

**COMPILED, AMENDED, AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS**

**WATERWOOD ESTATES PHASE ONE AND THREE,
ORANGE COUNTY, TEXAS**

STATE OF TEXAS	}	
	}	KNOW ALL MEN BY THESE PRESENTS
COUNTY OF ORANGE	}	

Waterwood Community Association, Inc., a Texas non-profit corporation, under the direction of the Required Owners, as hereinafter defined, executes this Compiled, Amended, and Restated Declaration of Covenants, Conditions, and Restrictions for Waterwood Estates Phase One and Phase Three (the "Compiled Declaration").

WHEREAS, Waterwood Estates, Phase One is a subdivision located in Orange County, Texas, as more particularly defined, described and identified in the following recorded instruments: Final Plat, Phase One, Vol. 9, Page 129, Map or Plat Records of Orange County, Texas; Final Plat, Phase One, Amended, Vol. 10, Page 8, Map or Plat Records of Orange County, Texas; Final Plat, Phase One, Amended Two, Vol. 10, Page 14, Map or Plat Records of Orange County, Texas; Final Plat, Phase One, Amended Three, Vol. 10, Page 28, Map or Plat Records of Orange County, Texas;

WHEREAS, Waterwood Estates, Phase Three is a subdivision located in Orange County, Texas, as more particularly defined, described and identified in the following recorded instruments: Final Plat, Phase Three, Vol. 10, Page 18, Map or Plat Records of Orange County, Texas; and Final Plat, Phase Three-A, Vol 10, Page 118, Map or Plat Records of Orange County, Texas;

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Waterwood Estates, Phase One (the "Phase One Declaration") was filed of record on August 19, 1993, as Instrument #119758 in the Real Property records of Orange County, Texas;

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Waterwood Estates, Phase Three (the "Phase Three Declaration") was filed of record on February 21, 1995, as Instrument #138723 in the Real Property records of Orange County, Texas, and amended by the Declaration of Covenants, Conditions and Restrictions for Waterwood Estates, Phase Three Amended (the "Phase Three Amendment") filed of record on June 21, 1996, as Instrument #155089 in the Real Property records of Orange County, Texas;

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Waterwood Estates, Phase One and Three Amended (the "Phase One and Phase Three Amendment") was filed of record on February 5, 1999, as Instrument #189904 in the Real Property records of

Orange County, Texas;

WHEREAS, the Phase One Declaration and the Phase Three Declaration each state that "any or all of the restrictions, covenants and conditions herein contained may be repealed, amended or modified at any time by majority vote of the lot owners";

WHEREAS, the principal purposes of this Compiled Declaration are to (1) combine all previously recorded Declarations and Amendments into one document to simplify the documentation needed to review and understand the restrictions applicable to Waterwood Estates, Phase One and Waterwood Estates, Phase Three, (2) to further amend such restrictions as provided in this Compiled Declaration, and (3) for the benefit of the present and future owners and for the protection of property values;

NOW THEREFORE, in compliance with the Phase One Declaration, the Phase Three Declaration, and all amendments, the majority of owners subject to the Phase One Declaration and the majority of owners subject to the Phase Three Declaration (the "Required Owners") by Special Meeting held November 16, 2020, signed an instrument to combine, amend, and restate the covenants, conditions, and restrictions affecting Waterwood Estates, Phase One and Waterwood Estates, Phase Three and said instrument and collection of signatures is held in the books and records of the Association;

NOW THEREFORE, the Required Owners with the Board of Directors of Waterwood Community Association, Inc. join herein to combine, amend, and restate the covenants, conditions, and restrictions affecting Waterwood Estates, Phase One and Waterwood Estates, Phase Three; said Compiled, Amended, and Restated Declaration shall be effective as of January 1, 2021.

It is the intention of this document that (1) the provisions expressly amended herein control the Phase One Declaration, the Phase Three Declaration, the Phase Three Amendment, and the Phase One and Phase Three Amendment and (2) this document otherwise restates, in substance, the covenants, conditions, and restrictions affecting Waterwood Estates, Phase One and Waterwood Estates, Phase Three, and this document shall be construed and applied to effect those intentions.

ARTICLE I. DEFINITIONS

"Assessment" shall mean the Annual Assessments, Special assessments, and any other amounts or sums due by any Owner to the Association pursuant to the provisions of this Compiled Declaration, levied by the Association for purposes of obtaining funds to pay Association Expenses as provided herein.

"Association" shall mean and refer to WATERWOOD COMMUNITY ASSOCIATION, INC., a Texas non-profit corporation, its successors, assigns and replacements, which such

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authority vested to it as the successor of Waterwood Property Owners Association as described in the Phase One Declaration and the Phase Three Declaration.

"Association Expenses" shall mean and include the actual and estimated expenses of operating the Association, including any reasonable reserves, all as may be found to be necessary and appropriate by the Board of Directors of the Association pursuant to this Declaration and the Association's organizational documents and by-laws.

"Board of Directors" or "Board" shall mean the governing body of the Association.

"Bylaws" means the Bylaws of the Property Owners Association adopted by the Board.

"Common Area" shall mean and refer to any properties, real or personal, owned by the Association for the common use and enjoyment of Members (hereinafter defined) of the Association and shall include, but is not limited to, all park and recreation areas as designated on the Subdivision Plat, trees, landscaping, sprinkler systems, drainage improvements, pavements, private streets, pipes, wires, conduits, and public utility lines situated thereon.

"Covenants" means the covenants, conditions, and restrictions contained in the Phase One Declaration, the Phase Three Declaration, the Phase Three Amendment, and the Phase One and Phase Three Amendment, as amended by this Compiled Declaration.

"Dedictory Instruments" means this Compiled Declaration and the Bylaws, rules of the Property Owners Association, and Design Standards, as amended.

"Design Standards" shall mean and refer to the Waterwood Estates Design Standards, issued August 1999, and recorded as Instrument No. 441953 of the Official County Records of Orange County. Unless expressly modified herein, these Design Standards are hereby incorporated and made applicable to this Compiled Declarations and Waterwood Estates Phase One and Phase Three.

"Lot" shall mean and refer to any of the numbered lots shown on the Subdivision Plat intended for the construction of a single family residence, excluding all reserve tracts shown on a Subdivision Plat, but including Lots hereafter created by a replat of any reserve tracts.

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

"Person" shall mean any natural person, corporation, joint venture, partnership, association, trust or other legal entity.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, including contract sellers, 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.

"Properties" shall mean and refer to the real property within the jurisdiction of the Association, including the Subdivision and any additional property hereafter added to the jurisdiction of the Association.

"Subdivision" or "Waterwood Estates" shall mean and refer to certain real property situated in Orange County, Texas, described more particularly as **WATERWOOD ESTATES, PHASE ONE**, a subdivision with forty-five (45) residential lots, the map of which is recorded in Vol. 9, Page 129 of the Map or Plat Records of Orange County, Texas, and as **WATERWOOD ESTATES, PHASE THREE**, a subdivision with forty-four (44) residential lots, the map of which is recorded in Vol. 10, Page 18 of the Map or Plat Records of Orange County, Texas. As used herein, "Subdivision" or "Waterwood Estates" shall mean both **WATERWOOD ESTATES, PHASE ONE**, and **WATERWOOD ESTATES, PHASE THREE**.

"Subdivision Plat" shall mean and refer to the plat of Waterwood Estates, Phase One, recorded in Vol. 9, Page 129 of the Map Records of Orange County, Texas, Waterwood Estates, Phase Three, recorded in Vol. 10, Page 18 of the Map Records of Orange County, Texas, and any duly recorded amended plat or replat thereof.

"Supplemental Declaration" shall refer to (i) a separate declaration of covenants, conditions and restrictions which is imposed on property within the jurisdiction of the Association and which may be enforced by the Association, or (ii) an instrument which imposes additional restrictions on a portion of the Properties which may be enforced by the Association.

ARTICLE II. IMPOSITION OF COVENANTS

1. Declarant, as defined in the Phase One Declaration and Phase Three Declaration, imposed the Covenants on the Subdivision. All Owners and other occupants of the Lots by their acceptance of their deeds, leases, or occupancy of any Lot agree that the Subdivision is subject to the Covenants.

2. The Covenants are necessary and desirable to establish a uniform plan for the development and use of the Subdivision for the benefit of all Owners. The Covenants run with the land and bind all Owners, occupants, and any other person holding an interest in a Lot.

3. Each Owner and occupant of a Lot agrees to comply with the Dedicatory Instruments and agrees that failure to comply may subject him to a fine, an action for amounts due to the Property Owners Association, damages, or injunctive relief.

ARTICLE III. MEMBERSHIP

1. **ASSOCIATION MEMBERSHIP.** All purchasers of a lot or lots in WATERWOOD ESTATES must be members of the WATERWOOD COMMUNITY ASSOCIATION (WCA) . In the event a property owner sells his Lot, the Board of Directors of the WCA must be notified in writing, within 30 days of closing date, of the new owner's name, address, phone number, and email address. The new Owner shall be required to contact the Board to confirm the contact information given within 30 days of closing date.
2. **ESTABLISHMENT AND GOVERNANCE.** The Property Owners Association is established by filing its certificate of formation and is governed by the certificate, the Declaration, and the Bylaws. The Property Owners Association has the powers of a nonprofit corporation and a property owners association under the Texas Business Organizations Code, the Texas Property Code, and the Dedicatory Instruments.
3. **RULES.** The Board may adopt rules that do not conflict with law or the other Dedicatory Instruments. On request, Owners will be provided a copy of any rules.
4. **VOTING RIGHTS.** Every Owner is a Member of the Property Owners Association. Membership is appurtenant to and may not be separated from ownership of a Lot. All Members shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in a given Lot, all of such persons shall be Members, and the vote for such Lot shall be exercised as they may determine among themselves; but in no event shall more than one (1) vote be cast with respect to any Lot.

ARTICLE IV. PROPERTY RIGHTS AND EASEMENTS

1. **OWNERS' EASEMENTS OF ENJOYMENT.** Each and every Owner shall have a right and easement of use and enjoyment in and to the Common Area, subject, however, to the provisions limitation and restrictions contained in this Declaration or in the Bylaws of the Association and to any reasonable rule and regulations adopted by the Association, from time to time, relating to the use of the Common Area. Such right and easement shall be appurtenant to and pass with the title to every Lot, whether or not so stated in any deed or other instrument of conveyance or encumbrance affecting any Lot in the Addition.
2. **PARK AND RECREATION AREAS.** All property owners, members of their families and their guests, shall have the right of ingress and egress to the canal through the park area as shown on the Subdivision Plat. All parks, lakes and improvements shall be available for use by such property owners, their families and guests, at their own risk. The operation of and maintenance and payment of taxes on such park and other community areas shall be the responsibility of The Association. When using the community boat launch, vehicles must be parked at Owner's property while boating.

3. UTILITY EASEMENTS. An easement is expressly reserved in, on, over, under and through those portions of the Lots as shown on the Subdivision Plat for the purpose of installing, repairing and maintaining electric power, water, gas, telephone and similar utility facilities and services. There is also reserved and dedicated hereby for the use of any public or private utility company an unobstructed aerial easement five (5) feet wide from a plane twenty (20) feet above ground upward, located adjacent to and above all dedicated utility easements as shown on the map or plat of WATERWOOD ESTATES. The easements reserved and dedicated under the terms and provisions hereof and under the terms and provisions of WATERWOOD ESTATES plat shall be for the general benefit of WATERWOOD ESTATES as herein defined and shall also ensure to the benefit and may be used by any public or private utility company entering into and upon said property for the purposes aforesaid, without the necessity of any further grant of such easement rights to such utility companies. Fences, walls, and shrubbery hedges shall be permitted on any such easements except those easements being used for underground electric or telephone systems, provided:

- a. that such fences, walls and hedges do not interfere in any way with the use of such easements by any public or private utilities then utilizing or thereafter designed to utilize the same;
- b. that the right of the owner's of such fences, walls or hedges shall at all times be and remain subordinate and inferior in every way to the right of public and private utilities; and
- c. that such public or private utilities at any time may, without liability of any kind to the owner or owners thereof, remove any such fence, wall or hedge where the removal of the same is incidental to or necessary for the performance of public or private utility operation.

No buildings or structures of any character may be erected or permitted to remain on any utility easement. A twenty (20) foot right of access adjacent to the canals is reserved for the purpose of cleaning or dredging. After initial excavation of canals and lake, if cleaning is necessary the cost shall be born by the Waterwood Community Association. The Association shall not be liable for damage to or loss of trees or vegetation due to such canal cleaning.

ARTICLE V. USE RESTRICTIONS

- 1. USE.** None of the lots or the improvements thereon shall be used for anything other than single-family, private residential purposes, and all lots in WATERWOOD ESTATES, shall be known as residential lots. No commercial activity shall be permitted on any residential lot, nor shall any commercial activity be engaged in from any such residential lot.

2. **LOT AREA.** No lot may be resubdivided; provided however, that individual lots may be divided between abutting owners and thereafter each owner's resulting oversized tract shall be considered as one lot. Nothing herein contained shall prohibit the construction of a single residence on two (2) lots, in which case both such lots shall be considered as one (1) lot for building purposes. Irrespective of the foregoing provisions of this Paragraph 2, the maintenance fund assessment hereinafter set forth shall be and remain applicable to all lots as originally platted.
3. **DESIGN STANDARDS.** Except as expressly modified herein, the Design Standards are hereby incorporated and made applicable to Waterwood Estates.
4. **ARCHITECTURAL CONTROL COMMITTEE.** An Architectural Control Committee ("ACC" or "Committee") shall be appointed by The WATERWOOD COMMUNITY ASSOCIATION Board of Directors, whose purpose it shall be to review plans, to insure for all owners harmony of location, and harmony of external and structural design and quality with existing structures. The Committee shall have the right to designate a representative to act for it in all matters arising hereunder.
5. **STRUCTURES**
 - a. No residence shall be constructed or permitted to remain on any residential lot in WATERWOOD ESTATES, unless such residence shall meet the following requirements as living area:
 - i. All structures must be built on a concrete slab of 3000 PSI concrete or greater strength.
 - ii. All structures must be brick, stone or fibre cement on three-fourths (3/4) of the exterior of all buildings.
 - iii. All residences are required to have a concrete driveway with no exceptions.
 - iv. All such residences shall have a minimum of 2200 square feet of living area.
 - b. No improvement shall be placed on any lot until the building plans, specifications and plot plans showing the location of such improvements on the lot, have been approved in writing by the Committee. Likewise, the alteration of any existing improvements which materially affects or changes the exterior design thereof may not be made until the plans of such alterations have been approved in writing by the Committee. In the event the Committee disapproves of any such plans, specifications and/or plot plans, notice of such disapproval shall be delivered in person or by registered mail or certified letter addressed to the party submitting

the same at an address which must be supplied with the submission. In passing upon all of such plans, specifications and/or plot plans, the Committee may take into consideration, among other things, the suitability of any such proposed building or structure or the alteration thereof and the materials of which it is to be constructed to the lot or plot upon which it is to be constructed, and the affect thereof upon adjacent neighboring or other lots or plots. Any such notice shall set forth the elements disapproved and the reason or reasons therefor, but need not contain suggestions as to methods of curing any matters or things disapproved. The judgment of the Committee in this respect in the exercise of its sole and absolute discretion shall be final and conclusive. If said Committee fails to approve or disapprove said plans, specifications and/or plot plans within thirty (30) days after the same have been received by the Committee, it will be presumed that the same have been approved. These requirements for approval by the Committee as herein set out cover not only the residence to be constructed in WATERWOOD ESTATES, but all piers and other structures built in the water as well as on the land, and also apply to any retaining walls and any significant moving of soil in or out of the water.

- c. All structures which extend into the water shall meet the following requirements:
 - i. Such structures shall not extend into the canals more than four (4) feet, or lake more than ten (10) feet.
 - ii. No part of such structures shall be closer to any projected side property lot line than ten (10) feet.
 - iii. No such structures shall extend more than twenty-five (25) feet parallel to the water's edge.
 - iv. Notwithstanding the foregoing, an exception may be made by the Committee in cases where such an exception is necessary because of shallow water or other unusual circumstances, approval of such exception to be given in writing to the owner of the lot affected.

- d. No part of any building shall be located on any residential lot nearer than twenty-five (25) feet to any right of way. No part of any building shall be located nearer than five (5) feet to any interior lot line, except that in the event of common ownership of more than one (1) lot and the consideration of one (1) building on more than one (1) lot, the combined area owned shall be considered as one (1) lot for this purpose. The building set-back lines may be relaxed by decision of the Committee, if the above described distances are not feasible, considering the terrain and/or dimensions of the lot.

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- e. No structure shall be occupied or used for residential or storage purposes other than for the storage of building materials to be used in the construction and completion thereof until the exterior thereof shall have been fully completed in accordance with the approval plans and specifications.
- f. Each residence, once commenced, must be "dried in" within six (6) months from the date of commencement thereof. By the term "dried in" is meant that the exterior must have an appearance of being a complete house, including all necessary windows, doors, roof, paint and trim. If any such residence is not "dried in" within six (6) months after the date on which such residence is commenced, the owner of same hereby gives the Committee or its representative or agent the right and authority to enter upon the property upon which such structure is situated, and to disassemble such structure and store the building materials on the premises or elsewhere at the discretion of the Committee. The owner or occupant of any such lot agrees, by the purchase or occupancy thereof, that the Committee shall not be liable in trespass or otherwise in entering upon said lot and disassembling any such structure.
- g. No utility trailer, mobile home, recreational vehicle, tent, shack, camper, garage, barn or other outbuilding or structure of a temporary character shall, at any time, ever be used as a residence, temporary or permanent, nor shall any structure of a temporary character ever be used on any lot.
- h. No fence, wall or hedge having a height of more than three (3) feet shall be located nearer any front street line, or nearer any side street line than twenty-five (25) feet. No fence or wall having a height greater than seven (7) feet shall be constructed or permitted to remain in the subdivision. No chain link "cyclone", wooden or privacy type fences are permitted (ref DESIGN STANDARDS page 12, article 2.10).
- i. Pitch on roof must be 7/12 slope or more.
- j. Garage entrance must not face parallel to the street on which your home is built. The door must be at a forty-five (45) degree angle or more from the street and must be located further back than the back of the proposed home site.
- k. The front Lot line shall have one working ornamental light with photo cell switch on a brick pedestal.
- l. All home owners must enclose mail boxes which are located at curb side in brick as specified in the DESIGN STANDARDS (ref. Page 10, article 2.6.1).
- m. All bulk-heads must be approved by the ACC and constructed according to specifications contained in the DESIGN STANDARDS (ref. Page 7, article 2.3.2).

6. **SIGNS.** No commercial advertising sign or any other advertising structures may be displayed on common area property of WATERWOOD ESTATES. No advertising signs or structures may be displayed on private property without approval from the Board. Signs designating private alarm systems and signs indicating ongoing construction activity on private property are exempt from this rule.
7. **NUISANCE.** No noxious or offensive activity shall be carried on or maintained on any WATERWOOD ESTATES, nor shall anything be done or permitted to be done thereon which may be or become a nuisance in the neighborhood.
8. **GARBAGE AND TRASH REMOVAL.** No property shall be used or maintained as a dumping ground for garbage. Trash, garbage or other rubbish shall be kept only in sanitary containers with lids, and screened from street view. Each lot owner shall be responsible for disposing of all of his trash, garbage and rubbish.
9. **STORAGE.** No unsightly storage of materials or non-functioning motorized vehicles or non-seaworthy boats shall be permitted on any Lot at any time.
10. **GENERAL MAINTENANCE OF PROPERTY** All structures and improvements on Lots must be maintained in keeping with other properties and the community standards at any particular time. This includes an obligation to maintain, repair, or replace bulkheads in disrepair with missing or warped lumber, street lamps not operating, structures with visible mold, algae or grime, removal of dead trees and landscaping, trimming of overgrown shrubbery and maintaining a visible address block. Such standards also apply for rear and side view of homes and improvements visible by boat. If any Owner fails to perform the maintenance or make the repairs required of such Owner, the Association, after giving such Owner written notice specifying the required maintenance or repairs, may perform such maintenance or make such repairs if such Owner does not perform the maintenance or make the repairs or replacements specified in such notice.
11. **CAMPING.** No camping shall be permitted in WATERWOOD ESTATES at any time.
12. **ANIMALS.** Only properly vaccinated domestic pets are permitted on any Lot, and exotic pets, horses, cows, poultry, or livestock of any kind are expressly prohibited. Dogs must be confined in fenced yards or on leashes, and Owners are responsible for animal waste clean-up while being walked.

13. OFF-STREET PARKING

- a. Property owners shall provide appropriate space for off-street parking for their vehicles and/or boats. No storage of boats or vehicles on unpaved (grass) areas is permitted.
- b. No more than two (2) boats may be moored at property for more than fifteen (15) days. No commercial water craft will be permitted to moor at any time. Boat lifts/boat houses must be constructed per specifications in the DESIGN STANDARDS (ref. Page 19, article 3.6). Water craft docking plans must be submitted to the ACC for approval before any facilities are installed.

14. MOWING AND WEEDS. Each Lot shall be kept clean and free of weeds in keeping with the standards of other property and the community at any particular time, including curb edging, removal of weeds in landscaping, trimming of overgrown shrubbery, and removal of dead trees.

15. WATER AND SEWER. No building or structure shall be occupied as a residence unless all plumbing fixtures, dishwashers and toilets are connected to the sewer system installed to serve WATERWOOD ESTATES. Each lot owner shall, at his expense, connect his residence to the community water and sewer lines. Each lot owner shall pay a fee for water, hook-up and turn on, and a fee for sewer connection. A monthly charge shall be made for water service and sewer.

16. UNDERGROUND ELECTRIC CONNECTION CHARGE. Each lot owner shall be required to pay the electric utility company connection fee when and if his residence is connected to an underground electric system. Said connection fee to be payable to the electric utility company for extension of underground service from the transformers or secondary pedestals to the residence.

17. OIL, GAS AND MINERAL DEVELOPMENT. No oil or gas drilling, oil or gas development operations, oil or gas refining or treatment, quarrying or mining operations of any kind shall be permitted upon any residential lot in Waterwood Estates, nor shall oil or gas wells, or tunnels, mineral excavations or shafts be permitted on any residential lot at any time while these restrictions remain in full force and effect. No derricks or other structure designed for use in boring or drilling for oil and gas shall be erected, maintained or permitted on any residential lot in Waterwood Estates at any time.

18. DRAINAGE STRUCTURES. Drainage structures under private driveways shall always have a net drainage opening area of sufficient size to permit the free flow of water without backwater. No exposed drain pipes are allowed to run to either street or

bayou. No drainage system shall be constructed to drain private property onto adjacent property and no impedance to existing drainage systems shall be made.

ARTICLE VI. ASSESSMENTS & ENFORCEMENT

1. **AUTHORITY.** The Property Owners Association may levy Assessments to promote the recreation, health, safety, and welfare of the residents in the Subdivision, to fund operating expenses of the Property Owners Association, and to improve and maintain the Common Areas.
2. **PERSONAL OBLIGATION.** An Assessment is a personal obligation of each Owner when the Assessment accrues.
3. **CREATION OF LIEN.** Assessments are secured by a continuing vendor's lien on each Lot, which lien is reserved by Declarant, as defined in the Phase One Declaration and Phase Three Declaration, and hereby assigned to the Property Owners Association. By acceptance of a deed to a Lot, each Owner grants the lien, together with the power of sale, to the Property Owners Association to secure Assessments.
4. **COMMENCEMENT.** A Lot becomes subject to Assessments on conveyance of the Lot by Declarant, as defined in the Phase One Declaration and Phase Three Declaration.
5. **ANNUAL ASSESSMENT** Each lot in WATERWOOD ESTATES is hereby subjected to an annual assessment payable by January 31 of each year, per lot, the same to be secured by the vendor's lien upon said lots. Purchasers of lots shall pay the annual assessment in advance for the current year at the time of purchase, said amount to be prorated for the year of purchase at the rate of 1/12th of the total amount per month to the end of the year. The WATERWOOD COMMUNITY ASSOCIATION is responsible for the collection of such assessment. The annual assessment may be increased from year to year to allow balancing of the association budget. Such annual increase is not to exceed \$30 from the previous year without the approval of a majority of WATERWOOD ESTATES lot owners. Funds arising from such charge may be applied, so far as sufficient, toward payment of maintenance or improvement expenses incurred for any or all of the following purposes: lighting, streets, sidewalks, paths, parks, parkways, esplanades, areas between curbs and sidewalks, ramps, boat landings, boat basins and other similar recreational facilities, collecting and disposing of garbage, ashes, rubbish and the like, employing policemen and watchmen, providing fire protection, caring for vacant lots, collecting of maintenance charges enforcement of restrictions, and doing any other things necessary or desirable in the opinion of the Association to keep the property neat and in good order, or which is considered of general benefit to the owners or occupants of WATERWOOD ESTATES, it being understood that the judgment of the Association in the expenditure of said fund shall be final so long said maintenance charges are hereby declared to be expressly subordinate and inferior to any voluntary lien, including any renewal and/or extension thereof, created on any lot or lots in

WATERWOOD ESTATES by an owner thereof for the purpose of obtaining a construction or permanent loan or both such loans for the purpose of improving such lot or lots. Said subordination of liens shall continue and be in full force and effect for so long as such construction or permanent loan is outstanding.

6. **SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS OR EMERGENCY SITUATIONS.** In addition to the Annual Assessment authorized above, the Board of Directors 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 or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, provided that any such special assessment for structural alterations, capital additions or capital improvements shall be approved by two-thirds (2/3) majority of Members voting (in person or by proxy) at a meeting called for such purpose and with a quorum of Members at such meeting, written notice of which shall be sent to all Members not less than fifteen (15) days nor more than thirty (30) days in advance of the meeting setting forth the purpose of the meeting. This section shall not prohibit the Board from authorizing capital expenditures for replacements or repairs or improvements from funds generated by regular assessments.
7. **SPECIAL ASSESSMENTS FOR NEGLIGENCE OR VIOLATIONS.** The Board shall have the power to levy a Special Assessment against any Member as a direct result of whose acts, or failure or refusal to act or otherwise comply with the Dedicatory Instruments, monies were expended from the operating fund of the Association in performing its functions under the Dedicatory Instruments. Such Special Assessment shall be in the amount so expended, and shall be due and payable to the Association when levied. Additionally, the Board shall have the power to levy a Special Assessment against any Member for nonpayment of fines that have become delinquent.
8. **FINES.** The Board may levy a fine against an Owner for a violation of the Dedicatory Instruments. The amount of such fines shall be posted by a fee schedule promulgated by the Board. The fee schedule may be amended from time to time by majority vote of the Board.
9. **DELINQUENT ASSESSMENTS.** Any Assessment not paid within thirty days after it is due is delinquent. A late charge of 5% of the delinquent amount is assessed for delinquent payments. Delinquent Assessments accrue interest at the rate of 18% percent per year. The Board may change the late charge and the interest rate by adopting the change in the fee schedule.
10. **COSTS, ATTORNEY'S FEES, AND EXPENSES.** If the Property Owners Association complies with all applicable notice requirements, an Owner is liable to the Property Owners Association for all costs and reasonable attorney's fees incurred by the Property

Owners Association in collecting delinquent Assessments, foreclosing the Property Owners Association's lien, and enforcing the Dedicatory Instruments.

11. JUDICIAL ENFORCEMENT. The Property Owners Association may bring an action against an Owner to collect delinquent Assessments, foreclose the Property Owners Association's lien, or enforce or enjoin a violation of the Dedicatory Instruments. An Owner may bring an action against another Owner to enforce or enjoin a violation of the Dedicatory Instruments.

12. NON-JUDICIAL FORECLOSURE OF LIEN. To secure and enforce the payment of all assessments provided for in this Declaration, together with all interest accrued or accruing thereon and attorney's fees and other costs reasonably incurred by the Association in collecting the same, and for the auxiliary and cumulative enforcement of said lien, for value received, and for the further consideration of the uses, purposes and trusts hereinafter set forth, Owner has granted, sold, and conveyed, and by these presents does grant, sell, and convey unto Sara C. Norman, Trustee, of Jefferson County, Texas, whose mailing address is 470 Orleans, Suite 400, Beaumont, Texas 77701, and any substitute or successor trustee appointed hereunder, each of the Lots in the Addition, to have and to hold the said Lots unto the said Trustee, and to his substitutes or successors forever. Owner does hereby bind itself, its successors and assigns, to warrant and forever defend the Lots unto the said Trustee, his substitutes, successors and assigns forever, against the claim or claims of all persons claiming or to claim the same, or any part thereof, subject to any superior liens, for an upon the following trusts, terms, covenants, and agreements, to-wit:

- a. This conveyance, however, is made in trust to secure the payment of all assessments provided for in this Declaration (whether now owed or hereafter ever accruing to the Association). Should Owner, its successors and assigns, make full payment of the assessments hereby secured as the same shall become due and payable, then this conveyance shall become null and void and of no further force and effect.
- b. In the event, however, of default in the payment of any assessment hereby secured, in accordance with the terms of this Declaration, it shall thereupon, or at any time thereafter, be the duty of the Trustee or his successor or substitute, at the request of the Association (which request is hereby conclusively presumed), to enforce this trust against the Lot against which the assessment is due and owing in the manner provided in 51.002 of the Texas Property Code, as then amended; and after giving notice and advertising the sale as provided in said 51.002 (but without any other action than is required by said 51.002 as then amended) and otherwise complying with that statute, the Trustee shall sell the Lot (including any improvements thereon) at public sale as provided in said 51.002 and make due conveyance to the purchaser or purchasers thereof, with covenants of general warranty binding upon the then Owner of such Lot and such Owner's heirs, executors, administrators and successors.

Compiled Restrictions Waterwood Estates, Orange County, Texas

- c. Out of the money arising from such sale, the Trustee acting shall first pay all expenses of advertising said sale and making the conveyance (including a Trustee's fee of 5% of the gross sales proceeds), and then to the Association the full amount of assessments owing, together with interest thereon, and reasonable attorney's fees, rendering the balance of the sale price, if any, to the Owner of said unit prior to such sale, his heirs or assigns, or to such other person as may be legally entitled thereto. The recitals in the conveyance to the purchaser or purchasers of such Lot shall be full and conclusive evidence of the truth of the matters therein stated, and all prerequisites to said sale shall be presumed to have been performed, and such sale and conveyance shall be conclusive against the Owner of such Lot prior to such sale, his heirs, executors, administrators, successors and assigns.
- d. It is agreed that in the event foreclosure should be commenced by the Trustee, or his substitute or successor, the Association, as beneficiary hereunder, may at any time before the sale of the Lot direct the abandonment of the sale and may then institute suit for the collection of the assessments, interest and collection costs then owing to the Association, and, at the election of the Association, for judicial foreclosure of the assessment lien. It is further agreed that if the Association should institute suit for the collection and for judicial foreclosure of the assessment lien, the Association may, at any time prior to the entry of a final judgement in said suit, dismiss the same and require the Trustee, or his substitute or successor, to sell the Lot against which the assessment is then owing in accordance with the provisions of this Article VI, Section 12.
- e. In case of the absence, resignation, death, inability, failure or refusal of the Trustee herein named or of any substitute trustee appointed hereunder to act, or in the event that the Association shall deem it desirable to remove without cause the Trustee or any substitute trustee and appoint another to execute this trust, then in any of such events, the Association shall have the right and is hereby authorized and empowered to appoint a successor and substitute without any formality other than an appointment and designation in writing; and this appointment shall vest in him, as substitute or successor trustee, the estate and title in and to all said Lots, and he shall thereupon hold, possess, and execute all the rights, title, powers and duties herein conferred upon the Trustee named herein. The right to appoint a successor or substitute trustee shall exist as often and whenever from any of said causes any trustee, original substitute, cannot or will not act, resigns, or has been removed without cause.
- f. The exercise or attempted exercise of the power of sale herein contained shall not exhaust the power of sale and shall no prevent and subsequent exercise thereof.
- g. The Association, as beneficiary hereunder, if it is the highest bidder, shall have the right to purchase at any sale of a Lot pursuant hereto and to have the amount for which such Lot is sold credited against the indebtedness then owing on such Lot to the Association.

- h. It is especially agreed that in the event of a foreclosure under the powers granted herein, the person in possession of the Lot sold shall thereupon become a tenant at will of the purchaser or purchasers at the foreclosure sale. Should such tenant then refuse to surrender possession of the Lot upon demand, the purchaser or purchasers shall be entitled to institute and maintain a statutory action for forcible detainer said Lot in the justice of the peace court for the justice precinct in which the Lot is situated. The bringing of an action for forcible detainer shall not preclude the bringing of one character of action shall not preclude the other and same may be exercised separately or simultaneously.
- i. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, including (in the case of a non-judicial foreclosure) a trustee's fee equal to five percent (5%) of the gross sales proceeds, the costs of preparing and filing the notice of lien, and all other expense of foreclosure, including reasonable attorney's fees. The Association shall have the power to bid on the Lot at foreclosure sale (whether judicial or non-judicial) and to acquire and hold, lease, mortgage or convey the same.

13. SUBORDINATION OF LIEN TO MORTGAGES. The lien granted and reserved to the Property Owners Association is subordinate to any perfected mortgage lien which has first and paramount priority under applicable law. A sale or transfer of a Lot shall not affect the assessment lien thereon. The foreclosure of a superior lien extinguishes the Property Owners Association's lien as to Assessments due before the foreclosure.

14. REMEDY OF VIOLATIONS. In addition to the levy of any fines and judicial enforcement, the Association may perform required maintenance or make required repairs if such Owner does not perform the maintenance or make the repairs or replacements after notice provided herein. The costs incurred by the Association in performing such maintenance or making such repairs or replacements (together with any files levied by the Association) shall, at the election of the Board of Directors of the Association, be the basis for levying an additional Lot assessment against such Owner and his Lot pursuant to the provisions of this Article VI.

15. SUSPENSION OF RIGHTS. If an Owner violates the Dedicatory Instruments, the Property Owners Association may suspend the Owner's rights under the Dedicatory Instruments in accordance with law.

16. DAMAGE TO PROPERTY. An Owner is liable to the Property Owners Association for damage to Common Areas caused by the Owner or the Owner's family, guests, agents, independent contractors, and invitees in accordance with law.

ARTICLE VII. GENERAL PROVISIONS

1. TERM. This Declaration runs with the land and is binding in perpetuity.

2. **NO WAIVER.** Failure by the Property Owners Association or an Owner to enforce the Dedicatory Instruments is not a waiver.
3. **CORRECTIONS.** The Board may correct typographical or grammatical errors, ambiguities, or inconsistencies contained in this Declaration, provided that any correction must not impair or affect a vested property right of any Owner.
4. **AMENDMENT.** This Declaration may be amended at any time by vote of by a majority vote of the lot owners in WATERWOOD ESTATES, each lot entitling its owners to one (1) vote. Such repeal, amendment or modification shall be effected by an instrument in writing containing the approved amendment will be signed by the Property Owners Association and filed for record in the Office of the County Clerk of Orange County, Texas.
5. **CONFLICT.** This Compiled Declaration controls over the other Dedicatory Instruments.
6. **COVENANTS RUNNING WITH THE LAND.** All of the restrictions, covenants and conditions herein provided for and adopted shall apply to each and every lot in WATERWOOD ESTATES, and shall be covenants running with the land. The Association, its successors and assigns, shall have the right to enforce observance or performance of same, shall have the right, in addition to all legal remedies or remedies elsewhere provided herein, to an injunction either prohibitive or mandatory. The owner of any lot or lots in WATERWOOD ESTATES affected shall likewise have the right to prevent a breach of any such restrictions or covenants or to enforce against the violator or others the conditions so violated or any other conditions; and the Association shall have the right to enter upon the property of the violator and correct the violation, or to require the same to be corrected.
7. **PARTIAL INVALIDITY.** Invalidation of any of these covenants, restrictions or conditions by court judgment or otherwise, shall not effect, in any way, the validity of any of the other covenants, restrictions or conditions, all of which shall remain in full force and effect. Acquiescence in any violation shall not be deemed a waiver of the right to enforce against the violator or others the conditions so violated or any other conditions; the Association shall have the right to enter the property of the violator and correct the violation, or require that the same be corrected.
8. **HEADINGS.** All sections and paragraph headings used herein are for convenience only and shall have no efficacy in constructing any of the restrictions, covenants or conditions herein contained.
9. **NOTICES.** All notices must be in writing and must be given as required or permitted by the Dedicatory Instruments or by law. Notice by mail is deemed delivered (whether actually received or not) when properly deposited with the United States Postal Service,

addressed (a) to a Member, at the Member's last known address according to the Property Owners Association's records, and (b) to the Property Owners Association, the Board, the ACC, or a managing agent at the Property Owners Association's principal office or another address designated in a notice to the Members. Unless otherwise required by law or the Dedicatory Instruments, actual notice, however delivered, is sufficient.

ADOPTED BY THE OWNERS OF WATERWOOD ESTATES PHASE ONE AND WATERWOOD ESTATES PHASE THREE BY SPECIAL MEETING NOVEMBER 16, 2020, AND FILED FOR RECORD BY THE DIRECTORS WATERWOOD COMMUNITY ASSOCIATION, INC.

This instrument is being presented for recording in the Official Public Records of Real Property of Orange County, Texas, pursuant to Section 202.006 of the Texas Property Code.

Dated: December 8, 2020

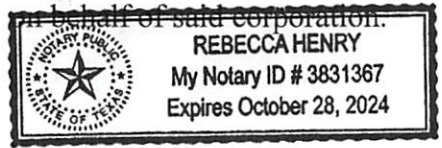
Jim Higgins
Jim Higgins, Secretary

Dated: 12-9-2020

Tom Henry
Tom Henry, President

STATE OF TEXAS §
COUNTY OF ORANGE §

This instrument is acknowledged before me on the 8th day of December, 2020 by Jim Higgins, as Secretary of Waterwood Community Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



Rebecca Henry
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF ORANGE §

This instrument is acknowledged before me on the 9th day of December, 2020 by Tom Henry, as President of Waterwood Community Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



Karen A. Kennedy
Notary Public, State of Texas

FB+
18+1
AFTER RECORDING RETURN TO:
Waterwood Community Association, Inc.
P. O. Box 12335
Beaumont, TX 77706
73.00 + 21.00

FILED FOR RECORD
ORANGE COUNTY CLERK

20 DEC 14 AIO:12

BRANDY ROBERTSON

Brandy Robertson

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the Official Public Records of Real Property of Orange County, Texas on 12/14/2020.



Brandy Robertson

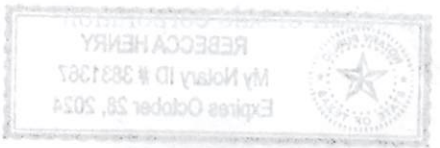
COUNTY CLERK, Orange County, Texas

WATERWOOD COMMUNITY ASSOCIATION, INC. AND HELD FOR RECORD BY THE DIRECTOR, WATERWOOD COMMUNITY ASSOCIATION, INC.

This instrument is being presented for recording in the Official Public Records of Real Property of Orange County, Texas, pursuant to Section 201.006 of the Texas Property Code.

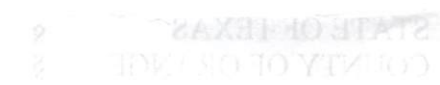
[Signature]
Notary Public, State of Texas

[Signature]
Notary Public, State of Texas



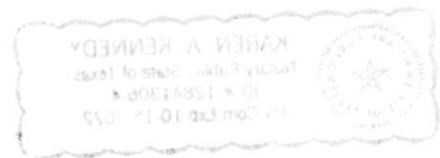
This instrument is being presented for recording in the Official Public Records of Real Property of Orange County, Texas, pursuant to Section 201.006 of the Texas Property Code.

[Signature]
Notary Public, State of Texas



This instrument is being presented for recording in the Official Public Records of Real Property of Orange County, Texas, pursuant to Section 201.006 of the Texas Property Code.

[Signature]
Notary Public, State of Texas



WATERWOOD COMMUNITY ASSOCIATION, INC. 1800
P.O. BOX 1307
BOCA RATON, FL 33480
TEL: 561-993-1307