

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
VILLAGES AT LAKEPOINTE

STATE OF TEXAS §

KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF HARRIS §

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made effective as of May 15, 2000, by Villages at Lakepointe, Ltd., a Texas limited partnership (hereinafter sometimes referred to as "Declarant").

WHEREAS, the Declarant is the owner of the land within Villages at Lakepointe, a subdivision of land in Harris County, Texas, which presently is composed of Section One (1) and Section Two (2), according to the two (2) plats thereof recorded under Film Code Numbers _____ and _____ in the Map Records of Harris County, Texas (all of such land so owned and the improvements now or hereafter situated thereon being hereinafter referred to as the "Property"); and

WHEREAS, it is the desire and intention of Declarant to restrict said Property according to a common plan as to use, permissible construction, and common amenities so that all land within the Property shall be benefitted and each successive owner of all or a part of said land shall be benefitted by preserving the values and the character of said land; and

WHEREAS, Declarant desires to take advantage of the geographical features of the Property and proposes to establish a residential living environment which is dependent upon and in furtherance of aesthetic considerations in order to create a residential community having common areas, facilities and landscaping, and to provide for the maintenance, repair, operation and improvement of same; and, to this end, desires to subject the Property to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, to be binding upon each owner of a Lot or Lots within the Property, and which restrictions, covenants and conditions will also comply with the requirements of local governmental authorities and the zoning and subdivision ordinances and regulations of Harris County, Texas; and

WHEREAS, Declarant has deemed it desirable, and in the best interests of the residents and future residents of the Property, for the efficient preservation of the values and amenities in the Property and the maintenance, repair, operation and improvement of the common areas, facilities and landscaping, to create an entity to which would be delegated and assigned the powers of maintaining and administering same and enforcing these restrictions, covenants, easements, charges and liens, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has caused to be incorporated Villages at Lakepointe Community Association, a Texas non-profit corporation, and has designated it as such entity; and

NOW, THEREFORE, Declarant, for and in consideration of, and expressly for the benefit of, and to bind, its successors in interest, does hereby agree and declare that the Property, including such additions thereto as may hereafter be made pursuant to Article 1, Section 3 hereof, shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, which shall run with the land and shall be binding upon all parties having any right, title, or interest in or to the Property, or any part thereof, and their heirs, successors, representatives and assigns. The covenants, conditions, restrictions, easements, charges and liens hereinafter set forth are covenants running with the land at law as well as in equity.

ARTICLE I.

GENERAL

Section 1. Definitions. The following words, when used in this Declaration, unless the context shall prohibit, shall have the following meanings:

- a. "Area", when followed by a Roman numeral, shall mean and refer to a specific location which shall have been described and defined either in Section 2 of this Article I or in one of the Supplementary Declarations provided for in Section 3 of this Article I.
- b. "Association" shall mean and refer to Villages at Lakepointe Community Association, Inc., a Texas non-profit corporation, which will have the power, duty and responsibility of maintaining and administering the Common Areas, Common Facilities, Common Personalty, Detention Areas and all Landscaping in the Common Areas, and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing the assessments and charges hereinafter prescribed.
- c. "Builder" shall mean and refer to any person or entity undertaking the construction of a residence on a Lot.
- d. "Common Areas" shall mean and refer to areas of land owned, leased or used by the Association, and/or easement areas for walls or fences, lakes/detention areas, entryways, access or walkways, recreational facilities, and other purposes benefitting the Members, including any improvements and landscaping located thereon, for the common use, enjoyment and benefit of the Members of the Association.
- e. "Common Facilities" shall mean and refer to the recreational buildings and appurtenances, fountains, entry systems, walls, fences, control facilities, parking areas, irrigation systems, lighting facilities, flagpoles, identification markers, playground and appurtenances, swimming pool, facilities associated with the

lakes/detention areas, and the like owned, leased or used by the Association in fulfilling its duties and for the benefit of all Members of the Association or the like located within the Common Areas.

- f. "Common Personal Property" shall mean and refer to any and all items of personal property owned or leased by the Association for the benefit of all Members or used by the Association in fulfilling its functions and carrying out its duties and purposes hereunder.
- g. "Declarant" shall mean and refer to Villages at Lakepointe, Ltd. and its successors and assigns provided that an assign is designated in writing by Villages at Lakepointe, Ltd. as an assign of all, or part, of the rights of Declarant.
- h. "Landscaping" shall mean and refer to growing plants, including grass, plantings, vines, ground cover, trees, hedges, shrubs, flowers and the like.
- i. "Lot" shall mean and refer to any parcel, plot or tract of land identified by a lot and block number as shown upon any recorded subdivision map, plat, replat, or revision of the Property, as said recorded subdivision maps or plats may be amended and revised from time to time.
- j. "Member" shall mean and refer to each owner of a Lot or an undivided interest therein, who shall be a Member of the Association as provided in Article II hereof.
- k. "Occupant" shall mean and refer to any person occupying or otherwise using a Lot and/or any house or dwelling situated on such Lot (including lessees).
- l. "Owner" shall mean and refer to the owner of record (including Declarant), whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, but excluding those having such interest merely as security for the performance of an obligation.
- m. "Property" shall mean and refer to the real property (including improvements) described in Section 2 of this Article I, and additions thereto, as are subjected to this Declaration or any Supplementary Declaration under the provisions of Section 3 of this Article I.

Section 2. Property Subject to Declaration. The real property covered by this Declaration is all property in Villages at Lakepointe, a subdivision in Harris County, Texas, according to the plats of Sections 1 and 2 thereof recorded in the Map Records of Harris County, Texas. For purposes of this Declaration such real property is designated as Area I. All of the Property and any right, title or interest therein shall be owned, held, leased, sold, transferred and/or conveyed by Declarant, and any subsequent owner of all or any part thereof, subject to this Declaration and the covenants, restrictions, conditions, easements, charges and liens set forth herein. The

covenants, restrictions, conditions, easements, charges and liens herein set forth are covenants running with the land at law as well as in equity, and shall constitute a general plan for the benefit of and be enforceable by all present and future Owners of any Lot or Lots in the Property and their heirs, personal representatives, successors and assigns, as well as by Declarant and the Association.

Section 3. Additional Property Subject to Declaration. Additional property may be added to, or made subject to this Declaration and the covenants, restrictions, conditions, easements, charges and liens set forth herein, in the following manner:

- a. If Declarant, or any other person, firm or corporation owned or controlled by Declarant are the owners of any property which they desire to add to the scheme of this Declaration, they may do so by filing of record a Supplementary Declaration, which shall extend the scheme of this Declaration and the covenants and restrictions set forth herein to such property, PROVIDED HOWEVER, that such covenants and restrictions as applied to the property which is so added may be altered or modified by said Supplementary Declaration, and PROVIDED FURTHER, if property is proposed to be added to the scheme of this Declaration by any person, firm or corporation not owned or controlled by Declarant, the Association, acting through its Board of Directors, must give written consent thereto. Property may be added to the scheme of this Declaration regardless of whether or not such property or properties are contiguous to the Property. Each Supplementary Declaration shall include a geographical description of the property added and shall designate said area with the term "Area" followed by a Roman number so as to differentiate each respective area from other areas within the Property.
- b. Upon a merger or consolidation of the Association with another association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights, and obligations of another association may, by operation of law, be added to the Property, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants, restrictions, easements, charges and liens established by this declaration with the Property together with the covenants, restrictions, easements, charges and liens established upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants, restrictions, easements, charges and liens established by this Declaration pertaining to the Property except as hereinafter provided.

ARTICLE II.

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Each and every person, persons, or legal entity who shall own any Lot in the Property, shall automatically be, and must remain, a Member of the Association. Such membership shall be appurtenant to each Lot and may not be served from or held separately therefrom. PROVIDED, that any person or entity who holds such an interest merely as security for the performance of any obligation shall not be a Member.

Section 2. Classes of Members. The Association shall have two classes of membership:

Class A. Class A Members shall be all those persons or legal entities who own a Lot with the exception of Declarant. After the conversion Date (hereinafter defined), Declarant shall also become a Class A Member to the extent that Declarant is the Owner of one or more Lots. When two or more persons or entities hold undivided interests in any Lot, all such persons or entities shall be Class A Members, and the vote for such Lot owned by such Members shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to each Lot in which such Members own undivided interests.

Class B. The Class B Member shall be Declarant or its successor or assign. The Class B membership of Declarant shall cease and become converted to Class A membership upon the occurrence of the earlier of the following (the "Conversion Date"):

- a. At December 31, 2010; or
- b. Upon the sale by Declarant of all Lots within the Property to other than a successor Declarant; or
- c. Such earlier date as may be established by Declarant in a written instrument recorded by Declarant in the Official Public Records of Real Property of Harris County, Texas.

Section 3. Voting Rights. The Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. Prior to the Conversion Date, the Class B Member shall be entitled to ten (10) votes for each Lot it owns. From and after the Conversion Date, the Class B Member shall be entitled to one (1) vote for each Lot in which it holds the interest required for Association membership. As stated hereinabove, where more than one person or entity holds such interest in any Lot, all such persons shall be Members, and the vote for such Members shall be exercised as the several parties shall determine among themselves.

Section 4. Termination of Membership. The membership of a person or entity in the Association shall terminate automatically whenever such person or entity ceases to be an Owner, except that such termination shall not release or relieve any such person or entity from any liability or obligation incurred under or in any way connected with the Association or this Declaration during the period of ownership, nor impair any rights or remedies which the Association or any other owner has with regard to such former Owner.

ARTICLE III.

ASSESSMENTS

Section 1. Covenants for Assessments. The Declarant, for each Lot owned by it within the Property (being all Lots within the Property), hereby covenants to pay and each purchaser of any such Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay, to the Association: (1) Regular Annual Assessments or charges (as specified in Section 3 of this Article III); (2) Special Assessments (as specified in Section 4 of this Article III), and (3) Special Member Assessments (as specified in Section 5 of this Article III), all of such assessments to be fixed, established and collected as hereinafter provided.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used for carrying out the purposes of the Association as stated in its Articles of Incorporation and this Declaration. The judgment of the Board of Directors of the Association in determining the functions to be performed by the Association, in determining the amount of Regular Annual Assessments, special Assessments and Special Member Assessments, and in the expenditure of funds shall be final and conclusive so long as its judgment is exercised in good faith.

Section 3. Regular Annual Assessments. Each Owner of a Lot shall pay Regular Annual Assessments to the Association.

- a. Purpose. Regular Annual Assessments shall be levied upon each Lot to provide funds for the use and benefit of the Owners in the Property. Regular Annual Assessments may be used to finance in particular, but not by way of limitation, the following:
- (1) Operation, maintenance, repair, replacement and improvement of the Common Areas, the Common Facilities, Common Personal Property, Detention Areas and all Landscaping in the Common Areas, including funding of appropriate reserves for future repair, replacement and improvement of same;
 - (2) Payment of taxes and premiums for insurance coverage;
 - (3) Paying the cost of labor, equipment (including expense of leasing any equipment), material, and any associated management or supervisory services and fees required for management and supervision of the Common Areas, Common Facilities, and Common Personal Property;
 - (4) Paying the cost and fees of a manager or firm retained to carry out the duties of the Association or to manage the affairs and property of the Association;

- (5) Designing, purchasing and installing any improvements to the Common Areas;
 - (6) Mowing and routine maintenance of the Common Areas;
 - (7) Removing debris from the Common Areas;
 - (8) Repairing all areas of erosion within the Common Areas;
 - (9) Lighting, improving and maintaining streets, alleyways, sidewalks, and paths in the Property;
 - (10) Collecting and disposing of trash, garbage, ashes, rubbish and other similar materials;
 - (11) Payment of legal fees and expenses incurred to collect assessments and enforce this Declaration and to pursue or defend any legal or administrative action;
 - (12) Employing policemen or watchmen and/or guard service;
 - (13) Payment of any expenses necessary for the Association or the Subdivision;
 - (14) Payment of and providing for access control;
 - (15) Funding Replacement Reserves as deemed necessary and appropriate by the Board;
 - (16) Carrying out the duties of the Board of Directors of the Association; and
 - (17) Carrying out such purposes of the Association as generally benefit the Members of the Association.
- b. Basis for Assessment. Subject to the provisions of Section 4 below, Regular Annual Assessments shall be levied against each Lot by the Board of Directors of the Association on an annual per lot basis. The square footage contained in each Lot or within each house and/or dwelling shall not be considered. After consideration of current costs and future needs of the Association, the Board shall fix the Regular Annual Assessment at any amount not in excess of the hereinafter stated maximum.
- c. Maximum Annual Assessment. Until December 31, 2000, the maximum Regular Annual Assessment shall be \$450.00 for each Lot and shall be adjusted according to the number of months remaining in such year. From and after January 1, 2001,

the maximum Regular Annual Assessment may be increased each year not more than ten percent (10%) (such percentage may be cumulative from year to year) above the maximum assessment for the previous year by the Board of Directors of the Association without a vote of the Members. The maximum Regular Annual Assessment may be increased above such amount with the approval of a majority of the total eligible votes of each class of the membership of the Association by Members voting in person or by proxy at a meeting called for such purpose.

- d. Lots owned by Declarant and Builders. Lots owned by the Declarant shall be subject to the obligation of payment of Regular Annual Assessments only at the rate of 25% of the amount assessed against the Lots owned by Class A Members. Lots owned by a Builder shall be subject to the obligation of payment of Regular Annual Assessments at the rate of 50% of the amount assessed against the Lots owned by the Class A Members who are not Builders until the earlier to occur of: (i) the expiration of the 12 month period after the purchase of each Lot by a Builder; or (ii) the sale of a Lot from a Builder to a Class A Member. Thereafter, the Regular Annual Assessment shall be paid for such Lots.

Section 4. Special Assessments. In addition to the annual assessments authorized by Section 3 hereof, the Association may, by vote of its members as set out in Section 6 hereof in any year or years, levy Special Assessments.

- a. Purpose. Special Assessments may be levied for the following purposes:
- (1) Defraying the cost of any new construction or reconstruction, unexpected repair or extraordinary maintenance, or replacement of capital improvements for and within the Detention Areas, Common Areas, Common Facilities, and Common Personal Property, including the necessary fixtures and personal property related thereto;
 - (2) Responding to unusual or emergency needs of the Association as a whole as may be expected to occur from time to time;
 - (3) Satisfying the obligation and responsibility of replenishing all or part of any escrow funds held by any other third party which have been withdrawn to pay for obligations incurred or assumed by the Association under agreements with such third party and/or any other governmental authorities;
 - (4) Indemnifying a director, officer, agent or employee of the Association pursuant to the indemnification provisions of the Articles of Incorporation and Bylaws of the Association or this Declaration;
 - (5) Carrying out any other purposes that benefit the Association as a whole as stated in its Articles of Incorporation, Bylaws or as stated herein.

- b. Basis for Assessment. Special Assessments shall be allocated and prorated among the Owners at the date each such Special Assessment is levied in the same manner as Regular Annual Assessments are allocated and prorated among the Lots pursuant to Section 3 of this Article.

Section 5. Special Member Assessments. In addition to the Regular Annual Assessments and any Special Assessments authorized in this Article III, the Association, by vote of its Board of Directors, may levy a Special Member Assessment in accordance with, and as provided in Section 2 of Article VII hereof and the Bylaws of the Association, as such Bylaws presently exist or are subsequently modified or amended.

Section 6. Vote Required for Special Assessments. The Special Assessments authorized by Section 4 hereof must be approved by two-thirds (2/3rds) of the total eligible votes of the Class A Members and by two-thirds (2/3rds) of the Class B Members by Members voting in person or by proxy, at a meeting duly called for such purpose, a written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of such meeting.

Section 7. Due Date of Assessments. On or before November 30 of each year commencing November 30, 2000, the Board of Directors shall fix the Regular Annual Assessment for the following calendar year which shall become due and payable on January 1 of such year and delinquent if not paid prior to February 1 of such year. The due date of any Special Assessments under Section 4 hereof or of any Special Member Assessment under Section 5 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. Owner's Personal Obligation for Payment of Assessments. The Regular Annual Assessments and all Special Assessments provided for herein shall be the personal and individual debt of the Owner of the Lot covered by such assessments. No Owner may, for any reason, exempt himself from liability for such assessments. In the event that any assessment or installment thereof is not paid when due, then the unpaid amount of any such assessment or installment thereof shall become delinquent and shall, together with late fees and interest thereon as herein provided and costs of collection thereof, be a continuing personal obligation and debt of the non-paying owner secured by the continuing lien imposed by this Declaration on the Lot, including all improvements thereon, to which such assessment or installment thereof pertains.

The obligation of any Owner to pay any assessment imposed on a Lot during such owner's period of ownership shall remain such Owner's personal obligation, and a sale or other transfer of title to such Lot shall not release such former Owner from said liability notwithstanding an assumption of liability by the purchaser or transferee. The lien imposed by this Declaration for any unpaid assessments shall be unaffected by any sale or transfer of full or partial ownership interests in a Lot, or portion thereof, and shall continue in full force and effect.

The unpaid amount of any assessment shall bear interest from its due date at eighteen percent (18%) per annum or the maximum legal rate of interest then prevailing, whichever is lesser. In addition, the Board of Directors of the Association may elect to impose a late fee of not

more than ten percent (10%) of the unpaid assessment and to retain the services of an attorney of its choice for the purposes of collecting any unpaid assessment and interest charges thereon, and/or to foreclose the lien imposed by this Declaration against the property subject thereto and/or to pursue any other legal or equitable remedy which the Association may have and there shall be added to the amount of the unpaid assessment and interest charges thereon any and all collection costs incurred by the Association, whether judicial or non-judicial, and including, but not limited to, reasonable attorney's fees and costs of legal suit.

Section 9. Assessment Lien and Foreclosure. Declarant hereby imposes upon each and every Lot of land within the Property a continuing lien enforceable by the Association to secure the payment to the Association of the Regular Annual Assessments, Special Assessments and Special Member Assessments (together with interest, late fees and the cost of collection, including reasonable attorneys' fees as provided in Section 9 hereof) attributable to the Owner of that Lot of land in the Property (the "Association's Lien"). Each Owner of each Lot, by acceptance of the deed therefor and whether or not it shall be so expressed in such deed, is deemed to covenant and agree to accept such Lot subject to the Association's Lien. Each Owner of each Lot, by acceptance of the deed therefor and whether or not it shall be so expressed in such deed, hereby expressly vests in the Board of Directors of the Association, or its agents, the right and power to bring all actions against each such Owner personally for the collection of all such assessments as a debt and to enforce the aforesaid Association's Lien by all methods available for the enforcement of such liens, including non-judicial foreclosure pursuant to Section 51.002 of the Texas Property Code, as same presently exists or as it is subsequently amended; and each such owner hereby expressly grants to the Board of Directors of the Association a power of sale in connection with said Association's Lien. The Board of Directors of the Association may designate a trustee in writing from time to time to post or cause to be posted the required notices and to conduct such non-judicial foreclosure sale. The trustee may be changed at any time and from time to time by an instrument in writing signed by the President or a Vice-President of the Association and attested by the Secretary or any Assistant Secretary of the Association and filed for record in the official public records of real property of Harris County, Texas. The initial designation of a trustee by the Board of Directors of the Association shall be by an instrument in writing that is executed and filed in the same manner as an instrument changing the designated trustee. In any foreclosure proceedings, whether judicial or non-judicial, the owner shall be required to pay the costs, expenses and reasonable attorney's fees incurred by the Association, and the Association shall have the right and power to bid on the property being foreclosed. The aforesaid Association's Lien shall be superior to all other liens and charges against the Property, except only for ad valorem tax liens and all sums unpaid on a first mortgage lien or first deed of trust lien of record, securing in either instance sums borrowed for the improvement and/or purchase of the property in question, to which said liens the Association's Lien shall be subordinate and inferior. Provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a foreclosure sale (whether public or private) of any such Lot pursuant to the terms and conditions of any such mortgage or deed of trust. Any foreclosure and sale of a Lot pursuant to said superior liens shall not relieve any such Lot's Owner of personal liability for the sums owing under this Article nor the new Owner thereof from liability for the amount of any assessments thereafter becoming due nor from the continuing lien imposed hereby securing payment of any

such subsequent assessments. The Association, acting through its Board of Directors, shall have the power to subordinate the aforesaid Association's Lien to any other lien.

Section 10. Common Properties Exempt. The Common Areas and any common properties of any other association which may merge or consolidate with the Association, and any common properties contained or defined within a Supplementary Declaration filed as provided in Article I, Section 3 of this Declaration, and all portions of the Property owned by or otherwise dedicated to any political subdivision, shall be exempted from the assessments and liens created herein.

Section 11. Resale Certificate. The Association shall deliver, or cause to be delivered, a resale certificate and the subdivision information in compliance with Section 207.003 of the Texas Property Code, and shall be entitled to collect a reasonable charge therefor.

ARTICLE IV.

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Designation of Committee. The Association shall have an Architectural Control Committee appointed by the Board of Directors, which shall consist of three (3) members who shall be natural persons, and who need not be Members of the Association. Members of the Board of Directors may also be members of the Architectural Control Committee. Until the Conversion Date the appointment of the members of the Architectural Control Committee must be approved by Declarant and any and all members of such committee may be removed by the Board of Directors and/or the Declarant without cause. After such date, the Board of Directors shall have the exclusive right and power at any time and from time to time to appoint, remove and fill vacancies on the Architectural Control Committee.

Section 2. Function of Architectural Control Committee. No Improvement, as that term is hereinafter defined, shall be erected, constructed, placed, altered (by addition or deletion), maintained or permitted to remain on any Lot until plans and specifications, in such form and detail as the Architectural Control Committee may deem necessary, shall have been submitted to and approved in writing by such committee. The Architectural Control Committee shall have the power to employ professional consultants to assist it in discharging its duties. The decision of the Architectural Control Committee shall be final, conclusive, and binding upon the applicant.

Section 3. Content of Plans and Specifications. The plans and specifications required by the Architectural Control Committee to be submitted and approved may include, without limitation, the following:

- a. A plot showing existing trees and showing the location of all improvements, structures, walks, patios, driveways, fences and walls. Existing and finished grades shall be shown at Lot corners and slab elevations for the proposed improvements. Lot drainage provisions shall be indicated.

- b. Exterior elevations.
- c. Detached garage plans and elevations.
- d. Exterior materials, colors, textures, and shapes.
- e. Structural design.
- f. Landscaping Plan.

All Builders shall be required to submit conceptual Landscape Plan for typical corner, interior and lake front Lots along with plant material schedule.

- f. Parking area and driveway plan.
- g. Screening, including size, location, and method.

The Architectural Control Committee may, at its discretion, grant the approval required by this Article IV for one set of plans and specifications submitted by a Builder for Improvements on multiple Lots, and such approval shall be effective for each Lot on which such Improvements are constructed.

Section 4. Definition of "Improvement". Improvement shall mean and include all buildings, any roofed structures, parking areas, fences, walls, hedges, mass plantings, poles, driveways, decks, patios, ponds, swimming pools, tennis courts, play equipment, berms or mounds, antennas and satellite dishes, changes in any exterior color or shape, and any new exterior construction or exterior improvement which may not be included in any of the foregoing. It does not include garden shrub or tree replacements or any other replacement or repair of any magnitude which does not change exterior colors or exterior appearances. It does include both original improvements and all later changes and improvements.

Section 5. Basis of Approval. Approval of plans and specifications shall be based, among other things, on adequacy of site dimensions, structural design, conformity and harmony of external design and of location with neighboring structures and sites, relation of finished grades and elevations to neighboring sites, site drainage and conformity to both the specific and general intent of the protective covenants and restrictions of Article V hereof.

Section 6. Failure of the Committee to Act. If the Architectural Control Committee fails to approve or disapprove such plans and specifications or to reject them as being inadequate within thirty (30) days after submittal thereof, it shall be conclusively presumed that such committee has approved such plans and specifications, EXCEPT that the Architectural Control Committee has no right or power, either by action or failure to act, to waive or grant any variance from the requirements of the protective covenants, conditions, and restrictions contained in Article V hereof, except as specifically provided therein.

Section 7. Limitation of Liability. The Architectural Control Committee has no liability or obligation whatsoever in connection with any plans and/or specifications and no responsibility for the adequacy thereof or for the construction of any improvements contemplated by any such plans and/or specifications. The Architectural Control Committee has no duty to inspect any improvements; and, if the Architectural Control Committee should inspect any improvements, the Architectural Control Committee shall have no liability or obligation to any party arising out of such inspection. The Architectural Control Committee expressly shall have no liability or responsibility for defects in or omissions from any plans and/or specifications or for defects in or omissions from the construction of any improvements. The approval or lack of approval by the Architectural Control Committee shall not be deemed to constitute any warranty or representation by such Committee, including, without limitation, any warranty or representation relating to fitness, design or adequacy of the proposed construction or compliance with applicable statutes, codes and regulations. Notwithstanding any covenant, condition or term contained in this Declaration or provision of the Bylaws of the Association to the contrary, the Architectural Control Committee shall not have any liability to any owner arising or resulting from any act or omission of the Architectural Control Committee taken or omitted pursuant to this Declaration or the Bylaws of the Association. Each Owner by accepting a conveyance of any Lot or of any portion of the Property conclusively shall be deemed to have unconditionally and irrevocably waived all claims against the Architectural Control Committee arising or resulting from acts or omissions pursuant to this Declaration or the Bylaws of the Association.

Section 8. Fees. The Architectural Control Committee shall have the right to charge a review fee, to be established by the Board of Directors, for review of any plans or specifications submitted for approval. The Architectural Control Committee shall also have the right to charge a fee as a deposit, to be established by the Board of Directors to ensure compliance with the time constraints established herein for commencement and completion of construction. Said deposit shall be applied by the Architectural Control Committee to its costs to obtain compliance with said constraints. If the deposit is insufficient to pay the cost, the Owner shall pay the balance on demand.

ARTICLE V.

PROTECTIVE COVENANTS AND RESTRICTIONS

Section 1. Covenants Applicable. The following provisions shall be applicable to any and all construction, improvement, alteration, or addition to the Lots.

- a. Each Lot shall be used exclusively for single family residential dwelling purposes only. No building or structure intended for or adapted to business purposes, and no apartment house, hospital, sanatorium or doctor's office, or other multifamily dwelling shall be erected, placed, permitted or maintained on any Lot, or on any part thereof. For purposes of this Declaration, a single family shall be defined as any number of persons related within the second degree of consanguinity or affinity, living with not more than one (1) person who is not so related as a single

household unit, and one household employee of such household unit. It is not the intent of the Declarant to exclude from a Lot any individual who is authorized to so remain by any state or federal law. If it is found that this definition, or any other provision contained in this Declaration is in violation of any law, then this Article V shall be interpreted to be as restrictive as possible to preserve as much of the original Article as allowed by law. No improvement or structure whatsoever, other than a first-class private dwelling house, patio walls, swimming pool and customary outbuildings, garage for not more than three (3) cars, porte' cochere, or bona fide servant quarters above the garage may be erected, placed, or maintained on any Lot. No building or structure shall exceed the greater of two and one-half (2½) stories in height, or forty feet (40') above nearest curb elevation. No other Improvements on the Lot shall exceed the height of the main dwelling house.

- b. No sign, advertisement, billboard or advertising structure of any kind shall be displayed, maintained or placed in the public view on or from any part of the Property or on any Lot, except signs temporarily used by Declarant or any Owner on a Lot, of not more than six (6) square feet, advertising the Lot for sale or rent, or signs of architects and builders during the period of construction and sale of improvements on any Lot. Home security signs may be placed in one window on front elevation.
- c. The total living area of any dwelling constructed on any 55 to 60 foot wide Lot and all Lots in Section Two, exclusive of open porches, servant quarters, customary outbuildings and garages, shall not be less than 1,800 square feet for any single-story dwelling and not less than 2,000 square feet for two-story dwelling located on 55 to 60 foot wide Lots and all Lots west of the Harris County Flood Control Easement.
- d. The living area of any dwelling constructed on any 65 to 70 foot wide Lot and all Lots in Section One, exclusive of open porches, servant quarters, customary outbuildings and garages, shall not be less than 2,000 square feet for any single-story dwelling and not less than 2,300 square feet for two-story dwelling, and the floor area of the second floor of any such two story dwelling, exclusive of porches, servant quarters, customary outbuildings and garages, shall not exceed 60% of the total floor area of such two story dwelling. A variance from this restriction may be specifically approved in writing by the Architectural Control Committee, if such variance would result in a more common beneficial use.
- e. The exterior walls of any one-story dwelling and any attached garage and servant quarters constructed on a Lot width as set out below, exclusive of doors, windows and other building openings, shall not be less than the percentage of stucco and/or masonry construction set out below, unless a variance from this restriction is specifically approved in writing by the Architectural Control Committee All

chimneys constructed or erected on any Lot as a part of an exterior wall of any dwelling or constructed as a component of the front or side of any dwelling which faces a street and the front, side or rear of lake front dwellings shall be of masonry or stucco construction. Fireplace chimneys located in the interior portion of a dwelling unit must be constructed of materials that match dwelling unit in style and color. Concrete composite siding is not considered masonry

Percent Masonry or Stucco to Lot Width

<u>Lot Width</u>	<u>Stories</u>	<u>Percent Masonry or Stucco</u>
<u>Section 1:</u>		
65' to 70'	one	90%
65' to 70'	two	70%
Lakefront	one & two	90%

Section 2:

All Lots	one	90%
All Lots	two	60%

When fulfilling the percentage of masonry or stucco to lot-width set out above, the masonry or stucco used on attached garages will be allowed to meet the percentage requirement. All fronts of detached garages must be masonry or stucco, but the masonry or stucco on the detached garage front may not be used to fulfill the percentage requirements set out above.

- f. Except for any fences erected by Declarant, no chain link fence(s) shall be situated, erected, constructed, or permitted to remain upon any Lot, or any portion thereof. No fence is to be erected or maintained nearer to the front Lot line than ten feet (10') from the front wall of the main dwelling. Fences shall be no more than six feet six inches (6'6") in height and shall be constructed of wood, brick masonry, decorative iron, or a combination of wood, brick masonry and/or decorative iron. Any fence on the portion of any Lot abutting a lake must be constructed of wrought iron of not more than four feet (4') in height. All fences must have the Architectural Control Committee's approval of the plans therefor before erection.

- g. All roofs constructed upon any dwelling and/or other structures constructed, erected, or located upon any Lot shall be constructed with a minimum pitch of 5 by 12 and shall be constructed of architectural dimensional shingles of a quality equal to or exceeding 25 year warranty, unless a variance from this restriction is specifically approved in writing by the Architectural Control Committee.

- h. No animals, livestock, or poultry shall be raised, bred, or kept upon any Lot, or portion thereof, except that no more than a total of three (3) dogs, cats, or other household pets of a domestic variety may be kept, provided that they are not kept, bred, or maintained for any commercial purposes, and provided that they do not create a nuisance.
- i. No noxious or offensive trade or activity (including child day-care and garage sales) shall be carried on upon any Lot, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood. The drying of clothes in public view is prohibited.
- j. No Lot shall be used or maintained as a dumping ground for rubbish, nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors. Trash, garbage, or other waste shall not be kept except in sanitary containers. All incinerators, containers, or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. No weeds, underbrush, or other unsightly growths shall be permitted to grow or remain upon any Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. No compost shall be permitted upon any Lot. All refuse or garbage must be kept on the Lot in a manner which precludes its view from any public or semi-public place.
- k. No building material of any kind or character shall be placed or stored upon a Lot until the Owner is ready to commence improvements and then such materials shall be placed within the property lines of the Lot upon which the improvements are to be erected, and shall not be placed in the street. No stumps, trees, underbrush, or any refuse of any kind, nor scrap material from the improvements being erected on any Lot shall be placed on any adjoining Lots or streets. All such material, if not disposed of immediately, must remain on the Lot on which construction work is in progress and shall be screened from public view, and at the completion of such improvements, such material must be immediately removed from the Property.
- l. No trailer, tent, shack, mobile home, or any structure of a temporary character shall at any time be erected, located, or used on any Lot as a residence or business, either temporarily or permanently, except during actual construction of a building being erected thereon, and then same must be on the Lot on which construction is in progress and not on adjoining Lots, streets, or easements, and shall not be more than eight feet (8') in height and at completion of construction, such trailer, tent, shack, mobile home or temporary structure must be removed immediately. No such trailer, tent, shack, mobile home, or temporary structure shall be used for residential purposes during construction. No garage or outbuilding shall ever be used as a residence either temporary or permanently, but upon approval by the Architectural Control Committee, guest quarters or other living quarters may only be constructed as a second floor to a garage provided the living quarters are

contained within the roofline of the garage and the living quarters may not be a full height second story. Notwithstanding the foregoing, nothing contained herein shall prohibit the location of a temporary structure approved by the Architectural Control Committee on any part of the Property for use temporarily as a sales office for homes erected or to be erected by builders or developers. The size, location, and period of occupancy of such temporary sales or construction offices shall be subject to the prior written approval of the Architectural Control Committee, which approval may be given or withheld at such Committee's sole discretion, and if withheld, then the location and use of such trailer, mobile home or temporary structure for a sales office at the requested location shall be prohibited. Upon the expiration of the period of occupancy permitted by the Architectural Control Committee for such temporary sales office, such trailer, mobile home or temporary structure shall be removed immediately.

- m. Motor homes, campers, travel trailers, inoperative vehicles, motor boats, house boats, sailboats or other similar waterborne vehicle or any trailer to transport such boat or vehicle (hereinafter collectively referred to as "Vehicles") are not permitted on the Property unless maintained, stored or kept on any Lot only in an enclosed garage or screened from public view behind a solid fence (which must have Architectural Control Committee approval) located behind any Lot building lines. No motor vehicles shall remain in the same general location on a street or in a driveway for more than 4 days in any 30 consecutive day period.
- n. Except in the case of a detached garage located behind the rear of the residence (the location of the garage door for said detached garage shall be approved by the Architectural Control Committee), no garage door shall be constructed or erected upon any Lot with the door at less than a ninety degree (90°) angle to the front property of such Lot. Further, no front-loaded garages will be permitted facing side streets. On all Lots that are 65 to 70 feet wide, no front-loaded garages may be located less than four (4) feet from the front building wall unless approved by the Architectural Control Committee. A variance from this restriction may be granted by the Architectural Control Committee. No garage may be used as a living area. Garages are to be used for Vehicle parking and not for storage purposes.
- o. All dwellings or residences constructed or erected upon any Lot shall face the road or street that the Lot faces as shown on the recorded plat and no portion of such dwelling or residence shall be nearer to the street property line of the Lot than is designated by the building line, if any, on the recorded plat.
- p. The location of all structures constructed, erected, situated, or placed upon any Lot must be in conformance with the building lines, if any, as shown on the recorded plats of the Property, and the minimum building set-back lines established by the ordinances and regulations of Harris County, Texas.

- q. No oil drilling, oil development operations, refining, quarrying or mining operations of any kind shall be permitted upon any Lot in the Property, nor shall oil wells, water 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.
- r. Before the dwelling is conveyed by a Builder, the Builder shall construct a concrete sidewalk four (4) feet in width parallel to and abutting the Lot boundary line which is contiguous with the street right-of-way, which sidewalk shall extend from property line to property line. The plans for the sidewalk shall be approved by the Architectural Control Committee. On corner Lots the Builder shall construct such sidewalk on both streets. Such sidewalks shall comply with all Federal, State and County regulations applicable to sidewalks and ramps associated with sidewalks.
- s. No garage sales may be conducted on the Property.
- t. All exterior lighting must be approved by the Architectural Control Committee or be in compliance with standards issued by the Architectural Control Committee.
- u. No trade or business may be conducted in or from any dwelling or Lot, except that an Owner or Occupant may conduct business activities within a dwelling so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the dwelling; (b) the business activity conforms to all zoning requirements and other restrictive covenants applicable to the Lot; (c) the business activity does not involve regular visitation of the dwelling or Lot by clients, customers, suppliers or other business invitees or door-to-door solicitation of residents of Villages at Lakepointe; and (d) the business activity is consistent with the residential character of the Subdivision and does not constitute a nuisance, or a hazardous or offensive use, or threatens the security or safety of other residents of Villages at Lakepointe, as may be determined in the sole discretion of the Architectural Control Committee. A day-care, nursery, pre-school, or other similar activity is expressly prohibited. The terms "business" and "trade" as used in this provision shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis that involves the manufacture or provision of goods or services for or to persons other than the provider's family, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor. Notwithstanding the above, the leasing of an entire dwelling shall not be considered a trade or business within the meaning of this Section, provided that any such lease shall be for a minimum period of six (6) months. This Section does not apply to any activity conducted by the Declarant or by a Builder with approval of the Declarant with respect to its development and sale of any Lot.

Garage sales or yard sales (or any similar vending of merchandise) conducted on any Lot shall be considered business activity and therefore prohibited.

- v. No business vehicles displaying commercial signage or advertising shall be permitted to be parked within public view within the Subdivision, other than service vehicles contracted by Owners or Occupants to perform specific services. No vehicles with more than two axles shall be permitted to be parked or stored for a period in excess of twelve (12) hours per week within the Subdivision without prior written permission of the Association, whose approval will be issued at its sole and absolute discretion.

Section 2. Landscaping. All lots shall be Landscaped, and such Landscaping shall:

- a. Be required on all Lots contemporaneously with completion of other improvements, but in no event later than 30 days after first occupancy or completion of a residence, whichever shall first occur, unless a longer period is approved in writing by the Architectural Control Committee. All Lots shall conform to the following Landscaping requirements:
 - (1) Provide for all Lots to have a minimum number of trees as outlined in the Design Guidelines, and provide for the planting of bushes and shrubs of a minimum size of 3 to 5 gallons as outlined in the Design Guidelines, and 1 gallon for ground cover and bedding plants along the entire front of the residence for all Lots;
 - (2) Do not obstruct sight lines at street or driveway intersections;
 - (3) Preserve existing trees to the extent practical; and
 - (4) Permit reasonable access to public and private utility lines and easements for installation and repair.
- b. The front yard of each Lot out to the street curb as well as the side yard of each Lot out to the street curb on all corner Lots and the rear yard of each Lot abutting a lake shall be completely sodded by the Builder upon the completion of the residence, unless a variance from this restriction is specifically approved in writing by the Architectural Control Committee. The lawn installed by the Builder between the property line and the street curb, and between the property line and the lake, shall be maintained and replaced as needed by the Owner of the Lot.
- c. No antenna, tower, satellite dish or similar device for receiving and/or sending signals shall be erected constructed or placed on any Lot for any purpose without prior written approval in writing from the Architectural Control Committee.

However, in no case shall any such devices extend or project above the highest point of the rear roof line of the residence or be visible from the street. In no instance will such devices be allowed on corner Lots and lake front Lots. The Architectural Control Committee will comply with any federal, state or county law, regulation or order regarding such devices, including, but not limited to, the Telecommunications Act of 1996.

- d. Any and all lines and/or wires for communication or for transmission of sound or current, not within a building, shall be constructed or placed and maintained underground.
- e. The drainage of any Lot shall not be impeded or altered without the approval of the Architectural Control Committee. The drainage of any Lot shall not be permitted to flow on to any adjacent Lot or any adjacent property. Cutting, breaking or removing any portion of the street curb for lot drainage or any other reason is prohibited.

Section 3. Side Setbacks. No part of a residence, attached garage or porte' cochere shall be located on a Lot nearer than five (5) feet to a side Lot line; provided, however, notwithstanding the foregoing, a detached garage, outbuilding, pool deck, patio or hot tub may be located no nearer than three (3) feet from a side Lot line.

Section 4. Special Setbacks. No part of a residence or a garage or any paving or decking shall be located on the Lots within the set back lines described in the plat of the Property.

ARTICLE VI.

RESERVATION AND GRANT OF EASEMENTS

Section 1 . Utilities. Easements for installation, construction, reconstruction, patrolling, inspection, maintenance, repair, removal, and/or addition of utility systems or facilities and for ingress and egress to or from and upon such utility easements are reserved by Declarant as shown on the plats of the Property, the provisions of said plats pertaining to the use of land situated within such utility easements being hereby referred to and incorporated herein for all purposes. No Improvement of any kind shall be erected upon any of said easements. Full right of ingress and egress shall be had by Declarant, any municipal authority having jurisdiction over the Property, and any utility company which provides utilities to the Property, at all times over any dedicated easement for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility. All claims for damages, if any, arising out of the construction, reconstruction, patrolling, inspection, maintenance, repair, removal and/or addition of utilities or on account of temporary or other inconvenience caused thereby, against the Declarant, or any utility company or municipality, or any of its agents or servants, are hereby waived by the Owners.

Section 2. Wall Easement. There is hereby reserved and created a perpetual right and easement for the benefit of the Association, its successors and assigns, upon, over and across the Lots for the purposes of constructing, maintaining, repairing, replacing and reconstructing Landscaping and any brick wall or fence located upon any land owned by the Association or any perimeter fence which the Association determines the Association will maintain.

Section 3. Universal Easement. Each Lot and its Owner is hereby declared to have an easement, and the same is hereby granted to Declarant, over all adjoining Lots and Common Areas for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, or any other cause. There shall be easements for the maintenance of said encroachment, settling or shifting; provided, however, that in no event shall an easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful misconduct of said Owner or Owners. In the event a structure on any Lot is partially or totally destroyed and then repaired or rebuilt, the owners of each Lot agree that minor encroachments over adjoining Lots shall be permitted and there shall be easements for the maintenance of said encroachments so long as they shall exist. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall be appurtenant to the Lot being serviced and shall pass with each conveyance of said Lot.

ARTICLE VII.

MAINTENANCE

Section 1. Owner's Duty of Maintenance. The Owners and Occupants of each Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep that part of the Property so owned or occupied including buildings, improvements and grounds in connection therewith, in a well maintained, safe, clean, sanitary, healthful and attractive condition at all times. Such maintenance includes, but is not limited to, the following:

- a. Prompt removal of all litter, trash, refuse, and wastes.
- b. Lawn mowing to maintain grass at a height not to exceed four inches (4").
- c. Tree and shrub pruning and shaping, and maintenance of such trees and shrubs free of insects and disease.
- d. Watering.
- e. Keeping lawn and garden areas alive, free of weeds, edged and attractive.
- f. Keeping parking areas, sidewalks and driveways in good repair.
- g. Complying with all government health and policy requirements.

- h. Repair of exterior damages to buildings and improvements and repainting of buildings and improvements when necessary.
- i. Maintenance of area between Lot and curb.

Section 2. Enforcement. If, in the opinion of the Association (acting through its Board of Directors), any such owner or Occupant has failed in any of the foregoing duties or responsibilities, then the Association (acting through its Board of Directors) may give such person written notice of such failure and such person must within ten (10) days after receiving such notice, perform the care and maintenance required. Should any such person fail to fulfill this duty and responsibility, in the Board of Director's sole discretion, within such period, then the Association through its authorized agent or agents shall have the right and power to enter onto the premises and perform such care and maintenance without any liability for damages for wrongful entry, trespass or otherwise to any person. The Owners and Occupants of any Lot on which such work is performed shall jointly and severally be liable for the cost of such work and shall promptly reimburse the Association for such cost. If such Owners or Occupants shall fail to reimburse the Association within ten (10) days after receipt of a statement for such work from the Association, then said indebtedness shall be a debt of said owners and Occupants jointly and severally, and the Association may levy a Special Member Assessment in accordance with this Declaration and the Bylaws of the Association, as such Bylaws presently exist or are subsequently modified or amended, which Special Member Assessment is secured by the lien imposed by Article III, Section 10 of this Declaration, and is subject to foreclosure as is provided therein.

ARTICLE VIII.

COMMON PROPERTIES

Section 1. Easements of Enjoyment. Subject to the provisions of Section 3 hereof, every Member of the Association shall have a non-exclusive right and easement of enjoyment in and to the Common Areas.

Section 2. Title to Common Properties. Declarant shall convey ownership of the Common Areas and any common Facilities, and/or Common Personal Property owned by Declarant to the Association, which shall be responsible for their operation, repair and maintenance.

Section 3. Extent of Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

- a. The right of the Association to prescribe rules and regulations for the use, enjoyment, and maintenance of the Common Areas and Common Facilities.
- b. The right of the Association to sell, convey or dedicate to the appropriate governmental authority, the Common Areas, or any part thereof, provided such sale, conveyance or dedication is approved by two-thirds (2/3) of the total eligible

votes of each class of the Members of the Association, voting in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance of the meeting and shall set forth the purpose of the meeting.

- c. The right of the Association to borrow money for the purpose of improving, maintaining, or repairing the Common Areas and/or Common Facilities, or any part thereof, and to mortgage the Common Areas, Common Facilities, or any part thereof, provided the mortgaging of the Common Areas is approved by two-thirds ($\frac{2}{3}$) of the total eligible votes of each class of Members of the Association voting in person or by proxy, at a meeting duly called for such purpose.
- d. The right of the Association to take such steps as are reasonably necessary to protect the Common Areas and/or Common Facilities, or any part thereof, against foreclosure.
- e. The right of the Association to suspend the voting rights and right to use the Common Facilities of any Member for any period during which any assessment or other amount owed by the Member to the Association remains unpaid or during which such Member is in violation of any of the provisions of this Declaration.
- f. The right of the Association to establish reasonable rules and regulations governing the Members' use and enjoyment of the Common Areas and Common Facilities, and to suspend the enjoyment rights of any Member for any period not to exceed sixty (60) days for any infraction of such rules and regulation.
- g. The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities which are a part of the Common Areas and for any other additional services provided by the Association for the benefit of the Owners.

ARTICLE IX.

MISCELLANEOUS PROVISIONS

Section 1. Duration. This Declaration and the covenants, restrictions, conditions, charges, and liens set out herein shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, and every Owner of any part of the Property, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Declaration is recorded, and continuing through and including December 31, 2031, after which time said covenants, restrictions, conditions, charges, and liens shall be automatically extended for successive periods of five (5) years unless a change (the word "change", including additions, deletions or modifications thereto, in whole or in part) is approved by two-thirds ($\frac{2}{3}$) of the total eligible votes of the Members of the Association as defined in Article II hereof, voting in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be

given to all Members at least thirty (30) days in advance of the meeting and shall set forth the purpose of such meeting.

Section 2. Amendment by Declarant. Declarant reserves the right prior to the Conversion Date, without joinder or consent of any Owner or mortgagee, to amend this Declaration or the Bylaws by an instrument in writing duly signed, acknowledged and filed for record, for the purposes of resolving or clarifying any ambiguities or conflicts herein, correcting any inadvertent misstatements, errors or omissions herein, amending any provisions of Articles IV or V hereof, provided that no such amendment shall change the vested property rights of any Owner, except as otherwise provided herein.

Section 3. Amendment. This Declaration may be amended or terminated at any time by two-thirds (2/3) of the total eligible votes of each class of membership of the Association voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance of the meeting and shall set forth the purpose of such meeting, provided that Declarant must consent thereto if such amendment or termination is to be effective prior to the Conversion Date. Any such amendment or termination shall become effective when an instrument is filed for record in the Official Public Records of Real Property of Harris County, Texas, with the signatures of the requisite number of the Owners of the Property (and the signature of Declarant if prior to the Conversion Date).

Section 4. Enforcement. The Association, every owner of any part of the Properties, Declarant, and their respective legal representatives, heirs, successors and assigns, shall each have the right (but not the duty) to enforce this Declaration and the covenants, restrictions, conditions, charges and liens contained herein. Enforcement of the covenants, conditions and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant, condition or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants. Failure by the Association or any owner or Declarant to enforce any such covenant, condition, restriction, charge or lien shall in no event be deemed a waiver of the right to do so thereafter.

Section 5. Severability of Provisions. If any paragraph, section, sentence clause or phrase of this Declaration shall be illegal, null or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null or void, the remaining paragraphs, sections, sentences, clauses or phrases of this Declaration shall continue in full force and effect and shall not be affected thereby. It is hereby declared that said remaining paragraphs, sections, sentences, clauses and phrases would have been and are imposed irrespective of the fact that any one or more other paragraphs, sections, sentences, clauses or phrases shall become or be illegal, null or void.

Section 6. Notice. Whenever written notice to the Owners (including Declarant) is required hereunder, such notice shall be given by facsimile transmission telecopy, telex, personal delivery, electronic mail or the mailing of same, postage prepaid, to the address of such Owners appearing on the records of the Association (and as furnished to the Board of Directors by such Owners). If notice is given by mail, such notice shall be conclusively deemed to have been given

three (3) days after the date sent by placing same in the United States mail, postage prepaid, properly addressed, whether received by the addressee or not.

Section 7. Titles. The titles, headings and captions which have been used throughout this Declaration are for convenience only and are not to be used in construing this Declaration or any part thereof.

Section 8. Number and Gender of Words. Whenever used in this Declaration, the singular number shall include the plural where appropriate, and vice versa; words of any gender shall include each other gender, where appropriate.

Section 9. Assignment. Declarant shall have the right to assign and/or delegate its rights, privileges, duties and obligations hereunder.

Section 10. Address of Declarant. The mailing address of Declarant is 9801 Westheimer, Suite 701, Houston, Texas 77042.

Section 11. Insurance. The Board of Directors of the Association shall obtain insurance (the premiums for which shall be a common expense payable from property assessments) for all the Common Areas and the Common Facilities, as follows (such insurance to be in amounts designated by the Board of Directors unless an amount is specified in this Declaration):

- a. Insurance on all insurable improvements against loss or damage by fire and all other risks insured by standard extended coverage policies in use in the State of Texas, with such endorsements as the Board of Directors deems advisable, in amounts sufficient to prevent the Association from being a co-insurer within the terms of such policies, but in any event in an amount not less than the full replacement cost thereof. The full replacement cost of such improvements shall be determined annually by the Board of Directors which may obtain an appraisal in making such determination, the cost of which shall be a common expense payable from property assessments.
- b. Comprehensive general liability insurance against claims for bodily injury or death (minimum coverage of \$1,000,000.00) and property damage (minimum coverage of \$100,000.00) suffered by the public or any owner, the family, agent, employee or invitee of any Owner, occurring in, on or about the Common Areas, and at least \$1,000,000.00 in "umbrella" coverage. Any policy obtained pursuant to this subsection (b) shall contain a cross-liability endorsement whereby the rights of a named insured shall not prejudice his, her or their action or actions against another named insured, and shall contain a "severability of interest" type of endorsement precluding the insurer from denying a claim of any owner or the Association because of the negligent acts of other Owners or the Association.

- c. Such other insurance in such reasonable amounts as the Board of Directors shall deem desirable, including without limitation, director's and officer's liability insurance for the directors and officers of the Association against any liability asserted against any such party, or incurred by such party in such capacity, or arising out of such party's status as a director or officer; and fidelity bonds for any management company retained by the Board of Directors.
- d. All insurance provided for herein shall be effected with responsible insurers authorized to do business in the State of Texas. All such policies of insurance shall name as insured the Association. All insurance policies shall be held with insurance companies with an AM Best & Company rating of not less than an A + 9 rating.

Immediately after the damage or destruction by fire or other casualty to all or any part of the Common Areas or the Common Facilities covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph means repairing or restoring the property to substantially the same condition in which it existed prior to the fire or other casualty.

Any damage or destruction to the Common Areas or Common Facilities shall be repaired or reconstructed unless Members holding a majority vote of each class of voting membership in the Association decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided however, that such extension shall not exceed sixty (60) days.

In the event that it should be determined by the Association in the manner described above that the damage or destruction of the Common Areas or Common Facilities shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the property shall be restored to its natural state and maintained as an undeveloped portion of the Common Areas by the Association in a neat and attractive condition.

Section 12. Security. NEITHER THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, AGENTS OR EMPLOYEES, NOR THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE SUBDIVISION. NEITHER SHALL THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, AGENTS OR EMPLOYEES, DECLARANT OR SUCCESSOR DECLARANT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS

APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS, OFFICERS, MANAGERS, AGENTS OR EMPLOYEES, DECLARANT OR ANY SUCCESSOR DECLARANT DOES NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEM WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNATED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF AN OWNER OR OCCUPANT, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS, OFFICERS, MANAGERS, AGENTS OR EMPLOYEES, DECLARANT OR ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY DWELLING AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER OR OCCUPANT ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO DWELLINGS AND TO THE CONTENTS OF DWELLINGS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS, OFFICERS, MANAGERS, AGENTS OR EMPLOYEES, DECLARANT OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE SUBDIVISION.

Executed on the date of the acknowledgment set forth below, to be effective for all purposes as of May _____, 2000.

VILLAGES AT LAKEPOINTE, LTD.

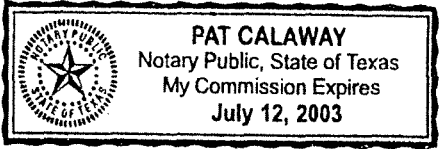
By: RYKO DEVELOPMENT, INC.,
Sole General Partner

By: 
BASSAM BARAZI, President

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 1st day of May, 2000, by BASSAM BARAZI, President of RYKO DEVELOPMENT, INC., a Virginia corporation, sole General Partner of VILLAGES AT LAKEPOINTE, LTD., a Texas limited partnership, on behalf of said partnership.

Pat Calaway
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS



WHEN RECORDED RETURN TO:

Kathryn J. Farley
Fouts & Moore, LLP
1300 Post Oak Blvd. 20th Floor
Houston, Texas 77056