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DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

OF

TIMBERCREST ADDITION

AN ADDITION IN HARRIS COUNTY, TEXAS

AFTER RECORDING RETURN TO:

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TIMBERCREST ADDITION

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

TABLE OF CONTENTS

ARTICLE I	Page 2
<u>DEFINITIONS</u>	Page 2
Section 1.1. "Addition"	Page 2
Section 1.2. "Addition Plat"	Page 2
Section 1.3. "Annual Assessment"	Page 2
Section 1.4. "Architectural Control Committee"	Page 2
Section 1.5. "Assessment"	Page 2
Section 1.6. "Association"	Page 2
Section 1.7. "Board of Directors"	Page 2
Section 1.8. "Common Area"	Page 2
Section 1.9. "Declaration"	Page 3
Section 1.10. "Lot"	Page 3
Section 1.11. "Member"	Page 3
Section 1.12. "Occupant"	Page 3
Section 1.13. "Owner"	Page 3
Section 1.14. "Special Assessment"	Page 3
ARTICLE II	Page 3
<u>RESERVATIONS, EXCEPTIONS AND DEDICATIONS</u>	Page 3
Section 2.1. Dedications and Restrictions in Addition Plat	Page 3
Section 2.2. Non-dedication to Public Uses	Page 4
ARTICLE III	Page 4
<u>Rights in The Common Area</u>	Page 4
Section 3.1. Owner's Easement for Access and Enjoyment	Page 4
Section 3.2. Delegation of Use	Page 5
ARTICLE IV	Page 6
<u>Protective Covenants</u>	Page 6
Section 4.1. Single Family Residential Use Only	Page 6
Section 4.2. Types of Structures	Page 6
Section 4.3. Dwelling Size and Construction	Page 6
Section 4.4. Temporary Structures	Page 7
Section 4.5. Accessory Buildings	Page 7
Section 4.6. Garages	Page 7
Section 4.7. Driveways, Walkways, Pathways, Patio and Decks	Page 8
Section 4.8. Location of Improvements Upon the Lot	Page 8

Section 4.9.	Fences, Walls and Hedges	Page 9
Section 4.10.	Visual Obstruction of the Intersection of Public Streets ...	Page 9
Section 4.11.	Antennae	Page 9
Section 4.12.	Signs, Advertisements and Billboards	Page 10
Section 4.13.	Mineral Operations	Page 10
Section 4.14.	Animals and Livestock	Page 10
Section 4.15.	Storage and Disposal of Garbage and Refuse	Page 11
Section 4.16.	Automobiles, Boats, Trailers and Other Vehicles	Page 11
Section 4.17.	Removal of Dirt and Trees	Page 12
Section 4.18.	Nuisances	Page 12
Section 4.19.	Further Subdivision	Page 13
Section 4.20.	Lot Maintenance	Page 13
Section 4.21.	Duty to Restore	Page 13
Section 4.22.	Permitted Hours for Construction Activity	Page 13
Section 4.23.	Remedies in the Event of Default	Page 14
Article V		Page 14
Architectural Control Committee		Page 14
Section 5.1.	Architectural Control Committee	Page 14
Section 5.2.	Purpose	Page 15
Section 5.3.	Design Guidelines	Page 15
Section 5.4.	Architectural Control Committee Approval Required ...	Page 16
Section 5.5.	Remodeling, Renovation and Redecorating of Exterior Walls	Page 16
Section 5.6.	Approval Required in Other Circumstances	Page 17
Section 5.7.	Process	Page 17
Section 5.8.	Review of Plans and Specifications	Page 18
Section 5.9.	Appeal to the Board of Directors	Page 18
Section 5.10.	Compliance with Plans and Specifications	Page 18
Section 5.11.	Right to Inspect	Page 19
Section 5.12.	No Implied Waiver or Estoppel	Page 19
Section 5.13.	Variances	Page 19
Section 5.14.	Failure to Use Approval Process	Page 20
Section 5.15.	No Liability	Page 21
Article VI		Page 22
The Association		Page 22
Section 6.1.	Organization	Page 22
Section 6.2.	Board of Directors	Page 22
Section 6.3.	Membership	Page 23
Section 6.4.	Voting Rights	Page 23
Section 6.5.	Suspension of Voting Rights	Page 23
Section 6.6.	Bylaws	Page 24
Section 6.7.	Inspection of Records	Page 24

Article VII	Page 24
Covenants for Annual and Special Assessments	Page 24
Section 7.1. Creation of the Lien and Personal Obligation of Assessments	Page 24
Section 7.2. Purpose of Assessments	Page 25
Section 7.3. Basis and Maximum Level of Annual Assessments	Page 26
Section 7.4. Date of Commencement and Determination of Annual Assess	Page 27
Section 7.5. Special Assessments	Page 27
Section 7.6. Notice and Quorum for any Action Authorized	Page 28
Section 7.7. Rate of Assessment	Page 28
Section 7.8. Effect of Nonpayment of Assessments	Page 29
Section 7.9. Subordination of the Lien to Mortgages	Page 29
Section 7.10. Exempt Property	Page 30
Article VIII	Page 30
Management Agreements	Page 30
Section 8.1. General	Page 30
Article IX	Page 30
General Provisions	Page 30
Section 9.1. Term and Amendment	Page 30
Section 9.2. Enforcement	Page 31
Section 9.3. No Liability	Page 32
Section 9.4. Composite Building Site	Page 33
Section 9.5. Lot Area	Page 33
Section 9.6. Association's Insurance	Page 33
Section 9.7. Owner's Insurance	Page 35
Section 9.8. Address/Location	Page 35
Section 9.9. Notices	Page 35
Section 9.10. Headings	Page 35
Section 9.11. Severability	Page 36
Section 9.12. Interpretations	Page 36
Section 9.13. Omissions	Page 36
Section 9.14. Gender and Grammar	Page 36
Section 9.15. Binding Effect	Page 36
Section 9.16. Prior Covenants	Page 36

TIMBERCREST ADDITION

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

STATE OF TEXAS §

COUNTY OF HARRIS -§

WITNESSETH:

THAT, WHEREAS this Declaration of Covenants, Conditions, and Restrictions is made on the 9th day of November, 2002, at Houston, Harris County, Texas, by the undersigned; and

WHEREAS, the undersigned, representing the owners, who have approved these Declarations, of at least seventy-five percent (75%) of the total number of lots within the Timbercrest Addition, an addition in Harris County, Texas, according to the map or plat thereof recorded in Volume 17, Page 48 of the Map Records of Harris County, Texas (the "Addition"); and

WHEREAS, it is the desire of the undersigned to place certain restrictions, covenants, conditions, stipulations and reservations upon and against all of TIMBERCREST ADDITION in order to establish a uniform plan for the development, improvement and sale of such property, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of lots in the Addition.

NOW, THEREFORE, the undersigned do hereby adopt, establish, impose and declare the following reservations, easements, restrictions, covenants and conditions applicable thereto, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the land, which reservations, easements, covenants, restrictions and conditions shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof, their heirs, successors and assigns.

ARTICLE I

DEFINITIONS

Section 1.1. "Addition" shall mean and refer to the real property contained within Timbercrest Addition, as more fully described on the plat thereof recorded in Volume 17, Page 48 of the Map Records of Harris County, Texas, and any amendments thereto or replats thereof.

Section 1.2. "Addition Plat" shall mean and refer to the recorded map or plat of the Addition, recorded in Volume 17, Page 48 of the Map Records of Harris County, Texas, any amendments thereto or replats thereof, and including plats and any replats of additional property as may be brought within the jurisdiction of the Association in accordance with this Declaration.

Section 1.3. "Annual Assessment" shall mean and refer to those charges assessed the Owners by the Association, which charges shall be used for the purposes outlined in Section 7.2 of.

Section 1.4. "Architectural Control Committee" shall mean and refer to Timbercrest Addition Architectural Control Committee provided for in Article V hereof.

Section 1.5. "Assessment" shall mean and refer to the Annual Assessments, Special Assessments, and or any other amounts or sums due by any Owner to the Association pursuant to the provisions of this Declaration, or any combination thereof.

Section 1.6. "Association" shall mean and refer to Timbercrest Addition Homeowners Association, a non-profit, non-stock, membership corporation incorporated under the laws of the State of Texas, its successors and assigns, as provided for in Article VI hereof.

Section 1.7. "Board of Directors" or "Board" shall mean and refer to the governing body of the Association.

Section 1.8. "Common Area" shall mean and refer to any property conveyed to the Association and any and all improvements including, but not limited to, swimming pools, tennis courts, club houses, and other recreational facilities that may be constructed thereon.

Section 1.9. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for TIMBERCREST ADDITION, as may be amended from time to time.

Section 1.10. "Lot" shall mean and refer to each of the numbered lots shown on the Addition Plat.

Section 1.11. "Member" shall mean and refer to every person entitled to membership in the Association, as provided in Section 6.3.

Section 1.12. "Occupant" shall mean a person or persons in possession of a Lot, regardless of whether said person is an Owner.

Section 1.13. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of fee simple title to any Lot which is part of the Addition, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation and those owning only an easement right, a mineral interest, or a royalty interest.

Section 1.14. "Special Assessment" shall mean and refer to those charges periodically assessed the Owners by the Association, which charges shall be used for the purposes outlined in Section 7.5.

ARTICLE II

RESERVATIONS, EXCEPTIONS AND DEDICATIONS

Section 2.1. Dedications and Restrictions in Addition Plat. All dedications, limitations, restrictions and reservations shown on the Addition Plat are incorporated herein and made a part hereof, as if fully set forth herein, and are enforceable by the Association, the Owners, and their successors and assigns.

Section 2.2. Non-dedication to Public Uses. Nothing contained in this Declaration shall be construed or be deemed to constitute a dedication, express or implied, of any part of the Common Area to or for any public use or purpose whatsoever.

ARTICLE III
RIGHTS IN THE COMMON AREA

Section 3.1. Owner's Easement for Access and Enjoyment. Every Owner shall have an easement of access and a right and easement of enjoyment over and upon any Common Area, and such right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The Association shall have the right to establish reasonable rules and regulations governing the Owners' and/or Occupant's use and enjoyment of the Common Area and to suspend the enjoyment rights and the voting rights of any Owner or Occupant for any infraction of such rules and regulations. The Association shall also have the right to delegate such rules and regulations. In connection with such rules and regulations, the Association shall have the right to charge a reasonable use fee (in addition to any Assessments) for the use of the Common Area by an Owner or Occupant where such use is beyond the ordinary day-to-day use of the Common Area. An example of such use which is beyond the ordinary day-to-day use is use of the Common Area for a party hosted by an Owner or Occupant.
- (b) The Association shall have the right to suspend an Owner's or Occupant's right to access to the Common Area if any Assessment or other amount owed by such Owner to the Association remains unpaid in excess of thirty (30) days.
- (c) The Association shall have the right to establish rules and regulations governing the admission and parking of vehicles within the Common Area,

including the assessment of charges to Owners who violate, or whose invitees violate, such rules.

- (d) Upon the affirmative vote of two-thirds (2/3) of the Members who are voting in person or by proxy at a meeting duly called for that purpose and at which a quorum is present, the Association shall have the right to transfer or convey all or any part of the Common Area, or interests therein, to any public authority; however, this provision shall not be construed to limit the right of the Association to grant or dedicate public or private utility easements in portions of the Common Area.
- (e) All of the other covenants, conditions, restrictions, and easements provided for in this Declaration are applicable to the Common Area.

Section 3.2. Delegation of Use. Each Owner shall have the right to extend his rights and easements of enjoyment to the Common Area to the members of his immediate family and to such other persons as may be permitted by the Association. An Owner may also extend his rights and easements of enjoyment to a tenant who resides on his Lot, if the Owner provides the Association with a letter authorizing such use by his tenant. The Board of Directors of the Association may permit the use of the Common Area by others upon the payment to the Association of such consideration as the Board of Directors in its sole discretion determines to be reasonable. Such payment shall not be deemed to be an Assessment but shall be deemed user fees and shall be in addition to any use fees that the Association may require to be paid by an Owner as provided in Section 3.1 above.

The Board may also, by agreement with other persons or entities, acquire or lease property and/or facilities from other persons or entities which shall become a part of the Common Area. As consideration for the acquisition of property and or facilities, the Board may grant the owners thereof or members of such entities a perpetual or limited right to use the Common Area which are owned, acquired or leased by the Association, with or without payment of a user fee. The Board may also enter into agreements with other persons or entities pursuant to which the Members of the

Association are granted the right to use the facilities owned by other persons or entities and the owners thereof or members of such entities are granted the right to use the Common Area owned by the Association.

ARTICLE IV PROTECTIVE COVENANTS

Section 4.1. Single Family Residential Use Only. No Lot shall be used for any purpose except for single family residential purposes.

Section 4.2. Types of Structures. No structures shall be erected, altered, placed or permitted to remain on any Lot other than one (1) detached single family dwelling not to exceed two (2) stories in height, together with a private garage for not more than (3) automobiles, and which may include servant's type quarters, occupied by an integral part of the family occupying the main residence or by servants employed on the premises, and (ii) permitted accessory buildings (as described in Section 4.5 herein). Garages may be of either an integral design (attached to the main residential structure) or non-integral design (detached from the main residential structure) as may be approved by the Architectural Control Committee. Nothing herein shall be construed to permit or allow the use of any garage for other than, primarily, the housing of vehicles, and any enclosure of the garage which prevents its use for such purpose is specifically prohibited. Except as provided in Section 4.5, all buildings shall be of new construction, and no buildings shall be moved from another location onto any Lot.

Section 4.3. Dwelling Size and Construction. No main residential structure shall be placed, constructed or permitted on any Lot unless its living area contains a minimum of two thousand (2000) square feet of floor area, exclusive of patios, porches and garages.

All residential structures shall be constructed on a concrete slab. The surface area of the exterior walls of all residential structures (excluding in the computation of such area, windows, doors, and garage doors) shall consist of one-hundred percent (100%) brick or masonry veneer,

except that the Architectural Control Committee has the authority to approve residential construction utilizing other building materials.

All roofs of any permitted structures of whatever type shall be constructed of asphalt composition shingles, fiberglass composition shingles, slate, metal or tile with a life of thirty (30) years or better, or comparable to minimum specifications as defined by the Federal Housing Authority. All types of roofing material (including colors) must be approved in writing by the Architectural Control Committee prior to installation.

Section 4.4. Temporary Structures. No structure of a temporary character, whether trailer, basement, tent, shack, barn or other accessory building shall be occupied, maintained or used on any Lot at any time as a residence, or for any other purposes, with the exception of children's playhouses and storage buildings, which may be used for the purposes commonly attendant thereto.

Section 4.5. Accessory Buildings. Accessory buildings shall include garages, and children's playhouses. In no event shall accessory buildings be used or occupied as a residence or living quarters. A children's playhouse type of accessory building for the use and exclusive benefit of the Owner may be placed on a Lot. Such children's playhouse building shall not exceed a total area of one hundred (100) square feet. Provided the express written consent of the Architectural Control Committee is secured prior to installation and placement, one (1) children's playhouse may be placed on a Lot. A children's playhouse is limited to a maximum height of eight feet (8'). Children's playhouses may be of new construction, or may be moved from another location onto a Lot, but must in all circumstances be placed to the rear or side of the main residence so as not to be visible from the fronting street. Except for children's playhouses made of treated pine, redwood, or cedar material, no structure of any kind or character which incorporates frame construction on the exterior shall be erected on any Lot unless such structure receives two (2) coats of paint at the time of construction with colors to be similar to the main residence.

Section 4.6. Garages. Garages must be provided for all residences and in no case shall a carport act as or be substituted for a garage. No garage shall be built or placed on any Lot unless it

is approved by the Architectural Control Committee to include the placement of such structure on the Lot. No garage shall be placed or maintained on any side or rear easement.

Section 4.7. Driveways, Walkways, Pathways, Patio and Decks. No walkway, improved pathway, deck, patio, or driveway or other improvement shall be constructed on any Lot unless and until the Plans and Specifications (as hereafter defined) therefor are submitted to and approved by the Architectural Control Committee as provided in Article V below. All driveways shall be repaired and maintained at the sole cost and expense of the Owner of the Lot to which such driveway are appurtenant, including the portion of the driveway in the street easement. At a minimum, all the driveways shall be constructed of pavers, patterned concrete or peagravel, commencing from where the driveway intersects the front building line for all Lots other than corner Lots, and for corner Lots from the side building line to the point where the driveway attaches to the street. All walkways shall be constructed of pavers, patterned concrete or peagravel or such other material as may be approved by the Architectural Control Committee.

Section 4.8. Location of Improvements Upon the Lot. The minimum setback lines shown on the Addition Plat or stated in applicable ordinances are incorporated herein by reference and are enforceable by the Association and/or the Owners. In addition to those minimum setback lines set forth in the Addition Plat or stated in any applicable ordinances, the distances set forth in this Section 4.8 shall apply. No building shall be located nearer than five (5) feet to any interior Lot line not abutting on a street nor nearer than twenty (25) feet to any Lot line (which is not the front Lot line) which abuts a street. For the purposes of this section, eaves, steps and open porches shall be considered as a part of the building. For the 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.

Unless otherwise approved in writing by the Architectural Control Committee, each main residence building will face the front of the Lot, and each detached garage will be located at least sixty (60) feet from the front Lot line of the Lot on which it is situated. Each detached garage will be provided with driveway access from the front of the Lot; provided, however, that such access may be from the front or side of all corner lots, if approved in writing by the Architectural Control

Committee. For the purposes of this Section, the term "corner lot" shall mean and refer to any Lot which abuts more than one street.

Section 4.9. Fences, Walls and Hedges. No fence or wall shall be erected on any part of any Lot forward of the building line of such Lot. In no event shall any fences or walls be constructed of chain link wire. Any columns incorporated into fencing that is parallel to the front Lot line must match the exterior facade of the main residence structure; no wood fencing will be allowed parallel to the front Lot line. In those circumstances where Privacy fences are installed, in no case may the fence extend from the rear of the Lot to a point more than mid-way of the main residence structure. No fence, wall, hedge, pergola, or other attached or detached structure shall be erected grown, or maintained on any part of the Lot which is in excess of six (6) feet in height, except brick columns, which shall be allowed to a maximum height of seven (7) feet.

Section 4.10. Visual Obstruction of the Intersection of Public Streets. No object or thing that obstructs site lines at elevations between two (2) feet and eight (8) feet above the roadways within the triangular area formed by the intersecting center lines of the intersecting roadways, and a line connecting them at points twenty-five feet (25) from their point of intersection shall be placed or planted on any corner lot.

Section 4.11. Antennae. No electronic antennae or device of any type other than two antennae for receiving television signals, FM signals and or citizen's band signals shall be erected, constructed, placed or permitted to remain on any Lots, residences thereon or other permitted buildings constructed in the Addition. The foregoing restriction also applies to "dish-type" antennae and specifically limits the diameter of such antennae to not more than three feet. The permitted antennae may be free standing (with or without down guys) or may be attached to the residential structure; however, in any event the antennae'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 extent practicable, when viewed from the front and sides of the Lot. In no event shall any antennae of any kind extend to a height which is more than five (5) feet above the highest point of the roof (excluding chimneys) of the main residential structure on such Lot.

Section 4.12. Signs, Advertisements and Billboards.

No sign of any kind except a "for sale" or "for lease" sign shall be erected on any Lot except one sign of not more than five (5) square feet and a height of not more than four (4) feet from the surface of the ground. The Association shall have the right to remove any non-conforming sign, advertisement, billboard or structure which is placed on a Lot, and in so doing shall not be subject to any liability or damages for trespass or other tort in connection with or arising out of such removal.

Section 4.13. Mineral Operations. No oil or gas drilling, oil development operations or refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall any wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 4.14. Animals and Livestock. No animals, livestock, poultry, reptiles, or insects of any kind shall be raised, bred or kept on any Lot. Consistent with its use as a residence, dogs, cats and other household pets (not to exceed a total of three animals, except fish) may be kept on a Lot, provided that they are not kept, bred or maintained for any commercial purposes, but only for the use and pleasure of the Owner of such Lot. For purposes of this Section, the term "household pets" shall mean domestic animals commonly and traditionally kept in homes as pets, and shall not include any wild, semi-wild, or semi-domesticated animal. The Association may establish other rules and regulations concerning animals and livestock, which rules may specifically exclude certain animals from the Addition.

All animals must be properly tagged for identification, inoculated against rabies and other commonly regulated animal diseases and must be kept in an approved enclosure or fenced area. No animal may be chained or leashed outside of an enclosed or fenced area unless being walked on a leash. Whenever an animal is removed from its enclosure, it must be in the possession of its owner or the owner's agent and must be restrained by a proper leash or chain, rope, plastic, leather or similar material. It is the pet owner's responsibility to keep the Lot clean and free of pet debris.

Section 4.15. Storage and Disposal of Garbage and Refuse. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage, or other waste materials, and such refuse shall not be kept except in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids. Equipment for the storage or disposal of such waste materials shall be kept in a clean and sanitary condition. Garbage, trash, rubbish, debris and other waste matter may not be burned on any Lot or on the Common Area.

No Lot shall be used for the open storage of any materials whatsoever if visible from the street, except that new building materials used in the construction of improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced. Building materials (and the waste materials resulting from the construction) may be maintained on a Lot 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. All waste materials shall be kept in a neat manner inside the property lines and all paper trash shall be placed in a screened container.

Section 4.16. Automobiles, Boats, Trailers and Other Vehicles. Except as permitted in the next sentence of this Section 4.16., no automobile, truck, recreational vehicle, motorcycle, trailer, boat, marine craft, hovercraft, aircraft, machinery, or equipment of any kind, whether with or without a motor (hereinafter referred to as "vehicles") may be parked or stored on any part of any Lot (except in an enclosed structure or in a screened area which prevents the view thereof from any Lots or dwelling and streets), easement, right-of-way, or on the Common Area, and automobiles, passenger vans and pick-up trucks in operating condition, evidenced by current, unexpired license plates and inspection stickers, which are in daily use as motor vehicles on the streets and highways of the State of Texas, may be parked in the driveway on such Lot; however, all Owners and their families shall, to the greatest extent practicable, utilize their garages for the garaging of vehicles belonging to them.

No Owner or any visitor or guest of any Owner shall be permitted to park any vehicles on Lots, or on streets of the Addition in excess of forty-eight (48) hours.

No Owner or any visitor or guest of any Owner shall be permitted to perform repair work or

to assemble or disassemble automobiles or any other vehicles on Lots, in driveways, or on streets in the Addition other than work on the Owner's or resident's vehicles of a temporary nature. For the purposes of this Section, "temporary" shall mean that the vehicle shall not remain on Lots, in driveways, or on streets in excess of forty-eight (48) hours and that no compensation is received for such work. No dirt bikes, motor scooters, "Go-Carts" or other similar vehicles shall be permitted to be operated in the Addition, if, in the sole judgment of the Board of Directors of the Association, such operation, by reason of noise, fumes emitted, or manner of use shall constitute a nuisance or jeopardize the safety of any Owner, tenant or resident of any Lot, or their families. Nothing in this Section shall be construed to prohibit the temporary parking or placement of any vehicle, machinery, maintenance equipment which is being used for or in connection with the construction, repair, or maintenance of the Common Area, Lots or improvements on Lots within the Addition. If a complaint is received about a violation of any part of this Section, the Board of Directors of the Association will be the final authority on the matter.

Section 4.17. Removal of Dirt and Trees. The digging of dirt or the removal of dirt from any Lot is expressly prohibited, except when necessary in conjunction with construction being done on such Lot. No tree shall be cut on any Lot that is equal to or over 6" in diameter at base of tree trunk, except to provide room for construction of buildings or to remove diseased, damaged, dead or unsightly trees, and except with prior written approval of the Architectural Contract Committee.

Section 4.18. Nuisances. No noxious or offensive activity shall be carried on or permitted in the Addition, nor shall anything be done therein which may be or become an annoyance or nuisance to the Owners. Nothing shall be done or kept on any Lot or in the Common Area or on any part thereof which would increase the rate of insurance on the Common Area or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept on any Lot or in the Common Area or on any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Area or any part thereof or of the exterior of any structure located thereon shall be committed by any Owner, tenant of any Owner, or any invitee of any Owner, and each Owner shall indemnify and hold

the Association and the other Owners harmless against all loss resulting from any such damages or waste caused by him, his tenants, or his invitees.

minimum lot size protection
Section 4.19. Further Subdivision. No Lot shall be further subdivided.

Section 4.20. Lot Maintenance. The Owners or Occupants of all Lots shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner. In no event shall an Owner 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. Owners shall not burn anything on any Lot. The drying of clothes in full public view is prohibited. The Owners or Occupants of any Lots at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the Lot is visible to full public view shall construct and maintain a suitable enclosure to screen the following from public view; yard equipment, wood piles and storage piles that are incident to the normal residential requirements of a typical family. All lots owned by Association shall be maintained by the Association in accordance with the terms and provisions set forth herein.

Section 4.21. Duty to Restore. In the event that a building is damaged or destroyed by fire or other natural causes, the Owner shall completely restore the building to its original condition as it existed before the damage or destruction occurred, or else the Owner must completely remove the building and its foundation and plumbing from the Lot and return the Lot to an attractive and safe condition. Construction activity to repair or remove said building must be initiated within three (3) months and be completed within one (1) year of the date of such damage or destruction. Plans and Specification for any such construction activity shall be submitted to and approved by the Architectural Control Committee in accordance with Article V herein.

Section 4.22. Permitted Hours for Construction Activity. Except in an emergency or when unusual circumstances exist (as determined by the Board of Directors), outside construction work or noisy interior construction work shall be permitted only after 7:00 a.m. and before 9:00 p.m.

Section 4.23. Remedies in the Event of Default. In the event any Owner or Occupant of any Lot fails to observe any covenant, condition or restriction contained in this Declaration, or fails to maintain or repair the Lot and the improvements situated thereon (i) in accordance with the provisions of this Article IV, or (ii) in a manner satisfactory in the Board of Directors of the Association, and such default continues unresolved for ten (10) days after written notice thereof is delivered to the Owner by personal delivery or facsimile or mailed to the last known address of the Owner involved (without the requirement of certification), the Association shall have the right (but not obligation), through its agents or employees, to repair, maintain and restore the Lot and the exterior of the residence, which restoration may include the repair of gutters, siding, broken windows, fencing, as well as any other needed repairs to existing improvements located on the Lot. To the extent necessary to prevent rat infestation, diminish fire hazards, protect property values and accomplish any of the above needed repairs, maintenance and restoration, the Association shall have the right, through its agents and employees, to enter any residence or improvements located upon such Lot. Any employee, agent or contractor of the Association may also enter upon said Lot and cause to be cut any such weeds and grass, or removal or cause to be removed such garbage, trash and rubbish, or may do any other reasonable thing necessary to maintain compliance with these restrictions so as to place said Lot in a neat, attractive, healthful and sanitary condition. The Association may render a statement of charge to the Owner or Occupant of such Lot for the cost of such work. The Owner and Occupant agree by the purchase and occupation of the Lot to pay such statement immediately upon receipt. The cost of such work, plus interest thereon at the maximum rate permitted under the laws of the State of Texas, shall become a part of the Assessment payable by said Owners and payment thereof shall be secured by the lien created pursuant to this Declaration. The Association, its agents and employees shall not be liable, and are hereby expressly relieved from any liability, for trespass or other tort in connection with the performance of the exterior maintenance and other work authorized herein.

ARTICLE V

ARCHITECTURAL CONTROL COMMITTEE

Section 5.1. Architectural Control Committee. The Architectural Control Committee shall consist of three (3) Members who shall be appointed by the Board of Directors (see Addendum B

for List of Current Members), each of whom shall serve until his successor is appointed. Any member of the Architectural Control Committee may be removed, with or without cause, by the Board of Directors. In the event of the death, resignation or removal of any member of the Architectural Control Committee, the Board of Directors shall have the authority to designate successor member(s) to the Architectural Control Committee. A majority of the Architectural Control Committee may designate one or more representatives to act for it and such representative(s) shall have the full right, authority, and power to carry out the functions of the Architectural Control Committee.

No person serving on the Architectural Control Committee shall be entitled to compensation for services performed; however, the Architectural Control Committee may employ one or more architects, engineers, attorneys or other consultants to assist the Architectural Control Committee in carrying out its duties hereunder, and the Association shall pay such consultants for services rendered to the Architectural Control Committee.

Section 5.2. Purpose. The purposes of the Architectural Control Committee are to protect the environmental and architectural integrity of the Addition, to establish and preserve a harmonious and aesthetically pleasing design, and to protect and promote the value of the Lots, the residences thereon, and the Common Area. In order to accomplish these objectives, the design, execution and construction of any and all improvements located or proposed to be located on the land in the Addition must be subject to the control and review of the Architectural Control Committee as provided in this Article V.

Section 5.3. Design Guidelines. The Architectural Control Committee shall have the authority to promulgate design guidelines ("Design Guidelines") which shall generally consist of requirements and standards for design, architecture, and materials. The Architectural Control Committee may from time to time publish and promulgate additional, supplemental or revised Design Guidelines which may be of general or specific applicability. The Design Guidelines may establish and prescribe architectural design and construction restrictions, limitations, standards, and guidelines pertaining to any and all aspects of design, style, architecture, construction specifications, and construction execution. The Design Guidelines may also, among other things, prescribe the size

of homes and home interiors, exterior lighting, exterior materials, and the location and placement of homes and improvements thereon. The Design Guidelines promulgated by the Architectural Control Committee, if any, will serve only as minimum guidelines and the Architectural Control Committee shall not be bound thereby nor be prohibited from imposing additional, more or less stringent requirements or guidelines from time to time.

Section 5.4. Architectural Control Committee Approval Required. No improvement shall be erected, placed, or constructed on any Lot, nor shall any exterior addition to or change or alteration thereon be made until the Plans and Specifications (as hereinafter defined) for the same shall have been submitted to and approved in writing by the Architectural Control Committee (i) as to harmony of exterior design and color with existing structures, (ii) as to location with respect to topography and finished ground elevation, (iii) as to location of the improvements upon the Lot, and (iv) as to compliance with any Design Guidelines promulgated by the Architectural Control Committee. The Owner shall submit detailed architectural drawings of the elevations, a slab survey (after the slab is poured), and shall further specify, in such form and detail as the Architectural Control Committee may reasonably require, the location upon the Lot where the improvements are to be placed and the dimensions thereof (a plot plan), as well as appropriate information concerning the structural, mechanical, electrical, and plumbing details, and the nature, kind, shape, height, color scheme, and materials of the proposed improvements or alterations (the "Plans and Specifications").

Section 5.5. Remodeling, Renovation and Redecorating of Exterior Walls. No remodeling, renovation or redecoration of any exterior wall of any building on a Lot which in any manner changes the visual appearance of such exterior wall, including, but not limited to, changing the color, appearance, texture or reflective character of any exterior surface; the addition or alteration of shutters, awnings or other window coverings; or the addition of wall applications, shall be allowed until the Remodeling Plans and Specifications describing the work to be performed have been approved in writing by the Architectural Control Committee. No fee will be charged by the Architectural Review Committee for review of Remodeling Plans and Specifications. Such remodeling, renovation or redecoration shall, for the purposes hereof, be deemed to constitute an alteration of the building.

Notwithstanding the foregoing, no permission or approval shall be required to rebuild in accordance with originally-approved Plans and Specifications. In addition, nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his primary dwelling or to paint the interior of his dwelling any color desired.

Section 5.6. Approval Required in Other Circumstances. Architectural Control Committee approval may also be required in other circumstances as outlined in this Declaration. Any such approvals must be obtained in accordance with the provisions of this Article V.

Section 5.7. Process. The Owner shall submit one (1) copy of the Plans and Specifications and related data to the Architectural Control Committee for the review and approval process. In addition to submitting the Plans and Specifications, a plat plan, a landscape plan, and other information to the Architectural Control Committee for approval, specifications for the actual building materials to be used must be submitted as part of the approval process (if requested by the Architectural Control Committee). The copy of such Plans and Specifications so submitted shall be retained in the records of the Architectural Control Committee.

The Architectural Control Committee shall have the sole discretion to determine whether the Plans and Specifications submitted for approval are acceptable to the Association. Disapproval of Plans and Specifications may be based upon any ground which is consistent with the objectives and purposes of this Declaration, including purely aesthetic considerations. The Architectural Control Committee also has the right to disapprove any such Plans and Specifications submitted based upon the failure of the Plans and Specifications to comply with any Design Guidelines set forth by the Architectural Control Committee.

The Architectural Control Committee may establish a reasonable fee sufficient to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof.

562-88-1678

Section 5.8. Review of Plans and Specifications. The Architectural Control Committee shall, within fifteen (15) days after receipt of the Plans and Specifications, and Submission fee, advise the submitting party of its approval or disapproval of same. In the event the Architectural Control Committee does not advise the party submitting the Plans and Specifications by written notice within fifteen (15) day period, then such Plans and Specifications shall be deemed to have been approved. The aforesaid fifteen (15) day period for the Architectural Control Committee's review of the Plans and Specifications shall not commence to run until all of the described drawings, plans, and specifications comprising the Plans and Specifications have been received by the Architectural Control Committee in final form. In the event the Architectural Control Committee shall object to or disapprove all or any portion of the Plans and Specifications, the party submitting the same shall cause the Plans and Specifications to be modified to the extent required by the Architectural Control Committee and shall resubmit the revised Plans and Specifications as set forth above, but without the requirement of paying another Submission Fee.

Section 5.9. Appeal to the Board of Directors. In the event that Plans and Specifications are disapproved by the Architectural Control Committee, the Owner shall have the right to appeal the decision to the Board of Directors by delivering a written notice of appeal to the manager of the Association or the Secretary of the Board within thirty (30) days after the date of disapproval. Procedures for such appeal shall be determined by the Board of Directors.

Section 5.10. Compliance with Plans and Specifications. All buildings or other structures built on a Lot shall be constructed in strict accordance with the approved Plans and Specifications. No construction or use that is inconsistent with, in addition to, or different from the approved Plans and Specifications shall be commenced or permitted until Plans and Specifications reflecting such changes or additions have been submitted to and approved by the Architectural Control Committee in accordance with this Article. The decision of the Architectural Control Committee with respect to whether the construction is in compliance with the Plans and Specifications shall be conclusive. Nevertheless, the Owner shall be held responsible for compliance with the Declaration and the Design Guidelines with regard to any and all improvements approved.

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Section 5.11. Right to Inspect. Any member of the Board of Directors, the Architectural Control Committee, or their representatives shall have the right but not the obligation during reasonable hours to enter upon and inspect any Lot with respect to which construction is under way to determine whether or not the Plans and Specifications therefore have been approved and are being complied with. Such person or persons shall not be deemed guilty of trespass or any other tort by reason of such entry. In the event the Architectural Control Committee shall determine that such Plans and Specifications have not been approved or are not being complied with, the Architectural Control Committee shall be entitled to enjoin further construction and to require the removal or correction of any work in progress which does not comply with the approved Plans and Specifications.

Section 5.12. No Implied Waiver or Estoppel. No action or failure to act by the Architectural Control Committee or the Board shall constitute a waiver or estoppel with respect to future action by the Architectural Control Committee or Board with respect to the construction of any improvements within the Addition. The approval by the Architectural Control Committee of any Plans and Specifications for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Architectural Control Committee, shall not be deemed to constitute a waiver of any right or an estoppel to withhold approval or consent as to any similar residential construction or any similar plans, specifications, drawings, or other materials subsequently or additionally submitted for approval or consent.

Section 5.13. Variances. The Architectural Control Committee shall have the right, exercisable at its discretion, to grant variances to the architectural restrictions in specific instances where the Architectural Control Committee in good faith deems that such variance does not adversely affect the architectural and environmental integrity of the Addition or the common scheme of the development. The Architectural Control Committee may require the submission to it of such documents and items 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 relative to which such variance has been

requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing the decision of the Architectural Control Committee to permit the variance, describing (when applicable) the condition on which the variance has been approved (including, as examples but without limitation, the type of alternative materials to be used or the alternate fence height approved), and signed by a majority of the then members of the Architectural Control Committee (or by the Architectural Control Committee's designated representative if one has been designated under the authority contained in Section 5.1 above).

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If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the Lots. Any request for a variance shall be deemed to have been disapproved for the purposes hereof in the event of either (i) written notice of disapproval from the Architectural Control Committee; or (ii) failure by the Architectural Control Committee to respond to the request for a variance within fifteen (15) days of such request.

For purposes of this section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

Section 5.14. Failure to Use Approval Process. Should any Owner or Occupant proceed with any construction, alterations or exterior changes without first applying for the written approval of the Architectural Control Committee as provided in this Article, such Owner or Occupant will be in violation of this Declaration and will be required to submit Plans and Specifications, together with such other documents or materials as the Architectural Control Committee deems appropriate, even after construction has commenced. The Architectural Control Committee will have one hundred and twenty (120) days from receipt of the last of any required documentation (submitted after

commencement of construction, alteration, or exterior changes without prior written approval) to respond by approval, disapproval, or with modification requirements. The Association shall have the right to obtain restraining orders and or temporary or permanent injunctions to terminate or halt construction which has not been reviewed and approved by the Architectural Control Committee in accordance herewith. All reasonable enforcement costs and attorneys' fees incurred by the Association in connection with the permanent injunctions under this Section 5.14 shall be recoverable against the Owner and or Occupant in violation of this Declaration and the provisions hereof. The Owner or Occupant, as the case may be, agrees by the purchase or occupancy of a residence on a Lot to pay all such reasonable costs of enforcement and attorneys' fees immediately upon receipt of a statement therefor. In the event of the failure to pay such statement, the amount thereof may be added to the Assessment against such Lot and Shall become a charge thereon which shall be collectible and secured in the same manner as the Assessment provided for herein.

Section 5.15. No Liability. The approval by the Architectural Control Committee of any Plans and Specifications, and any requirement by the Architectural Control Committee that the Plans and Specifications be modified, shall not constitute a warranty or representation by the Architectural Control Committee of the adequacy, technical sufficiency or safety of the improvements described in such Plans and Specifications, as the same may be modified. The Architectural Control Committee shall have no liability whatsoever for the failure of the Plans and Specifications or the improvements to comply with applicable laws or to comply with sound engineering, architectural or construction practices. In addition, in no event shall the Architectural Control Committee, the Association, the Board of Directors or any agent of any of the foregoing have any liability whatsoever to an Owner, a contractor or any other person for any costs or damages (consequential or otherwise) that may be incurred or suffered on account of the Architectural Control Committee's failure to act on its approval, disapproval or conditional approval of any Plans and Specifications, or the granting of any variance, or for any defects in any work done according to any approved Plans and Specifications.

Every person who submits Plans and Specifications for approval agrees, by submission of such Plans and Specifications, that he will not bring any action or suit against the Association, the

562-88-1674

Board of Directors, the Architectural Control Committee, or any of the Members or agents thereof to recover any damages and any Owner who submits Plans and Specifications for approval, or on whose behalf such Plans and Specifications are submitted shall indemnify and hold harmless the Association, the Board of Directors, the Architectural Control Committee and all Members or agents thereof, from and against any and all claims, actions, causes of action and liabilities arising out of the preparation of such Plans and Specifications and the construction, repair or remodeling or completion of any improvements in connection therewith.

ARTICLE VI

THE ASSOCIATION

Section 6.1. Organization. The Association has been organized and formed as a non-profit corporation under the laws of the State of Texas, and it shall be governed by the Articles of Incorporation and the Bylaws of said Association. All duties, obligations, liens and rights hereunder in favor of the Association shall be (i) the collection, expenditure, and management of the Assessments, (ii) the enforcement of the restrictions contained herein, (iii) appointment of Architectural Control Committee, (iv) the supervision of all of the affairs and well being of the Addition and other property now and hereafter subject to this Declaration, and (v) the promotion of the health, and enjoyment of the residents within the Addition and other property now and hereafter subject to this Declaration.

Section 6.2. Board of Directors. The Association shall act through a Board of Directors, which shall manage the affairs of the Association, as specified in the bylaws. The Board shall consist of three (3) Members, and such number may be increased in accordance with the bylaws. The Members of the Association shall elect the Board of Directors. No person serving on the Board shall be entitled to compensation for services performed. However, the Board may employ one or more architects, engineers, land planners, management companies, accountants, bookkeepers, attorneys or other consultants to assist the Board in carrying out its duties hereunder, and the Association shall pay such consultants for services rendered to the Board, such payment to be made

out of the Assessment. No member of the Board shall be personally liable for any acts or omissions in the performance of duties as a member of the Board.

Section 6.3. Membership. Each Owner shall, upon and by virtue of becoming an Owner, automatically become a Member of the Association and shall remain a Member thereof until his ownership ceases for any reason, at which time his membership in the Association shall be appurtenant to and shall automatically follow the legal ownership of each Lot and may not be separated from such ownership. Whenever the legal ownership of any Lot passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for transfer of Membership in the Association, as such Membership is appurtenant to and automatically follows and passes with the legal ownership of a Lot. Membership in the Association is expressly limited to the Owners of Lots in the Addition.

Section 6.4. Voting Rights. Each Member shall be entitled to one (1) vote for each Lot owned, or, if a composite building site has been created in accordance with Section 9.4, one vote for each composite building site owned. When more than one person holds an interest in any Lot (or composite building site), all such persons shall be considered Members, but in no event shall more than one (1) vote be cast with respect to any Lot (or composite building site). The single vote for such Lot (or composite building site) shall be exercised by the one natural person designated by them as they among themselves determine, by written notice executed by them, given to the Association in the manner prescribed by it from time to time. Any Member failing to give the above-prescribed notice shall not be entitled to vote and shall be disqualified in that respect unless waived by the Association by an instrument in writing duly executed by it. There shall be no fractional votes.

Section 6.5. Suspension of Voting Rights. The Association shall have the right to suspend the voting rights of any Member if:

(a) such Member is in default in the payment of any Assessment, charge or other amount due under any of the provisions of this Declaration in excess of thirty (30) days after the due date thereof; or

(b) such Member has failed to comply with any of the restrictions created by this Declaration.

The Association's right to suspend the voting rights shall not be exclusive, but shall be cumulative of, and in addition to, any and all other rights and remedies of the Association, including rights to damages.

Section 6.6. Bylaws. The Association may make and establish such bylaws and rules as it may choose to govern the organization and administration of the Association, provided that such bylaws and rules are not in conflict with the terms and provisions hereof.

Section 6.7. Inspection of Records. The Members of the Association shall have the right to inspect the books and records of the Association at reasonable times during normal business hours.

ARTICLE VII

COVENANTS FOR ANNUAL AND SPECIAL ASSESSMENTS

Section 7.1. Creation of the Lien and Personal Obligation of Assessments. The owner of each Lot, hereby covenants, and each Owner of any Lot in the Addition, 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 the Association:

(i) Annual Assessments in the amount per annum specified, and subject to increase as provided in Section 7.3 below; and

(ii) Special Assessments as provided for in Section 7.5 below; and

(iii) Any other charges to the extent they are specifically provided for in this Declaration.

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The Annual Assessments and Special Assessments, as well as the other charges described in the Declaration, together with interest, costs, and reasonable attorneys' 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 attorneys' 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, notwithstanding any subsequent transfer of title to such Lot. The personal obligation for delinquent Assessments shall not pass to successors in title unless expressly assumed by them, but the sale, transfer or conveyance of a Lot shall not be deemed to release or discharge the lien imposed upon a prior owner for delinquent Assessments. In addition, no Owner may waive or otherwise escape liability for the Assessment and the lien created herein by non-use of the Common Area, or by abandonment or divestiture of ownership of a Lot.

Section 7.2. Purpose of Assessments. The Assessment levied by the Association shall be used to promote the recreation, health, safety, and welfare of the residents of the Addition. Without limiting the foregoing, the total Assessments accumulated by the Association, insofar as the same may be sufficient, shall be applied toward the payment of taxes, insurance premiums, repair, maintenance and acquisition expenses incurred by the Association, and at the option of the Board of Directors of the Association, the Assessments may be applied for any or all of the following purposes: maintenance and repair of the Common Area; construction, maintenance and improvement of streets, alleyways, sidewalks, paths, parks, parkways, rights of way, easements, esplanades, the Common Area, and other public areas; construction and operation of all street lights; landscaping; purchase, operation, and management expenses of recreation facilities, if any; collection and disposal of garbage and other waste material; payment of all legal, accounting, bookkeeping and other expenses incurred in connection with the administration of the Association and collection of the Assessment and other charges; employment of policemen or watchmen, if desired; fogging and

furnishing of other general insecticide services; providing for the planting and upkeep of trees and shrubbery on esplanades and in the Common Area; caring for vacant Lots, abandoned residences, and restoration of same; doing any and all other things necessary or desirable in the opinion of the Board of Directors to keep the Lots in a safe, neat and attractive condition, or which are considered of general benefit to the Owners or Occupants of the Lots; and obtaining liability, workers compensation, property, director and officer liability, and other necessary insurance in amounts deemed proper by the Board of Directors of the Association. It is understood that the judgment of the Board of Directors of the Association in establishing Annual Assessments, Special Assessments and other charges, and in the expenditure of said funds, shall be final and conclusive so long as such judgment is exercised in good faith.

Section 7.3. Basis and Maximum Level of Annual Assessments. Until January 1, 2003, the Maximum Annual Assessment shall be Two Hundred Fifty and No/100 Dollars (\$250.00) per Lot, per annum. If a composite building site is comprised of two (2) Lots (as determined by reference to the original Addition Plat), then the Annual Assessment shall be charged for each such Lot. If a composite building site is comprised of less than two (2) Lots, then Owner shall pay one and one-half (1 ½) times the Annual Assessment. From and after January 1, 2003, the Maximum Annual Assessment may be increased by the Board of Directors of the Association each year, without a vote of the Membership, by any amount not in excess of fifteen percent (15%) of the Maximum Annual Assessment for the previous year. Further, the Maximum Annual Assessment may be increased above the above-mentioned percentage increase only if the increase is approved by the affirmative vote of two-thirds (2/3) of the Members of the Association who are voting in person or by proxy at a meeting duly called for that purpose and at which a quorum is present. In lieu of notice to and a meeting of Members as provided in the bylaws of the Association, a door-to-door canvass may be made to secure the required two-thirds (2/3) written approval of the Members for such increase in the Annual Assessment. The voting process for this action may be handled by mail ballot so long as the ballots contain the name, property address, certification by the Secretary of the Association, alternate address of the Member, if applicable, and the date and signature of the Member. Ballots may be returned by U.S. mail in envelopes specifically marked as containing ballots for the special election, or may be collected by door-to-door canvass.

Section 7.4. Date of Commencement and Determination of Annual Assessment. The Annual Assessment provided for herein shall commence as to all Lots on the date this Declaration is filed of record in the real Property Records of Harris County, Texas. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. On or before the 30th day of November in each year, the Board of Directors of the Association shall fix the amount of the Annual Assessment to be levied against each Lot for the next calendar year. Written notice of the figure at which the Board of Directors of the Association has set the Annual Assessment shall be sent to every Owner whose Lot is subject to the payment thereof. However, the failure by the Board of Directors to fix an Annual Assessment for any year will not be deemed a waiver with respect to any of the provisions of this Declaration or a release of liability of any Owner to pay Annual Assessments, or any installments thereof, for that or any subsequent year. In the event of such failure, each Owner shall continue to pay the Annual Assessment established for the previous year until the new Annual Assessment is established. The new Annual Assessment established by the Board of Directors of the Association shall be applied retroactively to the commencement of the then current Assessment year and the deficit shall be paid by each Owner within thirty (30) days after receipt of a statement therefor. Assessments shall be due and payable yearly in advance on the first day of January or as directed by the Board of Directors of the Association. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. For the purposes of this paragraph, "reasonable charge" shall be construed to mean a charge of \$75.00 for a resale Certificate, and \$50.00 for a refinance Certificate. Further, these charges may be increased as may be necessary. A properly executed certificate of the Association as to the status of Assessments on a particular Lot is binding upon the Association as of the date of its issuance.

Section 7.5. Special Assessments. The Board of Directors of the Association may from time to time, by the adoption of a resolution for such purpose, levy and impose against each Lot or composite building site in the Addition, a Special Assessment for a specific amount, which shall be equal for each such Lot, for the purpose of purchasing equipment or facilities for the Common Area in the Addition and/or for defraying in whole or in part the cost of constructing new capital improvements, or altering, remodeling, restoring or reconstructing previously existing capital

improvements upon such Common Area, including fixtures and personal property related thereto: provided, however, that before any such resolution shall become effective, it shall be ratified by the affirmative vote of two-thirds (2/3) of the Members who are present and voting in person or by proxy at a special meeting of the Membership called for this purpose and at which a quorum is present. In lieu of notice to and a meeting of Members as provided in the bylaws of the Association, a door-to-door canvass may be made to secure the required two-thirds (2/3) written approval of the Members for such increase in the Special Assessment. The voting process for this action may be handled by mail ballot as long as the ballots contain the name, property address, certification by the Secretary of the Association, alternate address of the Member, if applicable, and the date and signature of the Member. Ballots may be returned by U.S. mail in envelopes specifically marked as containing ballots for this special election, or may be collected by door-to-door canvass. For purposes hereof, composite building sites shall be treated in the same manner as set forth in Section 7.3 above.

The Owner of each Lot or composite building site shall pay his Special Assessment to the Association at such time or times and in such manner as provided in such resolution.

Section 7.6. Notice and Quorum for any Action Authorized Under Sections 7.3 and 7.5. Written notice of any meeting called for the purpose of taking any action authorized under Sections 7.3 and 7.5 shall be sent to all Members no less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members (or their proxies) holding fifty one (51%) of all Membership votes entitled to be cast shall constitute a quorum. If the required quorum is not present, the meeting may be recessed and reconvened at a later date subject to the same notice requirements. The required quorum at each such reconvened meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than fifty (50) days following the preceding meeting.

Section 7.7. Rate of Assessment. Except as provided in Sections 7.3 and 7.5 hereof, all Assessments shall be in the same and equal amount for each Lot regardless of its size, value or cost.

Section 7.8. Effect of Nonpayment of Assessments; Remedies of the Association. Any Assessments which are not paid when due shall be delinquent. If any Assessment is not paid within thirty (30) days after the due date, it shall bear interest from the due date at the lesser of (i) fifteen percent (15%) per annum, or (ii) maximum non-usurious rate permitted by law. The Association may bring an action at law against the Owner personally obligated to pay the same, or may foreclose the lien herein retained against the Lot or may take any other action permitted by law. Interest, costs, and reasonable attorneys' fees incurred in any such action shall be added to the amount of such Assessment. In order to secure the payment of the Assessments hereby levied, each Owner of a Lot, hereby grants to the Association a lien on such Lot which may be foreclosed on by judicial foreclosure or by nonjudicial foreclosure pursuant to the provisions of Section 51.002 of the Texas Property Code (and any successor statute), and each such Owner expressly grants to the Association a power of sale in connection therewith.

Section 7.9. Subordination of the Lien to Mortgages. As hereinabove provided, the title to each Lot shall be subject to a lien and power of sale by judicial or nonjudicial foreclosure, securing the payment of all Assessments and charges due the Association, but said lien shall be subordinate to any valid first lien or mortgage covering a Lot and improvements, any valid home equity lien or mortgage and any valid lien securing the cost of construction of improvements. Sale or transfer of any Lot and improvements shall not affect said lien, power of sale or foreclosure. However, the sale or transfer of any Lot and improvements which are subject to any such superior liens, pursuant to a judicial or nonjudicial foreclosure under such lien or mortgage or any conveyance in satisfaction of such debt (commonly called a "deed in lieu of foreclosure"), shall extinguish the lien and power of sale and nonjudicial foreclosure securing such Assessment or charge only as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot or the owner thereof from liability for any Assessments or charges thereafter becoming due or from the lien thereof. In addition to the automatic subordination provided hereinabove, the Association, in the discretion of its Board of Directors, may subordinate the lien securing any Assessment or charge provided for herein to any other mortgage, lien or encumbrance, subject to such limitations, if any, as the Board may determine.

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Section 7.10. Exempt Property. All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Texas, and all Common Area and reserves, shall be exempt from the Assessment and charges created herein. Notwithstanding the foregoing, no Lot which is used, or is intended for use, as a residence shall be exempt from said Assessment and charges.

ARTICLE VIII

MANAGEMENT AGREEMENTS

Section 8.1. General. The Association shall have the right to enter into management agreements with management companies to enable such companies to manage the Common Area and perform such other duties as may be assigned by the Association. Any and all management agreements shall be made with a professional and responsible party or parties with proven management skills and experience managing a project of this type.

ARTICLE IX

GENERAL PROVISIONS

Section 9.1. Term and Amendment. The covenants, conditions, restrictions, reservations, liens, and charges set forth in this declaration shall run with the land and shall inure to the benefit of and be enforceable by the Association and/or all Owners of any land subject to this Declaration for an initial term of forty (40) years from the date this Declaration is filed of record in the Real Property Records of Harris County, Texas. Upon the expiration of such initial term, said covenants, conditions, restrictions, reservations, liens, and charges (if not previously terminated and as amended, if amended), and the enforcement of rights relative thereto, shall be automatically extended and renewed for successive periods of ten (10) years each, unless prior to said renewal date an instrument signed and acknowledged by the then Owners of not less than fifty-one percent (51%) of the total number of Lots in the Addition is filed of record in the Real Property Records of Harris County, Texas, altering, rescinding, or modifying said covenants and restrictions in whole or in part as of said renewal date.

Notwithstanding anything to the contrary herein contained, it is expressly understood and agreed that the Owners of seventy-five percent (75%) of the total number of Lots in the Addition as shown on the original Addition Plat shall always have the power and authority to amend this Declaration and such amendment shall become effective on the date an instrument, signed and acknowledged by the then Owners of not less than seventy-five percent (75%) of the total number of Lots in the Addition as shown on the original Addition Plat, is filed in the Real Property Records of Harris County, Texas, so amending said Declaration.

In addition, the Board of Directors shall have the right, at any time and from time to time, without the joinder or consent of any other party, to unilaterally amend this Declaration by any instrument in writing duly signed, acknowledged, and filed of record in the Real Property Records of Harris County, Texas (i) if such amendment is necessary to correct any typographical error, grammatical error, ambiguity, or inconsistency appearing herein; (ii) if such amendment is necessary to bring any provision hereof into compliance with any statute, regulation, ordinance, resolution, or order of the Federal Housing Administration ("FHA"), the Veterans Administration ("VA"), or any federal, state, county, or municipal governing body, or any agency or department thereof, or any judicial determination which shall be in conflict therewith; (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans on the property subject to this Declaration; or (iv) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the property subject to this Declaration.

Section 9.2. Enforcement. The Association and/or any Owner shall have the right to enforce by a proceeding at law or in equity, all easements, restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration and in connection therewith shall be entitled to recover all reasonable collection costs and attorneys' fees. Failure by the Association and/or any Owner to enforce any of the provisions herein shall in no event be deemed a waiver of the right to do so thereafter. It is hereby stipulated that the failure or refusal of any Owner or any Occupant of a Lot to comply with the terms and provisions hereof would result in irreparable harm to other Owners and to the Association. Thus, the covenants, conditions,

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restrictions, and provisions of this Declaration may not only be enforced by an action for damages at law, but may also be enforced by injunctive or other equitable relief (i.e. restraining orders and or injunctions) by any court of competent jurisdiction, upon the proof of the existence of any violation or any attempted or threatened violation. Any exercise of discretionary authority by the Association and Board of Directors of the Association concerning a provision contained in this Declaration shall be presumed reasonable unless a court holds that such discretionary authority was arbitrary, capricious or inconsistent with the scheme of the development.

The Association may initiate, defend or intervene in litigation or any administrative proceeding affecting the enforcement of a provision contained in this instrument or for the protection, preservation or operation of the Addition covered by this Declaration. Any cost that has accrued pursuant to this Section shall be secured and collectible in the same manner as established herein for the security and collection of Assessments.

Section 9.3. No Liability. Neither the Association, the Board of Directors of the Association, the Architectural Control Committee, nor the respective agents, employees and architects of each, shall be liable to any Owner or any other party for any loss, claim or demand asserted on account of the Administration of these restrictions or the performance of the duties hereunder, or any failure or defect in such administration and performance. These restrictions can be altered or amended only as provided herein and no person is authorized to grant exceptions or make representations contrary to the intent of this Declaration.

No approval of Plans and Specifications and no publication of Design guidelines shall be construed as representing such Plans, Specifications or Design Guidelines will, if followed, result in properly designed improvements. Such Approvals and Design Guidelines shall in no event be construed as representing or guaranteeing any improvements will be built in a good and workmanlike manner.

The acceptance of a deed to a Lot by an Owner shall be deemed a covenant and agreement on the part of the Owner, and the Owner's heirs, successors and assigns, that the Association, and

the Board of Directors of the Association, as well as their agents, employees and representatives, shall have no liability under this Declaration except for willful misdeeds.

Section 9.4. Composite Building Site. Subject to the approval of the Architectural Control Committee, any Owner of one or more adjoining Lots may consolidate such Lots into one building site with the privilege of placing or constructing improvements on such resulting site, in which case setback lines shall be measured from the resulting property lines. For purposes of Assessments as provided for herein, any additional Lot(s) included in a composite building site shall be treated in accordance with Sections 7.3 and 7.5 hereof. An Owner of a dwelling constructed on a composite building site shall be entitled to only one vote for each composite building site owned, as provided for in Section 6.4 herein.

Section 9.5. Lot Area. No Lot may be resubdivided for any purpose unless prior written approval is received from the Board of Directors. The Owner shall pay all costs associated with such resubdivision and shall comply with all ordinances, laws or regulations in connection therewith including obtaining the consent of all necessary governmental agencies.

Section 9.6. Association's Insurance. The Association, through the Board of Directors or its duly authorized representative, shall have the authority, but shall not be obligated, to obtain the following types of insurance policies:

- (a) Properly insurance covering the Common Area and all improvements thereon in an amount equal to the full replacement value of the improvements and facilities located upon the Common Area owned by the Association (including all building service equipment and the like) with an "agreed amount endorsement" or its equivalent, a "demolition endorsement" or its equivalent and, if necessary, an "increased cost of construction endorsement" or the equivalent, affording protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement in Texas, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm and

water damage, and any such other risks as shall customarily be covered with respect to projects similar in construction, location and use;

(b) A comprehensive policy of public liability insurance covering all of the Common Area and insuring the Association, within such limits as it may consider acceptable (for all claims for personal injury and/or property damage arising out of a single occurrence); such coverage to include protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others, and any other coverage the Association deems prudent and which is customarily carried with respect to projects similar in construction, location and use; and

(c) A policy of fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association and all others who handle, or are responsible for handling funds of the Association; such fidelity bonds shall be of the kind and in the amount the Association deems necessary for the protection of the Owners. Premiums for all such insurance policies carried by the Association shall be a common expense payable from the Annual Assessments on all of the Lots. Liability and property insurance for Lots and the contents of residences shall be the responsibility of each individual Owner. All proceeds from policies held by the Association shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a federal governmental agency, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature of at least two (2) of the Members of the Board of Directors, or by an agent duly authorized by the Board of Directors.

Proceeds from such policies shall be used by the Association only for the benefit of its Members and where such proceeds arise out of an occurrence in which a building or improvement owned by the Association is damaged or destroyed, they shall be used to repair, restore and rebuild such building or improvements. In the latter event, the Board of Directors shall advertise for sealed bids from licensed contractors, and upon acceptance of a bid received thereby, may negotiate with the contractor, who shall be required to provide a full performance and payment bond for the repair,

reconstruction or rebuilding of such destroyed improvements or building. In the event the insurance proceeds are insufficient to pay all costs of repairing and/or rebuilding said improvements to their original conditions, the Association shall levy a Special Assessment for capital against all Owners to make up the deficiency. This shall be done only after compliance with all of the requirements for imposition of Special Assessments.

Section 9.7. Owner's Insurance. Each Owner shall obtain and maintain replacement value casualty insurance upon his Lot including all improvements, fixtures, installations and/or additions thereto and shall further obtain and maintain liability insurance coverage for not less than \$300,000.00 for bodily injury and \$100,000.00 property damage for incidents occurring on such Owner's Lot or upon any easement or right-of-way set forth herein or otherwise resulting from the negligence or willful misconduct of such Owner, his family members, tenants, Occupants, agents, contractors and invitees. Each Owner may obtain additional insurance at his own expense for his own benefit.

Any insurance obtained by the Association or an Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against the Owners, Association or their respective employees, agents or guests.

Section 9.8. Address/Location. Each Owner is required to provide and maintain at all times with the Association, or its designated management agent, current information regarding such Owner's address and phone number and the name, address and phone number of the Occupant or property manager, if any, of each Lot owned.

Section 9.9. Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing.

Section 9.10. Headings. Article numbers, Section numbers and Subsection numbers appearing herein are inserted only as a matter of convenience and in no way define, limit, construe

or describe the scope or intent of such Articles, Sections or Subsections, nor in any way affect the covenants, conditions, charges, encumbrances and restrictions set forth herein.

Section 9.11. 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 9.12. Interpretations. If this Declaration or any word, clause, sentence, paragraph, section or other part herein shall be susceptible of more than one or conflicting interpretations, then the interpretation which is most nearly in accordance with the general purpose and objectives of this Declaration shall govern.

Section 9.13. Omissions. If any punctuation, word, clause, sentence or provision necessary to give meaning, validity or effect to any other word, clause sentence or provisions appearing in this Declaration shall be omitted herefrom, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence or provision shall be supplied by inference.

Section 9.14. Gender and Grammar. The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations (or other entitles) or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

Section 9.15. Binding Effect. All of the terms hereof shall extend and be binding on all of the parties hereto and their respective heirs, personal representatives, successors and assigns.

Section 9.16. Prior Covenants. In the event that the Addition is subject to any covenants, conditions, and/or restrictions which were filed prior to this Declaration, those covenants, conditions,

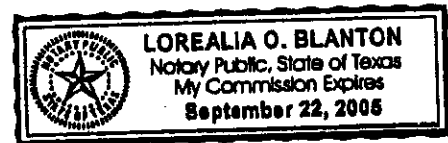
STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared FRED PEAVY, known to me to be a Director of Timbercrest Homeowners Association, Inc., a Texas non-profit corporation, know to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 9 day of NOVEMBER 2002.

Lorelia O. Blanton
Notary Public, State of Texas



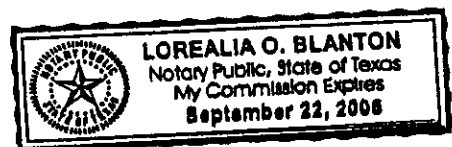
STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared TASHARA FONTAINE, known to me to be a Director of Timbercrest Homeowners Association, Inc., a Texas non-profit corporation, know to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 9 day of NOVEMBER 2002.

Lorelia O. Blanton
Notary Public, State of Texas



ADDENDUM TO COVENANTS, CONDITIONS AND RESTRICTIONS

TIMBERCREST ADDITION

The members of the Architectural Control Committee are:

1. Addis Sphannes
3448 BIZ
Houston TX 77004
2. Fred Peavy
3318 Calumet
Houston TX 77004
3. Tashara Fountain
3437 Prospect
Houston TX 77004

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 herein by me, and was duly RECORDED in the Official Public Records of Real Property of Harris
County, Texas on

FEB - 6 2003



Dorothy B. Kaufman
COUNTY CLERK
HARRIS COUNTY, TEXAS

Dorothy B. Kaufman
COUNTY CLERK
HARRIS COUNTY, TEXAS

2003 FEB - 6 PM 2:02

FILED