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CONDITIONS AND RESTRICTIONS FOR CLEARWATER COVE, A
MONTGOMERY COUNTY SUBDIVISION**

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EXECUTION PAGE

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DECLARATION
of
RESTATED AND AMENDED
COVENANTS, CONDITIONS AND RESTRICTIONS
for
CLEARWATER COVE
A MONTGOMERY COUNTY SUBDIVISION

THE STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF MONTGOMERY §

WHEREAS, Clearwater Cove, Inc., a Texas corporation, was the sole owner of that certain property known as Clearwater Cove, a Montgomery County subdivision according to the maps or plats thereof recorded in Cabinet "E", Page 37-A (the "Subdivision"); and

WHEREAS, Clearwater Cove, Inc. by that certain instrument entitled "Restrictions and Covenants Governing Clearwater Cove Subdivision, Montgomery County, Texas" filed of record under County Clerk's File No. 8434716 in the Official Public Records of Real Property of Montgomery County, Texas did impose on all Lots (as hereinafter defined) in the Subdivision all those certain covenants, conditions, restrictions and easements set forth therein (the "Restrictions"); and

WHEREAS, Paragraph 23 of the Restrictions provides that the terms thereof may be amended by an instrument signed by the then Owners of a majority of the Lots in the Subdivision; and

WHEREAS, the Owners of a majority of the Lots in the Subdivision did approve that certain instrument entitled "Amendment to Restrictions and Covenants Governing Clearwater Cove Subdivision, a Subdivision of Montgomery County, Texas" filed of record in the Official Public Records of Real Property of Montgomery County, Texas under County Clerk's File No. 8537483 (the Restrictions as previously amended being hereinafter referred to as the "Prior Restrictions"); and

WHEREAS, the Owners of a majority of the Lots in the Subdivision now wish to restate and amend the Prior Restrictions; and

WHEREAS, the restatement and amendment to the Prior Restrictions as contained in this instrument (hereinafter sometimes referred to as "Declaration") has been approved by fifty one percent (51%) of the Owners of a Lots in the Subdivision and has been filed of record in Montgomery County, Texas altering, rescinding or modifying the Prior Restrictions in whole or in part.

NOW, THEREFORE, for and in consideration of the premises, the Prior Restrictions are hereby restated, amended, superseded and replaced in the manner herein set forth so that the Prior Restrictions will no longer be of any force or effect and the Subdivision is and shall be held (except as expressly limited by the following paragraph), transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, reservations, stipulations,

exceptions and other provisions set forth in this Declaration, which covenants, conditions, restrictions, easements, reservations, stipulations, exceptions and other provisions shall run with the Subdivision and be binding on all parties having or acquiring any right, title or interest, whether legal or equitable, in the Subdivision or any part thereof, and shall inure to the benefit of such parties.

This Declaration shall be effective as of the date upon which it is filed of record in the Official Public Records of Real Property of Montgomery County, Texas (the "Effective Date"). Notwithstanding anything to the contrary contained herein, this Declaration shall expressly exempt the Owners of record as of the Effective Date from compliance with Sections 3.4, 3.11, 4.10, 4.11 and 4.14 of this Declaration with respect to any particular property for so long as such Owners may continue to legally own any right, title or interest in such property within the Subdivision or any part thereof; provided that upon any such Owner's transfer, sale or conveyance of such right, title and interest, the conveyed property shall automatically become subject to strict compliance with all of the covenants, conditions, restrictions, easements, reservations, stipulations, exceptions and other provisions of this Declaration, and any non-compliance with this Declaration shall be fully remedied not later than sixty (60) days following the record date of such transfer, sale or conveyance.

ARTICLE I

DEFINITIONS

As used in this Declaration, the terms set forth below shall have the following meanings:

SECTION 1.1. ANNUAL MAINTENANCE ASSESSMENTS – The assessment made and levied by the Association annually against every Owner and his Lot in accordance with the provisions of this Declaration.

SECTION 1.2. ARCHITECTURAL COMMITTEE – The Architectural Committee established and empowered in accordance with Article V of this Declaration.

SECTION 1.3. ARCHITECTURAL GUIDELINES – Guidelines adopted by the Architectural Committee pursuant to Section 5.3 related to the nature and shape, color, size, materials and location of improvements and alterations thereto.

SECTION 1.4. ARTICLES OF INCORPORATION – The Articles of Incorporation of the Association.

SECTION 1.5. ASSESSMENT(S) – An Annual Maintenance Assessment, Special Assessment, or Reimbursement Assessment.

SECTION 1.6. ASSOCIATION – Clearwater Cove Property Owners Association, a Texas non-profit corporation, its successors and assigns.

SECTION 1.7. BOARD OF DIRECTORS – The Board of Directors of the Association as elected in accordance with its Articles of Incorporation and the Bylaws.

SECTION 1.8. BYLAWS – The Bylaws of the Association.

SECTION 1.9. COMMON AREA – Real property owned by the Association for the common use and benefit of its Members.

SECTION 1.10. DECLARATION – The covenants, conditions, restrictions, easements, reservations, stipulations, exceptions and other provisions that shall be applicable to and govern the improvement, use, occupancy, and conveyance of all the Lots in the Subdivision, as set forth in this instrument or any amendment thereto.

SECTION 1.11. EASEMENT(S) - The various utility, maintenance, and other easements of record, shown on the Plat or created or referred to in this Declaration.

SECTION 1.12. EFFECTIVE DATE – The date this Declaration is filed of record in the Official Public Records of Real Property of Montgomery County, Texas.

SECTION 1.13. LIEN – The lien established in the Prior Restrictions and further discussed in Article VII, that secures payment of the Assessments.

SECTION 1.14. LOT(S) – Each of the Lots shown on the Plat and Building Sites, and encumbered by this Declaration, excluding the Common Area.

SECTION 1.15. MAINTENANCE FUND – Any accumulation of the Assessments collected by the Association in accordance with the provisions of this Declaration and all interest, penalties, assessments and other sums and revenues collected by the Association pursuant to the provisions of this Declaration.

SECTION 1.16. MEMBER(S) – All Owners of Lots who are Members of the Association as provided in Article VI of this Declaration.

SECTION 1.17. MORTGAGE(S) – A security interest, mortgage, deed of trust, or lien instrument granted by an Owner to secure the payment of a loan made to such Owner, duly recorded in the Official Public Records of Real Property of Montgomery County, Texas, and creating a lien or security interest encumbering some or all improvements thereon.

SECTION 1.18. OWNER(S) – Any person or persons, firm, corporation or other entity or any combination thereof that is the record owner of fee simple title to the surface of a Lot, including contract sellers under a contract for deed, but excluding holders of Mortgages.

SECTION 1.19. PLAT – The map or plat of Clearwater Cove, a subdivision in Montgomery County, Texas, filed of record in Cabinet “E”, Page 37-A of the Map Records of Montgomery County, Texas.

SECTION 1.20. PRIOR RESTRICTIONS – Those certain restrictive covenants, conditions, restrictions, easements, reservations, stipulations, exceptions and other provisions that ran with and encumbered the Lots prior to the Effective Date of this Declaration.

SECTION 1.21. REIMBURSEMENT ASSESSMENT – A charge against a particular Owner and the Lot owned by said Owner for the purpose of reimbursing the Association for expenditures and other costs incurred by the Association in curing any violation of this Declaration, the Articles of Incorporation, Bylaws, Architectural Guidelines, or any other rules and regulations set forth herein.

SECTION 1.22. RESERVE(S) – The Reserve(s) as shown on the Plat, which are not encumbered by these restrictions.

SECTION 1.23. RESIDENTIAL DWELLING(S) – The single family residence constructed on a Lot.

SECTION 1.24. SPECIAL ASSESSMENT – A special charge against every Owner and their respective Lot(s) as approved by the Members pursuant to Section 7.5.

SECTION 1.25. SUBDIVISION – All of the Lots and the Common Area, together with all improvements now or hereafter situated thereon and all rights and appurtenances thereto.

ARTICLE II

GENERAL PLAN, RESERVATIONS, EXCEPTIONS, EASEMENTS AND DEDICATIONS

SECTION 2.1. GENERAL PLAN AND DECLARATION. This Declaration is established pursuant to and in furtherance of a general plan and scheme of development established for the improvement and sale of the Lots encumbered by this Declaration, which general plan and scheme of development was established for the purpose of enhancing and protecting the value, desirability and attractiveness of the Subdivision. Every Lot encumbered by this Declaration and each part thereof shall be owned, held, transferred, conveyed, sold, leased, rented, hypothecated, encumbered, used, occupied, maintained, altered and improved subject to the covenants, conditions, restrictions, easements, reservations, stipulations, exceptions and other provisions set forth in this Declaration, for the duration thereof. All Lots encumbered by this Declaration are subject to the jurisdiction of the Association.

SECTION 2.2. PLAT. All dedications, limitations, restrictions and reservations shown on the Plat or deeds to Lots are also incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance of a Lot.

SECTION 2.3. EASEMENTS. As provided in the Prior Restrictions or by separate recorded instrument(s) (which instruments are incorporated herein by reference) there are dedicated and reserved permanent and unobstructed easements across certain designated portions of certain of the Lots therein upon, under and through which to construct and maintain water, telephone and electric light services and other public utilities, which said easements shall be a burden and charge against such Lots, by whomsoever owned. No structure shall be erected upon any of said Easements. More specifically, there exist dedicated and reserved permanent unobstructed utility easements that include a five foot (5') utility easement over, under, along and across the interior side of each Lot, or as indicated on the Subdivision Plat, which easements shall be a burden and charge against such Lots over which such easements extend the utility easements shown thereon and herein and include the right to remove all trees within the utility easement and the right to trim overhanging trees and shrubs located on property adjacent thereto, and also to construct any drainage ditches that might be necessary to the proper drainage of the Subdivision. The Owner of each Lot in the Subdivision shall, at his own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the

electric company's metering on the customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company, at the property line of each Lot. The electric company furnishing service shall make the necessary connections at such point of attachment and at the meter. In addition, the Owner of each Lot shall, at his own cost, furnish, install, own and maintain a meter loop (in accordance with the then-current standards and specifications of the electric company for the residence constructed on such Owner's Lot.

SECTION 2.4. UTILITY SERVICE. For beautification and safety reasons, all utility and cable lines from the road to the Residential Dwellings shall be underground and shall be installed by a licensed installer.

SECTION 2.5. UTILITY RESERVATIONS. The following reservations and easements shall be considered a part of and be construed as being adopted in each and every contract, deed or other conveyance executed or to be executed in the conveyance of the various Lots in the Subdivision:

- A. There presently exists in certain third parties the right to construct, erect and maintain over, along upon and under the several streets, drives, lanes, roads, Easements and reserve areas, as shown on the Plat, wires, poles for the purpose of construction and maintaining a system of electric lights, power telegraph and telephone lines and connections; and to construct, lay and maintain along, in and under any and all of said streets, lanes, drives, roads, Easements, and reserve area all pipe conduits, valves and other necessary and proper equipment (for the construction of systems of drainage, sewage and water supply), retaining also the right to grant or deny to areas beyond the Subdivision connection privileges to such drainage, sewage or water system), gas, light and power, telegraph and telephone service and other utilities to the Subdivision and the Lot Owners therein; and for all other purposes incident to the development and use of such property as a community unit and subdivision.
- B. It is hereby stipulated that the title conveyed to any Lot or parcel of land in said Subdivision by contract for deed or other conveyance shall not in any event be held or construed to include title to the water, gas, sewer, electric lights, electric power or telephone or telegraph lines, poles or conduits or any other utility or appurtenances thereto constructed within the Subdivision by any public utility companies through, along or upon any portion of the streets, drives, lanes, roads, Easements and reserve areas, and that the right to maintain, repair, sell or license such lines, utilities, and appurtenances is reserved and vests in the third parties that presently own such improvements.

ARTICLE III

USE RESTRICTIONS

SECTION 3.1. SINGLE FAMILY RESIDENTIAL USE. All Owners shall use their Lots and the Residential Dwellings and any other buildings on their Lot, if any, for single family residential purposes only. As used herein, the term "single family residential purposes" shall be deemed to specifically prohibit, by way of illustration but without limitation, the use of any Lot for a duplex apartment, a garage apartment or other commercial activity of any type including day care facilities, except that an Owner may use his Residential Dwelling as a personal office for a profession or occupation, provided:

- (i) the public is not invited or permitted to come onto such Lot to conduct business thereon;
- (ii) no signs advertising such profession or business are permitted upon such Lot;
- (iii) no on-site employees are permitted, other than domestic servants;
- (iv) no visible storage or display of materials, goods or products is permitted;
- (v) frequent deliveries by delivery vehicles are not permitted ("frequent deliveries" being defined as more than three (3) per week);
- (vi) no offensive activity or condition, noise and/or odor are permitted; and
- (vii) such use in all respects complies with the laws of the State of Texas, and the laws, rules and regulations of any regulatory body or governmental agency having authority and jurisdiction over such matters.

The term "single family residential purposes" shall be defined as:

- (i) one or more persons related by blood, marriage or adoption, which may include only parents, their children, (including foster children and wards), their dependent brothers and sisters, and their dependent parents ("dependent parents" being defined as parents incapable of living on their own without assistance);
- (ii) no more than two (2) unrelated persons living together as a single housekeeping unit and their children (including foster children and wards), their dependent brothers or sisters, and their dependent parents, their dependent grandparents and their domestic servants.

SECTION 3.2. GARAGE, ESTATE, OR YARD SALES. Garage, estate or yard sales are permitted on Lots no more than four (4) times per year and only as scheduled and approved by the Board of Directors.

SECTION 3.3. PARKING OF VEHICLES. Vehicles shall not be parked on the street fronting any Lot. Vehicles may be parked only on driveways or on approved paved areas on a Lot. No parking of any kind is permitted on Reserve "C". Vehicles may not be stored on a street or Lot as provided in Section 3. 4. Notwithstanding anything to the contrary contained in this Section 3.3, any vehicle owned by the guest of an Owner shall be permitted to be temporarily parked on the street fronting such Owner's Lot for a period not to exceed forty-eight (48) hours.

SECTION 3.4. PROHIBITED VEHICLES. Commercial vehicles, vehicles primarily used or designed for commercial purposes, tractors, mobile homes (either with or without wheels), manufactured homes (either with or without wheels), trailers (either with or without wheels), campers, camper trailers, boat trailers (without a boat), machinery or equipment of any kind, and vehicles (other than boats on trailers) which exceed six feet (6') ten inches (10") in

height, or eight feet (8') in width, or twenty-four feet (24') in length, shall be parked only in enclosed areas not visible from streets or adjacent Lots.

SECTION 3.5. STORED VEHICLES. Vehicles allowed under Section 3.4 which are either obviously inoperable, or do not have current license plates and inspection stickers shall not be permitted in the Subdivision, except within enclosed areas not visible from streets or adjacent Lots. For purposes of this Section 3.5, a vehicle shall be considered "stored" if it is, without the prior approval of the Board of Directors:

- (i) not moved from the Lot for a period of ten (10) consecutive days; or
- (ii) set on blocks and permitted to remain on blocks for a period of ten (10) consecutive days.

Notwithstanding the foregoing, service and delivery vehicles may be parked in the Subdivision during daylight hours for such period of time as is reasonably necessary to provide service to or to make a delivery to a Residential Dwelling.

SECTION 3.6. REPAIR OF VEHICLES. Except for temporary emergency repairs to a vehicle required in order to promptly remove an inoperable vehicle or disabled vehicle from the Subdivision or transport such a vehicle to a garage or other approved enclosure on a Lot, no vehicles may be repaired on a Lot unless the vehicle being repaired is concealed from public view inside a garage or other approved enclosure. Notwithstanding the foregoing, repairs of vehicles belonging to the occupants of a Residential Dwelling that do not cumulatively exceed one (1) day in any seven (7) day period of time, shall be permitted.

SECTION 3.7. LOT AND IMPROVEMENT MAINTENANCE. The Owner and/or occupant(s) of all Lots shall at all times keep all trees, shrubs, weeds and grass thereon cut in a sanitary, healthful and attractive manner (which shall include watering at intervals sufficient to sustain the landscaping) and shall in no event use any Lot for storage of material and equipment except as used for normal residential requirements or incidental to construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind and the burning of any materials within the Subdivision is expressly prohibited. No Residential Dwelling or other building, structure, or improvement upon any Lot (including driveways used exclusively by an Owner, sidewalks, wooden decks and walkways) shall be permitted to fall into disrepair, and each such Residential Unit, building, structure or improvement shall at all times be kept in good condition and repair and adequately painted or otherwise finished by the Owner of the Lot at such Owner's sole cost and expense. Likewise, all drainage ditches shall be maintained in good condition and repair and shall be kept unobstructed at all times. In the event of default on the part of the Owner or occupant of any Lot in observing any or all of the above requirements, such default continuing after ten (10) days' written notice thereof, the Association, its agents, servants or employees may, without liability to Owner or occupant, in trespass or otherwise, but without being under any duty to do so, act through its Board of Directors to enter upon such Lot and cut, or cause to be cut such trees, shrubs, weeds or grass and remove, or cause rubbish or noxious materials to be removed, or take such actions as are otherwise necessary to secure compliance with this Section 3.7 and to restore such Lot, Residential Dwelling, other building, structure, or improvement to a neat, attractive, healthful and/or sanitary condition, and shall charge the Owner or occupant of such Lot for the cost of such work. The Owner and/or occupant, as the case may be, by virtue of his ownership, purchase or occupation of the Lot, shall be obligated to pay such statement within ten (10) days after receipt thereof. Any sums not so paid shall be subject to the Lien established in Article VII of this Declaration.

SECTION 3.8. NUISANCES. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot and no odors shall be permitted to arise therefrom that would render any such Lot or any portion thereof unsanitary, unsightly, offensive or detrimental to any other Lot in the vicinity thereof or to its occupants. Other than electricity generators used during the duration of storm-related power failures, no air conditioning equipment, machine or any other device producing continuous or intermittent sound levels in excess of eighty (80) decibels within a five foot (5') radius of any Lot shall be operated or maintained on any Lot. Noisy outside construction or yard work or noisy interior construction work shall not be permitted before 8:00 a.m. nor after 9:00 p.m. No nuisance or annoyance of any kind whatsoever shall be permitted to exist or operate upon any Lot. The Board of Directors is expressly empowered to determine what activity constitutes a nuisance or annoyance in violation of this Section 3.8 and to take such actions in accordance with Section 3.7 hereof as the Board of Directors may deem necessary.

SECTION 3.9. TRASH CONTAINERS/YARD CLIPPINGS. No garbage or trash shall be placed or kept within the Subdivision except in covered or closed containers. Recycling bins shall be permitted, provided they are allowed by the Subdivision's then current waste contractor. Trash containers, recycling bins or yard clippings shall be placed for collection only on the night before and/or day of such collection. The burning of trash, garbage or other debris on any Lot is expressly prohibited.

SECTION 3.10. CLOTHES DRYING. No outside clothesline or other outside facilities for drying or airing clothes shall be erected, placed or maintained upon any Lot if visible from any street or other Lot.

SECTION 3.11. ANIMALS. No animals or birds, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any Lot and then only if they are kept, bred or raised thereon solely as domestic pets and not for commercial purposes. No more than two (2) of each type of household pet are permitted on each Lot. No animal or bird shall be allowed to make an unreasonable amount of noise, or to otherwise become a nuisance to other Owners. No structure for the care, housing or confinement of any animal or bird shall be maintained so as to be visible from a neighboring Lot or any street. The Board of Directors shall have the authority to determine, in its sole and absolute discretion, whether, for the purposes of this Section 3.11, a particular animal or bird is a generally recognized house or yard pet or constitutes a nuisance, and whether the number of animals or birds on any Lot is reasonable. The Board of Directors shall have the right to adopt such further reasonable rules and regulations as may be necessary for the control of animals in the Subdivision.

SECTION 3.12. SIGNS. No sign of any kind shall be displayed to public view on any residential Lot, except one (1) sign (or two (2) for waterfront Lots) for the purpose of either:

- (a) advertising the property for sale;
- (b) indicating the existence of security services;
- (c) identifying the builder or contractor while original construction of a Residential Dwelling is in progress on such Lot;
- (d) identifying a contractor while performing maintenance, repair or rebuilding work; or
- (e) such other signs as may be approved in writing by the Board of Directors.

No sign permitted on a Lot pursuant to the above limitations shall exceed a dimension of four (4) square feet.

Owners may also place ground mounted signs on their Lot, which advertise a political candidate or ballot item for an election ("Political Signs"), provided the following criteria are met:

- (1) No Political Sign may be placed on an Owner's Lot prior to the sixtieth (60th) day before the date of the election to which the sign relates, or remain on an Owner's Lot subsequent to the tenth (10th) day after the election date.
- (2) No more than one (1) Political Sign is allowed per political candidate or ballot item.
- (3) No Political Sign may:
 - (a) contain roofing material, siding, paving, materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component;
 - (b) be attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object;
 - (c) include the painting of architectural surfaces;
 - (d) threaten the public health or safety;
 - (e) be larger than four feet by six feet;
 - (f) violate a law;
 - (g) contain language, graphics, or any display that would be offensive to the ordinary person; or
 - (h) be accompanied by music, other sounds, by streamers or is otherwise distracting to motorists.

The Association may remove a sign displayed in violation of this section of the Declaration.

SECTION 3.13. WINDOW COVERINGS. Unless otherwise approved by the Architectural Committee, windows in Residential Dwellings shall not be covered with non-traditional coverings, including by way of illustration, but not limitation foil; boards; newspaper, paper or cardboard.

SECTION 3.14. FIREARMS AND FIREWORKS. The discharge of firearms within the Subdivision, except as allowed by law for the protection of persons or property, is expressly prohibited. The term "firearms" includes "B-B" guns, pellet guns and other firearms of all types, regardless of size. The discharge of any fireworks within the Subdivision is expressly prohibited at all times, in the interests of both the safety of the Owners and the prevention of fire to Residential Dwellings and other structures and improvements on the Lots. The term "fireworks" is deemed to include all incendiary devices described and regulated by legal statutes prohibiting their discharge within the limits of the City of Houston, Texas.

SECTION 3.15. OIL, GAS AND MINING OPERATIONS. No oil or gas drilling, oil or gas development operations, oil or gas refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall any walls, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structures designed for use in boring for oil or gas shall be erected, maintained or permitted upon any Lot.

SECTION 3.16. STORAGE. Without the prior written consent of the Architectural Committee, no building materials of any kind or character that are visible from any street or

other Lot shall be placed or stored on any Lot for more than thirty (30) days prior to the date on which construction of a Residential Dwelling, structure or other improvement is commenced. All materials permitted to be placed on a Lot shall be placed within the property line of such Lot.

SECTION 3.17. SEWAGE DISPOSAL AND WATER WELLS. All Residential Dwellings are required to contain sanitary facilities including toilets, wash basins, tubs or showers and the same must be connected to a functional sanitary system in full compliance with the requirements of any government authority having jurisdiction over such matters.

SECTION 3.18. DRAINAGE. No wall, fence, structure, hedge, trees, shrubs or other obstacles shall be planted, erected, and/or constructed so as to prevent natural surface drainage across the adjoining Lots. No structure, planting or other materials shall be placed or permitted to remain, nor any other activity be undertaken that would either damage or interfere with established slope ratios, create erosion or slippage problems, or change the direction or flow of drainage channels or obstruct or retard the flow of water through such drainage channels. The slope-controlled areas of each Lot and all improvements thereon shall be maintained by the Owner of the Lot (except for those improvements for which a utility company is responsible) in such a manner as to comply with this Section 3.18 and not to cause harm or interference with the natural surface drainage of any adjoining Lot.

ARTICLE IV

ARCHITECTURAL RESTRICTIONS

SECTION 4.1. RESIDENTIAL DWELLING SITE AND CONSTRUCTION. The livable area of the principal Residential Dwelling on each Lot shall consist of not less than 1,400 square feet, exclusive of open or screened porches, stoops, open terraces, garages or detached servants' quarters. Detached garages may be constructed of wood.

SECTION 4.2. LOCATION OF BUILDINGS AND IMPROVEMENTS UPON THE LOT. No Residential Dwelling, building or other structure shall be located on any Lot nearer to the front Lot line or nearer to the side street Lot line than the minimum building setback line shown on the Plat. In any event, unless otherwise previously approved in writing by the Architectural Committee, no Residential Dwelling, building, structure or other improvement shall be located on any Lot nearer than: twenty feet (20') to the front Lot line; nearer than five feet (5') to any side Lot line or side street line (unless otherwise noted on the Plat); nor ten feet (10') from any rear Lot line. If the physical shape of a Lot prohibits the Owner from complying with this stipulation, then such requirement may be waived in writing by the Architectural Committee, in its sole discretion. Residential Dwellings on corner Lots shall face the street upon which the Lot fronts as shown by the Plat. The front of the Lot is defined as being the property line having the smallest dimension on a street. On irregularly shaped Lots, the facing of the Residential Dwelling is expressly subject to the discretion, supervision and control of the Architectural Committee.

SECTION 4.3. PIERS, BOAT SLIPS AND BOATHOUSES. Lots 1 through 9 and Lots 34 through 38 in Block 2 may construct piers, boat slips, and/or boathouses; provided, however, that: i) prior written approval is obtained from the San Jacinto River Authority and the Architectural Committee, and ii) such improvements do not extend closer than five feet (5') from the side of the Lot. No piers, boathouses or other construction may extend into the canal right-of-

way adjacent to Lots 9 through 33 in Block 2 of the Subdivision; provided, however, that boat slips may be constructed on the specified Lots if they are properly bulkheaded as part of a design previously approved in writing by the Architectural Committee.

SECTION 4.4. SUBDIVISION OF LOTS AND COMPOSITE BUILDING SITE.

No Lot may be subdivided. With the prior written approval of the Architectural Committee, one or more adjoining Lots, or portions thereof, may be consolidated into one building site for purposes of placing or constructing improvements on such resulting site. In such event, the set back lines shall be measured from the resulting side property lines rather than from the Lot lines as indicated on the recorded Plat. Any such composite building site must have a frontage at the building set back line comprising not less than the minimum frontage of Lots in the same block.

SECTION 4.5. WALLS, HEDGES AND FENCES. No fence of any type will be allowed on Lots in Block Two (2). Walls and fences shall: i) not be placed in front of any minimum building set back line nor between the side street line and the minimum building set back line from the side street; nor ii) be more than six feet (6') in height. Any fence removed by an Owner must be replaced, unless the Architectural Committee otherwise agrees in writing. Hedges in excess of four feet (4') in height shall not be planted nor maintained in front of a building set back line without the prior written approval of the Architectural Committee. Chain link and wire fences are expressly prohibited and all other fences must be approved in writing by the Architectural Committee prior to the commencement of construction or renovation.

SECTION 4.6. SIGHT DISTANCE AT INTERSECTIONS. No fence, wall, hedge, shrub planting, object or anything else that would obstruct sight lines at elevations between two feet (2') and six feet (6') above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty five feet (25') from the intersection of the street lines, or in the case of a rounded property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

SECTION 4.7. TEMPORARY STRUCTURES. No structures of a temporary character, trailer (with or without wheels and whether or not attached to a foundation), mobile home (with or without wheels and whether or not attached to a foundation), modular or prefabricated home, manufactured home (with or without wheels), tent, shack, barn or any other outbuilding structure or building, other than a permanent Residential Dwelling to be built thereon, shall be placed on any Lot, either temporarily or permanently and no Residential Dwelling, garage or other structure appurtenant thereto, shall be moved upon any Lot from another location. Subject to the above restrictions, the following structures shall be hereby expressly permitted:

- (a) children's' playhouses or playground equipment as defined in Section 4.8, provided that neither shall extend more than eight feet (8') in height unless otherwise approved in writing by the Architectural Committee;
- (b) greenhouses and storage buildings that do not extend more than the height of the fence surrounding the Lot (which fence shall be required), ten feet (10') in width and ten feet (10') in length unless otherwise approved by the Architectural Committee; and
- (c) such structures approved in writing by the Architectural Committee.

SECTION 4.8. PLAYGROUND. No jungle gyms, swing sets or similar playground equipment shall be erected or installed in front of the back building line of any Residential Dwelling located on any Lot and shall not extend more than eight feet (8') in height unless approved in writing by the Architectural Committee. No recreational equipment or structures, such as basketball backboards and hoops, trampolines, etc. shall be erected or maintained on any Lot forward of the building setback line or side yard lines for corner Lots. Such recreational equipment or structures shall not be permitted to be used in such a manner as to become a nuisance or annoyance to other Owners, nor shall any such recreational equipment or structures be installed, erected or maintained on any vacant Lot.

SECTION 4.9. POOLS, SPAS AND HOT TUBS. No above-ground swimming pools shall be erected, constructed or installed on any Lot. Notwithstanding the foregoing, however, decks, spas and hot tubs, and/or children's' plastic pools of less than ten feet (10') in diameter are permitted. All pools, spas, and hot tubs shall be fenced and maintained in a healthful, safe and sanitary condition. The bacterial content of the water in any pool, spa or hot tub shall not be allowed to exceed the safe limits as prescribed by established standards of the Texas Department of Health.

SECTION 4.10. CARPORTS/GARAGES. No carport shall be constructed on any Lot without the prior written consent of the Architectural Committee. All Residential Dwellings are required to have a garage that is fully operable and constructed in such a manner as to at all times be physically capable of housing at least two (2) automobiles. Garage entrances shall be enclosed by residential-type wood, vinyl or metal garage doors.

SECTION 4.11. AIR CONDITIONERS. No window, roof or wall-type air conditioner or heat pump that is visible from any street or any other Lot is permitted to be used, placed or maintained on or in any Residential Dwelling, garage or other building.

SECTION 4.12. ROOF AND ROOF VENTILATIONS. All roofs shall be approved in writing by the Architectural Committee in compliance with the Architectural Guidelines, including replacement roof covering materials. Without limitation of the foregoing, the following types of roofing covering materials are expressly prohibited: plain sheet metal; corrugated metal or plastics; roll roofing; membrane or built-up roofs when visible from any street; and sprayed-on roofing material. Pre-formed, interlocking sheet metal roofs of the type commonly used in modern construction is permissible. All roof ventilators (other than ridge ventilators) shall be located to the rear of the roof ridge line and/or gable of any structure and shall not extend above the highest point of such structure so as not to be visible from any street. The Architectural Committee is empowered to approve exceptions to the foregoing in cases where energy conservation and heating/cooling efficiency require ventilators that because of a particular roof design cannot be hidden from view.

SECTION 4.13. ENERGY CONSERVATION EQUIPMENT. No solar energy collector panels or attendant hardware shall be constructed or installed on any Residential Dwelling, improvement or other structure, that:

- (a) threaten public health or safety or violate a law, all as adjudicated by a court;
- (b) are located on property owned or maintained by the Association;
- (c) are located on Common Areas;

- (d) are situated other than on the Owner's roof (on Owner's home or other permitted structure) or in Owner's fenced yard or patio area;
- (e) extend beyond the roofline or have an edge that is not situated parallel to the roofline;
- (f) have a frame, support bracket or visible piping or wiring that is not of a silver, bronze or black tone such as those commonly available in the marketplace;
- (g) extend higher than the fence line;
- (h) are installed in a manner that voids material warranties for such panels or hardware;
- (i) are installed without prior approval of the Architectural Committee in compliance with the Architectural Guidelines; or
- (j) would "substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities." Owners may overcome this restriction, however, by obtaining the written permission of all adjoining Owners.

No windmills, wind generators or other apparatus for generating power from the wind shall be erected or installed on any Lot.

SECTION 4.14. ANTENNAS AND SATELLITE DISHES. No exterior antennas, aerials, satellite dishes or other apparatus for the reception of television, radio, satellite or other signals of any kind that are visible from a Subdivision street, Common Area or other Lot shall be placed, allowed or maintained upon any Lot, unless it is impossible to receive an acceptable quality signal from any other location. In such event, the receiving device may be placed in the least visible location from which reception of an acceptable quality signal is possible. The Board of Directors may require painting or screening of the receiving device, which painting or screening does not substantially interfere with an acceptable quality signal. In no event are the following devices permitted: (i) satellite dishes that are larger than one (1) meter in diameter; (ii) broadcast antenna masts which exceed the height of the center ridge of the Residential Dwelling's roofline; or (iii) MMDS antenna masts which exceed a height of ten feet (10') above the center ridge of the roofline.. The Board of Directors may promulgate additional Architectural Guidelines that further define, restrict or elaborate on the placement and screening of receiving devices and masts, provided such Architectural Guidelines are in compliance with the Telecommunications Act (the "Act"). This Section 4.14 is intended: (i) to be in compliance with the Act, as the Act may be amended from time to time; and (ii) this to be interpreted to be as restrictively as possible without being in violation of the Act.

SECTION 4.15. EXTERIOR LIGHTING. Traditional holiday decorative lighting may be displayed for two (2) months prior to and one (1) month after any such holiday.

SECTION 4.16. REBUILDING. In the event of a fire or other casualty causing damage or destruction to a Lot, the Residential Dwelling or any other improvement located thereon, the Owner of such damaged or destroyed Lot, Residential Dwelling or other improvement shall within ninety (90) days after such fire or casualty, contract and commence to repair or reconstruct the damaged portion of such Lot, Residential Dwelling or other improvement. Such Lot, Residential Dwelling or other improvement to a Lot shall be fully repaired or reconstructed in accordance with the original plans therefor, or in accordance with new plans presented to and approved in writing by the Architectural Committee. Alternatively, such damaged or destroyed Residential Dwelling or other improvement to a Lot shall be razed and the Lot restored as nearly as possible to its original condition within one hundred twenty

(120) days after its damage or destruction. For good cause, the Architectural Committee may in its sole discretion extend the time frames established in this Section 4.16.

SECTION 4.17. COMPLETION OF CONSTRUCTION. Subject to any other applicable provisions contained in this Declaration, all exterior construction of the Residential Dwelling, building, structure and any other improvements shall be completed not later than one hundred twenty (120) days from the date of commencement of construction and all interior construction (including, but not limited to, all electrical outlets being in place and functional, all plumbing fixtures being installed and operational, all cabinet work being completed, and all interior walls, ceilings and doors completed) not later than six (6) months following the commencement of construction. Selection items such as wallpaper, vinyl flooring, tile flooring, carpet, appliances, electrical fixtures and other items that are commonly referred to in the building industry as selection items, are excluded from the requirements of this Section 4.17. For the purposes hereof, the term "commencement of construction" shall be deemed to mean the date on which the foundation forms are set or the date on which construction work on the property commences if there is no foundation involved. For good cause, the Architectural Committee may in its sole discretion extend the time frames established in this Section 4.17.

SECTION 4.18. SIDEWALKS. All owners shall construct and maintain a concrete sidewalk three feet (3') or more in width to the front door. Wooden walkways three feet (3') or more in width are permitted with prior written approval by the Architectural Committee. All sidewalks and walkways must have been approved by the Architectural Committee prior to the commencement of construction.

SECTION 4.19. TREE REMOVAL. No trees shall be cut or removed except to provide for construction of improvements or to remove dead trees. A plant must measure three feet (3') or more in diameter at a point twelve inches (12") above the ground to be considered a tree within the meaning of this Section 4.19.

SECTION 4.20. CULVERTS. Any bridge or culvert constructed over property line ditches shall consist of concrete or steel pipe and shall be constructed in such a manner as to meet or exceed the statutory specifications established for county roads in Montgomery County.

ARTICLE V

ARCHITECTURAL COMMITTEE

SECTION 5.1. APPROVAL OF BUILDING PLANS. No Residential Dwelling, boathouse building, structure or other improvement shall be erected, placed or altered on any Lot until the construction plans and specifications showing the nature, kind, shape, height, color, materials and location of the proposed structure have been approved in writing by the Architectural Committee with regard to quality of materials, harmony of exterior design and color with existing structures; location with respect to topography and finished ground elevation in relation to surrounding structures and topography, and compliance with minimum construction standards and/or Architectural Guidelines adopted by the Architectural Committee. A copy of the construction plans and specifications and a plot plan and drainage plan, together with such other information as the Architectural Committee may reasonably require, shall be submitted to the Architectural Committee or its designated representative prior to the commencement of construction. The Architectural Committee may require the submission of additional plans and specifications, and such other documents as it deems appropriate, in such form and detail as it

may elect in its sole discretion. In the event the Architectural Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the date on which same are submitted to it and received by it, approval will not be required and the requirements of this Section 5.1 will be deemed to have been waived. The Architectural Committee shall consist of designated members of the Board of Directors or its appointees.

SECTION 5.2. POWERS OF THE ARCHITECTURAL COMMITTEE. By way of illustration, but not limitation, the Architectural Committee shall have the right to specify architectural and aesthetic requirements for all Residential Dwellings, improvements and other structures, including minimum setback lines, the location, height, and extent of fences, walls or other screening devices, the orientation of structures with respect to streets, walks, paths, and structures on adjacent property and a limited number of acceptable exterior materials, finishes and colors that may be utilized in the construction or repair of improvements. The Architectural Committee shall have the full power and authority to reject any plans and specifications that do not comply with the restrictions imposed in this Declaration or that do not meet its minimum construction or Architectural Guidelines or that might not be compatible with the overall character and aesthetics of the Subdivision. The Architectural Committee may authorize variances from compliance with any of its guidelines and procedures or from these restrictions relating to buildings, structures and improvements when circumstances such as topography, natural obstructions, hardship, or aesthetic circumstances dictate. All variance grants shall be in writing, addressed to the Owner requesting the variance, describing the applicable restrictions to which the variance is granted, listing conditions imposed on the created variance and listing specific reasons for the granting of the variance. No variance so granted shall prevent the Architectural Committee from denying a similar variance in other circumstances. Failure by the Architectural Committee to respond within thirty (30) days to a written request for a variance shall operate as a denial of the variance.

SECTION 5.3. ARCHITECTURAL GUIDELINES. The Architectural Committee may promulgate additional Architectural Guidelines that establish construction standards related to the nature, kind, shape, color, size, materials and location of improvements and alterations thereto; provided, however, that such Architectural Guidelines will serve as minimum guidelines and the Architectural Committee shall not be prevented from altering or amending such guidelines.

SECTION 5.4. NO WAIVER OF FUTURE APPROVALS. Approval by the Architectural Committee of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Architectural Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

ARTICLE VI

MANAGEMENT AND OPERATION OF THE SUBDIVISION

SECTION 6.1. MANAGEMENT BY THE ASSOCIATION. The affairs of the Subdivision shall be administered by the Association. The Association shall have the right, power and obligation to provide for the management, acquisition, construction, maintenance, repair, replacement, administration, and operation of the Subdivision and Common Area as provided for in this Declaration, the Articles of Incorporation and the Bylaws. The business and

affairs of the Association shall be managed by its Board of Directors, unless otherwise reserved to the Members of the Association by law, the terms of the Declaration, the Articles of Incorporation, or the Bylaws. The Association, acting through the Board of Directors, shall be entitled to enter into such contracts and agreements concerning the Subdivision and Common Area as the Board of Directors deems reasonably necessary or appropriate to maintain and operate the Subdivision and Common Area in accordance with this Declaration, including without limitation, the right to grant utility and other easements in the Common Area for uses the Board of Directors shall deem appropriate and the right to enter into agreements with adjoining or nearby land owners or governmental entities on matters of maintenance, repair, administration, courtesy patrol or other matters of mutual interest.

SECTION 6.2. MEMBERSHIP IN ASSOCIATION. Each Owner (whether one or more persons or entities) of a Lot shall, upon and by virtue of becoming such Owner, automatically become and remain a Member of the Association until his ownership of the Lot ceases for any reason, at which time his membership in the Association shall also automatically cease. Membership in the Association shall be appurtenant to and shall automatically follow the ownership of each Lot and may not be separated from such ownership. All Members must provide their current mailing address to the Association in writing, if different from that of the Residential Dwelling on the Lot owned by the Member. The Association or its managing agent (with the approval of the Board of Directors) may charge a transfer fee (in such amount approved by the Board of Directors) each time the ownership of a Lot is changed or an applicable Mortgage is refinanced.

SECTION 6.3. VOTING OF MEMBERS. Each Lot shall be entitled to one vote. When more than one person owns interests in a Lot, all such persons shall be Members and the vote for such Lot shall be exercised as they may collectively determine, but in no event shall more than one vote be cast with respect to any Lot. The Members voting on any issue may do so by way of a signed ballot, if voting in person, or by Proxy or by Absentee ballot.

SECTION 6.4. OWNERS' EASEMENTS OF ENJOYMENT. Every Owner shall have a right and easement of enjoyment in and to the Common Area, which right shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) The right of the Association to suspend the right to use of the recreational facility by an Owner at any time during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for each infraction of its published rules and regulations governing the use of said facility;
- (c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3rds) of the Members agreeing to such dedication or transfer has been recorded in the Official Public Records of Real Property of Montgomery County, Texas; and
- (d) The right of the Association to collect and disburse those funds as set forth in Article VII.

SECTION 6.5. DELEGATION OF USE. Any Owner may delegate in accordance with the Bylaws his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on his Lot.

SECTION 6.6. LEASES. All leases of any Residential Dwellings must:

- (a) be in writing; and
- (b) provide that the lessee is expressly subject to the provisions of this Declaration, the Articles of Incorporation, and the Bylaws of the Association and that any failure by the lessee to comply with the terms of these documents shall operate as a default under such leases. Additionally, each Owner shall furnish the lessee with a current copy of this Declaration on or before the effective date of the lease.

SECTION 6.7. BOARD ACTIONS IN GOOD FAITH. Any action, inaction or omission by the Board of Directors made or taken in good faith shall not subject the Board of Directors or any individual Member of the Board of Directors to any liability to the Association, its Members or any other party.

SECTION 6.8. INDEMNIFICATION OF OFFICERS AND DIRECTORS. The Association shall indemnify each Officer and Director of the Association to the fullest extent permitted by Article 1396-2.22A of the Revised Civil Statutes of the State of Texas, as the same may be amended from time to time.

ARTICLE VII

ASSESSMENTS

SECTION 7.1 ANNUAL MAINTENANCE ASSESSMENT AND LIEN. Each Lot is subjected to and obligated to pay an Annual Maintenance Assessment, which shall be the personal obligation of the Owner of the Lot at the time the charge falls due. The Annual Maintenance Assessment, together with any Special Assessments, Reimbursement Assessments, interest, fines, costs and reasonable attorneys' fees, shall be a charge on the land and shall constitute a continuing Lien on each Lot. The Lien shall also mean and refer to that certain "Vendor's Lien" specified in the Prior Restrictions; provided, however, the provisions regarding the Lien contained in this Declaration shall control in the event of any inconsistencies with provisions for the "Vendor's Lien" contained in the Prior Restrictions. The Lien retained in this Section 7.1 shall not be considered an amendment of the "Vendor's Lien" retained by the Prior Restrictions. This Lien shall be subordinate to any mortgage for the purchase of a Lot or improvements to a Lot.

SECTION 7.2. PURPOSE OF ANNUAL MAINTENANCE ASSESSMENT. The Annual Maintenance Assessment shall be used exclusively to promote the recreation, welfare and common benefit of the residents in the Subdivision. Purposes for which funds from such charges may be used shall include, but not be limited to:

- (a) courtesy patrol;
- (b) Common Area trash pick-up;
- (c) accounting and bookkeeping charges and expenses, including such audits as the Board of Directors may deem advisable;
- (d) management fees;

- (e) insurance;
- (f) maintenance of vacant Lots;
- (g) fogging for insect control;
- (h) lighting, improving and maintaining streets, the Common area and esplanades;
- (i) enforcement of these restrictions and covenants; and
- (j) other things necessary or desirable, in the opinion of the Association, to maintain or improve the Subdivision under the jurisdiction of the Association, including establishment and management of a maintenance fund reserve for expenses specified herein. Use of funds from Annual Maintenance Assessments for any of these and other purposes is discretionary rather than mandatory, and the judgment of the Association in the expenditure of such funds shall be final and conclusive so long as such judgment is exercised in good faith.

SECTION 7.3 DETERMINATION OF RATE OF ANNUAL MAINTENANCE ASSESSMENT. The rate of the Annual Maintenance Assessment shall be determined annually, and may be adjusted from year to year by the Board of Directors as the needs of the Association require, in the judgment of the Board of Directors. To determine such needs, the Board of Directors shall prepare an operating budget covering the estimated costs and expenses of operating the Association during the coming year and, once prepared, shall calculate an Annual Maintenance Assessment per Lot. The Annual Maintenance Assessment for the calendar year 2012 shall be THREE HUNDRED TWENTY FIVE DOLLARS AND NO CENTS (\$325.00) per Lot. From and after the calendar year 2012, the Annual Maintenance Assessment may not be increased by the Board of Directors by more than ten percent (10%) above the Annual Maintenance Assessment for the previous year without the affirmative vote of two thirds (2/3rds) of Members who are voting in person, by absentee ballot or by proxy at a meeting duly called for this purpose. Nothing in this Section shall prevent the Board of Directors from authorizing expenditures in excess of the Annual Maintenance Assessment if such expenditures are made in response to an emergency condition; provided, however, that the Board of Directors shall furnish all Owners written notice of such condition within five (5) business days after the date of such expenditures.

SECTION 7.4. DUE DATE OF ANNUAL MAINTENANCE ASSESSMENT. The Annual Maintenance Assessment shall be due and payable to the Association Annually, in advance, on the last day of January.

SECTION 7.5. SPECIAL ASSESSMENTS. In addition to the Annual Maintenance Assessment authorized herein the Association may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, any expenses not anticipated by the operating budget then in effect, or for the construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto; provided, however, that any such assessment shall require the consent of two thirds (2/3rds) of the votes of Members who are voting in person or by proxy at a meeting duly called for the purpose of levying a Special Assessment.

SECTION 7.6. UNIFORM RATE PER LOT. Notwithstanding anything contained in this Declaration to the contrary, the Annual Maintenance Assessments and Special Assessments shall be levied on a uniform per Lot basis according to the Plat. Owners shall be responsible to the Association for payment of the Annual Maintenance Assessments and approved Special Assessments on the basis of the number of Lots so owned as reflected on the Plat. In order for any Special Assessment or increase in the Annual Maintenance Assessment as provided for in

Section 7.3 to be effective, such Special Assessment and increase in the Annual Maintenance Assessments must be equally applicable to all Lots.

SECTION 7.7. REIMBURSEMENT ASSESSMENTS. The Board of Directors, subject to the provisions hereof, may levy a Reimbursement Assessment against any Member if the failure of the Member's family, guests, or tenants to comply with this Declaration, the Articles of Incorporation, the Bylaws, the Architectural Guidelines or any other applicable rules and regulations shall have resulted in the expenditure of funds or the determination that funds will need to be expended by the Association to cause such compliance. The amount of the Reimbursement Assessment shall be due and payable to the Association ten (10) days after written notice to the Member of the decision of the Board of Directors that the Reimbursement Assessment is owing. Any Reimbursement Assessment(s) levied against a Member shall also be secured by the Lien against the Lot owned by the Member as outlined in Section 7.1.

SECTION 7.8. ENFORCEMENT OF ASSESSMENTS. Any Assessment that has not been paid within thirty (30) days after its specified due date shall be deemed delinquent and without further notice, shall bear interest at the rate of ten percent (10%) per annum from the date originally due until paid. The collection of Assessments and other sums due hereunder may be enforced by suit by the Association for a money judgment and/or foreclosure of the Lien and in the event of such suit, the expense incurred in collecting the delinquent amount(s), including interest, fines, costs and reasonable attorneys' fees shall be chargeable to and be the personal obligation of the defaulting Owner and shall further be secured by the Lien. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Area or by abandonment of a Lot.

SECTION 7.9. LEVY OF FINES. The Association may levy a reasonable monetary fine against an Owner for a violation of this Declaration and/or the Governing Documents. Such fines, along with reasonable and necessary attorneys' fees incurred for collecting such fines, shall constitute a lien upon the Owner's Lot and shall be collected in the same manner as the Annual Maintenance Assessment. The Board shall determine a fine policy.

ARTICLE VIII

INSURANCE

The Board of Directors shall have the authority to determine whether or not to obtain insurance for the Association and if insurance is obtained, the types and amounts thereof. In the event that insurance is obtained for the Association, the premiums for such insurance shall be an expense of the Association. Each Owner (and not the Association) shall be responsible for deciding to obtain and paying the expense of insurance for his Lot and his Residential Dwelling, its contents and furnishings, as well as obtaining personal liability insurance coverage.

ARTICLE IX

NOTICE AND DISCLAIMER OF LIABILITY

EACH RESIDENT OF THE SUBDIVISION, HIS GUESTS AND INVITEES ARE RESPONSIBLE FOR THEIR OWN PERSONAL SAFETY. IT SHALL NOT BE THE RESPONSIBILITY OF THE ASSOCIATION TO PROVIDE SECURITY TO THE RESIDENTS OF THE SUBDIVISION NOR THEIR GUESTS AND INVITEES. NEITHER THE ASSOCIATION, ITS BOARD OF DIRECTORS, NOR ITS OFFICERS OR DIRECTORS SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE SUBDIVISION, NOR SHALL THEY BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF ALLEGED FAILURE TO PROVIDE ADEQUATE SECURITY OR THE EFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN, IF ANY.

ARTICLE X

AMENDMENT TO DECLARATION AND DURATION OF DECLARATION.

SECTION 10.1. AMENDMENT. The terms of this Declaration may be amended at any time by an instrument signed by those Owners owning seventy five per cent (75%) of the Lots. No person shall be charged with notice of any amendment until and unless it has been filed of record in the Official Public Records of Real Property of Montgomery County, Texas.

SECTION 10.2. DURATION. The covenants and restrictions of this Declaration shall run with and be binding upon the land, for a term of thirty (30) years after the Effective Date of this Declaration, after which time they shall be automatically extended for successive periods of ten years. Notwithstanding the foregoing, however, this Declaration may be amended at any time as set forth in Section 10.1.

ARTICLE XI.

MISCELLANEOUS

SECTION 11.1. SEVERABILITY. In the event of the invalidity or partial invalidity or partial unenforceability of any provision in this Declaration, the remainder of this Declaration shall remain in full force and effect.

SECTION 11.2. NUMBER AND GENDER. Pronouns, whenever used herein, shall include natural persons and corporations, entities and associations of every kind and character, and the singular shall include the plural and vice versa, whenever and as often as may be appropriate.

SECTION 11.3. ARTICLES AND SECTIONS. Article and Section headings in this Declaration are for convenience of reference only, and shall not affect the construction or interpretation of this Declaration. Unless the context otherwise requires, references herein to Articles and Sections are to Articles and Sections of this Declaration.

SECTION 11.4. DELAY IN ENFORCEMENT. No delay in enforcing the provisions of this Declaration with respect to any breach or violation thereof shall impair damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time.

SECTION 11.5. ENFORCEABILITY. This Declaration shall run with the Lots and shall be binding upon and inure to the benefit of and be enforceable by the Association and each Owner of a Lot or any portion thereof and their respective heirs, legal representatives, successors and assigns.

SECTION 11.6. REMEDIES. In the event any one or more persons, firms, corporations or other entities shall violate or attempt to violate any of the provisions of this Declaration, the Association, each Owner or occupant of a Lot within the Subdivision or any portion thereof may institute and prosecute any proceeding at law or in equity to abate, preempt or enjoin any such violation or attempted violation or to recover monetary damages caused by such violation or attempted violation.

SECTION 11.7. BOOKS AND RECORDS. The books, records and papers of the Association shall, upon appointment during reasonable business hours, be subject to inspection by any Member as allowed by Section 2.23 of the Texas Non-Profit Corporation Act. The Articles of Incorporation, Bylaws of the Association and this Declaration shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

SECTION 11.8. ANNEXATION. Additional residential property and Common Area may be annexed to the Subdivision by the Board of Directors without obtaining Owners' consent.

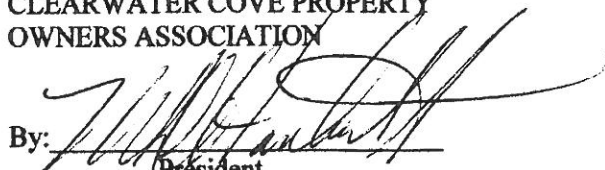
IN WITNESS WHEREOF, the Owners of Lots listed in Exhibit "A" attached hereto and incorporated herein, representing at least a majority of the Owners of Lots in the Subdivision consent to and approve the restatement and amendment of the Prior Restrictions to take effect on the Effective Date. The Association joins in the execution of this instrument to evidence its consent and approval of same.

DATED this 16 day of April, 2014.

ATTEST:


By: Secretary

CLEARWATER COVE PROPERTY
OWNERS ASSOCIATION

By: 
President

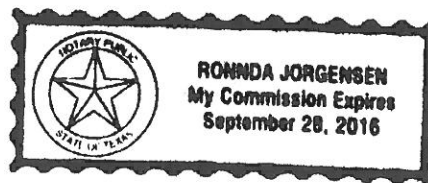
THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

Before me, a notary public, on this day personally appeared MICHAEL D. HARTNETT, as _____ President of the Clearwater Cove Property Owners' Association, known to me to be the person whose name is subscribed to the foregoing instrument and, being by me first duly sworn and declared that he/she executed same in the capacity and for the consideration therein expressed.

Given under my name and seal of office this the 16 day of APRIL, 2014.

Ronnda Jorgensen

NOTARY PUBLIC - STATE OF TEXAS



After Recording, please return to;
Clearwater Cove POA
2251 N loop 336 W
Suite C
Conroe, TX 77304