

DECLARATION
OF
F504836
COVENANTS, CONDITIONS AND RESTRICTIONS

THE STATE OF TEXAS }
COUNTY OF HARRIS }

This Declaration, made on the date hereinafter set forth by Homecraft Corporation, a Texas corporation, hereinafter referred to as "Declarant"

W I T N E S S E T H

WHEREAS, Declarant is the owner of that certain property in STEPLING GREEN, a subdivision in Harris County, Texas, described as follows

All those lots described in the plat of STEPLING GREEN, SECTION SIX, recorded in Volume 262, Page 40, of the Map Records of Harris County, Texas

WHEREAS, it is the desire of Declarant to place certain restrictions, covenants, conditions, stipulations and reservations upon and against such property in order to establish a uniform plan for the development, improvement and sale of such property, and to insure the preservation of such uniform plan for the benefit of both the present and future Owners of Lots in said subdivision

NOW, THEREFORE, Declarant hereby adopts, establishes and imposes upon those above described lots in STERLING GREEN and declares the following reservations, easements, restrictions, covenants and conditions, applicable thereto, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of the land, which reservations shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each Owner thereof

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to STERLING GREEN COMMUNITY IMPROVEMENT ASSOCIATION, a non-profit corporation, its successors and assigns

Section 2. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3 "Properties" shall mean and refer to those certain Lots in STEPLING GREEN described above, subject to the Reservations set forth herein and/or in the subdivision plats, and any additional properties made subject to

the terms hereof pursuant to the provisions set forth herein

Section 4 "Lot" shall mean and refer to any plot of land as described above.

ARTICLE II

Reservations, Exceptions and Dedications

Section 1 Recorded Subdivision Maps of the Properties The recorded subdivision maps of the Properties dedicate for use as such, subject to the limitations as set forth therein, the streets and easements shown thereof, and such recorded subdivision maps of the Properties further establish certain restrictions applicable to the Properties including without limitation certain minimum setback lines. All dedications, limitations, restrictions and reservations shown on the recorded plats or replats of the subdivision of the properties are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each contract, deed or conveyance executed or to be executed by or on behalf of Declarant, conveying said property or any part thereof, whether specifically referred to therein or not

Section 2. Easements Declarant reserves for the public use the easements and rights-of-way as shown on the recorded subdivision maps of the Properties for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers, or any other utility Declarant sees fit to install in, across and/or under the Properties. Declarant reserves the right to make changes in and additions to the above easements for the purpose of, most efficiently and economically installing the improvements, but such changes and additions must be approved by the Federal Housing Administration and Veterans Administration. Neither Declarant nor any utility company using the easements herein referred to shall be liable for any damages done by them or their assigns, their agents, employees or servants, to fences, shrubbery, trees or flowers or any other property of the Owner on the land covered by said easements

Section 3. Title Subject to Easements It is expressly agreed and understood that the title conveyed by Declarant to any of the Properties by contract, deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, storm sewer, electric light, electric power, telephone or telegraph purposes. The Owners of the respective lots shall not be deemed to separately own pipes, wires, conduits or other service lines running through their property which are utilized for or service other lots, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his lot

ARTICLE III

Use Restrictions

Section 1 Single Family Residential Construction No building shall be erected, altered, or permitted to remain on any lot other than one detached single family dwelling used for residential purposes only, and not to exceed two (2) stories in height. Any such dwelling shall have either a carport or a garage, for no less than one (1) car, providing, however, that any such carport design has been approved in writing by the Architectural Control Committee prior to construction. Nor shall any dwelling exclusive of open porches, carports or garages, or patios be permitted on any Lot in this subdivision at a cost of less than \$20,000, based upon cost levels prevailing on the date these covenants are recorded. As used herein, the term "residential purposes" shall be construed to prohibit mobile homes or trailers being placed on the lots, or the use of said lots for duplex houses, garage apartments, or apartment houses, and no Lot shall be used for business or professional purposes of any kind, nor for any commercial or manufacturing purposes. No building of any kind or character shall ever be moved onto any Lot within said subdivision. Minimum of 25% of the first floor wall area to the top of the first floor window height and exclusive of openings shall be of masonry, masonry veneer, or stucco construction.

Section 2 Minimum Square Footage Within Improvements The living area of the main structure located on any Lot exclusive of open porches, carports and garages shall not be less than ONE THOUSAND (1,000) square feet of livable area.

Section 3 Sidewalks A concrete sidewalk four (4) feet wide shall be constructed parallel to the curb two (2) feet from the property line along the entire fronts of all Lots. In addition thereto, four (4) foot wide sidewalks shall be constructed parallel to the curb two (2) feet from the property line along the entire side of all corner Lots, and the plans for each residential building on each of said lots shall include plans and specifications for such sidewalk and same shall be constructed and completed before the main residence is occupied.

Section 4 Location of the Improvements upon the Lot No building shall be located on any Lot nearer to the front line or nearer to the street side line than the minimum building setback line shown on the recorded plats or replats, however, in no instance shall a building be located nearer to the front property line than twenty (20) feet. The main residential structure shall be located no less than ten (10) feet from the rear property line. Subject to the provisions of Section 5 below, no part of the house building, carport or garage shall be located nearer than five (5) feet to an interior side Lot line or ten (10) feet

to any exterior Lot line on a corner Lot. For the purposes of this covenant, eaves, steps and unroofed terraces shall not be considered as part of a building provided, however, that this shall not be construed to permit any portion of the construction on a Lot to encroach upon another Lot. Unless otherwise approved in writing by the Architectural Control Committee, each main residence building shall face the front building line.

Section 5 Composite Building Site Subject to the approval of the Architectural Control Committee, any Owner of one or more adjoining Lots or portions thereof may consolidate or redivide such Lots or portions into one or more building sites with the privilege of placing or constructing improvements on such resulting sites, in which case the front footage at the building setback lines shall be measured from the resulting side property lines rather than from the Lot lines as indicated on the recorded plats. Any such resulting building site must have a frontage at the building setback line of not less than fifty-five (55) feet.

Section 6 Prohibition of Offensive Activities No activity, whether for profit or not, shall be carried on any Lot which is not related to single family residential purposes. No noxious or offensive activity of any sort shall be permitted nor shall anything be done on any Lot which may be or become an annoyance or a nuisance to the neighborhood. This restriction is waived in regard to the normal sales activities required to sell homes in the subdivision and the lighting effects utilized to display the model homes.

Section 7 Use of Temporary Structures No structure of a temporary character, whether trailer, basement, tent, shack, garage, barn or other outbuilding shall be maintained or used on any Lot at any time as a residence, or for any other purpose, either temporarily or permanently, provided, however, that Declarant reserves the exclusive right to erect, place and maintain such facilities in or upon any portions of the Properties as in its sole discretion may be necessary or convenient while selling lots, selling or constructing residences and constructing other improvements upon the Properties. Such facilities may include, but not necessarily be limited to sales and construction offices, storage areas, model units, signs and portable toilet facilities.

Section 8. Storage of Automobiles, Boats, Trailers and Other Vehicles. No truck, trailer, boat, automobile, camper or other vehicle shall be stored, parked, or kept on any driveway or in the street in front of the Lot unless such vehicle is in day to day use off the premises and such parking is only temporary, from day to day and not to exceed forty-eight (48) hours in duration, provided, however,

that nothing herein contained shall be construed to prohibit the storage of any unused vehicle in the carport or garage permitted on any lot covered hereby

Section 9 Mineral Operations No oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Lot, nor shall any wells, tanks, tunnels, mineral excavation, or shafts be permitted upon or in any Lot. No derrick or other structures designed for the use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 10 Animal Husbandry No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other common household pets may be kept provided that they are not kept, bred or maintained for commercial purposes. No more than two of each type of pet will be permitted on each Lot.

Section 11 Walls, Fences and Hedges No hedge in excess of three (3) feet in height, walls or fence shall be erected or maintained nearer to the front Lot line than the walls of the dwelling existing on such Lot. No side or rear fence, wall or hedge shall be more than eight (8) feet high.

Section 12 Visual Obstruction at the Intersections of Public Streets No object or thing which obstructs sight lines at elevations between two (2) feet and six (6) feet above the roadways within the triangular area formed by the intersecting street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street property lines or extensions thereof shall be placed, planted or permitted to remain on any corner Lots.

Section 13 Lot Maintenance The Owners or occupants of all Lots shall at all times keep all weeds and grass thereof cut in a sanitary, healthful and attractive manner and shall in no event use any Lot for storage of materials and equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The drying of clothes in full public view is prohibited and the Owners or occupants of any Lots at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the Lot is visible to full public view shall construct and maintain a drying yard or other suitable enclosure to screen the following from public view: the drying of clothes, yard equipment, or storage piles, which are incident to the normal residential requirements of a typical family. No lot shall be used or maintained as a dumping ground for trash. Trash, garbage or other waste materials shall not be kept except in sanitary containers constructed of metal,

plastic or masonry materials with sanitary covers or lids. Equipment for the storage or disposal of such waste materials shall be kept in a clean and sanitary condition. New building materials used in the construction of improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without delay, until the completion of the improvements, after which these materials shall either be removed from the lot or stored in a suitable enclosure on the Lot.

Section 14 Signs, Advertisements, Billboards Except for signs owned by Declarant or other builders advertising their model homes during the period of original construction and home sales, no sign, advertisement or billboard or advertising structure of any kind other than a normal "For Sale" sign not to exceed five (5) square feet in total size may be erected or maintained on any Lot in said subdivision. Declarant, or its assigns, will have the right to remove any sign, advertisement or billboard or structure that does not comply with the above, and in so doing shall not be subject to any liability of trespass or other sort in the connection therewith or arising with such removal.

Section 15 Maximum Height of Antennae No radio or television aerial wires or antennae shall be maintained on any portion of any Lot forward of the front building line of said Lot, nor shall any free standing antennae of any style be permitted to extend more than ten (10) feet above the roof of the main residential structure on said Lot.

ARTICLE IV

Architectural Control Committee

Section 1 Approval of Building Plans No building shall be erected, placed, or altered on any Lot until the construction plans and specifications and a plot plan showing the location of the structure, have been approved in writing as to harmony of exterior design and color with existing structures, as to location with respect to topography and finished ground elevation, and as to compliance with minimum construction standards by the Architectural Control Committee of Sterling Green subdivision. A copy of the construction plans and specifications and a plot plan, together with such information as may be deemed pertinent, shall be submitted to the Architectural Control Committee, or its designated representative prior to commencement of construction. The Architectural Control Committee may require the submission of such plans, specifications, and plot plans, together with such other documents as it deems appropriate, in such form and detail as it may elect at its entire discretion. In the event the Architectural Control Com-

mittee fails to approve or disapprove such plans and specifications within thirty (30) days after the receipt of the required documents, approval will not be required and the requirements of this Section will be deemed to have been fully complied with. The Architectural Control Committee shall have full and complete authority to approve construction of any improvement on any Lot, and its judgment shall be final and conclusive.

Section 2. Committee Membership. The Architectural Control Committee members shall be three (3) in number, and shall be composed of George Kopecky, Janet Dean and Richard V. Gadd, Jr., who by majority vote may designate a representative to act for them. At any time, the then record owners of a majority of the Lots shall have the power through a duly recorded instrument to change the membership of the committee or to withdraw from the committee or restore to it any of its powers and duties.

Section 3. Replacement. In the event of death or resignation of any member or members of said committee, the remaining member or members shall appoint a successor member or members, and until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications, and plot plans submitted or to designate a representative with like authority.

Section 4. Minimum Construction Standards. The Architectural Control Committee may from time to time promulgate an outline of minimum acceptable construction standards, provided, however, that such outline will serve as a minimum guideline and such Architectural Control Committee shall not be bound thereby.

Section 5. Term. The duties and powers of the Architectural Control Committee and of the designated representative shall cease on or after ten (10) years from the date of this instrument. Thereafter, the approval described in this covenant shall not be required, and all power vested in said Committee by this covenant shall cease and terminate, provided, that any time after January 1, 1983, by two-thirds (2/3) vote of the members present and voting, the Community Improvement Association may assume the duties and powers of the Architectural Control Committee.

ARTICLE V

Sterling Green Community Improvement Association

Section 1. Membership and Voting Rights. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership.

Section 2 The Association shall have two classes of voting membership

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

Class B The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class B membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) On January 1, 1988

The Class A and Class B members shall have no rights as such to vote as a class, except as required by the Texas Non-Profit Corporation Act, and both classes shall vote upon all matters as one group.

Section 3 Non-Profit Corporation Sterling Green Community Improvement Association, a non-profit corporation, has been organized, and it shall be governed by the Articles of Incorporation of said Association, and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

Section 4 By-laws The Association may make whatever rules or by-laws it may choose to govern the organization, provided, however, that same are not in conflict with the terms and provisions hereof.

Section 5 Inspection of Records. The members of the Association shall have the right to inspect the books and records of the Association at reasonable times during the normal business hours.

ARTICLE VI

Maintenance Assessments

Section 1 Creation of the Lien and Personal Obligation of Assessments

The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association. (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interests, costs, and reasonable attorneys fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each

such assessment, together with interests, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successor in title unless expressly assumed by them.

Section 2 Purpose of Assessment The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Maintenance Area. The responsibilities of the Community Improvement Association shall include, but not be limited to the maintenance and repair of the walkways, steps, or fountain areas, if any, constructing and maintaining parkways, rights-of-way, easements, esplanades and other public areas, construction and operation of all street lights, construction, purchase and/or operating expenses of recreation area, if any, payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions, and conditions affecting the Properties to which the maintenance fund applies, payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment, employing policemen and watchmen, if desired, caring for vacant lots and doing other things or things necessary or desirable in the opinion of the Association to keep the Properties in the subdivision neat and in good order, or which is considered of general benefit to the Owners or occupants of the Properties. It is understood that the judgment of the Association in the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 3 Rate of Assessment The maintenance charge and/or assessment will be paid by the Owner or Owners of each Lot within Sterling Green subdivision, in monthly installments, commencing on the first day of the month following conveyance of the first property to a homeowner. However, the amount of such maintenance charge and/or assessment shall, anything to the contrary notwithstanding, be chargeable and payable by the Owner or Owners of any Lot at one-half (1/2) the assessed rate until the first day of the month following completion and occupancy of a permanent structure thereon. The rate at which each Lot will be assessed will be determined annually, and may be adjusted from year to year by the Association as the needs of the subdivision may, in the judgment of the Association, require; provided that such assessment will be uniform and in no event will such

assessment or charge exceed \$7 00 per Lot per month, or \$82 00 per Lot per year, unless increased as provided below. The Association can collect special assessments as well as annual charges above described whenever the members so vote.

Section 4 Maximum Annual Assessment Until January 1, 1980, the maximum annual assessment shall be \$82 00 per lot and the maximum monthly assessment or charge will not exceed \$7.00 per Lot. From and after January 1, 1980, the maximum annual assessment may be increased each year not more than 10% above the maximum assessment for the previous year without a two-thirds (2/3) vote of each class of membership who are voting in person or by proxy, at a meeting duly called for this purpose. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum, and shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of the annual assessment period, with the exception of the first annual assessment which shall be fixed by the Board of Directors at least three (3) days in advance of the annual assessment period, which shall in all cases begin on the first day of January of each year. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors.

Section 5 Effect of Nonpayment of Assessments Any assessments not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of six (6) percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Maintenance Area or abandonment of his Lot.

Section 6 Subordination of the Lien to Mortgages To secure the payment of the maintenance fund established hereby and to be levied on individual residential Lots, there is hereby reserved in each Deed (whether specifically stated therein or not) by which the Declarant shall convey such Lots, a Vendor's lien for benefit of the Association, said lien to be enforceable through appropriate proceedings at law by such beneficiary, provided, however, that each such lien shall be secondary, subordinate and inferior to all liens, present and future given, granted and created by or at the instance and request of the Owner of any such Lot to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the construction of improvements on any such Lot to the extent of any such maintenance fund charge accrued and unpaid prior to foreclosure of any such purchase money lien or construction lien; and further

provided that as a condition precedent to any proceeding to enforce such lien upon any Lot upon which there is an outstanding valid and subsisting first mortgage lien, for the aforesaid purpose or purposes, the Association shall give the holder of such first mortgage lien sixty (60) days written notice of such proposed action, which notice shall be sent to the nearest office of such first mortgage holder by prepaid U S registered mail, and shall contain a statement of the delinquent maintenance charges upon which the proposed action is based. Upon the request of any such first mortgage lienholder, the Association shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular Lot covered by such first mortgage lien to the holder thereof. No sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer.

Section 7. Future Sections The Association shall use the proceeds of the maintenance fund for the use and benefit of all residents of Sterling Green subdivision, as well as all subsequent sections of Sterling Green subdivision, provided, however, that each future section of Sterling Green subdivision to be entitled to the benefit of this maintenance fund, must be impressed with and subjected to the annual maintenance charge and assessment on a uniform, per Lot basis, equivalent to the maintenance charge and assessment imposed hereby, and further made subject to the jurisdiction of the Association. Future sections of Sterling Green subdivision may be annexed to the Properties with the consent of two-thirds (2/3) of each class of membership. However, upon submission and approval by the Federal Housing Administration and/or the Veterans Administration of a general plan of the entire development, and approval of each stage of development, such future sections of Sterling Green subdivision may be annexed by the Declarant without such approval by the membership.

ARTICLE VII

General Provisions

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

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when an instrument setting forth said changes and signed by those persons holding a majority of votes in the Association is placed of record in the real property records of Harris County, Texas. Upon any violation or attempt to violate any of the covenants herein, it shall be lawful for the Association or any other lot Owner to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from doing so or to recover damages or other dues for such violations. Failure by any Owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.

Section 2 Severability Invalidity of any one of these covenants by judgment or other court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

Section 3 FHA/VA Approval So long as the Declarant, its successors and assigns, are in control of the Sterling Green Community Improvement Association, the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration: annexation of additional properties, dedication of common area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

EXECUTED this 3RD day of March, A.D. 1978

ATTEST

HEMLOCK CORPORATION

By Ronald F. Foster
Assistant Secretary
(Ronald F. Foster)

By Richard V. Gadd, Jr.
Vice President
(Richard V. Gadd, Jr.)

ATTEST

GIBPALTAR SAVINGS ASSOCIATION

By Michael P. Bain
Assistant Secretary
(Michael P. Bain)

By Charles R. Ackerman
Vice President
(Charles R. Ackerman)

THE STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared Richard V. Gadd, Jr. Vice President of Hemlock Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this 3rd day of March, A.D. 1978.

CAROLYN BAILEY
Notary Public in and for Harris County, Texas
My Commission Expires December 2, 1978

Carolyn H. Bailey
Notary Public in and for Harris
County, Texas

THE STATE OF TEXAS |

183-02-0948

COUNTY OF HARRIS |

BEFORE ME, the undersigned authority, on this day personally appeared William F. Brown Vice President of Gibraltar Savings Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated

GIVEN under my hand and seal of office this 6th day of March,
A.D. 1978.



Nita Chessher
Notary Public in and for Harris
County, Texas
(Nita Chessher)