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Class B. Class B members shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. Class B membership shall cease and be converted to Class A membership on January 1, 1984.

Section 3. Clear Lake City Community Association Voting Rights. As a resident of a community within the Clear Lake City Community Association, Owner shall have the right to vote in that Association's special and regular elections, as provided in the Clear Lake City Community Association, Inc. By-Laws and any amendments thereto from time to time made.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and Owner of any lot 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 Association:

- (a) annual assessments or charges, and
- (b) special assessments for capital improvements, such assessments to be established and collected as hereafter provided.

The regular and special assessments, together with interest, penalty, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest penalty, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

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Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Members of the Association and, in particular, for the improvement and maintenance of the Property, services and facilities devoted to this purpose, or to the payment to or reimbursement of other affected parties or governmental entities for the improvement and maintenance thereof, and related to the use and enjoyment of the Common Areas.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Two Hundred Seventeen and No/100 Dollars (\$217.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five (5%) percent above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above five (5%) percent by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment

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shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Rate of Assessment. All Lots in University Green, Section Five shall commence to bear their applicable assessments simultaneously and Lots owned by the Declarant are not exempt from assessment. Lots which are occupied by residents shall be subject to an annual assessment determined by the Board of Directors. Unoccupied Lots which are owned by Declarant shall be assessed at the rate of one-half (1/2) of the annual assessment during the development period of University Green, Section Five, and any succeeding University Green sections duly annexed by the Association; however, said assessment shall be made only in the event and then only to the extent that assessments from occupied Lots are not sufficient to meet the operating budget of the Association. The rate of assessment for an individual Lot, within a calendar year, can change as the character of ownership and the status of occupancy change. On the sale of any Lot, the applicable assessment for such a Lot shall be prorated according to the rate required of each type of ownership.

Section 6. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot for at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten (10) percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 9. Exempt Properties. All properties dedicated to and accepted by a local public authority, all Drill Site Reserves, all Drill Site Easements, and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE V

COMMUNITY SERVICES CHARGE

The charges and assessments set out in this Article V are, and shall be paid, in addition to the annual maintenance charge and special assessments provided for in the foregoing article. The property comprising University Green, Section Five, being a part of

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the greater community development known as Clear Lake City, is subject to a community services charge provided for in that certain instrument dated July 29, 1963, and recorded under File No. B 731706, Film Code No. 093-12-0173 in the Official Public Records of Real Property of Harris County, Texas, which instrument is fully incorporated herein and made a part hereof for all purposes. The particular purposes for which the "Community Services Fund" built from said charge may be used are set out in the above-reference instrument. In general, said fund is to be used to render constructive civic service, to promote the social welfare and to promote and provide educational and recreational services and facilities to residents and owners of property in Clear Lake City subject to the community services charge. Therefore, it is covenanted and agreed that each Lot in this subdivision, in accordance with the terms of the aforesaid community services charge instrument, is hereby subjected to an annual community services charge in the initial amount of eight (8) mills per square foot, subject to adjustment as provided for in the referenced instrument, to be paid to the Clear Lake City Community Association, Inc., annually on the date as set by the Clear Lake City Community Association Board of Trustees, except that when a builder conveys a Lot with a residence house, the purchaser or owner shall pay that fractional part of the annual community service charge, the numerator of which shall be the number of months between the calendar month next following said conveyance and the month in which the community services charge is due, and the denominator of which shall be twelve (12). This charge and assessment against each Lot shall constitute and be secured by a lien thereon as provided for in the instrument aforesaid. The Community Services Fund shall be administered by said Clear Lake Community Association, Inc., in accordance with provisions of said instrument, and in the event of any conflict between any portion of this Article and any portion of said instrument, the latter shall govern and control.

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ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. Architectural Approval. UNIVERSITY GREEN,

Section Five is part of a greater community development commonly known as CLEAR LAKE CITY. The overall plan for the development of the various areas and sections which make up CLEAR LAKE CITY contemplates centralization of architectural control to enhance, insure and protect the attractiveness, beauty, and desirability of the area as a whole while at the same time permitting compatible distinctiveness of individual developments within the area. For this purpose, the Declarant hereby reserves and retains the right of architectural control to itself or its assignee as hereinafter provided. The Declarant shall initially appoint an Architectural Control Committee, consisting of not less than three (3) members, who need not be members of the Association, and who by majority vote may designate a representative to act for them. Any vacancy shall be filled by a successor appointed by the remaining member of members; until such successor(s) shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications, and plot plans submitted or to designate a representative with like authority.

It is accordingly covenanted and agreed that no building, fence, wall, or other structure shall be commenced, erected, or maintained upon the Property, nor shall any exterior addition to or change or alteration to such structure or the color thereof, (including, without limitation, site landscaping and grading plans, patio covers and trellises, plans for offstreet parking of vehicles and utility layout), be made until the plans and specifications showing the nature, kind, shape, height, materials, color, and location of the same shall have been submitted to and approved in

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writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Control Committee, provided that Declarant, and its successors or assigns, shall not be required to comply with the provisions hereof; and provided, further, that structures, no portion of which is visible from the street or Common Area nearest the Property from a height of six (6) feet or less, shall not be subject to such architectural approval. In the event said Committee, or its designated representative, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required, and this Article will be deemed to have been fully complied with. All plans and specifications shall be submitted in writing over the signature of the Owner of the property or its authorized agent. The Architectural Control Committee shall have the right to require any Owner to remove or alter any structure which has not received approval or is built other than per the approved plans. The requirement of this Article is in addition to any approvals or permits required by any appropriate governmental entity. Approval of plans as complying with the applicable Minimum Construction Standards adopted and promulgated from time to time for this subdivision by Declarant or its assigns, shall be only for such purposes and shall not indicate Declarant's approval for any other purpose.

Section 2. No Liability. Neither Declarant, the Association, Board of Directors, or the Architectural Control Committee or the members thereof shall be liable in damages to anyone submitting plans or specifications to them for approval, or to any Owner of property affected by these restrictions by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove

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any such plans or specifications. Every person who submits plans or specifications to the Architectural Control Committee for approval agrees, by submission of such plans and specifications and every Owner agrees that he will not bring any action or suit against Declarant, the Association, Board of Directors, the Architectural Control Committee, or any of the members thereof to recover any such damage.

Section 3. Notice of Noncompliance or Noncompletion. Notwithstanding anything to the contrary contained herein, after the expiration of one (1) year from the date of issuance of a building permit by municipal or other governmental authority for any improvement, said improvement shall, in favor of purchasers and encumbrances in good faith and for value, be deemed to be in compliance with all provisions of this Article VI, unless actual notice of such noncompliance or noncompletion, executed by the Architectural Control Committee, shall appear of record in the office of the County Clerk and Recorder of Harris County, Texas, or unless legal proceedings shall have been instituted to enforce compliance or completion.

Section 4. Rules and Regulations. The Architectural Control Committee may from time to time, in its sole discretion, adopt, amend and repeal rules and regulations interpreting and implementing the provisions hereof.

Section 5. Variances. Where circumstances, such as topography, location of property lines, location of trees, or other matters require, the Architectural Control Committee, by the vote or written consent of a majority of the members thereof, may allow reasonable variances as to any of the covenants, conditions or restrictions contained in this Declaration under the jurisdiction of such committee pursuant to this Article VI, on such terms and conditions as it shall require; provided, however, that all

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such variances shall be in keeping with the general plan for the improvement and development of the Property.

ARTICLE VII

DUTIES AND MANAGEMENT OF THE ASSOCIATION

Section 1. Duties and Powers. In addition to the duties and powers enumerated in its Articles of Incorporation and By-Laws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall:

- (a) Own, maintain and otherwise manage all of Common Areas and all facilities, improvements and landscaping thereon, and all other property acquired by the Association.
- (b) Pay any real and personal property taxes and other charges assessed against the Common Areas.
- (c) Have the authority to obtain, for the benefit of all of the Common Areas, all water, gas and electric services and refuse collection.
- (d) Grant easements where necessary for utilities and sewer facilities over the Common Areas to serve the Common Areas and the Lots.
- (e) Maintain such policy or policies of insurance as the Board of Directors of the Association may deem necessary or desirable in furthering the purposes of and protecting the interests of the Association and its Members.
- (f) Have the authority to contract with a management company for the performance of maintenance and repair and for conducting other activities on behalf of the Association provided that such contract shall be limited to a duration of one (1) year, except with the approval by vote or written consent of Members entitled to exercise not less than a majority of the voting power of the membership of the Association.
- (g) Have the power to establish and maintain a working capital

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and contingency fund in an amount to be determined by the Board of Directors of the Association.

(h) Have a duty to landscape and maintain the landscaping upon the Common Areas within the Property, and the duty to maintain the exterior of the perimeter walls located at Entrances, Common Areas, Greenbelt Buffers, and Parks.

(i) Have a duty to maintain all private streets within the Common Areas within the Property in conformance with the requirements prescribed for public streets by the City of Houston or Harris County, whichever prevails.

ARTICLE VIII

EASEMENTS

Section 1. The rights and duties of the Owners of Lots within the Property with respect to sanitary sewer and water, electricity, gas and telephone and cable television lines and drainage facilities shall be governed by the following:

(a) Wherever sanitary sewer house connections and/or water house connections or electricity, gas or telephone and cable television lines or drainage facilities are installed within the Property, which connection lines or facilities or any portion thereof, lie in or upon Lots owned by the Association or others than the Owner of a Lot served by said connections, lines or facilities such Owners of Lots served shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon the Lots within the Property in or upon which said connections, lines or facilities, or any portion thereof, lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below.

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(b) Wherever sanitary sewer house connections and/or water house connections or electricity, gas, telephone or cable television lines or drainage facilities are installed within the Property, which connections serve more than one Lot, the Owner of each Lot served by said connections shall be entitled to the full use and enjoyment of such portions of said connections which service his Lot.

Section 2. Easements over the Lots and Common Areas for the installation and maintenance of electric, telephone, cable television, water, gas and sanitary sewer lines and drainage facilities are hereby reserved by Declarant, together with the right to grant and transfer the same.

Section 3. Surface Areas of Utility Easements. Easements for installation and maintenance of utilities are reserved as shown and provided for on the recorded plat, and no structure shall be erected on any of said easements. Underground electric, gas and telephone service shall be available to all Lots in the subdivision. For so long as such underground service is maintained, the electric service to each Lot shall be uniform and exclusively of the type known as single phase 120/240 volt, 3 wire, 60 cycle, alternating current. Easements for the underground service may be crossed by driveways and walkways provided the declarant or Builder makes prior arrangements with the utility companies furnishing electric, gas and telephone service and provides and installs any necessary conduit of approved type and size under such driveways or walkways prior to construction thereof. Such easements for the underground service shall be kept clear of all other improvements, including buildings, patios or other pavings, and neither grantor nor any utility company using the easements shall be liable for any damage done by either of them or their assigns, their agents,

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employees or servants, to shrubbery, trees, flowers or other improvements (other than crossing driveways or walkways providing conduit has been installed as outlined above) of the Owner located on the land covered by said easements.

Section 4. Public and Private Streets. All Lots within the subdivision shall abut and have access to a public or private street. Public and private street rights-of-way are shown on the recorded plat of University Green, Section Five. Private streets adjoining and connecting the public streets have been constructed within and across the Common Area according to the map and plat heretofore referenced and a non-exclusive easement is hereby granted to each builder, Owner, their invitees and guests, and the general public for the use of said private streets as a means of ingress and egress to all Lots abutting thereto.

Section 5. Emergency and Service Vehicles. An easement is hereby granted to all police, fire protection, ambulance and other emergency vehicles and other service vehicles to enter upon the Common Area, including but not limited to private streets, in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and management personnel to enter the Common Area to render any service.

Section 6. Universal Easement. Each Lot and its Owner within the Properties is hereby declared to have an easement, and the same is hereby granted to Declarant, over all adjoining Lots and Common Areas for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, or any other cause. There shall be easements for the maintenance of said encroachment, settling or shifting; provided, however, that in no event shall an easement for encroachment be created in favor of an Owner or Owners if said

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encroachment occurred due to willful misconduct of said Owner or Owners. In the event a structure on any Lot is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots shall be permitted and there shall be easements for the maintenance of said encroachments so long as they shall exist. In addition, each Lot within the Properties is hereby declared to have an easement for overhanging roofs and eaves as originally constructed over each adjoining Lot and/or Common Area and for the maintenance thereof. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall be appurtenant to the Lot being serviced and shall pass with each conveyance of said Lot.

Section 7. Sidewalk Construction and Easements. Before the dwelling unit is completed or occupied, the Lot Owner shall construct a concrete sidewalk, three (3') feet in width within a ten (10') foot area between the back side of the private or public street curb towards the rear lot line and shall extend to the projection of the side Lot boundary lines. All sidewalks, whether meandering or in a straight line, shall meet at each side Lot Boundary line. The Lot Owner who first installs his sidewalk, shall establish where the sidewalks shall meet at the respective side Lot boundary lines for the adjacent lots. Sidewalks shall extend to street curbs at corner Lots. Owners of corner Lots shall install such a sidewalk as prescribed by Declarant, or his successors or assigns. All Owners of sidewalks shall be responsible for maintenance and repair of the same and there is hereby reserved and granted over each sidewalk area, including a three (3') feet crossing over each and every private driveway beginning at a point where the sidewalk intersects the driveway and ending at that point where the sidewalk continues, a non-exclusive easement to each pedestrian and riders of non-motorized wheeled toys, bicycles, tricycles who may be a builder, Homeowner, member, their invitees,

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and guests. The Architectural Control Committee, or its assignee, at its sole discretion is hereby permitted to grant deviations as to geometric sidewalk placement width or construction materials.

Section 9. Wall Maintenance Easements. All Lots within the subdivision shall be conveyed subject to a three-foot (3') wide easement adjacent to one (1) side Lot line of each Lot, which easement shall be for the benefit of the adjacent Lot, and the right to create, grant and reserve such easements is hereby reserved by Declarant for itself and its successors in interest. Said easements, the uses and purposes of which are set out below shall be granted or reserved by reference to this Section. The following rules prescribe the terms, conditions and uses of said easements, both by the Owner of the easement (the dominant tenement) and the Owner of the land under the easement (the servient tenement).

(a) The Owner of the dominant tenement (the lot which is benefited by the easement), except as otherwise provided in this Section, shall have the exclusive use of the surface of the easement area for the sole and only purpose of the maintenance, painting, repairing and rebuilding of the side privacy wall, fence or eave which are situated adjacent and abutting the easement area.

(b) The Owner of the land under the easement (the servient tenement), shall have the right at all reasonable times to enter upon the easement area for the purposes of maintaining the lawn and/or trees located within such easement area, which maintenance shall be the obligation of the servient tenement.

(c) The Owner of the servient tenement shall have the right of surface drainage over, along and upon the easement area for water resulting from the normal use of the servient tenement and the dominant tenement shall not use the easement area in

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such a manner as will interfere with such drainage.

(d) The Owner of the easement (the dominant tenement) shall not attach any object to the side of the privacy wall, fence or eave facing onto the easement area. No structure shall be constructed or placed upon the easement area by either the Owners of the dominant or servient tenement.

(e) The Owner of the dominant tenement as a condition to the exercise of the right of access provided for shall indemnify and hold harmless the Owner of the servient tenement from damage to shrubs, plants, flowers, trees, lawn, sprinklers, hose bibs, and other landscaping directly resulting for the exercise of such right.

(f) The Owner of the servient tenement shall indemnify and hold harmless the Owner of the dominant tenement from damage to the wall and/or building located on the dominant tenement which damage is caused by any use of the easement area by the servient tenement.

Section 9. There is hereby reserved to Declarant, its successors and assigns, an easement for public ingress and egress over the public bicycle and pedestrian pathways. This easement shall not imply any right of public use of the Common Area of improvements thereon, owned by the Association.

Section 10. Audio and Video. In the event that audio and video communication services and utilities are made available to any said Lots by means of an underground coaxial cable system, the company furnishing such services and facilities shall have a two (2') foot wide easement along and centered on the underground wire or cable when and as installed by said company from the utility easement nearest to the point of connection on the permanent improvement or structure, or to be constructed upon said Lot, and in a direct line from said nearest utility easement to said point of connection.

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ARTICLE IX

UTILITY BILLS, TAXES AND INSURANCE

Section 1. Obligation of the Owners.

(a) Each Owner shall have his separate electric, gas and water meter and shall directly pay at his own cost and expense for all electricity, gas, water, sanitary sewer service, telephone service, cable television and other utilities used or consumed by him on his Lot.

(b) Each Owner shall directly render for taxation his own Lot and improvements thereon, and shall at his own cost and expense directly pay all taxes levied or assessed against or upon his Lot and his improvements and property thereon.

(c) Each Owner shall be responsible at his own cost and expense for his own property insurance on the building and contents of his own residence, and his additions and improvements thereto, including decorations, furnishings and personal property therein; and also for his personal liability not covered by liability insurance for all Owners which may be obtained by the Association as part of the common expense in connection with the Common Area.

Section 2. Obligation of the Association.

(a) The Association shall pay as a common expense of all Owners, for all water, gas, electricity and other utilities used in connection with the enjoyment and operation of the Common Area or any part thereof.

(b) The Association shall render for taxation and, as part of the common expenses of all Owners, shall pay all taxes levied or assessed against or upon the Common Area and the improvements and the property appertaining thereto.

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(c) The Association shall have authority to obtain and continue in effect as a common expense of all Owners, a blanket property insurance policy or policies to insure the structures and facilities in the common area and the contents thereof and the Association against risks of loss or damage by fire and other hazards as are covered under standard extended coverage provisions, in such limits as the Association deems proper, and said insurance may include coverage against vandalism and such other coverage as the Association may deem desirable. The Association shall also have the authority to obtain comprehensive public liability insurance in such limits as it shall deem desirable, insuring the Association, its Board of Directors, agents and employees and each Owner (if coverage for Owners is available) from and against liability in connection with the Common Area.

(d) All costs, charges and premiums for all utility bills, taxes and any insurance to be paid by the Association as hereinabove provided shall be paid out of the maintenance fund as a common expense of all Owners and shall be a part of the maintenance assessment.

ARTICLE X

MAINTENANCE AND REPAIRS

Section 1. By the Owners. It shall be the duty, responsibility and obligation of each Owner at his own cost and expense to care for, maintain and repair the exterior and interior of his residence house and improvements on his Lot and the fixtures, appliances, equipment and other appurtenances thereto and also including the private driveway appurtenant to his residence house, sidewalks, and fences which are appurtenant to his residence house and situated on his Lot. The Association shall have no duty or obligation to any Owner in this regard.

Section 2. By the Association. The Association, as a common expense of all Owners, shall perpetually care for, maintain and keep

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in good repair the Common Area and all parts thereof, including but not limited to, the private streets, landscaping lawns, parking areas in the private streets and improvements and facilities owned by the Association, except that it shall be the obligation of each Owner, and not the obligation of the Association, to pay for the cost of repair and maintenance of private driveway, sidewalk, and fence or fences which are appurtenant to his residence house.

ARTICLE XI

RESTRICTIONS OF USE

Section 1. Single Family Residential Construction. No building shall be erected, altered or permitted to remain on any single Lot other than one detached single-family residential dwelling not to exceed two (2) stories in height, and a private garage for not more than three (3) cars and bona fide servants' quarters, which structure shall not exceed the main dwelling in height or number of stories. No such residence shall be constructed on less than the equivalent of one full Lot as defined on the recorded subdivision plat or any recorded replat thereof approved by Declarant.

Section 2. Commercial Use. No part of the Property shall ever be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending, or other such non-residential purposes, except Declarant, its successors or assigns, may use the Property for a model home site, and display and sales office during the construction and sales period.

Section 3. Minimum Square Footage. The living area of the main residential structure shall not be less than 1,200 square feet for a one-story dwelling nor less than 1,500 square feet for a two-story structure. Two-story dwellings shall contain a minimum of 800 square feet on the ground floor. No more than one dwelling shall be built on any one Lot or building site.

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The Architectural Control Committee or its assignee, at its sole discretion, is hereby permitted to approve deviations in the building area and location in instances where, in their judgment, such deviation will result in a more common beneficial use.

Section 4. Location of Improvements upon the Lot. No building shall be located on any Lot nearer to the front line or nearer to the street sideline than the minimum building setback line shown on the recorded plat. Each residence house shall be designed and constructed in such a manner as to incorporate a privacy wall of masonry or wood without windows, doors or openings, the exterior surface of which shall be located adjacent and abutting a side Lot line. There shall be a building setback of ten (10') feet between the abutting side Lot and the residence house on the adjoining Lot. The residence house shall be constructed a minimum of ten (10') feet from the rear Lot line, excluding patios, patio covers, trellises and like improvements. During original construction, the Architectural Control Committee, or its assignee, at its sole discretion, is hereby permitted to approve deviations in the location of improvements upon the Lot, subject to setbacks shown on the recorded plat and previous recorded instruments.

Section 5. Signs, Advertisements, Billboards. No sign, advertisement, billboard or advertising structure of any kind shall be displayed to the public view on any portion of the properties or any Lot except one sign for each building site, of not more than twenty-four (24) inches by thirty-four (34) inches for the purpose of advertising the property for sale or rent; provided, however, that Declarant, its agents and assigns, may erect and maintain such signs and other advertising devices or structures as it may deem necessary or proper in connection with the conduct of its operations for the development, improvements, subdivision, and sale of said

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Property. Declarant shall have the right to remove any such sign, advertisement or billboard or structure which is placed on said Lots in violation of this Section and in so doing shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal.

Section 6. Prohibition of Certain Activities. No noxious or offensive trade or activity shall be conducted, whether for profit or not, on any Lot which is not related to single-family residence purposes. Sales operations may take place on those Lots which may be designated by Declarant to be used for Sales Offices or Model Homes for a maximum period of seven (7) years from the date hereof. No activity, which may become an annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners of his respective dwelling unit, or which shall in any way increase the rate of insurance, or which will degrade property values, or distract from the aesthetic beauty of the subdivision, shall be conducted.

Section 7. Temporary Structures and Outbuildings. No structure of a temporary character, recreational vehicle, trailer, basement, tent, shack, garage, barn, playhouse, or other outbuilding shall be constructed, erected, altered, placed or permitted to remain on any Lot at any time as a residence or other use, either temporarily or permanently except such buildings or structures as may be hereafter permitted. Temporary structures may be used as building offices, sales offices and for other related purposes during the construction period, if such structures are approved by the Declarant.

Section 8. Animal Husbandry. Dogs, cats, or usual and ordinary household pets may be kept in any dwelling unit upon a lot, (not to exceed a total of two (2) pets, provided they are not kept, bred, or maintained for any commercial purpose). Notwithstanding

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the foregoing, no animals or fowl may be kept on the property which results in an annoyance or are obnoxious to residents in the vicinity.

Section 9. Storage of Automobiles, Boats, Trailers, Other Vehicles and Equipment. No trailer, camper, recreational vehicle, motorcycle, inoperative vehicle, boat, truck larger than a three-quarter (3/4) ton pickup, or similar equipment shall be parked or stored permanently or semi-permanently on any public street, right-of-way or on driveways. Permanent or semi-permanent storage of such vehicles or items must be screened from public view whether within the garage or behind a solid fence. The Board of Directors of the Association may adopt rules for the regulation of 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.

Section 10. Walls, Fences and Hedges. No wall, fence, planter or hedge in excess of three (3) feet high shall be erected or maintained nearer to the front Lot line than the front building setback line. No rear fence, wall or hedge and no side fence, wall or hedge shall be more than eight (8) feet high, and each must be approved by the Architectural Control Committee prior to construction. All rear Lot fences shall be placed within twelve (12) inches of the rear property line. The Architectural Control Committee, or its assignee at its sole discretion is hereby permitted to grant deviations in height, location and construction materials related to fences and walls which in their judgment will result in a more beneficial use. Any wall, fence or hedge erected as protective screening on a Lot by Declarant shall pass ownership with title to the property and it shall be the Owner's responsibility to thereafter maintain said protective screening.

Section 11. Visual Obstructions at the Intersections of Public Streets. No object or thing which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways within the triangular area formed by the junction of street curb lines and a line connecting them at points twenty-five (25) feet from the junction of the street curb lines (or extensions thereof) shall be placed, planted or permitted to remain on any corner Lots.

Section 12. Visual Screening on Lots. The drying of clothes in public view is prohibited, and the Owners or occupants of any Lots at the intersections of streets or adjacent to parks, playgrounds, greenbelts, or other facilities where the rear or side yard or portion of the Lot is visible to the public shall construct and maintain a drying yard or other suitable enclosure to screen drying clothes from public view. Similarly, all yard equipment, woodpiles or storage piles shall be kept screened by a service yard or other similar facility as herein otherwise provided, as to conceal them from view of neighboring Lots, Common Areas and public areas.

Section 13. Lot Maintenance. All Lots shall be kept at all times in a sanitary, healthful and attractive condition, and the Owner or occupants of all Lots shall keep all weeds and grass thereon cut and shall in no event use any Lot for storage of material and equipment except for normal residential requirements or incident to construction of improvements thereof as herein permitted, or permit the accumulation of garbage, trash or rubbish of any kind thereon, and shall not burn any garbage, trash or rubbish except by use of an incinerator approved by Declarant, and then only during such condition as permitted by law. 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, such default continuing after ten (10) days'

written notice thereof, Declarant, or its assignee, may without liability to the Owner or occupant, in trespass or otherwise, enter upon said Lot, cut, or cause to be removed, such garbage, trash and rubbish or do any other thing 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 cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupation of the property to pay such statement immediately upon receipt thereof. To secure the payment of such charges in the event of nonpayment by the Owner, a vendor's lien is herein and hereby retained against the above-described property in favor of Declarant or its assignee but inferior to purchase money lien or mortgage. Such vendor's lien shall be applicable and effective whether mentioned specifically in each deed or conveyance by Declarant or not.

Section 14. Antennas. No electronic antenna or device of any type other than an antenna for receiving normal television signals shall be erected, constructed, placed or permitted to remain on any Lots, houses or buildings constructed in this subdivision. Television antennas may be attached to the house; however, the antenna's location shall be restricted to the rear of the house or to the rear of the roof ridge line, gable or center line of the principal dwelling so as to be hidden from sight when viewed from the fronting street. No antennas shall be erected as a free-standing structure.

Section 15. Removal of Dirt and Trees. The digging of dirt or the removal of any dirt from any Lot is expressly prohibited except as necessary in conjunction with the landscaping of or construction on such Lot. No trees shall be cut except to provide room for construction of improvements or to remove dead or unsightly trees.

Section 16. Roofing Material. The roof of any building shall be constructed or covered with (1) Number One Perfection wood shingles, (2) asphalt or composition type shingles having a minimum weight classification of 340 pounds per square, comparable in color to weathered wood shingles and comparable in surface textural appearance to wood shingles; the decision of such comparison rests with the Architectural Control Committee, or (3) crush marble, slag or pea gravel set in a built up type roof on roof surfaces not visible from the fronting street. Any other type roofing materials, weight or colors shall be permitted only at the sole discretion of the Architectural Control Committee upon written request.

Section 17. Lot Drainage. All drainage of water from any Lot and the improvements thereon shall drain or flow as set forth below:

(a) Any such water may drain or flow into adjacent streets and shall not be allowed to drain or flow upon adjoining Lots or Common Areas unless an easement for such purpose is granted.

(b) All slopes or terraces on any Lot shall be maintained so as to prevent any erosion thereof upon adjacent streets or adjoining property.

(c) No structure, planting or other material shall be placed or permitted to remain or other activities undertaken within the Property or any portion thereof by any Owner which might damage or interfere with established slope ratios or interfere with established drainage functions or facilities.

Section 18. Roof Projections. No projections of any type shall be placed or permitted to remain above the roof of any residential building with the exception of one or more chimneys and one or more vent stacks and antennas, as set forth in Section 14.

Section 19. Window Coolers. No window or wall type air conditioners or water coolers shall be permitted to be used, erected,

placed or maintained on or in any residential building on any part of the property.

Section 20. Greenbelts and Common Areas. The Common Areas shall be used for park, recreational, social and other purposes directly related to the uses authorized under this Declaration and such Supplementary Declarations as may be filed and shall be restricted to pedestrian and non-motorized vehicle use and shall be open for the use of all Members and their guests during reasonable hours, as established by the Board of Directors.

Section 21. Swimming Pools. All swimming pools must have an enclosure fence, not less than five (5) feet in height. The material of the fence must be approved by the Architectural Control Committee.

Section 22. Landscape Maintenance. All landscaping of every kind and character including shrubs, trees, grass, and other plantings, shall be neatly trimmed, properly cultivated and maintained continuously by the Owner thereof in a neat and orderly condition and in a manner to enhance its appearance.

Section 23. Right of Inspection. During reasonable hours and after reasonable notice, the Association shall have the right to enter upon and inspect the Properties or any portion thereof and the improvements thereon for the purpose of ascertaining whether or not the provisions of this Declaration are being complied with and shall not be deemed guilty of trespass by reasons thereof.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens or

charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions shall in nowise affect any other provisions, which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90%) percent of the Owners, and thereafter by an instrument signed by not less than seventy-five (75%) of the Owners. Any amendment must be recorded.

Section 4. Books and Records. The books and records of the Association shall, during reasonable business hours, be subject to reasonable inspection by any member. The Board of Directors may, by resolution, establish rules and regulations governing the frequency of inspection and other matters to the end that inspection of the books and records by any member or members will not become burdensome to nor constitute harassment of the Association. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

Section 5. Annexation. Additional residential property and common area may be annexed to the Properties by the Board of Directors without obtaining the consent of the Owners.

ARTICLE XIII
RESERVATION OF MINERALS

There is hereby excepted from the land encompassed by the boundaries of this subdivision, and Declarant will hereafter except from all its sales and conveyances of said land, or any part thereof, including the Common Area, all oil, gas and other minerals in, on and under said land, but Declarant hereby waives, and will waive in each such conveyance, its right to use the surface of the land for development of oil, gas and other minerals, provided that Declarant hereby retains and reserves and by each conveyance will retain and reserve the right to pool the land with other lands, together with the right to drill under and through the subsurface of the land for development of oil, gas and other minerals. Such exceptions and such retained rights and reservations shall inure to the benefit of Declarant and its successors and assigns.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 1st day of April, 1981.

ATTEST:

FRIENDSWOOD DEVELOPMENT COMPANY

L. B. Bienen
Secretary

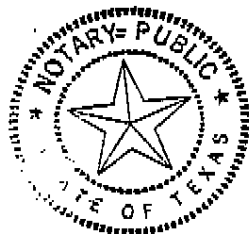
By: [Signature]
Name: L. J. Bezdold
Title: Vice President

G.K. Rin
F.G.M. [initials]
C.K. [initials]
T.R.S. [initials]

STATE OF TEXAS 0
 0
COUNTY OF HARRIS 0

BEFORE ME, the undersigned authority, on this day personally appeared L. J. Pezoldt, Vice President of FRIENDSWOOD DEVELOPMENT COMPANY, a corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 1st day of APRIL, 1981.



H. G. Kilbourn
Notary Public, in and for
Harris County, Texas

H. G. KILBOURN
Notary Public, State of Texas
My Commission Expires November 30, 1984