenants or conditions shall affect or impair the rights of any mortgagee, trustee or lien holder under any mortgage or deed of trust, or the rights of any assignee of any mortgage, trustee or lien holder, under any such mortgage or deed of trust.

Section 7. Multiple Counterparts. This document has been prepared in multiple original counterparts in order to facilitate its execution by the existing Lot Owners whose names appear below. Each counterpart shall be legally valid and of full force and effect notwithstanding the fact that it does not contain the signatures of all the Lot Owners or their respective spouses and shall be binding upon all signatories thereto.

Section 8. Gender and Grammar; Use of Pronouns and Captions. The singular, wherever used herein, shall be construed to mean or include the plural whenever applicable, and vice versa, and the necessary grammatical changes required to make the provisions hereof apply either to corporations, partnerships, associations or other entities or to individuals, male or female, shall in all cases be assumed as though in each case were fully expressed.

Use of pronouns, such as the use of neuter, singular or plural pronouns, refer to the parties or things described herein, and shall be deemed a proper reference even though the parties may be an individual, either male or female, partnership, corporation, association, joint venture or other entity.

Section 9. Titles. The titles of this Declaration of the Articles and sections contained herein are for convenience only and shall not be used to construe, interpret or limit the meaning of

any term or provision contained in this Declaration. The titles to each of the various Articles and sections shall have no effect on or be deemed part of the text of this Declaration. The word "Section(s)" shall generally refer to Sections of the Subdivision and the word "sections(s)" shall refer to paragraph headings within Articles. Further, the captions, numbering sequences, paragraph headings and punctuation organization used in this Declaration are for convenience only and shall in no way define, limit or describe the scope of the Declaration or any part thereof.

Section 10. Incorporation. The terms and provisions of this Declaration shall be construed as being adopted in each and every contract, deed, conveyance, lease, rental agreement, contract for deed or other agreement affecting title to or interest in any and all Lots in the Subdivision heretofore or hereafter executed whether or not referenced to therein, and all estates conveyed therein and warranties of title contained therein shall be subject to the terms and provisions of this Declaration, and such terms and provisions are hereby incorporated into each such contract, deed, conveyance, lease, rental agreement, contract for deed or other agreement affecting title or interest to such Lots by reference as if set forth therein verbatim.

Section 11. Binding Effect; Successors in Title. All the terms and provisions hereof shall be binding on all of the parties hereto, all signatories hereto, all persons or entities who own or possess an interest or title to any Lot(s), whether heretofore or hereafter acquired, and all persons or entities claiming an interest by deed, contract for deed, lease or rental agreement, and/or other conveyance, and to each of the foregoing's respective heirs, personal representatives, successors, executors, administrators, legal representatives and assigns. The terms and provisions of this Declaration shall inure to the benefit of the LAKEWOOD FOREST FUND, INC. and its successors and assigns.

Section 12. Effective Date. When the required approval of this Declaration has been obtained, pursuant to the provisions of Article II hereof, this Declaration shall become effective and of legal force at 5:00 o'clock p.m. on the date that this Declaration is filed for record in the Real Property Records of the County Clerk's Office of Harris County, Texas. Should one or more Sections of the Subdivision approve the Declaration (hereinafter referred to as "Approving Section(s)", while other Sections of the Subdivision have not so approved it, an original counterpart (as provided in Article X, section 7) may be filed in the Real Property Records of the County Clerk's Office of Harris County, Texas, and the Declaration shall be effective as to such "Approving Section(s)" on the date and in the manner provided herein. An authorized official of the Board of Trustees of the LAKEWOOD FOREST FUND, INC. shall verify that such "Approving Section(s)" have approved this Declaration, in the manner provided in Article II hereof, and the "Approving Section(s)" shall be designated conspicuously under the Title on the first page of this Declaration.

The filing of the Declaration in the Real Property Records of the County Clerk's Office of Harris County, Texas, shall constitute constructive notice of the passage and effective date of this Declaration. Actual notice to the Lot Owners in the "Approving Section(s)" of the passage and effective date of the Declaration shall not be required; however, the Board of Trustees of the FUND shall cause such notice to be published after said effective date in the next issue (consistent with publication schedules) of the Lakewood Forest Civic News.

Such notice shall specify the numerical designation of the "Approving Section(s)" (i.e., Section 1, Section 2, etc.) and the effective date of the Declaration as to each such "Approving Section(s)." The failure to timely publish such notice shall neither invalidate the Declaration, or any of its terms and conditions, nor extend the effective date of the Declaration.

Should the Lakewood Forest Civic News, or its successor, no longer be published at the time of the effective date(s) of this

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Declaration as to any "Approving Section(s)," the publication notices required by this paragraph shall be dispensed with and no further notice shall be required.

Nothing contained herein shall prevent the FUND from providing actual notice, by regular mail, certified mail or personal delivery (as determined by the Board of Trustees of the FUND) to the Lot Owners of the "Approving Section(s)." Should any statute, governmental ruling, judicial decision, or court order require actual notice to the Lot Owners of the "Approving Section(s)" then it is the intent of this section to fully comply with such requirements, and any notice shall be provided in the manner so required.

DECLARANT HEREBY CONSENTS to this Declaration of Covenants and Restrictions and hereby agree that the Lots to which they hold record title, shall be and is hereby subject to this Declaration. We agree that all the terms and provisions hereof shall extend to and be binding on all of the parties hereto and their respective heirs, personal representatives, successors and assigns, and to all other persons and entities bound by the terms and provisions of this Declaration.

Declarant and Lakewood Forest Fund, Inc. agree that this Declaration supercedes that certain Declaration of Covenants and Restrictions of Lakewood Forest Subdivision, Section 15 dated March 15, 1989 and filed for record under Clerk's File No. M-088844 and recorded under Film Code No. 142-74-1377 of the Official Public Records of Real Property of Harris County, Texas (the "Former Declaration") and agree that the Former Declaration is null and void in its entirety.

IN WITNESS WHEREOF, the said Declarant, and the said officers of LAKEWOOD FOREST FUND, INC. have executed this instrument in Harris County, Texas, on the date of their signatures hereto.

Effective this 7th day of August, 1989.

LAKEWOOD FOREST FUND, INC.

by: *Kenneth A. Harlan*
President

by: *Jennifer B. Merrill*
Secretary

THE STATE OF TEXAS |
 |
COUNTY OF HARRIS |

This instrument was acknowledged before me on the 7th day of August, 1989 by KENNETH A. HARLAN, President of LAKEWOOD FOREST FUND, INC., a Texas Nonprofit Corporation, on behalf of said Corporation.

(SEAL)

Cecilia Boxell
Notary Public in and for
the State of T E X A S

CECILIA BOXELL
Name Printed or Typed

My Commission Expires: 11/27/89

THE STATE OF TEXAS |
|
COUNTY OF HARRIS |

This instrument was acknowledged before me on the 9th day of August, 1989 by SANDRA B. MERRILL, Secretary of LAKEWOOD FOREST FUND, INC., a Texas Nonprofit Corporation, on behalf of said Corporation.

(SEAL)

Cecilia Boxell
Notary Public in and for
the State of T E X A S
CECILIA BOXELL
Name Printed or Typed
My Commission Expires: 11/27/89

EMERALD HOMES,
An Arizona general partnership
acting by and through its
Managing General Partner

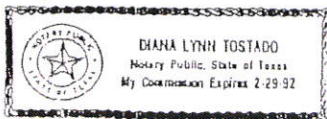
By: Emerald Homes, Inc., a
Delaware corporation;
Managing General Partner

By: [Signature]
PRINTED NAME: Brian Binash
TITLE: Vice President

THE STATE OF TEXAS |
|
COUNTY OF HARRIS |

BEFORE ME, the undersigned authority, on this day personally appeared Brian Binash, Vice President, of Emerald Homes, Inc., a Delaware corporation, acting as managing general partner of Emerald Homes, an Arizona partnership, known to me to be the person whose name he subscribed to the foregoing instrument, and he acknowledged to me that he executed the same for the purposes and consideration therein expressed, on behalf of such partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 25th day of July, 1989.



My Commission Expires: 2-29-92

Diana Lynn Tostado
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS
Diana Lynn Tostado
Printed Name of Notary

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID 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 hereon by me, and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas on

AUG 11 1989



[Signature]
COUNTY CLERK
HARRIS COUNTY, TEXAS