

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR RIVERSIDE RANCH
PERTAINING TO SECTION I**

THIS DECLARATION, made as of the date hereinafter set forth by 723 PARTNERSHIP, LTD. a Texas LIMITED PARTNERSHIP and HOUSTON HERITAGE, LTD. and LARRY K. SILLER.

WITNESSETH:

Declarant is the owner of approximately 62.068 acre tract of land in the Samuel Isaac League, Abstract 35 in Fort Bend County, Texas which has been platted as RIVERSIDE RANCH, a subdivision of land in Fort Bend County, Texas (the "Subdivision"); a plat of which subdivision having been filed of record in the Map records of Fort Bend County, Texas.

It is the desire of Declarant to provide for the preservation of the values and amenities in such subdivision and, to this end to subject the lots therein to the covenants, conditions, and restrictions hereinafter set forth for the benefit of the lots and all present and future owners thereof;

Declarant hereby declares that the lots shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which shall run with the lots and shall be binding upon all parties having any right, title or interest in said lots or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

The following words, when used in this Declaration, shall have the following meanings:

SECTION 1. "Association" shall mean and refer to the Riverside Ranch Homeowner Association, a Texas non-profit corporation, its successors and assigns.

SECTION 2. "Common Area" shall mean and refer to any properties, real or personal, owned by the Association or in which the Association has easement rights for the common use and enjoyment of the Association's Members.

SECTION 3. "Declarant" shall mean and refer to 723 Partnership, Ltd. a Texas Limited Partnership, its successor or assigns.

SECTION 4. "Lot (s)" shall mean and refer to any of the numbered lots shown on the Subdivision Plat restricted herein, including any lots created by the replatting of a Lot or other tract of land.

SECTION 5. "Member" shall refer to every person or entity, which holds a membership in the Association.

SECTION 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, but excluding those having an interest merely as security for the performance of an obligation or those owning an easement right, a mineral interest, or a royalty interest.

SECTION 7. "Properties" shall mean and refer to all property within the Subdivision and any additional property hereafter added to the jurisdiction of the Association as provided herein.

SECTION 8. "Street" shall refer to any street, drive, boulevard, road, alley, lane, avenue, or thoroughfare as shown on the Subdivision Plat.

SECTION 9. "Subdivision" shall mean and refer to RIVERSIDE RANCH a subdivision of land located in Fort Bend County, Texas, and all additional property annexed according to the Map Records of Fort Bend County.

SECTION 10. "Subdivision Plat" shall mean and refer to the recorded maps, plats, or any replats of the Subdivision.

SECTION 11. "Supplemental Declaration" shall refer to (i) an amendment to this Declaration subjecting additional property to this Declaration and (ii) to an instrument hereafter executed by the Declarant or other Owner or Owners of the affected property which imposes additional restrictions on all or part of the Properties which may be enforced by the Association.

SECTION 12. "Commercial Reserve" shall mean and refer to all areas designated as such on the Subdivision Plat.

SECTION 13. "Architectural Control Committee" shall mean and refer to the Architectural Control Committee, its successors and assigns as provided for in Article II hereof.

SECTION 14. "Lake" shall refer to all areas that are shown on the subdivision plat as a lake.

SECTION 15. "Sales Office" shall refer to the central Riverside Ranch Sales Office operated by the Developer and his designated Realtor.

SECTION 16. "Drill Sites" shall refer to all areas that are shown on the subdivision plat as a drilling site for the purposes of drilling for oil and gas.

ARTICLE II

ARCHITECTURAL CONTROL COMMITTEE

SECTION 1. CREATION, PURPOSE AND DUTIES. There is hereby created an Architectural Control Committee (herein referred to as the "Committee") comprised of 3 directors, Larry Siller, Rosa Jordan, and Carmen Coleman, and hereafter elected at the annual Homeowner's Association meeting each of whom shall serve until his successor is appointed as hereinafter provided. The Committee shall be responsible for enforcing and maintaining the architectural integrity of improvements constructed on the Lots and the quality of workmanship and materials utilized in the construction of such improvements in conformance with the restrictions herein. An action approved by a majority of the members of the Committee shall be deemed to be an act of the Committee. A majority of the Committee may designate one member to act for it. In the event of the death or resignation of any person serving on the Committee, or if for any reason, the Declarant shall remove any member of the Committee, the Declarant may designate in writing a successor, or successors, who shall have all of the authority and power of his or their predecessor(s). Until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to exercise the powers herein granted to the Committee.

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

SECTION 2. POWERS OF THE COMMITTEE. No building, structure, or other improvements shall be constructed on any Lot, and no exterior alteration shall be made until the site plan and the final working plans and specifications have been submitted to and approved in writing by the Committee. Any lot owner not complying with this requirement may be subject to a fine of \$50.00 for the first offense and \$100.00 for each offense after the first at the Board of Directors discretion. The Committee will have complete control as to conformity with the restrictions herein contained and harmony of external design, color and location in relation to existing structures and topography. In the event the Committee fails to approve or disapprove the site plan and plans and specifications for proposed improvements within thirty (30) days after submission of all of such materials to the Committee, approval thereof shall be deemed to have been given provided, however, failure to approve or disapprove such site plans and final working plans and specifications shall not be deemed to permit the construction of any improvements in a manner prohibited under the terms of this Declaration.

The Committee shall have the right to specify architectural and aesthetic requirements for building sites, 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 shall have the right to limit the number of acceptable exterior materials and finishes (to include color) that may be utilized in construction or repair of improvements. The Committee shall have full power and authority to reject any site plan or final working plans and specifications that do not comply with the restrictions herein contained or that do not meet its minimum construction or architectural design requirements or that, in the sole and uncontrolled discretion and opinion of the Committee, will not be compatible with the overall character and aesthetics of the Subdivision.

The Committee shall have the right, exercisable at its sole discretion, to grant variances to the restrictions set forth herein in specific instances where the Committee in good faith deems that such variance does not adversely affect the architectural and environmental integrity of the Subdivision. The Committee may require the submission of documents and items deemed necessary to consider a request for a variance. If the Committee shall approve such request for a variance, it shall evidence such approval, and grant its permission for such variance, only by written instrument addressed to the Owner of the Lot relative to which such variance has been requested, describing the applicable restriction (s) and the particular variance requested, expressing the decision of the Committee to permit the variance, and describing (when applicable) the conditions on which the variance has been approved. Any request for a variance shall be deemed to have been disapproved in the event of either (a) written notice of disapproval from the Committee or (b) failure by the Committee to respond to the request for variance.

ARTICLE III

RIVERSIDE RANCH HOMEOWNER'S ASSOCIATION

SECTION 1. ORGANIZATION. Declarant has caused the Association to be organized and formed as a non-profit corporation under the laws of the State of Texas. The principal purposes of the Association are the collection, expenditure, and management of the maintenance funds, enforcement of the restrictions contained herein, providing for the maintenance, preservation, and architectural control of the Lots, the general overall supervision of all of the affairs of and the promotion of the health, safety, and welfare of the residents within the Properties.

SECTION 2. BOARD OF DIRECTORS. The Association shall act through an initial Board of three (3) Directors, which also serve as the Architectural Control Committee and which shall manage the affairs of the Association as specified in the By-Laws of the Association. The number of Directors will change to five (5) when the class B members shall cease and be converted to class A members.

SECTION 3. MEMBERSHIP. Every Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any property, which is subject to assessment, by the Association.

SECTION 4. VOTING. The Association shall initially have two classes of voting membership:

- (a) **CLASS A.** Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all of such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.
- (b) **CLASS B.** Class B members shall be the Declarant and shall be entitled to five (5) votes for each Lot owned.

The Class B membership shall cease and be converted to Class A membership on the happening of the earlier of the following events: (i) when Declarant has sold ninety percent (90%) of the lots in RIVERSIDE RANCH, as designated on the Subdivision plat or which may become subject to the jurisdiction of the Association by annexation or replatting (ii) on December 31, 2013.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION FOR ASSESSMENT. Each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be expressed in the deed or other evidence of the conveyance, is deemed to covenant and agree to pay the Association the following:

- (a) Annual assessments or charges and
- (b) Special assessments for capital improvements, such assessments or charges to be fixed, established and collected as hereinafter provided. These assessments and charges, together with interest thereon as hereinafter provided, costs of collection, and reasonable attorney's fees, shall be a charge on the land and shall be secured by a continuing lien upon the property against which such assessment or charges are made. Each such assessment or charge, together with such interest, cost of collection, and reasonable attorney's fees shall also be and remain the personal obligation of the Owner of the particular Lot at the time the assessment or charge fell due notwithstanding any subsequent transfer of title of such property. The personal obligation for delinquent assessments and charges shall not pass to successors in title unless expressly assumed by them.

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 residents in the Properties and for the improvement and maintenance of the Common Area. Without limiting the foregoing, the total assessments accumulated by the Association, insofar as the same may be sufficient, shall be applied toward the payment of all taxes, incurred by the Association and, at the option of the Board of Directors of the Association, for any and all of the following purposes: lighting, improving and maintaining streets, alleyways, sidewalks, paths, parks, parkways, easements, and esplanades in the Properties; collecting and disposing of garbage (Association is not required to furnish garbage service), ashes, rubbish, and materials of similar nature; payment of legal and all other expenses incurred in connection with the collection, enforcement and administration of all assessments and charges and in connection with the enforcement of this Declaration; employing policemen or watchmen and/or a security service; fogging and furnishing other general insecticide services; providing for the planting and upkeep of trees, grass and shrubbery in esplanades, easements, and in the Common Area; acquiring and maintaining any amenities or recreational facilities that are or will be operated in whole or in part for the benefit of the Owners or occupants of the Properties, including the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance, and other charges as specified herein. The judgment of the Board of Directors in the expenditure of annual assessments shall be final and conclusive as long as said judgment is exercised in good faith.

SECTION 3. MAXIMUM LEVEL OF ANNUAL ASSESSMENTS. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner by Declarant, the maximum annual assessment shall be \$500 per Lot. Each year thereafter the maximum annual assessment may be increased by the Board of Directors of the Association in its sole discretion, by an amount equal to no more than Ten percent (10%) over the maximum assessment for the previous year without a vote of the Members of the Association. The maximum annual assessment may be increased above ten percent (10%) in any one year by a vote of two-third (2/3 rds) of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. Special assessment may be collected on a monthly basis at the Board's election. All lake lot owners will be assessed an additional \$100.00 per year for lake maintenance along with the annual assessment.

SECTION 4. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS. In addition to the annual assessment 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, or repair or replacement of a capital improvement located upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the approval of two-thirds (2/3 rds) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. Special assessments may be collected on a monthly basis at the Board's election.

SECTION 5. NOTICE AND QUORUM. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 above shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast Fifteen percent (15%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meetings. No subsequent meeting shall be held more than 30 days following the preceding meeting.

SECTION 6. RATES OF ASSESSMENT. Both annual and special assessments on all Lots shall be fixed at uniform rates. There will be one assessment assessed for each lot owned and one lake assessment for each lake lot owned.

SECTION 7. DATE OF COMMENCEMENT AND DETERMINATION OF ANNUAL ASSESSMENT. The annual assessment provided for herein shall commence as to all Lots on a date fixed by the Board of Directors of the Association. On or before the 30th day of November in each year, the Board of Directors of the Association shall fix the amount of the annual assessment to be levied against each Lot in the next calendar year. Written notice of the figure at which the Board of Directors of the Association has set the annual assessment shall be sent to every Owner whose Lot is subject to the payment thereof. Each annual assessment shall be due and payable in advance on or before the first day of January of each calendar year. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a particular Lot is binding upon the Association as the date of its issuance.

SECTION 8. EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION. Any assessments or charges, which are not paid when due, shall be delinquent. If an assessment or charge is not paid within thirty (30) days after the due date, there will be a \$50.00 late charge and both shall bear interest at the rate of ten percent (10%) interest per annum. The Association may bring legal action against the Owner personally obligated to pay the same, or to foreclose the lien herein retained against the property. Interest costs and reasonable attorney's fees incurred in any such action shall be added to the amount of such assessment or charge. Each such Owner, by his acceptance of a deed hereby expressly vests in the Association or its agents, the right and power to bring all actions against such Owner personally for the collection of such assessments and charges as a debt and to enforce the lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien foreclosure on real property, and such Owner expressly grants to the Association a power of sale and non-judicial foreclosure in connection with the lien. 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 9. SUBORDINATION OF THE LIEN TO MORTGAGES. As herein above provided, the title to each Lot shall be subject to a lien securing the payment of all assessments and charges due to the Association, but the lien shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the lien in favor of the Association provided, however, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien securing such assessment or charge as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot or the Owner thereof from liability for any charges or assessment thereafter becoming due or from the lien thereof. In addition to the automatic subordination provided for hereinabove, the Association, in the sole discretion of its Board of Directors, may subordinate the lien securing any assessment provided for herein to any other mortgage lien or encumbrance, subject to such limitations, if any, as the Board of Directors may determine.

SECTION 10. EXEMPT PROPERTY. All properties owned by 723 Partnership, Ltd. and the Declarant shall be exempt from assessment until it is sold to the public. The Commercial Reserve shall be exempt from any assessments.

ARTICLE V

PROPERTY RIGHTS IN THE COMMON AREA

SECTION 1. OWNER'S EASEMENT FOR ACCESS AND ENJOYMENT. Subject to the provisions herein stated, every Member shall have an easement of access and a right and easement of enjoyment in the Common Area, and such right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following rights of the Association:

- (a) The Association shall have the right to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.
- (b) The Association shall have the right to borrow money and, with the assent of two-thirds (2/3rds) of each class of Members, to mortgage, pledge, deed in trust, any or all of the Common Area as security for money borrowed or debts incurred,

- (c) The Association shall have the right to take such steps as are reasonably necessary to protect the Common Area against foreclosure of any such mortgage.
- (d) The Association shall have the right to suspend the voting rights and enjoyment rights of any Members for any period during which any assessment or other amount owed by such Member to the Association remains unpaid in excess of thirty (30) days.
- (e) The Association shall have the right to establish reasonable rules and regulations governing the Members' use and enjoyment of the Common Area, and to suspend the enjoyment rights and voting rights of any Members for any period not to exceed sixty (60) days for any infraction of such rules and regulations.
- (f) Upon approval by two-thirds (2/3rds) of each class of Members, the Association shall have the right to dedicate sell or transfer all or any part of the Common Area to any public agency or authority for such purposes and subject to such conditions as may be approved by said two-thirds (2/3rds) of each class of Members provided, however, nothing contained herein shall be construed to limit the right of the Association to grant or dedicate easements in portions of the Common Area to public or private utility companies.

SECTION 2. DELEGATION OF USE. Each Member shall have the right to extend his rights and easements of enjoyment to Common Area to the members of his family, to his tenants who reside in the Subdivision, and to such other persons as may be permitted by the Association.

ARTICLE VI

USE RESTRICTIONS

SECTION 1. RESIDENTIAL USE. Each and every Lot is hereby restricted to residential dwellings for single-family residential use only. No business, professional, commercial, or manufacturing use shall be made of any of said Lots, even though such business, professional, commercial, or manufacturing use be subordinate or incident to use of the premises as a residence, except such activities as may be required to maintain an agricultural exemption as hereafter permitted. Unless authorized by the Architectural Control Committee, no structure shall be constructed, placed on, or permitted to remain on any Lot in the Subdivision and no barns or other outbuildings of any type shall be constructed until a single-family residence is constructed. As used herein, the term "residential use" shall be construed to prohibit the use of any Lot for duplex houses, garage apartments for rental purposes, or apartment houses. Additional buildings for servants and guests are permitted on a Lot, but no additional building shall be rented separately from the main residence on such Lot. Once construction of a residence commences upon a Lot, the Owner of such Lot shall diligently thereafter pursue such construction to completion. Construction must be completed within one (1) year after commencement.

SECTION 2. BUILDERS. All houses in Riverside Ranch must be built by a builder on the Riverside Ranch approved builder list. This list may be changed at the sole discretion of the Developer at any time.

SECTION 3. ANIMALS AND LIVESTOCK. No animals of any kind shall be permitted for sale, breeding, boarding, or other commercial purpose on any Lot. Dogs, cats, horses and other domestic pets may be kept on a Lot; provided, however that there shall be not more than three (3) small animals such as dogs or cats per lot contained within a Lot. Horses are limited to one per lot owned. No horses will be allowed on any lot that back up to the lake. Swine, cattle, and poultry of any kind are not permitted on any Lot. However, if any owner or occupant of any Lot is a member of 4-H or Future Farmers of America, the Architectural Control Committee may, in its discretion, allow one (1) animal not specifically permitted pursuant to the above provisions, to be kept, raised, and maintained on any Lot if such permission is granted in writing. Animals which are permitted to roam free, or which in the sole discretion of the Board, endanger health, make objectionable noises, or constitute a nuisance or inconvenience to Owners within the subdivision will be required to be confined to the owner's lot. All animals shall be registered, licensed, and inoculated as required by law. All lots owned by the Declarant may grow hay in order to maintain an agricultural exemption.

SECTION 4. NUISANCES AND NOISE. No noxious or offensive trade or activity shall be carried on upon any Lot nor shall anything be done thereon which may be or become an annoyance or nuisance to residents of the Subdivision. No loud or unnecessary noises or any noise, which either annoys, disturbs, injures or endangers the comfort, health, peace, or safety of the residents or the Subdivision shall be permitted on any Lot or the Common Area.

SECTION 5. STORAGE AND REPAIR OF VEHICLES. Unless otherwise approved by the Committee, no boat, boat trailer, boat rigging, motor home, trailer, truck larger than a one ton pick-up, bus, inoperable automobile, recreational vehicle or camper shall be parked or kept in the Street in front of or on the side of any Lot unless such vehicle is screened from public view. However, boats, boat trailers, recreational vehicles, boat riggings, motor homes, trailer, and campers may be temporarily parked on any Lot for a period not exceeding seventy-two hours in any thirty-day period. No Owner of any Lot or any visitor or guest of any Owner shall be permitted to perform work on automobiles or other vehicles in driveways or Streets other than work of a temporary nature. For the purposes of the foregoing the term "temporary" shall mean that the vehicle shall not remain in driveways or Streets in excess of seventy-two (72) hours.

SECTION 6. PERMITTED HOURS FOR CONSTRUCTION ACTIVITY. Except in an emergency or when other unusual circumstances exist, as determined by the Board of Directors of the Association, outside construction work or noisy interior construction work shall be permitted only between the hours of 7:00 A.M. and 10.00 P.M.

SECTION 7. DISPOSAL OF TRASH. No trash, rubbish, garbage, manure, debris, or offensive material of any kind shall be kept or allowed to remain on any Lot, nor shall any Lot be used or maintained as a dumping ground for such materials. All such matter shall be placed in sanitary refuse containers constructed of metal, plastic, or masonry materials with tight fitting sanitary covers or lids and placed in an area adequately screened by planting or fencing until picked up. Equipment used for the temporary storage or disposal of such material prior to removal shall be kept in a clean and sanitary condition and shall comply with all current laws and regulations and those which may be promulgated in the future by any federal, state, county, municipal, or other governmental body with regard to environmental quality and waste disposal. In a manner consistent with good housekeeping, the Owner of each Lot shall remove such prohibited matter from his Lot at regular intervals at his expense.

SECTION 8. BUILDINGS MATERIALS. Unless otherwise approved by the Committee, no Lot shall be used for the storage of any materials whatsoever, except that material used in the construction of improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced. Building materials may remain on Lots for a reasonable time, so long as the construction progresses without undue delay after which time these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot. Under no circumstances shall building materials be placed or stored on the street.

SECTION 9. MINERAL PRODUCTION. No oil drilling, oil development operations, refining, quarrying or mining operations of any kind shall be permitted upon any Lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be permitted upon any Lot.

SECTION 10. GUNS. The use of firearms within the Properties is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and small firearms of all types. Nothing contained herein shall be construed to require the Association to take action to enforce this Section.

SECTION 11. ACCESS TO OTHER PROPERTY OUTSIDE THE SUBDIVISION. The deed restrictions strictly prohibits ingress and egress to other properties, surrounding, behind, or around the Riverside Ranch Subdivision through a platted lot, road, or easement unless authorized in writing by the Declarant. Violations of this restriction are subject to a \$250,000 fine plus reasonable attorney fees to enforce the restriction. The fine is payable to the Developer for reimbursement of the cost of roads, drainage, and other development costs.

SECTION 12. WATER SYSTEM. All lots will be required to hook up to the central water system designated by the Developer for the development. No personal wells will be allowed on any lot unless approved by the Architectural Control Committee and Fort Bend County Health Department.

SECTION 13. SEPTIC TANKS. No cesspools shall ever be dug, used or maintained on any Lot, and whenever a residence is established on any Lot, all toilets shall be connected with a septic tank installed by a company approved by the Developer until such time as sanitary sewers may be available for use in connection with said Lot. The drainage of septic tanks into any road, street, alley, lake, or other public ditch, either directly or indirectly, is strictly prohibited. All septic tanks must be approved by the Fort Bend County Health Department.

SECTION 14. PERIOD OF CONSTRUCTION. It is stipulated that a reasonable length of time for the completion of the exterior part of any improvements, residence, or other structure situated upon a Lot is twelve (12) months from the time improvements are started. Any failure to comply with this provision by not completing a structure within such time allowed will be considered a violation hereof and shall entitle the Association or any Owner to maintain an action for mandatory injunction for damages or for both.

SECTION 15. DRAINAGE. No lot owner may obstruct, close off, or fill in natural drainage ditch or creek that serves as the natural drainage for water from a lake or area that would hold water unless given permission from the Architectural Control Committee. Drainage structures and culverts under private driveways and in natural creeks and ditches shall have a net drainage opening area of sufficient size to permit the free flow of water under maximum conditions. All such structures must comply with Fort Bend Drainage rules and regulations.

SECTION 16. DRAINAGE RESERVES AND DRAINAGE EASEMENTS. All drainage easements and drainage reserves shall be kept clear of fences, buildings, plantings, dams, or other obstructions to the operation and maintenance of the drainage facilities. All property shall drain into the drainage easement only through and approved drainage structure. Property Owners are responsible for maintaining all drainage easements and drainage reserves on their Property.

SECTION 17. BUILDING LINES. All building lines will be in accordance with and in compliance with the Subdivision Plat and have side line set back and rear line set back minimums of fifteen (15) feet, and must be approved by the Architectural Control Committee.

SECTION 18. ACCESSORY BUILDINGS. Accessory buildings must be located at the rear of each lot unless otherwise approved. Location and construction plans of all accessory buildings must be approved by the Architectural Control Committee prior to commencement of construction. The color of all accessory buildings must blend with the environment or be the same color and construction similar to the house. No accessory building will be allowed to backup to the lake unless approved by the Architectural Control Committee.

SECTION 19. TREES. Clear cutting of trees on lots will not be allowed unless necessary for the house building site, accessory building site, driveway or pool site. Site plans must be approved by the Architectural control Committee. No trees 8 inches or more in diameter may be removed without approval.

SECTION 20. BARNES. Horse barns will be allowed on lots that allow horses. No horse barns will be allowed on lake lots. Horse barns must have a minimum of a 50-foot sideline set back from the sides of the property and must be to the rear of the property. Location and construction plans of all barns must be approved by the Architectural Control Committee. All barns must be of a color that blends with the environment. Horse barns will not be allowed to back up to any lakes unless otherwise approved by the Architectural Control Committee.

SECTION 21. LAKE. The lake has been designed and maintained to provide as much safety as reasonably can be expected. All members and their guest should recognize that there are associated risks inherent with all lakes whether natural or manmade, and there risks are the sole liability of each member and their guests. Access to the lake is limited to the lot owner's property or any common area designated by the Developer. No motorized vehicles shall be allowed on any lake except by the Association for maintenance. No fishing trotlines or traps will be allowed in any lake. Maintenance of the lake, including any irrigation pumps or fountains, and restocking of fish shall be overseen by the Homeowner's Association. Waterfowl in and around the lake can be a nuisance. The Homeowner's Association reserves the right to post rules and regulations and to destroy or remove any waterfowl without liability, if it deems necessary, for waterfowl control. Fertilizers, pesticides, and insecticides shall not be permitted within ten (10) feet of the edge of the lake easement. No swimming pools or spas will be permitted to discharge or drain pool water directly into the lake. No dumping of trash, limbs or vegetation shall be put in the lake. Piers and docks are not permitted unless approved by the Architectural Control Committee. Fishing is permitted and fish size and bag limits will be set forth by the Association. The Association reserves the right to amend the rules as deemed necessary.

By Purchasing a lot in the subdivision:

EVERY MEMBER DOES HEREBY AGREE TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE DEVELOPER, THE ASSOCIATION, AND THE BOARD OF DIRECTORS FROM AND AGAINST A CLAIM FOR INJURY TO A PERSON, MEMBER, PROPERTY, TENANTS, AGENTS, GUESTS OR EMPLOYEE WHETHER THE INJURY RESULTS OR IS CLAIMED TO HAVE RESULTED FROM ANY NEGLIGENCE OF THE DEVELOPER, ASSOCIATION OR ITS BOARD OF DIRECTORS.

SECTION 22. SALES OF HOUSES AND LOTS. No "For Sale" signs will be allowed on any lots except for the Riverside Ranch sales office signs and a Realtor sign designated by the Developer. All resales of lots and houses by lot owners must be handled and listed by the Riverside Ranch sales office and Realtor designated by the sales office at a standard 6% real estate commission if listed with a licensed Real Estate Agent.

ARTICLE VII

ARCHITECTURAL RESTRICTIONS APPLICABLE TO LOTS

SECTION 1. TYPE OF RESIDENCE. Only one detached single-family residence and accessory outbuilding shall be built or permitted on each Lot. All residences shall have an attached or detached enclosed garage for two (2) or more autos. Carports on Lots are prohibited. All structures shall be of new construction with the exception of used brick and other such decorative accessories as are customarily used by builders in the construction of new residences, and no structure shall be moved from another location onto any Lot. Mobil homes and modular or pre-fabricated homes are not allowed on any Lot. All residences, garages, barns, and any other accessory outbuildings must be kept in good repair and must be painted when necessary to preserve their attractiveness.

SECTION 2. LIVING AREA REQUIREMENTS. The total living area of any single family dwelling, exclusive of open porches and garages, shall contain not less than 1,600 square feet. House designs must stretch out on the lot and have a minimum length along the road of 62 feet. All designs must be approved by the Architectural Control Committee. No square box type design will be allowed.

SECTION 3. LOCATION OF RESIDENCE ON LOT. The location of each residence on a Lot will be approved by the Committee with its approval of the site plan, final working plans, and specifications. No building shall be located on any Lot nearer to a street than the minimum building setback lines shown on the Subdivision Plat and no building shall be located on any easement unless otherwise approved by the Architectural Control Committee.

SECTION 4. TYPE OF CONSTRUCTION. Unless otherwise approved by the Committee, at least Seventy percent (70%) of the exterior wall area of all residences (excluding detached but not attached garages, gables, windows, and door openings) must be of brick, hardy board, masonry, stucco or attractive metal siding. No garage or accessory building shall exceed in heights the dwelling to which it is appurtenant without the written consent of the Committee. Every

garage and accessory building (except a greenhouse) shall correspond in style and architecture with the dwelling to which it is appurtenant.

SECTION 5. GARAGES. No garage may face any street unless otherwise approved by the Architectural Control Committee.

SECTION 6. TEMPORARY BUILDINGS. Unless otherwise approved by the Committee, no trailer, tent, shack or other temporary building or structures shall be permitted on any Lot.

SECTION 7. DRIVEWAYS. The Owner of each Lot shall construct and maintain at his expense the driveway, from the garage to the abutting street, including the portion of the driveway in the street easement, and shall repair at his expense any damage to the street occasioned by connecting the driveway thereto. Driveways must be constructed of asphalt or concrete and have expansion joints on each side of the culverts to allow Fort Bend Drainage to change the culverts in the future if necessary.

SECTION 8. ROOF MATERIAL. Unless otherwise approved by the Committee, roofs of all residences shall be composition type shingles of twenty (20) year type or better, tile, or metal with all colors being approved by the Committee.

SECTION 9. FENCES. All fences must be approved by the Architectural Control Committee. No fence shall be erected on any Lot nearer to the road easement than sixteen (16') feet with the exception of Lots under an agricultural exemption. No chain link fences, barbed wire, or other wire fence shall be permitted on any Lot, with the exception of Lots, which are under an agricultural exemption. Owners shall construct and maintain a fence or other suitable enclosure to screen from public view outside clotheslines, yard equipment, and woodpiles or storage piles. No fence shall be erected on or across any drainage easement or drainage reserve so as to prevent maintenance of such easement. No fence will be allowed in the lake easement.

SECTION 10. GRASS AND SHRUBBERY. The Owner of each Lot shall keep his property mowed to prevent unsightly appearance. Dead or damaged trees, which might create a hazard to property or persons within the Subdivision, shall be promptly removed or repaired, and if not removed by the Owner upon request, then the Association may remove or cause to be removed such trees at the Owner's expense and shall not be liable for damage caused by such removal. Vacant Lots shall not be used as dumping grounds for rubbish or trash. The Association may plant, install and maintain shrubbery and other screening devices around boxes, transformers, and other aboveground utility equipment. The Association shall have the right to enter upon the Lots to plant, install, maintain and replace such shrubbery or other screening devices.

SECTION 11. SIGNS. No signs, including For Sale signs, billboards, poster, or advertising devices of any kind shall be permitted on any Lot without the prior written consent of the Declarant. The right is reserved by Declarant to construct and maintain or to allow builders within the Subdivision to construct and maintain, signs, billboards and advertising devices as is customary in connection with the sale of newly constructed residential dwellings. In addition, the Declarant and the Association shall have the right to erect identifying signs at each entrance to the Subdivision.

SECTION 12. TRAFFIC SIGNS AREAS. No fence, wall, hedge, or shrub planting which obstructs sight lines at elevations between two and six feet above the street shall be permitted to remain on any corner Lot.

SECTION 13. EXTERIOR ANTENNA. No radio or television wires or antennae shall be placed so as to be visible to public view from any street.

SECTION 14. MAILBOXES. Mailboxes, house numbers, and similar matter used in the Subdivision must be harmonious with the overall character and aesthetics of the community. Mailboxes and poles must be set back a minimum of eighteen (18) inches from the pavement of the road.

SECTION 15. AIR CONDITIONERS. No window or wall type air conditioners shall be permitted in any residence, but the Committee, at its discretion, may permit window or wall type air conditioners to be installed if such unit or units will not be visible from any streets.

SECTION 16. CLOTHESLINES, GARBAGE CANS, WOODPILES, PROPANE TANKS, ETC. All clotheslines, garbage cans, propane tanks, woodpiles, swimming pool pumps, filters and related equipment and other similar items shall be located or screened so as to be concealed from view of neighboring streets and property.

SECTION 17. PRIVATE UTILITY LINES. Unless otherwise approved by the Committee, all electrical, telephone, and other utility lines and facilities which are located on a Lot and are not owned by a governmental entity or a public utility company shall be installed in underground conduits or other underground facilities.

SECTION 18. ENFORCEMENT OF LOT MAINTENANCE. In the event of the violation of any covenant herein by any Owner or occupant of any Lot and the continuance of such violation after ten (10) days written notice thereof, or in the event the Owner or occupant has not proceeded with due diligence to complete appropriate repairs and maintenance after such notice, Declarant or the Association shall have the right (but not the obligation), through its agents or employees, to enter upon such Lot and to secure compliance with these restrictions and restore such Lot to a neat, attractive, healthful and sanitary condition. The Declarant or Association may render a statement of charge to the Owner or occupant of such Lot for the cost of such work and may fine the Owner up to \$50 per week for a violation. The Owner or occupant agrees by the purchase of the Lot to pay such statement immediately upon receipt. In the event of the failure to pay for such work, the amount of such statement may be added to the annual maintenance charge provided for herein and shall be secured by a lien on the Lot in the same manner as such annual charge. The Declarant, the Association, or their agents and employees shall not be liable, and are hereby expressly relieved from any liability, for trespass or other tort in connection with the performance of the maintenance and other work authorized herein.

SECTION 19. LANDSCAPE. Every new home must install an attractive landscape package within 30 days of the house completion. The design and installation must be acceptable to the Architectural Control Committee. Every homeowner is required to maintain and keep the landscape in an attractive condition.

ARTICLE VIII

EASEMENTS

SECTION 1. GENERAL. Easements for the installation and maintenance of utilities are reserved as shown and provided for on the Subdivision Plat or as dedicated by separate instruments. Neither Declarant nor any utility company or authorized political subdivision using the easements referred to herein shall be liable for any damages done by them or their assigns, agents, employees servants, to fences, shrubbery, trees, flowers, improvements or other property of the Owner situated on the land covered by such easements as a result of construction, maintenance, or repair work conducted by such parties or their assigns, agents, employees, or servants. Declarant reserves the right to dedicate additional easements for public utilities within or along any street without requiring the joinder of any Owner in such dedication, provided such easement is located within the building set back lines designated in the Subdivision and the easement shall only be for installation of facilities below ground level.

SECTION 2. CABLE TELEVISION. Declarant reserves the right to hereafter enter into a franchise or similar type agreement with one or more cable television companies and Declarant shall have the right and power in such agreement or agreements to grant to such cable television company or companies the uninterrupted right to install and maintain communications cable and related ancillary equipment and appurtenances within the utility easements and right-of-ways dedicated by the Subdivision Plat or by separate instruments pertaining to the subdivision.

ARTICLE IX

ENFORCEMENT

The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, the covenants, conditions, restrictions, and liens contained herein. Failure of the Association or any owner to enforce any of the provisions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE X

ANNEXATION OF ADDITIONAL PROPERTY

SECTION 1. UNILATERAL ANNEXATION BY DECLARANT. The Declarant, as the owner thereof or, if not the owner, with the consent of the owner thereof, shall have the unilateral right, privilege, and option at any time to subject other property to the provisions of this Declaration and the jurisdiction of the Association by filing for record one or more Supplemental Declarations in respect to the property being annexed. Any such property so annexed may be platted into lots, reserve tracts or other tracts, as the owner thereof may desire without limit on the lot size or configuration regardless of any restrictions contained herein.

The right reserved by Declarant to subject additional land to this Declaration shall not be implied or construed so as to impose any obligation upon Declarant to subject any additional land to this Declaration or to the jurisdiction of the Association. If additional land is not subjected to this Declaration, Declarant's reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon any additional land nor shall such rights in any manner limit or restrict the use of any other land owned by Declarant.

SECTION 2. OTHER ANNEXATIONS. With the consent of the owner thereof, the Association may annex additional real property to the provisions of this Declaration and/or the jurisdiction of the Association. Such annexation shall require the affirmative vote of each class of Members of the Association present at a meeting duly called for such purpose. Annexation shall be accomplished by filing of record in the public records of Fort Bend County, Texas, a Supplemental Declaration describing the property being annexed. Any such Supplemental Declaration shall be signed by the President and the Secretary of the Association, and by the owner of the property being annexed, and any such annexation shall be effective upon filing unless otherwise provided therein. The relevant provisions of the By-Laws dealing with regular or special meetings, as the case may be, shall apply to determine the time required for the proper form of notice of any meeting called for the purpose of considering annexation of property pursuant to this Section 2 and to ascertain the presence of a quorum at such meeting.

SECTION 3. RIGHTS OF OWNERS OF ANNEXED AREA. The Owners of land in annexed property shall be entitled to use the common Area and easements dedicated in the Subdivision in the same manner and to the same extent of the Owners of the property subject to the jurisdiction to the Association prior to the annexation. Annexed property shall be impressed with and subject to assessments imposed hereby on a uniform basis, consistent with provisions of this Declaration and shall, prior to annexation, file or cause to be filed a plat subdivision the annexed property into residential lots and/or unrestricted reserve tracts.

ARTICLE XI

GENERAL PROVISIONS

SECTION 1. TERMS. These covenants shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of forty (40) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by the Owners of a majority of the Lots in the Subdivision has been recorded, agreeing to change or terminate the covenants herein, in whole or in part.

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

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

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

SECTION 5. REPLATTING. The Owner of a Lot may through the replatting of his property subdivide it into two (2) or more Lots; provided, however, that no such replatting shall result in any Lot, which contains less than .75 acres. In the event the Owner of a Lot through replatting increases the number of platted lots he owns, the Association may thereafter assess each replatted lot in the same manner as otherwise provided herein and each Owner of a replatted Lot shall be entitled to vote as a Member of the Association as herein provided. All Lots created through replatting shall be subject to the provisions of this Declaration in the same manner as all other Lots in the Properties.

SECTION 6. AMENDMENT. This Declaration may be amended at any time by an instrument executed by the Owners of two-thirds (2/3rds) of the Lots in the Subdivision. Any amendment must be recorded.

SECTION 7. MERGER AND CONSOLIDATION. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same purposes, the Association's properties, rights, and obligations may be transferred to the surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions established by this Declaration, together with the covenants, conditions and restrictions applicable to the properties of the other association. However, such merger or consolidation shall not effect any revocation, change or addition to the covenants established by this Declaration and no merger or consolidation shall be permitted except with the consent of two-thirds (2/3rds) of each class of Members of the Association.

SECTION 8. DISSOLUTION. The Association may be dissolved with the consent given in writing and signed by to less than two-third (2/3rds) of each class of Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

IN WITNESS WHEREOF, this Declaration is executed this 7th day of May, 2002

723 PARTNERSHIP, LTD.
a Texas limited partnership

By: [Signature]
Larry K. Siller, President
River Forest Development Company, Inc.

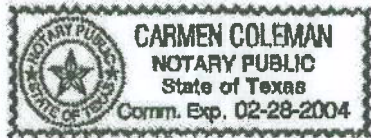
By: [Signature]
Larry K. Siller, Individual

By: [Signature]
HOUSTON HERITAGE, LTD.
Gerald Hazelhurst (General Partner)

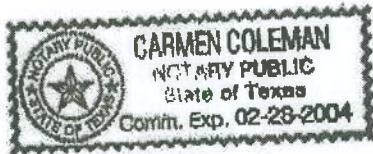
THE STATE OF TEXAS
COUNTY OF FORT BEND

This instrument was acknowledged before me on this 7th day of May, 2002 by Larry K. Siller and Gerald Hazelhurst of 723 PARTNERSHIP, LTD. a limited partnership, on behalf of said limited partnership.

(SEAL)



[Signature]
Notary Public in and for the State of Texas



Carmen Coleman
Name Printed

My Commission expires 2/28/04

RETURN TO:

Larry K. Siller
5545 FM 359
Richmond, Texas 77469

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dianne Wilson

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DIANNE WILSON, COUNTY CLERK
FORT BEND COUNTY, TEXAS