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MASTER DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LAKES OF PINE FOREST

1/ll

5764-94-00872

After Recording Return To:
MHI Partnership, Ltd.
Attn: Nick Ozuna
7676 Woodway, Suite 104
Houston, Texas 77063

**MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR LAKES OF PINE FOREST**

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LAKES OF PINE FOREST (this "Declaration"), made as of the date hereinafter set forth by PF LAKES DEVELOPMENT, LTD. a Texas limited partnership (hereinafter called "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of that certain property known or to be known as Lakes of Pine Forest, a subdivision in Harris County, Texas, being more particularly described in Exhibit "A", attached hereto and made a part hereof for all purposes (the "Property" as hereinafter defined).

WHEREAS, Declarant intends by this Declaration to impose mutually beneficial restrictions under a general plan of improvements for the benefit of all Owners of the property within the Subdivision and such other property as may hereinafter be annexed into the jurisdiction of the Association (as hereinafter defined) and subjected to this Declaration and Declarant desires to provide a flexible and reasonable procedure for the overall development of such property and to establish a method for the administration, maintenance, preservation, use, and enjoyment of such property.

NOW, THEREFORE, Declarant hereby declares that the Lots (as hereinafter defined) within the Subdivision is hereby subject to the provisions of this Declaration and such property shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with the title to the real property subject to this Declaration, and shall be binding on all persons having any right, title, or interest in all or any portion of such property, their respective heirs, legal representatives, successors, successors-in-title and assigns and shall inure to the benefit of each and every Owner of all or any portion thereof.

ARTICLE I

DEFINITIONS

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

SECTION 1. "Area of Common Responsibility" shall mean the Common Area, together with those areas, if any, which by contract or agreement become the responsibility of the Association. Road rights-of-ways within or adjacent to the properties may be part of the Area of Common Responsibility.

SECTION 2. "Articles of Incorporation" means the Articles of Incorporation of the Lakes of Pine Forest Homeowners Association, Inc. and any amendments thereto, as filed with the Secretary of State of the State of Texas.

SECTION 3. "Assessments" shall mean and refer to the Residential Assessments (as hereinafter defined), the Neighborhood Assessments (as hereinafter defined), the Special Assessments (as hereinafter defined), and any other amounts or sums due by any Owner to the Association pursuant to the provisions of this Declaration or a Supplemental Declaration, levied by the Association for purposes of obtaining funds to pay Association Expenses as provided herein.

SECTION 4. "Association" shall mean and refer to Lakes of Pine Forest Homeowners Association, Inc., a non-profit, non-stock, membership corporation incorporated under the laws of the State of Texas, its successors and assigns.

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SECTION 5. "Association Expenses" shall mean and include the actual and estimated expenses of operating the Association, both for general and Neighborhood purposes, 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 By-Laws and Articles of Incorporation.

SECTION 6. "Board of Directors" or "Board" shall mean the governing body of the Association whose members shall be appointed by the Declarant during the Class B Control Period and thereafter elected by the Members.

SECTION 7. "Builder" shall mean and refer to any Person undertaking the construction of a Single Family Residence on a Lot for the purposes of selling same.

SECTION 8. "Builder Guidelines" shall mean and refer to written guidelines for the construction of improvements adopted by the Lakes of Pine Forest ARC, as amended from time to time. The Builder Guidelines may contain provisions applicable to all of the Lots within the jurisdiction of the Association, including the Lots within the Subdivisions, as well as certain provisions which are applicable only to the Lots in a specific Neighborhood or a specific platted subdivision.

SECTION 9. "By-Laws" shall mean the By-Laws of the Association, as amended from time to time.

SECTION 10. "Class B Control Period" means the period of time ending on the date on which the Declarant has conveyed the last Lot it owns in the Properties, during which period the Class "B" Member is entitled to appoint and remove the members of the Board of Directors.

SECTION 11. "Class "B" Membership" shall mean the membership that ceases upon the expiration of the Class B control period.

SECTION 12. "Common Area" shall mean and refer to any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners and Occupants.

SECTION 13. "Declarant" shall mean and refer to PF Lakes Development, Ltd., and its successors and assigns, provided that in the case of an assignment in an instrument of conveyance or by a separate written instrument placed of record in the real property records of Harris County, Texas, the assignee is designated as the "Declarant" by the Declarant hereunder at such time. Upon such designation of a successor Declarant, all rights of the former Declarant in and to such status as "Declarant" hereunder shall cease.

SECTION 14. "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions for Lakes of Pine Forest as it may hereinafter be amended in accordance with the provisions hereof.

SECTION 15. "Exclusive Common Area" shall mean and refer to the property and facilities, if any, which by plat or other recorded instrument are restricted for use solely by the Owners and Occupants of a certain Neighborhood, which property and facilities may be maintained by the Association at the expense of such Neighborhood with Neighborhood Assessments.

SECTION 16. "Lake Front Lot" shall mean any lot and any other lots so designated by Declarant in this Declaration and/or in subsequent filings, even if a Common Area is between the Lot and the lake.

SECTION 17. "Lakes of Pine Forest Architectural Review Committee" or "Lakes of Pine Forest ARC" refers to the committee created by Section 2 of Article VI of this Declaration which has the power to

adopt the Builder Guidelines and the right to approve plans and specifications for construction of proposed improvements on the Lots within the jurisdiction of the Association as set forth herein and, unless a Modifications Committee is created in accordance with the provisions hereof, the right to approve plans and specifications for the alterations or modification of improvements on the Lots.

SECTION 18. "Landscaping Guidelines" shall mean and refer to Landscape design, installation and maintenance criteria for the Lots which are adopted by the Lakes of Pine Forest ARC. The Landscaping Guidelines may be included within and be a part of the Builder Guidelines.

SECTION 19. "Lot" shall mean and refer to any portion of the Properties whether developed or undeveloped upon which a Single Family Residence has been constructed or it is intended by the Declarant that a Single Family Residence be constructed, excluding reserve tracts, but including lots created by the platting or replatting of a reserve tract. "Lots" shall mean and refer to each Lot and all of them. In the case of a parcel or land within the jurisdiction of the Association planned for single family residential development which has not been platted into Lots, the parcel shall be deemed to contain the number of Lots designated by the Declarant on the development plan for such parcel of land unless or until a different number of Lots is platted.

SECTION 20. "Member" shall refer to every Person entitled to membership in the Association, as provided herein.

SECTION 21. "Modifications Committee" refers to the committee which may be created by the Board of Directors as specified in Section 2 of Article VI of this Declaration for the purpose of reviewing plans submitted for the alteration or modification of the improvements on a Lot after construction of the initial improvements.

SECTION 22. "Mortgage" shall mean and refer to a deed of trust, mortgage or other similar security instrument granting, creating, or conveying a lien or security interest upon a Lot.

SECTION 23. "Mortgagee" shall mean a beneficiary or holder of a Mortgage.

SECTION 24. "Neighborhood" shall mean and refer to a separately designated and denominated area within the Properties. If separate Neighborhood status is desired, the Declarant shall designate in a Supplemental Declaration or other recorded instrument that such property shall constitute a separate Neighborhood. All property within the jurisdiction of the Association which is not included within a designated Neighborhood shall be considered a part of a single unnamed Neighborhood.

SECTION 25. "Neighborhood Assessments" shall mean assessments levied by the Board of Directors for payment of the Neighborhood Expenses of a particular Neighborhood.

SECTION 26. "Neighborhood Expenses" shall mean and include the actual and estimated expenses incurred by the Association for the benefit of the Owners and Occupants of the Lots within a particular Neighborhood or Neighborhoods.

SECTION 27. "Occupant" shall mean any person occupying a Single Family Residence within the Properties for any period of time, regardless of whether such person is a tenant of the Owner of such property.

SECTION 28. "Owner" shall mean and refer to the record owner, whether one or more Persons, of the fee simple title to a Lot within the Properties, including a Person who has entered into a contract to sell his Lot, but excluding those having an interest merely as security for the performance of an obligation or those owning an interest in the mineral estate.

SECTION 29. "Person" shall mean any natural person, corporation, joint venture, partnership, association, trust or other legal entity.

SECTION 30. "Properties" shall mean and refer to (i) the real property contained within the subdivisions described in the preambles to this Declaration, and (ii) such other real property as may hereafter be brought within the jurisdiction of the Association in accordance with the provisions of this Declaration.

SECTION 31. "Residential Assessments" shall mean assessments levied by the Board of Directors for the purpose of obtaining funds to pay those Association Expenses which are determined by the Board of Directors to benefit all Owners and Occupants of the Lots within the Properties.

SECTION 32. "Single Family" shall mean and refer to any number of persons living together as a single household unit, and the household employees of such household unit.

SECTION 33. "Single Family Residence" shall mean and refer to a detached residence constructed on a single Lot or on two (2) or more adjacent Lots owned by an Owner which are consolidated into a single building site.

SECTION 34. "Special Assessments" shall mean the assessments levied by the Board of Directors pursuant to Section 2(c) of Article III hereof for the purposes specified therein.

SECTION 35. "Street" shall refer to any street, boulevard, road, alley, lane, avenue, or thoroughfare within or adjacent to the Properties.

SECTION 36. "Supplemental Declaration" shall refer to an instrument which imposes restrictions on a portion of the Properties which may be enforced by the Association.

SECTION 37. "Water Bodies (lakes and water quality ponds)" shall refer to the Lakes, Ponds, or other water bodies within the subdivisions described in the preambles to this Declaration.

ARTICLE II

LAKES OF PINE FOREST HOMEOWNERS ASSOCIATION, LTD.

SECTION 1. ORGANIZATION. The Association has been organized and formed as a non-profit corporation under the laws of the State of Texas. The principal purposes of the Association are the collection, expenditure, and management of the maintenance funds, enforcement of the restrictions contained herein and in Supplemental Declarations, providing for the maintenance and preservation of the Area of Common Responsibility and the facilities of the Association and architectural control of the Lots.

SECTION 2. MEMBERSHIP. Every Owner 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 by the Association. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot owned. In the event the Owner of a Lot is more than one (1) Person, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership in the Association may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the By-Laws. The membership rights of a Lot owned by a corporation or partnership shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Board, subject to the provisions of this Declaration and the By-Laws.

SECTION 3. VOTING. The Association shall have two classes of members. Class "A" and Class "B", as follows:

- (a) CLASS A. Class "A" Members shall be all Owners with the exception of the Class "B" Members. Class "A" Members shall be entitled to one (1) vote for each Lot of which they are the Owner. In any situation where a Member is entitled personally to exercise the vote for a Lot and more than one Person holds the

interest in a Lot required for membership in the Association, the vote for such Lot shall be exercised as those Persons among themselves determine and advise the Secretary of the Association in writing prior to any meeting. In the absence of such advice, the vote for such Lot shall be suspended in the event more than one Person seeks to exercise it.

- (b) CLASS B. Class "B" Members shall be the Declarant which shall have five (5) votes for each Lot it owns in the Properties. The Class "B" Members shall be entitled to appoint and remove the members of the Board of Directors during the Class B Control Period. The Class "B" Membership shall cease upon (i) the expiration of the Class B control Period or (ii) on such earlier date that the Declarant, in its discretion, so determines and records an instrument to such effect in the real property records of Harris County, Texas. In the event the Class "B" Membership ceases pursuant to clause (ii), the Declarant shall thereafter be a Class "A" Member with respect to the Lots it owns.

SECTION 4. NEIGHBORHOODS. The Declarant shall have the right to designate and denominate any area within the Properties as a Neighborhood by a Supplemental Declaration or other recorded instrument. All portions of the Properties not included within a designated Neighborhood shall be considered a part of a single unnamed Neighborhood. If a platted subdivision has not been designated by the Declarant as a Neighborhood, the Owners of a majority of the Lots in such platted subdivision may petition the Board of Directors for Neighborhood status. In addition, by petition signed by the Owners of the majority of the Lots in a Neighborhood, a Neighborhood may apply to the Board of Directors to divide the property comprising the Neighborhood into two (2) or more Neighborhoods, or by petition signed by the Owners of the majority of the Lots in each of two (2) Neighborhoods, such two (2) Neighborhoods may request consolidation into one (1) Neighborhood. The granting of any such petition shall be at the sole discretion of the Board of Directors.

ARTICLE III

COVENANT FOR MAINTENANCE ASSESSMENTS

SECTION 1. PURPOSE OF ASSESSMENTS. The Assessments provided for in this Declaration shall be used by the Association to maintain and keep in good repair the Area of Common Responsibility and for the general purposes of promoting the common benefit of the Owners and occupants in the Properties. The judgment of the Board of Directors as to the expenditure of Assessments shall be final and conclusive so long as its judgment is exercised in good faith. Funds obtained by the Association from Assessments may be used to finance all or any of the following:

- (a) Operation, mowing, maintenance, repair, and improvement of the Area of Common Responsibility, including fences, entryways, road rights-of-way and easements within, adjacent to and in the vicinity of the Properties;
- (b) Payment of taxes and premiums for insurance coverage in connection with the Area of Common Responsibility and for directors and officers liability insurance;
- (c) Paying the cost of labor, equipment (including expenses of leasing any equipment), material, and any associated management or supervisory services and fees;
- (d) 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;
- (e) Maintaining or replacing any landscaping on the Area of Common Responsibility;
- (f) Designing, purchasing and installing any improvements to the Area of Common

Responsibility;

- (g) Removing debris from the Area of Common Responsibility;
- (h) Contracting for the installation and maintenance of street lights in the Properties and paying the costs of electricity for such lights;
- (i) Collecting and disposing of trash, garbage, rubbish and other similar materials if the Board elects to provide such service to the Properties;
- (j) Payment of legal fees and expenses incurred to collect assessments and enforce this Declaration;
- (k) Employing policemen or watchmen;
- (l) Contracting for insect and pest control such as mosquito fogging;
- (m) Carrying out the duties of the Board of Directors of the Association;
- (n) Creation and funding of such reserve funds as the Board of Directors of the Association deems necessary; and
- (o) Carrying out such purposes of the Association as generally benefit the Members of the Association.

SECTION 2. TYPES OF ASSESSMENT. Each Owner by acceptance of a deed to any Lot in the Properties, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association; (i) Residential Assessments; (ii) Neighborhood Assessments, if applicable; and (iii) Special Assessments to be established and collected as hereinafter provided.

- (a) Residential Assessments. Residential Assessments shall be levied for Association Expenses which are determined by the Board to benefit all Members. Such expenses benefiting all Members shall be all Association Expenses except the expenses which are determined by the Board to benefit or provide a higher level of service to a particular Neighborhood or Neighborhoods. The good faith determination by the Board of which Association Expenses constitute Neighborhood Expenses shall be final. The initial annual Residential Assessment shall commence on the date that the first Lot in the Properties is conveyed by the Declarant or on such later date as the Board determines and shall be due and payable thirty (30) days thereafter. If such assessment commences on a date other than January 1, such assessment shall be adjusted according to the number of months remaining in the calendar year. Thereafter, annual Residential Assessments shall be levied for each calendar year in advance and shall be due and payable on January 1 unless a different date is specified by the Board.

- (b) Neighborhood Assessments. Neighborhood Assessments shall be levied against the Lots in a particular Neighborhood where the Board has determined that certain Association Expenses benefit only that Neighborhood. Upon written request by the Owners of a majority of the Lots within a Neighborhood, the Board shall initiate a service benefiting only that particular Neighborhood which shall be paid for by a Neighborhood Assessment or the Board shall discontinue a service previously provided to a Neighborhood; provided, however, the commencement or discontinuance of any such service during the Class B Control Period must be approved by the Declarant. Association Expenses benefiting only a particular Neighborhood may include, without limitation, Association Expenses incurred for maintaining and repairing of the following items and providing services within a particular Neighborhood; private streets, back door or garbage trash pick-up service as opposed to curb side service, individual mailboxes, and operation and maintenance of

Exclusive Common Areas, landscaping, fountains, lighting and signage within the particular Neighborhood. The total Neighborhood Assessment applicable to a particular Neighborhood shall be divided by the number of Lots within such Neighborhood and each Owner of a Lot contained within the concerned Neighborhood shall be assessed an amount equal to the quotient so obtained.

- (c) Special Assessments. In addition to the other Assessments authorized herein, the Board may levy one or more Special Assessments in any year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, or repair or replacement of a capital improvement located upon the Common Area, including fixtures and personal property related thereto, provided, however, except as otherwise hereinafter provided, any such Special Assessment must have the written consent of the Class "B" Member, as long as such membership exists, and a per Lot Special Assessment in an amount greater than ten percent (10%) of the most recent annual Residential Assessment per Lot must be approved by majority vote of the Class "A" Members present in person or by proxy at a meeting of the Members.

The Board may also levy one or more Special Assessments in any fiscal year for the purpose of defraying, in whole or in part, the cost of construction, reconstruction, or repair or replacement of a capital improvement located upon Exclusive Common Area, including fixtures and personal property related thereto; provided, however, that any such Special Assessment shall have the affirmative vote or written consent of the Owners of a majority of the Lots in the Neighborhood or Neighborhoods entitled to exclusive use of such Exclusive Common Area.

If a Special Assessment is approved as herein required and levied, it shall be paid as determined by the Board, and the Board may permit Special Assessments to be paid in installments extending beyond the fiscal year in which the Special Assessment is imposed. Special Assessments shall be allocated among all Owners in the same manner as Residential Assessments unless the purpose of the Special Assessment is to provide funds to be used for Exclusive Common Area facilities, in which event the Special Assessment shall be allocated solely among the Owners of the Lots in the Neighborhood or Neighborhoods entitled to use the applicable Exclusive Common Area in the same manner as a Neighborhood Assessment.

SECTION 3. RATES OF ASSESSMENT. Assessments shall be fixed at uniform rates on all Lots; provided, however, the rate applicable to Lots owned by the Declarant or Builder shall be equal to one-half (1/2) of the full assessment amount. The rate of assessment for a Lot shall change upon its conveyance by the Declarant or the Builder to an Owner, with an appropriate proration of the assessments for the year of the ownership change.

SECTION 4. CREATION OF LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS. All Assessments, together with interest commencing on the due date at a rate of interest to be set from time to time by the Board of Directors not in excess of the maximum lawful rate, costs (specifically including, but not limited to, any flat charges or percentage fees charged by any collection agencies used by the Association in collecting Assessments), and reasonable attorney's fees and court costs actually incurred, shall be a charge on the land and shall be secured by a continuing lien upon the land against which each Assessment is made. Each such Assessment, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, shall also be the personal obligation of the Person who was the Owner of such land at the time the Assessment fell due. Each such Owner shall be personally liable for his or her portion of each Assessment coming due while he or she is the Owner of the land, and each Assessment thereafter coming due unless and until such Owner notifies the Association of the sale or conveyance of the land against which the Assessment is made as hereinafter provided in this Section 4.

In order to extinguish any Person's personal liability with regard to Assessments coming due following the sale or conveyance of the Lot owned by such Person, such Person shall be obligated to notify the Association of such Person's sale or conveyance of the Lot against which Assessments may be levied. In that regard, each Person who at any time owned any Lot in the Properties against which

Assessments may be levied shall no longer be liable or responsible for payment of Assessments coming due after the date upon which such Person furnishes to the Association a copy of the executed instrument of conveyance by which fee title to the Lot previously owned by such Person was conveyed or transferred to another Person, and the mailing address of the Person to whom such Lot was conveyed or transferred. Upon receipt of such information, the Association shall cause the name and address of the new Owner to be substituted for that of the prior Owner on the records of the Association and a prior Owner shall no longer be liable or responsible for Assessments subsequently coming due. Each Person owning a Lot against which Assessments may be made shall have the obligation to notify the Association of any change in its address, and notice of any such change shall become effective five (5) business days after written notice thereof has been provided to the Association. With regard to mailing notices of Assessments payable by any Person of the Association, the Association shall be deemed to have satisfied any obligation that it might have to provide written notices or bills if the same are mailed or delivered to the Owner at the address of such Owner as reflected on the records of the Association, and no such Owner or other Person liable for the payment of any Assessment shall escape such liability or be entitled to any deferral or abatement of interest or any late charges or collection costs with regard to delinquent Assessments on the basis of such Person's failure to receive notice thereof if the Association sent such notice by regular U.S. Mail to the most recent address of the Person according to the records of the Association.

Residential Assessments and Neighborhood Assessments shall be payable annually on a date specified by the Board of Directors; provided, however, the Board may, at its option, require payment of such Assessments in monthly or quarterly installments. Special Assessments shall be paid in such manner and on such date or dates as may be fixed by the Board.

SECTION 5. COMPUTATION. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Association during each calendar year or such other fiscal year as the Board may adopt, taking into consideration any subsidy payments to be received from the Declarant pursuant to an agreement with the Association and any additional property to be annexed into the jurisdiction of the Association in the forthcoming year. Such budget may include a capital contribution or reserve in accordance with a capital budget separately prepared and separate line items for expenses benefiting each Neighborhood which will be paid with a Neighborhood Assessment. In the event that the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the then current year shall continue for the succeeding year. The Association Expenses shall be allocated as follows:

- (a) The amount of all estimated expenses to be incurred for the sole benefit of a particular Neighborhood shall be determined for each Neighborhood and that portion of the total estimated Association Expenses attributable to a particular Neighborhood shall be allocated among the Owners of the Lots in the Neighborhood as provided in Section 2(b) of this Article III and shall be deemed as Neighborhood Assessments; and
- (b) ~~The remaining Association Expenses shall be levied as Residential Assessments, and shall be allocated among the Owners of all of the Lots in the Properties as provided in Section 2(a) of this Article III. The Maximum Annual Residential Assessment, until January 1 of the year immediately following the conveyance of the first lot to an Owner shall be THREE HUNDRED SIXTY AND NO/100 DOLLARS (\$360.00) per lot per year. From and after January 1, of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased each year by an amount equal to not more than ten percent (10%) above the maximum annual assessment which could have been made without a vote of the membership in the case of the previous year. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased to an amount in excess of ten percent (10%) of the maximum assessment for the previous year by a vote of two thirds (2/3) of each class of~~

members who are voting in person or by proxy, at a meeting duly called for such purpose. The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

The Board shall in good faith attempt to cause the budget and the Assessments to be levied against each Owner for the following year to be delivered to each Member at least thirty (30) days prior to the end of the current year.

SECTION 6. LIEN FOR ASSESSMENTS. All sums assessed against the Properties pursuant to this Declaration, together with interest, collection and other costs, and reasonable attorney's fees actually incurred, as provided herein, shall be secured by a lien on the property owned by each Owner in favor of the Association. All persons acquiring liens or encumbrances on any property subject to this Declaration after this Declaration shall have been recorded in the real property records of Harris County, Texas shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for Assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

SECTION 7. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien securing the Assessments provided for herein shall be subordinate to (i) liens of ad valorem taxes and (ii) the lien of any Mortgage which has been recorded in the real property records of Harris County, Texas. Sale or transfer of any Lot subject to this Declaration shall not affect the lien hereby created. However, the sale or transfer of any Lot pursuant to foreclosure of a Mortgage or any conveyance in lieu thereof, shall extinguish the lien of such Assessments as to payments which become due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

SECTION 8. EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION. Any Assessments which are not paid in full by the date specified by the Board shall be delinquent. Any delinquent Assessment shall commence to bear interest on the due date at such interest rate as the Board may from time to time determine not in excess of the maximum lawful rate of interest. If the Assessment is not paid when due, the lien herein retained and created against the affected Lot shall secure the Assessment due, interest thereon from the date due and payable, all costs of collection, court costs, reasonable attorney's fees, and any other amount provided or permitted by law. In the event that the Assessment remains unpaid after ninety (90) days, the Association may, as the Board shall determine, institute suit for collection against the Owner personally obligated to pay the Assessment or foreclose the lien created and reserved hereby against the Lot of such Owner.

The Association's lien is created by recordation of this Declaration, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien shall be or is required. By acquiring a Lot, an Owner grants to the Association a power of sale in connection with the Association's lien. By written resolution, the Board of Directors of the Association may appoint, from time to time, an officer, agent, trustee, or attorney of the Association to exercise the power of sale on behalf of the Association. The Association shall exercise its power of sale pursuant to the Texas Property Code, and any applicable revision(s), amendment(s), or recodifications thereof in effect at the time of the exercise of such power of sale. The Association has the right to foreclose its lien judicially or by nonjudicial foreclosure pursuant to the power of sale created thereby. Costs of foreclosure may be added to the amount owed by the Owner to the Association. An Owner may not petition a court to set aside a sale solely because the purchase price at the foreclosure sale was insufficient to fully satisfy the Owner's debt. The Association may bid for and purchase the Lot at the foreclosure sale utilizing funds of the Association. The Association may own, lease, encumber, exchange, sell, or convey a Lot. The purchaser at any such foreclosure sale shall be entitled to sue for recovery of possession of the Lot by an action of forcible detainer without the necessity of giving any notice to the former owner or owners of the Lot sold at foreclosure. The Owner shall have no right of redemption after or resulting from a foreclosure sale of the Association's lien. Nothing herein shall prohibit the Association from taking a deed in lieu of

foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien. At any time before a nonjudicial foreclosure sale, an Owner of a Lot may avoid foreclosure by paying all amounts due the Association. Foreclosure of a tax lien attaching against a Lot under Chapter 32, Tax Code, shall not discharge the Association's lien under this paragraph for amounts becoming due to the Association after the date of foreclosure of the tax lien.

No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, by non-use of Common Area or abandonment of the Lot owned by such Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of Declarant and each other Owner.

All payments shall be applied first to costs and attorney's fees, then to interest, and then to delinquent Assessments.

SECTION 9. ASSESSMENT OBLIGATION OF DECLARANT. Subject to the provisions hereof, Declarant, on behalf of itself and its successors and assigns to whom its rights as Declarant are expressly assigned, covenants and agrees to pay the Assessments as provided herein for the Lots that it owns. However, as long as the Class "B" Membership exists in the Association, the Declarant may annually elect, by written notice to the Association, either to pay Assessments on its Lots as herein provided or to pay the Association the difference between the amount of Assessment collected on all other Lots subject to assessment and the amount of the actual expenditures incurred to operate the Association during the year. The payment by Declarant of such a subsidy in any year in lieu of Assessments shall under no circumstances obligate the Declarant to pay a subsidy in a future year or years.

Notwithstanding anything to the contrary herein, the Declarant may pay Assessments or a subsidy in services or materials or a combination of services and materials, rather than in money (herein collectively called "in kind payment"). The amount by which Assessments or a subsidy shall be decreased as a result of any in kind payment shall be the fair market value of the in kind payment. If the Declarant and the Board agree as to the value of any in kind payment, the value shall be as agreed. If the Board and the Declarant cannot agree as to the value of any in kind payment, the Declarant shall supply the Board with a detailed explanation of the service performed and material furnished, and the Board shall acquire bids for performing like services and furnishing like materials from three (3) independent contractors approved by the Declarant who are in the business of providing such services and materials. If the Board and the Declarant are still unable to agree on the value of the in kind payment, the value shall be deemed to be the average of the bids received from the three (3) independent contractors.

ARTICLE IV

RIGHTS IN THE COMMON AREA

SECTION 1. OWNER'S RIGHTS OF ENJOYMENT. Subject to the further provisions of this Section, every Member shall have a right of enjoyment to the recreational facilities or amenities located on the Common Area, and such right shall be appurtenant to and shall pass with the title to the Lot owned by such Member. Such right of enjoyment shall be subject to the following:

- (a) The Association shall have the right to charge reasonable admission and other fees for the use of any facility situated upon the Common Area.

- (b) The Association shall have the right to borrow money and to mortgage, pledge, deed in trust, or hypothecate any or all of the Common Area as security for money borrowed or debts incurred.
- (c) The Association shall have the right to take such steps as are reasonably necessary to protect the Common Area against foreclosure of any such mortgage.
- (d) The Association shall have the right to suspend the enjoyment rights of any member for any period during which any assessment or other amount owed by such Member to the Association remains unpaid in excess of thirty (30) days.
- (e) The Association shall have the right to establish reasonable rules and regulations governing the Members' use and enjoyment of the Common Area, and to suspend the enjoyment rights of any Member for any period not to exceed sixty (60) days for any infraction of such rules and regulations.
- (f) The Association shall have the right to dedicate, sell or convey all or any part of the Common Area and the right to grant or dedicate easements over the Common Area to public or private utility companies.
- (g) The Association shall have the right to enter into agreements pursuant to which individuals who are not Members of the Association are granted the right to use the Common Area and the facilities located thereupon.

SECTION 2. DELEGATION OF USE. Each Member shall have the right to extend his right of enjoyment to the Common Area to the members of his family and to such guests or other persons as may be permitted by the Association. An Owner shall be deemed to have made a delegation of all rights to use the Common Area to the Occupants of any leased residence.

SECTION 3. EASEMENTS-GENERAL. Easements for the installation and maintenance of utilities are reserved as shown and provided for on the plats of the Properties and/or as dedicated by separate instruments. Neither Declarant nor any utility company or authorized political subdivision using the easements referred to herein shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, walls, shrubbery, trees, flowers, improvements or other property of the Owner situated on the land covered by such easements as a result of construction, maintenance or repair work conducted by such parties or their assigns, agents, employees or servants.

SECTION 4. EASEMENTS FOR UTILITIES AND PUBLIC SERVICES.

(a) There is hereby granted to the Association, to Harris County, and to any other public authority or agency, utility district, or public or private utility company, a perpetual easement upon, over, under, and across (i) the Common Area, and (ii) those portions of all Lots shown and provided for on the plats of the Property, for the purposes of installing, replacing, repairing, maintaining, and using master television antenna and/or cable systems, security and similar systems, and all utilities, including, but not limited to, storm sewers, drainage systems and retention ponds, electrical, gas, telephone, water and sewer lines, street lights, street signs and traffic signs. To the extent possible, utility lines and facilities serving the Properties and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permitted for the providing utility company or other supplier or services, with respect to the portions of the Properties encumbered, (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes, or shrubbery, (iii) to excavate or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems.

(b) There is also hereby granted to Harris County and to such other governmental authority or agency as shall from time to time have jurisdiction over the Properties (or any portion thereof) with respect to law enforcement and fire protection, the perpetual, non-exclusive right and easement upon, over and across all of the Properties for purposes of performing such duties and activities related to law enforcement and fire protection in the Properties as shall be required or appropriate from time to time by such governmental authorities under applicable law.

SECTION 5. EASEMENTS FOR ASSOCIATION. There is hereby granted a general right and easement to the Association, its directors, officers, agents, and employees, including, but not limited to, any manager employed by the Association and any employees of such manager, to enter upon any Lot or any portion thereof in the performance of their respective duties or the enforcement of the provisions of this Declaration. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner or Occupant of the residence directly affected thereby.

SECTION 6. TELECOMMUNICATION SERVICES. Some or all of the following telecommunication services may be provided by one or more different utility companies to the Single Family Residences with the Properties: (i) local and long-distance telephone service; (ii) voice mail service; (iii) cable television service; (iv) central home systems for fire and burglary detection; (v) electronic utility meter reading systems; (vi) electronic mail systems; and (vii) other similar telecommunication services. The Builder Guidelines adopted by the Lakes of Pine Forest ARC may require that each Single Family Residence constructed in the Properties include wiring and other necessary facilities to enable the Single Family Residence access to telecommunication services. The Lakes of Pine Forest ARC shall have the right from time to time to promulgate specifications for the wiring and other necessary facilities to be installed. The installation of such wiring in a Single Family Residence does not obligate the Owner to accept or pay for any of the telecommunication services that may be provided within the Properties.

SECTION 7. SECURITY SERVICES.

(a) Security Services. The Association may provide security services for the Properties or support certain activities to make the Properties safer and shall be authorized to enter into contracts for such purposes. The Board shall be permitted to modify or cancel existing services provided, if any, or to provide additional services. Nothing contained herein is a representation as to what services will or will not be provided.

(b) DISCLAIMER CONCERNING SECURITY. NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTIES. NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL 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 AND ITS BOARD OF DIRECTORS, DECLARANT, OR ANY SUCCESSOR DECLARANT AND THE LAKES OF PINE FOREST ARC DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE DECLARANT, THE LAKES OF PINE FOREST ARC OR OTHER PROVIDER MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS 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 DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY LOT, AND EACH TENANT, GUEST AND INVITEE OR AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE LAKES OF PINE FOREST ARC, THE DECLARANT, OR ANY SUCCESSOR

DECLARANT ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS AND TO THE CONTENTS OF LOTS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE LAKES OF PINE FOREST ARC, THE DECLARANT, OR ANY SUCCESSOR DECLARANT AND THEIR AGENTS 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 PROPERTIES.

SECTION 8. RIGHTS OF DECLARANT DURING CONSTRUCTION AND SALE PERIOD.

Notwithstanding any provisions contained in this Declaration to the contrary, until the Declarant has developed and sold all of its land within the Properties, it shall be expressly permissible for Declarant and any Owner approved by Declarant to maintain upon such portion of the Properties as Declarant may deem necessary, such facilities, and carry on such activities as in the sole opinion of Declarant may be required, convenient, or incidental to Declarant's and such Owner's development, construction, and sales activities related to their properties, including, but without limitation, the right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Properties; the right to carry on sales and promotional activities in the Properties; the right to place signs in the Common Area and in road rights-of-way within the Properties; and the right to construct and operate business offices, construction trailers, model residences, information and sales offices. Declarant and any such Owner may use residences owned or leased by Declarant or such Owner as model residences and sales offices.

SECTION 9. NO PARTITION. There shall be no partition of the common Area or any part thereof, nor shall any Person acquiring any interest in the Properties or any part thereof seek any judicial partition. This Article shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring and disposing of title to real property which may or may not be subject to this Declaration.

SECTION 10. WATER BODIES. (lakes and water quality ponds) Swimming, wading, boating, or otherwise entering into the lakes, ponds or other bodies of water within the Lakes of Pine Forest shall be prohibited. The use of lakes, ponds, or other bodies of water within the Lakes of Pine Forest shall be subject to the Rules and Regulations promulgated by the Declarant and/or the Board of Directors. The Board of Directors has the right to promulgate rules and regulations governing the use of the lakes, ponds, and other bodies of water. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of lakes, ponds, or other bodies of water within or adjacent to the Property.

Owners whose Lot abuts any lake, pond or other bodies of water, or whose Lot abuts a common area that abuts any lake, pond, or other body of water, shall take care and shall not permit any erosion of the bank, and trash, fertilizers, chemicals, petroleum products, environmental hazards or any other foreign matters to infiltrate the lake, pond or other bodies of water within the Lakes of Pine Forest. Any Owner permitting or Causing such infiltration shall indemnify and harmless the Association all costs of clean up and remediation necessary to restock the lake, pond or other bodies of water to its condition immediately prior to said infiltration.

Each Owner and occupant of any lot and each tenant, guest and invitee of any Owner, as applicable, acknowledges and understands that the Association, its Board of Directors, Declarant or any successor declarant are not insurers and that each Owner and occupant of any Lot and each tenant, guest and invitee of any Owner assumes all risks for loss or damage to persons, and further acknowledges that the Association, its Board of Directors, 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 as to the safety of any lake, pond or other body of water. Each Owner and occupant of any Lot and each tenant, guest, invitee of an Owner hereby

agrees to indemnify and hold harmless the Association, its Board of Directors, Declarant or any successor declarant for all loss or damage to persons in or around the lake, pond or other body of water.

Notwithstanding the foregoing, the Association, and the Declarant (for so long as the Declarant owns property that is or may be subjected to this Declaration) may use and regulate the use of any lakes, ponds, or other bodies of water within the Lakes of Pine Forest for the irrigation of the common areas, for any other purpose deemed appropriate by the Board or Declarant, subject to the terms of any easement agreement affecting such use. The Declarant's rights under this section shall be superior to any rights of the Association.

SECTION 11. DOCKS. No Owner may construct a dock, pier, or other structure on or over any body of water within the Lakes of Pine Forest.

ARTICLE V

INSURANCE AND CASUALTY LOSSES

SECTION 1. INSURANCE. The Association's Board of Directors, or its duly authorized agent, shall have the authority, but not the obligation, to obtain blanket all-risk casualty insurance for all insurable improvements on the Common Area, or if blanket all-risk coverage is not reasonably available, an insurance policy providing fire and extended coverage. In addition to casualty insurance on the Common Area, the Association may, upon request of Neighborhood, obtain casualty insurance on the Exclusive Common Area within the Neighborhood. Such insurance policies shall be in such amount or amounts, as the Board of Directors deems appropriate.

The Board may also obtain a public liability policy covering the Common Area and Exclusive Common Area, insuring the Association and its Members for all damages or injury caused by the negligence of the Association, its agents, the Members or Occupants, in such amount as the Board deems appropriate.

Premiums for all insurance on the Common Area shall be Association Expenses and shall be included in the Residential Assessments and the premiums for insurance on Exclusive Common Area shall be included in the Neighborhood Assessment of the Neighborhood(s) benefited thereby. In addition to the other insurance discussed in this Section, the Board may also obtain, as an Association Expense payable from Residential Assessments, (i) worker's compensation insurance, and the Board shall obtain such insurance if and to the extent required by law, (ii) directors' and officers' liability coverage, and (iii) a fidelity bond or fidelity insurance on directors, officers, employees, and other Persons handling or responsible for the Association's funds.

SECTION 2. DAMAGE AND DESTRUCTION. Immediately after damage or destruction by fire or other casualty of all or any part of the property 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 the repair or reconstruction of the damaged or destroyed property, to the extent insurance proceeds are available for such purpose. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition, which existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. In the event that insurance proceeds are unavailable to repair or reconstruct the Common Area or the Exclusive Common Area of any Neighborhood, the damaged or destroyed property shall be restored to its natural state and maintained by the Association in a neat and attractive condition. If insurance proceeds are insufficient to cover a repair or reconstruction, the Board may levy a special assessment to cover the shortfall, subject to the requirements of Section 5 of Article III above.

ARTICLE VI

ARCHITECTURAL STANDARDS AND RESTRICTIONS

SECTION 1. PURPOSE. In order to establish and preserve a harmonious and aesthetically pleasing design for the Lakes of Pine Forest project and to protect and promote the value of the Properties, the lots shall be subject to the restrictions set forth in this Article VI. Every grantee of any interest in a Lot by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article.

SECTION 2. LAKES OF PINE FOREST ARCHITECTURAL REVIEW COMMITTEE; MODIFICATIONS COMMITTEE. There is hereby established the Lakes of Pine Forest Architectural Review Committee (sometimes hereinafter called the "Lakes of Pine Forest ARC"), which shall have exclusive jurisdiction over all original construction on the Lots and over modifications, additions, or alterations made on or to the residences and other improvements on the Lots.

The Lakes of Pine Forest ARC shall (i) adopt such standards or guidelines as it determines for the construction or alteration of improvements on the Lots in the Properties (the "Builder Guidelines") and for landscaping (the "Landscaping Guidelines") if applicable, which guidelines may vary for different portions of the Properties or different platted subdivisions or Neighborhoods within the Properties, and (ii) establish application and review procedures for plans and specifications. The Lakes of Pine Forest ARC shall make the Builder Guidelines and Landscaping Guidelines available to Owners and Builders who seek to engage in development of or construction upon a Lot and who shall conduct their operations strictly in accordance therewith. The Lakes of Pine Forest ARC may establish and charge reasonable fees for its review of plans hereunder.

The Lakes of Pine Forest ARC shall consist of three (3) members. Until the date on which it has sold all of its Lots within the Properties, the Declarant shall have the right to appoint all members of the Lakes of Pine Forest ARC as well as the right to remove any member at any time. There shall be no surrender of this right prior to that time, except by a written instrument executed by Declarant and recorded in the real property records of Harris County, Texas. Following the expiration of such right, the Board of Directors shall have the right to appoint and remove the members of the Lakes of Pine Forest ARC. The Lakes of Pine Forest ARC is authorized, but not obligated, to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the Lakes of Pine Forest ARC in performing its functions set forth herein. The costs of the services of such consultants shall be an Association Expense except to the extent a plan review fee established by the Lakes of Pine Forest ARC, if it elects to establish such fee covers such costs.

The Board of Directors shall have the right, but not the obligation, at any time to create a separate committee known as the "Modification Committee" to perform the obligations of the Lakes of Pine Forest ARC hereinafter specified with respect to the review of plans for the alteration or modification of the improvements on a Lot after construction of the initial improvements. The Board shall also have the right to abolish such committee at any time. In the event such committee is created it shall consist of three (3) members appointed by the Board and the Board shall have the power to remove a member at any time. In the event a Modification Committee is created, such committee shall have all of the duties and powers granted to the Lakes of Pine Forest ARC in this Declaration with respect to the alteration or modification of improvements on a Lot in the Properties unless or until the Board determines there should no longer be two (2) separate committees and abolishes the Modification Committee, in which event all such duties and powers shall thereafter be restored to the Lakes of Pine Forest ARC.

SECTION 3. APPROVAL OF PLANS. No construction of improvements, or modifications, additions, or alterations to existing improvements, shall be commenced or maintained by or on behalf of any Owner with respect to any Lot in the Properties, including, without limitation, the construction or installation of sidewalks, driveways, parking lots, mail boxes, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses, awnings, walls, fences, exterior lights, garages, guest or servants' quarters or other outbuildings, nor shall any exterior addition to or change or alteration therein

be made (including, without limitation, painting or staining of any exterior surface a different color than the one previously approved, unless and until two (2) copies of the plans and specifications and related data (including, if required by the Lakes of Pine Forest ARC, a survey showing the location of existing trees of six (6) inches in diameter at a height of four (4) feet above ground and other significant vegetation on such Lots showing the nature, color, type, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the Lakes of Pine Forest ARC as to the compliance of such plans and specifications with this Declaration, the applicable Supplemental Declaration(s), and the Builder Guidelines, including the harmony of external design, location, and appearance in relation to surrounding structures and topography. One copy of such plans, specifications, and related data so submitted shall be retained in the records of the Lakes of Pine Forest ARC, and the other copy shall be returned to the Owner marked "approved," "approved with conditions as noted," or "disapproved." The Lakes of Pine Forest ARC may establish a reasonable fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms thereof. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his improvements, to paint the interior of the improvements on his Lot any color desired, or to repaint or restore the exterior of the improvements on his Lot with the same color which has been previously approved for such improvements. The Lakes of Pine Forest ARC shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association.

Upon approval of plans and specifications, no further approval under this Article VI shall be required with respect thereto, unless construction has not substantially commenced within six (6) months of the approval of such plans and specifications (e.g., clearing and grading, pouring of footsteps, etc.) or unless such plans and specifications are materially altered or changed. The Lakes of Pine Forest ARC may disapprove plans and specifications for any reason which is consistent with the objects and purposes of this Declaration as determined by the Lakes of Pine Forest ARC from time to time, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious.

SECTION 4. LANDSCAPING APPROVAL. To preserve the aesthetic appearance of the Lakes of Pine Forest project, no landscaping, grading, excavation, or filling of any nature whatsoever shall be implemented and installed on a Lot in the Properties unless and until the plans therefor have been submitted to and approved in writing by the Lakes of Pine Forest ARC. In the installation of landscaping and maintenance of his Lot, each Owner shall comply with the Landscaping Guidelines adopted by the Lakes of Pine Forest ARC from time to time.

SECTION 5. APPROVAL NOT A GUARANTEE OR VARIANCE. The review and approval of plans pursuant to this Article is made on the basis of aesthetic considerations only and no approval of plans and specifications and no publication of the Builder Guidelines and/or the Landscaping Guidelines shall be construed as representing or implying that such plans, specifications, or guidelines will, if followed, result in properly designed improvements. Such approvals and design guidelines shall in no event be construed as representing or guaranteeing that any improvements built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, the Association, the Lakes of Pine Forest ARC, nor any of their respective officers, partners, directors, employees, or members, shall be responsible or liable in damages or otherwise to any Person who submits plans for approval by reason of mistake of judgment, negligence or nonfeasance arising out of the approval or disapproval of any plans or specifications, any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances and regulations, nor any defects in construction undertaken pursuant to such plans and specifications. The purpose of such review primarily is to conform the aesthetic appearances of development within the Properties.

In addition, the approval of plans pursuant to this Article shall not be deemed to be a variance from the specific restrictions of this Declaration, the Builder Guidelines or the Landscaping Guidelines. All variances must be issued in accordance with the provisions of Section 8 of this Article.

SECTION 6. RIGHT TO INSPECT. Any member of the Board of Directors or the Lakes of Pine Forest ARC and their representatives shall have the right, but not the obligation during reasonable

hours to enter upon and inspect any Lot with respect to which construction is underway to determine whether or not the plans and specifications therefor have been approved and are being complied with. Such Person or Persons shall not be deemed guilty of trespass by reason of such entry. In the event the Lakes of Pine Forest ARC shall determine that such plans and specifications have not been approved or are not being complied with, the Lakes of Pine Forest ARC shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications. In addition to any other remedies available to the Association, the Board may record in the appropriate land records a notice of violation naming the violating Owner.

SECTION 7. NO WAIVER OF FUTURE APPROVALS. The approval by the Lakes of Pine Forest ARC of any plans and specifications for any work done or proposed, or in connection with any other matter requiring the approval and consent of such committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

SECTION 8. VARIANCES. The Lakes of Pine Forest ARC may grant variances from compliance with the restrictions of this Declaration and from any of the Builder Guidelines and/or Landscaping Guidelines when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, or (b) estop the Lakes of Pine Forest ARC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing, shall not be considered a hardship warranting a variance.

ARTICLE VII

SPECIFIC USE RESTRICTIONS

Unless otherwise set forth in a Supplement to this Declaration, each and every Lot in the Properties shall be subject to the following restrictions:

SECTION 1. SINGLE FAMILY RESIDENCES. Each and every Lot in the Properties is hereby restricted to one (1) Single Family Residence and use for single-family residential purposes exclusively and more than a Single Family shall occupy no Single Family Residence.

No business or business activity shall be carried on, in or upon any Single Family Residence. Garage sales or yard sales for any similar vending of merchandise conducted on any Lot more than once within a 12-month period shall be considered a business activity and is therefore prohibited. The Board may permit a community garage sale to be held on the Common Area in which all Members are entitled to participate on a designated day from time to time. Notwithstanding the foregoing, a Single Family Residence on a Lot may be used for a home occupation (as defined herein) provided that:

- (a) no person other than a resident of the Single Family Residence shall be engaged or employed in the Home Occupation at the site;
- (b) there shall be no visible storage or display of occupational materials or products;
- (c) there shall be no exterior evidence of the conduct of a Home Occupation and no Home Occupation shall be conducted on the Lot outside of the Single Family Residence; and
- (d) no additional parking shall be provided for the Home Occupation and no material additional traffic shall be generated to or from the property as a result of the Home Occupation.

As used herein, the term "Home Occupation" shall mean a commercial enterprise conducted in a Single Family Residence, which is incidental to the principal residential use.

SECTION 2. LIVING AREA REQUIREMENTS. The total living area of the Single Family Residence on a Lot shall not be less than the applicable minimum number of square feet specified in the Supplemental Declaration applicable to such Lot, if any, or in the Builder Guidelines adopted by the Lakes of Pine Forest ARC which are applicable to such Lot.

SECTION 3. TYPE OF CONSTRUCTION. A minimum of 51% of the exterior first floor and 25% of the second floor wall area of all Single Family Residences, exclusive of doors and windows, shall be masonry or brick veneer construction, unless a variance from this restriction is specifically approved in writing by the Lakes of Pine Forest ARC.

No detached garage or accessory building shall exceed in height the dwelling to which it is appurtenant without the written consent of the Lakes of Pine Forest ARC. Every garage and accessory building (except a greenhouse) shall correspond in style and architecture with the dwelling to which it is appurtenant. No structure of any kind or character, which incorporates wood construction on the exterior, shall be erected on any Lot unless such structure receives at least two coats of paint at the time of construction or the exterior is of redwood or cedar material.

SECTION 4. GARAGES, DRIVEWAYS AND SIDEWALKS. Each Single Family Residence must have an attached or detached garage with an automatic garage door opener. Garage doors shall be kept closed except when opened for the entry or exit of vehicles. Each Owner shall construct and maintain at his expense a concrete driveway with a minimum width of ten (10) feet from the garage of his residence to the abutting Street, including the portion of the driveway in the street easement, and the Owner shall repair at his expense any damage to the Street occasioned by connecting the driveway thereto. Each Owner shall also maintain, repair and replace, when necessary, the sidewalk along the front of his Lot as well as the sidewalk on the side of corner Lots. Each Owner shall construct, maintain, repair and replace the driveway and sidewalk in compliance with all applicable laws, statutes, ordinances, building codes, and rules and regulations.

SECTION 5. ANTENNAE AND SATELLITE DISHES No television, radio, or other electronic towers, aerials, antennae, satellite dishes or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall be erected, constructed, placed or permitted to remain on any Lot or upon any improvements thereon, except that this prohibition shall not apply to those antennae specifically covered by the regulations promulgated under the Telecommunications Act of 1996, as amended from time to time. The Lakes of Pine Forest ARC is empowered to adopt rules governing the types of antennae that are permissible in the Properties and to establish reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae.

To the extent that receipt of an acceptable signal would not be impaired, an antenna permissible pursuant to the rules of Lakes of Pine Forest ARC may only be installed in a side or rear yard location, not visible from the Street, and integrated with the dwelling and surrounding landscape. Antennae shall be installed in compliance with all state and local laws and regulations.

SECTION 6. ANIMALS AND PETS. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Lot, with the exception of a maximum of two (2) dogs, cats or other usual and common household pets (excluding in such maximum number, fish and birds); provided, however, those pets which are permitted to roam free, or which in the sole discretion of the Board, endanger health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners or Occupants within the Properties may be removed by the Board. No pets shall be kept, bred or maintained for any commercial purpose. Dogs which are household pets shall at all times whenever they are outside a Single Family Residence be on a leash or otherwise confined in a manner acceptable to the Board. Without prejudice to the Board's right to remove any such household pet, the owner of a pet that has caused damage to property shall be responsible for compensating the owner of the damaged

property, but the Association shall have no obligation to enforce such obligation. Animal control authorities shall be permitted to enter the Properties to patrol and remove pets. Pets shall be registered, licensed and inoculated as required by law.

SECTION 7. WINDOW AIR CONDITIONERS. No window or wall type air conditioners shall be permitted to be used, erected, placed or maintained on or in any Single Family Residence, except that the Lakes of Pine Forest ARC may, at its discretion, permit window or wall type air conditions to be installed if such unit, when installed shall not be visible from a Street or any other Lot.

SECTION 8. RENTING OR LEASING. Single Family Residences may be rented or leased only by written leases and subject to the following restrictions:

All tenants shall be subject to the terms and conditions of this Declaration and the rules and regulations promulgated by the Association as though such tenant were an Owner. Each Owner of a Single Family Residence agrees to cause his tenants to comply with this Declaration and the rules and regulations promulgated pursuant hereto, and are responsible and liable for all violations and losses caused by such tenants, notwithstanding the fact that such tenants are fully liable for any such violation. All provisions of this Declaration and of any rules and regulations promulgated pursuant hereto which govern the conduct of Owners of a Single Family Residence and which provide for sanctions against Owners shall also apply to all Occupants of a Single Family Residence even though such Occupants are not specifically mentioned. Each Owner who leases his residence shall provide the Association with the name of his tenant and a mailing address where such Owner can be contacted.

SECTION 9. VEHICLES AND PARKING. The term "vehicles" as used herein shall refer to all motorized vehicles including, without limitation, automobiles, trucks, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, campers, buses, and vans. No vehicle may be parked or left upon any Lot in the Properties, except in a garage or the Board may specify other area designated by the Board, and in driveways for such temporary periods as from time to time. The parking of vehicles on Streets or within road rights-of-way is specifically prohibited; provided, however, the Board shall have no obligation to enforce this restriction if enforcement is unlawful or the Board deems enforcement to be economically infeasible or otherwise impractical. Any vehicle parked or left not in accordance with this section shall be considered a nuisance. No motorized vehicles shall be permitted on pathways or unpaved Common Area except for public safety vehicles and vehicles authorized by the Board.

SECTION 10. DISPOSAL OF TRASH. No trash, rubbish, garbage, manure, debris, or offensive material of any kind shall be kept or allowed to remain on any Lot, nor shall any Lot be used or maintained as a dumping ground for such materials. All such matter shall be placed in sanitary refuse containers constructed of metal, plastic or masonry materials with tight fitting sanitary covers or lids and placed in an area adequately screened from public view by planting or fencing. All rubbish, trash, and garbage shall be regularly removed and not allowed to accumulate. Equipment used for the temporary storage and/or disposal of such material prior to removal shall be kept in a clean and sanitary condition and shall comply with all current laws and regulations and those which may be promulgated in the future by any federal, state, county, municipal or other governmental body with regard to environmental quality and waste disposal. The Owner of each Lot shall remove such prohibited matter from his Lot at regular intervals at his expense in a manner consistent with good housekeeping.

SECTION 11. DRAINAGE. Catchbasins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or Occupant of a Lot may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers or storm drains.

SECTION 12. CLOTHESLINES, GARBAGE CANS, WOODPILES, ETC. All clotheslines, garbage cans, woodpiles, swimming pool pumps, filters and related equipment and other similar items shall be located or screened so as to be concealed from view of neighboring streets and property.

SECTION 13. WEAPONS AND FIREWORKS. The use of fireworks, firearms and other weapons within the Properties is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and small firearms of all types. Nothing contained in this Declaration shall be construed to require the Association to take action to enforce this Section.

SECTION 14. TEMPORARY BUILDINGS. Temporary buildings or structures shall not be permitted on any Lot, provided, however, Declarant may permit temporary toilet facilities, sales and construction offices and storage areas to be used by Builders in connection with the construction and sale of residences and by contractors performing land development activities within the Properties for Declarant. Builders may use garages as sales offices for the time during which such Builders are marketing homes. At the time of the sale of a Single Family Residence by a Builder any garage appurtenant to such residence used for sales purposes must be reconverted to a functional garage in compliance with the plans approved by the Lakes of Pine Forest ARC.

SECTION 15. GRASS AND SHRUBBERY. The Owner of each Lot shall install or cause to be installed solid sod grass in the area between the front of his residence and curb line of the abutting Street and the side yard of such Lot out to the curb or all corner Lots and landscape his Lot in accordance with the Landscaping Guidelines. Grass and weeds shall be kept mowed to prevent unsightly appearance, and all curbs, drives and walkways shall be kept edged. Dead or damaged trees shall be promptly removed or replaced, and if not removed by the Owner upon request, then the Association may remove or cause to be removed such trees at the Owner's expense and shall not be liable for damage caused by such removal. The Association may plant, install and maintain shrubbery and other screening devices on utility easements around boxes, transformers and other above-ground utility equipment, and mow and maintain the grass around such areas. The Association shall have the right to enter upon the Lots to plant, install, maintain and replace such shrubbery or other screening devices, and mow and maintain grass around such areas following reasonable advance notice to the Owner of such Lot.

SECTION 16. TRAFFIC SIGHT AREAS. All Lots located at Street intersections shall be landscaped so as to permit safe sight across the Street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where this would create a traffic or sight problem.

SECTION 17. MAILBOXES. Each Single Family Residence shall have an individual mailbox or assigned space in a cluster box, which complies with U.S. Postal Service requirements, and the specifications for mailboxes approved or prescribed by the Board or the Lakes of Pine Forest ARC. The placement of an individual mailbox on a Lot shall be at a location approved by the Lakes of Pine Forest ARC. Each Lot shall have a house number identifying its street address made of materials and a color or colors specified by the Lakes of Pine Forest ARC in keeping with the overall character and aesthetics of the community. Different materials and/or colors for street numbers may be specified by the Lakes of Pine Forest ARC for different Neighborhoods or platted subdivisions.

SECTION 18. DISPOSAL UNITS. Each kitchen in each Single Family Residence shall be equipped with a garbage disposal unit in serviceable conditions.

SECTION 19. PRIVATE UTILITY LINES. All electrical, telephone, telecommunication, natural gas and other utility lines and facilities which are located on a Lot and are not owned by a governmental entity or a public utility company shall be installed underground unless otherwise approved in writing by the Lakes of Pine Forest ARC.

SECTION 20. ROOFTOP ELEMENTS. All stack vents and attic ventilators shall be located on the rear slopes of roofs and mounted perpendicular to the ground plate. All exposed roof stack vents, flashings, attic ventilators, etc. on each Single Family Residence must be painted to match the color of the roof of the Single Family Residence unless otherwise approved by the Lakes of Pine Forest ARC. No solar collectors shall be allowed on any roof slope visible from the Street, the Common Area or any other Lot.

SECTION 21. DECORATIONS. On front lawns of Lots and on any portion of a Lot visible from any Street, there shall be no decorative appurtenances placed, such as sculptures, birdbaths and birdhouse, fountains or other decorative embellishments of any kind unless such specific items have been approved in writing by the Lakes of Pine Forest ARC as part of the landscaping plan for such Lot (except for Christmas decorations).

SECTION 22. PLAYGROUND EQUIPMENT. All playground equipment on a Lot must be placed at the rear of the Lot at a specific location approved by the Lakes of Pine Forest ARC and behind a fence or otherwise screened from public view from any Street abutting the Lot.

SECTION 23. BASKETBALL GOALS AND BACKBOARDS. No basketball goal, net and/or backboard may be kept, placed or mounted upon any Lot or kept, placed, attached or mounted to any fence or Dwelling without prior approval by the ARC. All basketball goals and/or backboards are subject to the Builder Guidelines and Bulletins, and reasonable Rules and Regulations as to type, location, and hours of use promulgated by the ARC. All basketball goals and/or backboards shall at all times be maintained and kept in good condition. If any basketball goal, net and/or backboard is placed within the Properties in violation of this Declaration, the Association or its agents shall be authorized to enter upon any Lot and remove and/or dispose of any such basketball goal, net and/or backboard violation, and in doing so shall not be subject to any liability for trespass, other tort or damages in connection with or arising from such entry, removal and/or disposal nor in any way shall the Association or its agent be liable for any accounting or other claim for such action.

SECTION 24. FLAGPOLES. No flagpole of any kind may be kept, placed, or mounted, to any fence, or upon any Lot so as to be visible from public view. Flags mounted on a standard size flag pole inserted into a bracket on a house shall be permitted provided that the location and size of any flag shall be as provided in the Builder Guidelines, but in no case may the size of the flag pole exceed five feet (5') in length. Such bracket-mounted flags shall be of the size and style intended for residential use on holidays and/or special occasions, and shall at all times be maintained and kept in good condition. If any flag pole is placed within the Properties in violation of this Declaration, the Association or its agents shall be authorized to enter upon any Lot and remove and/or dispose of any such flag violation, and in doing so shall not be subject to any liability for trespass, other tort or damages in connection with or arising from such entry, removal and/or disposal nor in any way shall the Association or its agent be liable for any accounting or other claim for such action.

A Builder and/or the Declarant may place certain information and advertising flags on model home Lots without the prior permission of the ARC, so long as such flags are similar to those listed as acceptable for Builder use in the Builder Guidelines promulgated by the ARC. Such flags placed by a Builder or the Declarant on a Lot where a model home exists must be removed within ten (10) days after the Builder or Declarant are no longer in the Subdivision selling homes or upon sale of the model home Lot to an end user, whichever occurs first.

SECTION 25. SWIMMING POOLS/SPAS. No above ground swimming pools are permitted. All swimming pools and spas require prior architectural approval as set out in Article VI herein.

SECTION 26. LAKES, PONDS AND OTHER WATER BODIES. Swimming, wading, boating, or otherwise entering in the lakes, ponds or other bodies of water within the Lakes of Pine Forest shall be prohibited. The use of the lakes, ponds, or other bodies of water within the Lakes of Pine Forest shall be subject to Rules and Regulations promulgated by the Declarant and/or the Board of Directors. The Board of Directors has the right to promulgate rules and regulations governing the use of the lakes, ponds, and other bodies of water. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of lakes, ponds, or other bodies of water within or adjacent to Lots.

Owners whose Lot abuts any lake, pond or other bodies of water, or whose Lot abuts a common area that abuts any lake, pond, or other body of water, shall take care and shall not permit any erosion of the bank, and trash, fertilizers, chemicals, petroleum products, environmental hazards or any other

foreign matters to infiltrate the lake, pond or other bodies of water within the Lakes of Pine Forest. Any Owner permitting or causing such infiltration shall indemnify and hold harmless the Association for all costs of clean up and remediation necessary to restock the lake, pond or other bodies of water to its condition immediately prior to said infiltration.

Each Owner and occupant of any Lot and each tenant, guest and invitee of an Owner, as applicable, acknowledges and understands that the Association, its Board of Directors, Declarant or any successor declarant are not insurers and that each Owner and occupant of any Lot and each tenant, guest and invitee of any Owner assumes all risks for loss or damage to persons, and further acknowledges that the Association, its Board of Directors, 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 as to the safety of any lake, pond or other body of water. Each Owner and occupant of any Lot and each tenant, guest and invitee of an Owner hereby agrees to indemnify and hold harmless the Association, its Board of Directors, Declarant or any successor declarant for all loss or damage to persons in or around any lake, pond or other body of water.

Notwithstanding the foregoing, the Association, and the Declarant (for so long as the Declarant owns property that is or may be subjected to this Declaration) may use and regulate the use of any lakes, ponds, or other bodies of water within the Lakes of Pine Forest for the irrigation of the Common Areas, for any other purpose deemed appropriate by the Board or Declarant, subject to the terms of any easement agreement affecting such use. The Declarant's rights under this Section shall be superior to any rights of the Association.

SECTION 27. DOCKS. No Owner may construct a dock, pier, or other structure on or over any body of water within the Lakes of Pine Forest.

SECTION 28. SIGNS. No signs, billboards, posters, or advertising devices of any kind shall be permitted on any Lot without the prior written consent of the Lakes of Pine Forest ARC other than (a) one sign not in excess of a size prescribed by the Lakes of Pine Forest ARC advertising a particular Lot and residential structure on which the sign is situated for sale or rent, or (b) one sign to identify the particular Lot during the period of construction of a Single Family Residence thereon as for sale; provided, however, no sign advertising a Lot and residential structure for sale shall contain the word "foreclosure" or any derivative of such word. The right is reserved by Declarant to construct and maintain, or to allow Builders to construct and maintain signs and other advertising devices on land they own and on the Common Area as is customary in connection with the sale of developed tracts and newly constructed residential dwellings. In addition, the Declarant and the Association shall have the right to erect and maintain identifying signs and monuments at entrances to subdivisions.

In addition to any other remedies provided for herein, the Board of Directors or its duly authorized agent shall have the power to enter upon a Lot to remove any sign which violates this Section provided the violating Owner has been given forty-eight hours' written notice by the Board of Directors of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments.

SECTION 29. FENCES. No fence or wall shall be erected on any Lot nearer to the Street than the minimum setback from the Street shown on the plat of the subdivision containing such Lot. Further, unless otherwise approved by the Lakes of Pine Forest ARC, no fence shall be constructed across or within a utility easement. The plans for all fences must be approved by the Lakes of Pine Forest ARC, which shall have the power to specify acceptable materials. No chain link fences shall be permitted within the Properties.

All fencing installed on the portion of lake-front Lots which front or abut the lake shall be wrought iron in appearance and shall be in a location and of a material and design as required by the Builder Guidelines, this section, and as approved by the ARC. An Owner's Lot shall be considered a lake-front lot for fencing requirements even if a common area is between the Lot and the lake.

On all lake-front lots, side fencing between Lots shall be required and shall be in a location and of a material and design as required by the Builder Guidelines, this section, and as approved by the ARC. Approved wood fencing shall extend along the side property line from the rear wall of any approved improvements in accordance with the Builder Guidelines and as approved by the ARC. The last six feet (6') of said wood fencing shall transition to a height of four-feet, four-inches (4'-4"). The steel fence shall run along the entire rear line. It shall not exceed four-feet, four-inches (4'-4") in height from the ground and shall be identical in construction and design to the fence detail in the Builder Guidelines.

On all other Lots, side and rear fencing shall be required and shall be of a material and design in accordance with the Builder Guidelines and as approved by the ARC. The maximum height of any fence shall be as prescribed in the Guidelines.

Owner shall be responsible for the maintenance, repair and/or replacement of all fences in existence at time of transfer from Builder to Owner, with the exception that all brick fences which border Common Areas shall be the property of the Association and will be the responsibility of the Association to maintain. Such fences shall be deemed an improvement of the Common Area.

It shall be the responsibility of each Owner to maintain in good working condition all gates in accordance with standards set by the County where the Property or any portion thereof is located, and the State of Texas.

The decision to place rear fence gate on lake lots shall be the decision of the Lot Owner. The continuing compliance with any revisions in the applicable state laws shall be the responsibility of the Lot Owner. Lot Owner agrees to indemnify and hold harmless Association for any liability for personal injury (including death) or property damage as a result of the Lot Owner's failure to erect and/or maintain the fence and related gates as applicable.

SECTION 30. WINDOW TREATMENTS. Within three (3) months of occupying a residence, the Owner of such residence shall install window treatments or coverings in accordance with the Builder Guidelines. Expressly prohibited both before and after the initial three (3) months of occupancy are any temporary or disposable coverings not consistent with the aesthetics of the Subdivisions, such as reflective materials, sheets, newspaper, shower curtains, fabric not sewn into finished curtains or draperies, paper, aluminum foil, plastic, cardboard, or other materials not expressly made for or commonly used by the general public for permanent window coverings in a development of the same caliber as the Subdivision.

SECTION 31. OWNER'S MAINTENANCE. Each Owner and Occupant of a Lot shall at all times be obligated to maintain his property and all improvements thereupon (including the area between the boundary lines of his Lot and curb or edge of adjacent Streets), so as to keep same in a clean, sightly and safe condition and to conform with the Landscaping Guidelines and any specific standards which the Board of Directors may adopt by resolution for the Properties. Unless expressly assumed by the Association, an Owner's maintenance obligation shall include, but not be limited to: the maintenance of all visible exterior surfaces of all buildings and other improvements; the prompt removal of all paper, debris, and refuse; the removal and replacement of dead and diseased trees and plantings; the removal of all snow and ice from paved areas; the repair, replacement, cleaning and relamping of all signs and lighting fixtures; the mowing, watering, fertilizing, weeding, replanting and replacing of all approved landscaping; and, during construction, the cleaning of dirt, construction debris and other construction-related refuse from Streets and storm drains and inlets. In the event an Owner fails to maintain his property as specified above, the Association may enter upon the applicable Lot to perform the necessary work as more specifically set forth in Section 8 of Article X hereof.

ARTICLE VIII

ANNEXATION OF ADDITIONAL PROPERTY AND DEANNEXATION

SECTION 1. UNILATERAL ANNEXATION BY DECLARANT. The Declarant, as the owner hereof or, if not the owner, with the consent of the owner thereof, shall have the unilateral right, privilege, and option, but not the obligation, at any time and from time to time to annex additional real property adjacent to or in the vicinity of the subdivisions to the jurisdiction of the Association by filing for record either a Supplemental Declaration in respect to the property being annexed which subjects the lots within the annexed property assessment by the Association on a uniform basis with all other Lots within the Association's jurisdiction or an Instrument which describes the annexed property and subjects the lots therein to all of the provisions of this Declaration. Any such annexation shall be effective as to the property described therein upon the filing for record of such Supplemental Declaration or other instrument unless otherwise proved therein.

The right reserved by the Declarant to annex additional land shall not be implied or construed so as to impose any obligation upon Declarant to subject any of the property it owns other than the property within the subdivisions to this Declaration or to the jurisdiction of the Association. If such additional land is not annexed, Declarant has no obligation to impose any covenants and restrictions similar to those contained herein upon such land nor shall anything contained herein be construed to limit or restrict the use to which such land may be put by Declarant or by any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

SECTION 2. OTHER ANNEXATIONS. With the consent of the Owner thereof, the Association may annex other real property to the jurisdiction of the Association. Such annexation shall require the affirmative vote of a majority of the Class "A" Members present in person or by persons at a meeting called for such purposes and of the Declarant, so long as the Declarant owns property within the jurisdiction of the Association.

Annexation pursuant to this Section 2 shall be accomplished by filing of record in the real property records of Harris County, Texas, an annexation agreement describing the property being annexed. Such annexation agreement shall be signed by the President and Secretary of the Association, and by the owner of the property being annexed, and any such annexation shall be effective upon filing unless otherwise provided therein.

SECTION 3. RIGHTS OF OWNERS OF ANNEXED AREA. The owners of lots in annexed property shall be entitled to use the Common Area in the same manner and to the same extent of the Owners of all other property subject to the jurisdiction of the Association provided that such lots are subject to Assessments by the Association on a uniform basis, consistent with the provisions of this Declaration.

SECTION 4. DEANNEXATIONS. Without the approval of any other Owners or Members, the Declarant shall have the exclusive right to deannex and remove any portion of the Properties which is not yet developed at the time of deannexation from the provisions of this Declaration and the jurisdiction of the Association. Such deannexation shall be accomplished by the execution and filing for record an instrument setting forth the land being deannexed.

ARTICLE IX

MORTGAGEE PROVISIONS

The following provisions are for the benefit of the holders of Mortgages. To the extent applicable, necessary or proper, the provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained herein or therein.

SECTION 1. NOTICES OF ACTION. A Mortgagee who provides written request to the Association (such request to state the name and address of such holder, insurer or guarantor and the description of the affected property), will be entitled to timely written notice of:

- (a) any proposed termination of the Association;

- (b) any condemnation loss or any casualty loss which affects the property on which there is a mortgage or deed of trust held, insured, or guaranteed by such Mortgagee; or
- (c) any delinquency in the payment of Assessments or charges owned by an Owner of the property subject to the Mortgage of such Mortgagee, where such delinquency has continued for a period of sixty (60) days.

SECTION 2. NO PRIORITY. No provisions of this Declaration gives or shall be construed as giving any Owner or other party priority over any rights of the Mortgagees in the case of distribution of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

SECTION 3. NOTICE TO ASSOCIATION. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's property.

ARTICLE X

GENERAL PROVISIONS

SECTION 1. TERM. Subject to amendment in accordance with the provisions hereof, the provisions of this Declaration shall run with and bind the Properties and shall be and remain in effect for a period of forty (40) years after the date that this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by the Owners of not less than a majority of the Lots subject to the provisions hereof agreeing to termination of this Declaration has been recorded within the year immediately preceding the beginning of a ten (10) year renewal period, in which case this Declaration shall terminate at the end of its original term or the applicable extension period. Every purchaser or grantee of any interest in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefore, thereby agrees that the provisions of this Declaration may be extended and renewed as provided in this Section.

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

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

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

SECTION 5. AMENDMENT. This Declaration may be amended unilaterally at any time and from time to time by Declarant without approval by the Members or any Owners (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is required by an institutional or governmental lender or purchaser or mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the property subject to this Declaration; (c) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the property subject to this Declaration; or (d) for any other purpose, provided that the amendment has no material adverse effect upon any right of any Owner or that the Owner or Owners so affected have consented thereto.

In addition to the amendments described above, this Declaration may be amended at any time by an instrument signed by the Owners of more than fifty percent (50%) of the Lots subject to this Declaration and, as long as the Class "B" Membership exists, the Declarant; provided, however, no amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant. Any amendment to this Declaration must be recorded in the real property records of Harris County, Texas.

SECTION 6. MERGER AND CONSOLIDATION. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same or similar purposes, the Association's properties, rights, and obligations may be transferred to the surviving or consolidated association, or alternatively, the properties, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions established by this Declaration, together with the covenants, conditions and restrictions applicable to the provisions of the other association as one scheme. No merger or consolidation shall be permitted except with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant.

SECTION 7. DISSOLUTION. The Association may be dissolved with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

SECTION 8. ENFORCEMENT. Each Owner and Occupant shall comply strictly with the covenants, conditions, and restrictions set forth in this Declaration, as may be amended from time to time, and with the rules and regulations adopted by the Board. The Board may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration or the rules and regulations shall be grounds for an action to recover sums due for damages, injunctive relief, or any other remedy available at law or in equity, maintainable by the Board, on behalf of the Association, or by any Owner of a portion of the Properties. Failure of the Board or any other Person to enforce any of the provisions herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall also have the right to enforce, by and proceeding at law or in equity, any other restrictions, conditions, covenants and liens imposed upon any portion of the Properties which by the terms of the instrument creating same grant the Association the power to enforce same, and failure of the Association to enforce such provisions shall in no event be deemed a waiver of the right to do so thereafter.

~~In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Lot to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates this Declaration, its rules and regulations, the Builder Guidelines, or the Landscaping Guidelines. Except in the case of emergency situations, and as otherwise specified herein, the Association shall give the violating Owner ten (10) days written notice of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments.~~

SECTION 9. RIGHT OF ENTRY. The Association shall have the right, but not the obligation, to enter into any Lot for emergency, security, and safety reasons, and to inspect for the purposes of ensuring compliance with this Declaration, the By-Laws, and the Association's rules, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their

respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after request by the Board.

SECTION 10. NOTICE OF SALE OR TRANSFER OF TITLE. In the event that an Owner sells or otherwise transfers title to his or her Lot as specified in Section 3 of Article III, such Owner shall provide the Association with written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Association, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of Assessments, notwithstanding the transfer of title to the Lot.

SECTION 11. CUMULATIVE EFFECT; CONFLICT. The covenants, restrictions and provisions of this Declaration shall be cumulative with the Supplemental Declarations; provided, however, in the event of conflict between the provisions of this Declaration and any Supplemental Declaration, the provisions of this Declaration shall prevail, it being intended that all Supplemental Declarations be subject and subordinate to this Declaration.

IN WITNESS WHEREOF, this Declaration of Covenants, Conditions and Restrictions is executed as of the 26 day of June, 2003.

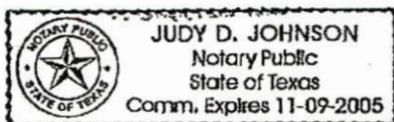
PF LAKES DEVELOPMENT, LTD.,
a Texas limited partnership

By: Land Development Management Corp.
A Texas corporation General Partner

By: [Signature]
Name: Gary R. Tesch
Title: Vice President

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on June 26, 2003 by Gary R. Tesch, Vice President of LAND DEVELOPMENT MANAGEMENT CORP., a Texas corporation, General Partner of PF Lakes Development, Ltd., a Texas limited partnership, on behalf of said corporation and limited partnership.



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

**LIENHOLDER'S CONSENT AND SUBORDINATION
TO DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR LAKES OF PINE FOREST**

THE STATE OF TEXAS

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF HARRIS

That Comerica Bank of Texas, the owner and holder of that certain promissory note dated January 16, 2003 in the original principal amount of \$ 8,000,000.00, executed by PF Lakes Development, Ltd., a Texas Limited Partnership, payable to the order of the undersigned, secured by a deed of trust lien on all or a portion of the property subject to the foregoing Declaration, as evidenced by deed of trust instrument filed under County Clerk's File No. W364859 and recorded in the Official Public Records of Harris County, Texas, executes this instrument to subordinate the lien of such deed of trust to the foregoing Declaration of Covenants, Conditions and Restrictions for Lakes of Pine Forest.

EXECUTED the 30th day of June, 2003.

COMERICA BANK OF TEXAS,
A national banking association

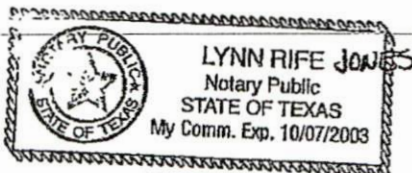
By: Larry A. Stroud
Name: Larry A. Stroud
Title: Vice President

THE STATE OF TEXAS

§
§
§

COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on the 2nd day of July, 2003 by Larry A. Stroud, V.P. of COMERICA BANK OF TEXAS, a national TEXAS banking association, on behalf of said association. TEXAS DIVISION



Lynn Rife Jones
Notary Public in and for
the State of Texas

EXHIBIT "A"

Parcel 1 of 4 PARCELS
45.8983 Acres

W. C. R. Co. Survey, Section 16, A - 1476

STATE OF TEXAS §

COUNTY OF HARRIS §

A **METES AND BOUNDS** description of a certain 45.8983 acre tract of land in the W. C. R. Co. Survey, Section 16, Abstract Number 1476 in Harris County, Texas, being that same certain 45.8983 acre tract of land as described in Special Warranty Deed from MHI Partnership Ltd. to PF Lakes Development Ltd., and filed for record under Clerk's File (C. F.) Number W100823 of the Harris County Official Public Records of Real Property (H.C.O.P.R.R.P.), said 45.8983 acre tract of land being more particularly described as follows with all bearings based on a call of South 01°55'23" East along the east line of said 45.8983 acre tract:

COMMENCING at the intersection of the south right-of-way line of French Road (called 60 feet wide) and the east right-of-way line of Windsong Trail Road (called 60 feet wide);

THENCE, South 02°24'34" East, 751.93 feet along the east right-of-way line of said Windsong Trail Road to a 1/2-inch iron rod found for the southwest corner of a called 5.00 acre tract of land described in a recording to Fred A. Tadlock as filed for record under C. F. No. E922411 of the H.C.O.P.R.R.P.;

THENCE, South 02°17'20" East, 1442.06 feet continuing along the east right-of-way line of said Windsong Trail Road to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the **POINT OF BEGINNING** of the herein described tract and being the point of curvature of a curve to the left;

THENCE, in a southeasterly direction, departing the east right-of-way line of said Windsong Trail Road, with said curve to the left having a central angle of 90°00'04", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing South 47°17'22" East, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, North 87°42'36" East, 157.49 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to the right;

THENCE, in a southeasterly direction, with said curve to the right having a central angle of 07°30'25", a radius of 1000.04 feet, a distance along the arc of 131.03 feet and a chord bearing South 88°32'11" East, 130.93 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of reverse curvature of a curve to the left;

THENCE, in a southeasterly direction, with said curve to the left having a central angle of 07°30'25", a radius of 750.03 feet, a distance along the arc of 98.27 feet and a chord bearing South 88°32'11" East, 98.20 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, North 87°42'36" East, 33.19 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to the left;

THENCE, in a northeasterly direction, with said curve to the left having a central angle of 90°00'00", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing North 42°42'36" East, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

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THENCE, North $87^{\circ}42'36''$ East, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to the left;

THENCE, in a southeasterly direction, with said curve to the left having a central angle of $89^{\circ}59'59''$, a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing South $47^{\circ}17'24''$ East, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of reverse curvature of a curve to the right;

THENCE, in a southeasterly direction, with said curve to the right having a central angle of $07^{\circ}13'39''$, a radius of 2530.07 feet, a distance along the arc of 319.16 feet and a chord bearing South $88^{\circ}40'34''$ East, 318.95 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

THENCE, South $85^{\circ}05'52''$ East, 50.39 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to the left;

THENCE, in a northeasterly direction, with said curve to the left having a central angle of $90^{\circ}00'00''$, a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing North $49^{\circ}54'08''$ East, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South $85^{\circ}05'52''$ East, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North $04^{\circ}54'08''$ East, 29.40 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to the left;

THENCE, in a northwesterly direction, with said curve to the left having a central angle of $11^{\circ}55'10''$, a radius of 317.83 feet, a distance along the arc of 66.12 feet and a chord bearing North $01^{\circ}03'27''$ West, 66.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South $88^{\circ}11'50''$ East, 284.82 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North $88^{\circ}04'12''$ East, 581.70 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South $87^{\circ}00'15''$ East, 153.09 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set on the west right-of-way line of Queenston Boulevard as recorded under C. F. No. J193092 and J567672 of the H.C.O.P.R.R.P. and being on the arc of a non-tangent curve to the left;

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THENCE, in a southwesterly direction, along the west right-of-way line of said Queenston Boulevard, with said curve to the left having a central angle of $04^{\circ}55'02''$, a radius of 2050.00 feet, a distance along the arc of 175.94 feet and a chord bearing South $00^{\circ}32'13''$ West, 175.89 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve from which a 5/8-inch iron rod found bears North $02^{\circ}54'19''$ East, 0.34 feet;

THENCE, South $01^{\circ}55'23''$ East, 1573.20 feet continuing along the west right-of-way line of said Queenston Boulevard to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner from which a found 5/8-inch iron rod bears South $34^{\circ}10'$ West, 0.42 feet;

THENCE, South $87^{\circ}52'42''$ West, 284.12 feet departing the west right-of-way line of said Queenston Boulevard and along the north line of a called residue of a 77 acre tract of land described in recording to Edward Scholz et ux as recorded in Volume 1728, Page 728 of the Harris County Deed Records to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner from which a 1/2-inch iron rod found, bears South $87^{\circ}54'42''$ West, 631.30 feet;

THENCE, North $22^{\circ}57'47''$ West, 216.11 feet departing the north line of said Scholz tract to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to the left;

THENCE, in a northeasterly direction, with said curve to the left having a central angle of $13^{\circ}52'37''$, a radius of 260.00 feet, a distance along the arc of 62.97 feet and a chord bearing North $60^{\circ}05'54''$ East, 62.82 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

THENCE, North $34^{\circ}38'11''$ West, 122.95 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South $65^{\circ}53'04''$ West, 59.47 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South $85^{\circ}08'08''$ West, 56.42 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South $87^{\circ}52'25''$ West, 457.67 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North $82^{\circ}05'44''$ West, 52.03 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North $61^{\circ}29'53''$ West, 51.67 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North $40^{\circ}58'13''$ West, 51.67 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North $20^{\circ}26'32''$ West, 51.67 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

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THENCE, North 00°12'24" East, 52.74 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 08°49'13" East, 119.45 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 09°16'17" West, 155.08 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 25°53'30" West, 46.69 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 70°53'30" West, 21.25 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 64°06'30" West, 110.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to the left;

THENCE, in a northwesterly direction, with said curve to the left having a central angle of 46°36'09", a radius of 330.00 feet, a distance along the arc of 268.41 feet and a chord bearing North 49°54'07" West, 261.07 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 16°47'49" East, 28.34 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 42°42'36" East, 21.21 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 02°17'24" West, 180.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 00°23'17" West, 65.04 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 03°57'39" East, 65.39 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 05°06'36" East, 126.18 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 43°35'24" West, 19.80 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 87°42'36" West, 113.30 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to left;

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THENCE, in a northwesterly direction, with said curve to the left having a central angle of $03^{\circ}20'39''$, a radius of 880.00 feet, a distance along the arc of 51.36 feet and a chord bearing North $01^{\circ}34'52''$ West, 51.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

THENCE, North $02^{\circ}17'24''$ West, 131.77 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South $87^{\circ}42'36''$ West, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to left;

THENCE, in a northwesterly direction, with said curve to the left having a central angle of $90^{\circ}00'00''$, a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing North $47^{\circ}17'24''$ West, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, South $87^{\circ}42'36''$ West, 33.19 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to left;

THENCE, in a southwesterly direction, with said curve to the left having a central angle of $07^{\circ}30'25''$, a radius of 750.03 feet, a distance along the arc of 98.27 feet and a chord bearing South $83^{\circ}57'23''$ West, 98.20 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of reverse curvature of a curve to the right;

THENCE, in a southwesterly direction, with said curve to the right having a central angle of $07^{\circ}30'25''$, a radius of 1000.04 feet, a distance along the arc of 131.03 feet and a chord bearing South $83^{\circ}57'23''$ West, 130.93 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, South $87^{\circ}42'36''$ West, 157.49 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to left;

THENCE, in a southwesterly direction, with said curve to the left having a central angle of $89^{\circ}59'56''$, a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing South $42^{\circ}42'38''$ West, 35.35 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner on the east right-of-way line of the aforementioned Windsong Trail Road;

THENCE, North $02^{\circ}17'20''$ West, 140.00 feet, along the east right-of-way line of said Windsong Trail Road to the **POINT OF BEGINNING**, containing 45.8983 acres of land in Harris County, Texas as shown on drawing no. 5006 (OS) in the offices of Cotton Surveying in Houston, Texas.

The foregoing legal description describes the same property as shown in the vesting deed, recorded under Clerk's File No. W100823 of the Harris County Official Public Records of Real Property, and is the same property described in Schedule A of title commitment No. 02180523 bearing an effective date of October 8, 2002 as prepared by Stewart Title Guaranty Company.

September 13, 2002

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EXHIBIT "A"

Parcel 2 of 4 PARCELS
34.6437 Acres

W. C. R. R. Co. Survey, Section 16, A - 1476

STATE OF TEXAS §

COUNTY OF HARRIS §

A **METES AND BOUNDS** description of a certain 34.6437 acre tract of land in the W. C. R. R. Co. Survey, Section 16, Abstract Number 1476 in Harris County, Texas, being that same certain 34.6437 acre tract of land as described in Special Warranty Deed from MHI Partnership Ltd. to PF Lakes Development Ltd, filed for record under Clerk's File Number(C. F. No.) W100823 of the Harris County Official Public Records of Real Property (H.C.O.P.R.R.P.), said 34.6437 acre tract of land being more particularly described as follows with all bearings based on a call of South 01°55'23" East along the east line of a 45.8983 acre tract as recorded under C.F. No. W100823 of the H.C.O.P.R.R.P.

COMMENCING at the intersection of the south right-of-way line of French Road (called 60 feet wide) and the east right-of-way line of Windsong Trail Road (called 60 feet wide);

THENCE, South 02°24'34" East, 751.93 feet along the east right-of-way line of said Windsong Trail Road to a 1/2-inch iron rod found for the southwest corner of a called 5.00 acre tract of land described in a recording to Fred A. Tadlock as filed for record under C. F. No. E922411 of the H.C.O.P.R.R.P.;

THENCE, South 02°17'20" East, 516.64 feet continuing along the east right-of-way line of said Windsong Trail Road to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the **POINT OF BEGINNING** of the herein described tract and being the point of curvature of a curve to the left, from which a 1/2-inch iron rod found, bears South 02°17'20" East, 247.20 feet;

THENCE, in a southeasterly direction, departing the east right-of-way line of said Windsong Trail Road, with said curve to the left having a central angle of 90°00'04", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing South 47°17'22" East, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, North 87°42'36" East, 89.69 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to the left;

THENCE, in a northeasterly direction, with said curve to the left having a central angle of 90°00'00", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing North 42°42'36" East, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 87°42'36" East, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 02°17'24" East, 50.44 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 87°42'36" East, 172.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

Parcel 2
34.6437 Acres

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THENCE, South 02°17'24" East, 310.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 87°42'36" East, 165.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 02°17'24" East, 92.80 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 87°42'36" East, 115.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 01°06'55" East, 79.66 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 14°29'24" West, 45.58 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 67°03'18" East, 115.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to the left;

THENCE, in a northeasterly direction, with said curve to the left having a central angle of 11°08'21", a radius of 270.01 feet, a distance along the arc of 52.49 feet and a chord bearing North 17°22'28" East, 52.41 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

THENCE, South 78°11'42" East, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to the left;

THENCE, in a southeasterly direction, with said curve to the left having a central angle of 79°36'16", a radius of 25.00 feet, a distance along the arc of 34.73 feet and a chord bearing South 27°54'47" East, 32.01 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of reverse curvature of a curve to the right;

THENCE, in a southeasterly direction, with said curve to the right having a central angle of 17°32'13", a radius of 317.83 feet, a distance along the arc of 97.28 feet and a chord bearing South 58°56'49" East, 96.90 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 14°37'27" East, 103.60 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 02°17'24" West, 118.32 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 87°42'36" East, 102.61 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

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THENCE, North 46°09'33" East, 20.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to left;

THENCE, in a northeasterly direction, with said curve to the left having a central angle of 126°54'44", a radius of 50.00 feet, a distance along the arc of 110.75 feet and a chord bearing North 72°42'11" East, 89.46 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

THENCE, North 87°42'36" East, 103.28 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 36°18'28" East, 18.72 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 15°05'39" West, 108.06 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 02°17'24" West, 275.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 85°21'38" East, 415.80 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 00°45'12" East, 13.64 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 89°14'48" East, 349.89 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 00°44'01" West, 8.23 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 89°14'48" East, 130.25 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner on the west right-of-way line of Queenston Boulevard road easement (width varies) as filed for record under C. F. No. J193092 of the H.C.O.P.R.R.P. from which a 5/8-inch iron rod, found, bears North 00°44'45" East, 49.07 feet;

THENCE, South 00°44'45" West, 159.88 feet along the west right-of-way line of said Queenston Boulevard to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for an angle point from which a found 5/8-inch iron rod bears South 32°05' East 0.20 feet;

THENCE, South 00°46'43" West, 164.43 feet continuing along the west right-of-way line of said Queenston Boulevard to a 5/8-inch iron rod found for the point of curvature of a curve to the right;

THENCE, in a southwesterly direction, continuing along the west right-of-way line of said Queenston Boulevard, with said curve to the right having a central angle of 07°52'23", a radius of 1950.00 feet, a distance along the arc of 267.95 feet and a chord bearing South 04°42'54" West, 267.74 feet to a 5/8-inch iron rod found for the point of tangency;

Parcel 2
34.6437 Acres

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THENCE, South $08^{\circ}39'06''$ West, 105.58 feet continuing along the west right-of-way line of said Queenston Boulevard, to a 5/8-inch iron rod found for the point of curvature of a curve to the left;

THENCE, in a southwesterly direction, continuing along the west right-of-way line of said Queenston Boulevard, with said curve to the left having a central angle of $05^{\circ}39'22''$, a radius of 2050.00 feet, a distance along the arc of 202.37 feet and a chord bearing South $05^{\circ}49'25''$ West, 202.28 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner

THENCE, North $87^{\circ}00'15''$ West, 153.09 feet departing the west right-of-way line of said Queenston Boulevard to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South $88^{\circ}04'12''$ West, 581.70 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North $88^{\circ}11'50''$ West, 284.82 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to right;

THENCE, in a southeasterly direction, with said curve to the right having a central angle of $11^{\circ}55'10''$, a radius of 317.83 feet, a distance along the arc of 66.12 feet and a chord bearing South $01^{\circ}03'27''$ East, 66.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, South $04^{\circ}54'08''$ West, 29.40 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North $85^{\circ}05'52''$ West, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to right;

THENCE, in a southwesterly direction, with said curve to the right having a central angle of $90^{\circ}00'00''$, a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing South $49^{\circ}54'08''$ West, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, North $85^{\circ}05'52''$ West, 50.39 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to left;

THENCE, in a northwesterly direction, with said curve to the left having a central angle of $07^{\circ}13'39''$, a radius of 2530.07 feet, a distance along the arc of 319.16 feet and a chord bearing North $88^{\circ}40'34''$ West, 318.95 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of reverse curvature of a curve to the right;

THENCE, in a northwesterly direction, with said curve to the right having a central angle of $89^{\circ}59'59''$, a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing North $47^{\circ}17'24''$ West, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

Parcel 2
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THENCE, South 87°42'36" West, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to right;

THENCE, in a southwesterly direction, with said curve to the right having a central angle of 90°00'00", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing South 42°42'36" West, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, South 87°42'36" West, 33.19 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to right;

THENCE, in a northwesterly direction, with said curve to the right having a central angle of 07°30'25", a radius of 750.03 feet, a distance along the arc of 98.27 feet and a chord bearing North 88°32'11" West, 98.20 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of reverse curvature of a curve to the left;

THENCE, in a northwesterly direction, with said curve to the left having a central angle of 07°30'25", a radius of 1000.04 feet, a distance along the arc of 131.03 feet and a chord bearing North 88°32'11" West, 130.93 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, South 87°42'36" West, 157.49 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to right;

THENCE, in a northwesterly direction, with said curve to the right having a central angle of 90°00'04", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing North 47°17'22" West, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency on the east right-of-way line of the aforementioned Windsong Trail Road;

THENCE, North 02°17'20" West, 925.42 feet, along the east right-of-way line of said Windsong Trail Road to the **POINT OF BEGINNING**, containing 34.6437 acres of land in Harris County, Texas as shown on drawing no. 5006 (OS) in the offices of Cotton Surveying in Houston, Texas.

The foregoing legal description describes the same property as shown in the vesting deed, recorded under Clerk's File No. W100823 of the Harris County Official Public Records of Real Property, and is the same property described in Schedule A of title commitment No. 02180524 bearing an effective date of October 8, 2002 as prepared by Stewart Title Guaranty Company

April 4, 2002

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FILED
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County Clerk
HARRIS COUNTY, TEXAS

EXHIBIT "A"

Parcel 3 of 4 PARCELS
38.0722 Acres

W. C. R. R. Co. Survey, Section 16, A - 1476

STATE OF TEXAS §

COUNTY OF HARRIS §

A **METES AND BOUNDS** description of a certain 38.0722 acre tract of land in the W. C. R. R. Co. Survey, Section 16, Abstract Number 1476 in Harris County, Texas, being that same certain 38.0722 acre tract of land as described in Special Warranty Deed from MHI Partnership Ltd. to PF Lakes Investment Ltd., and filed for record under Clerk's File (C. F.) Number W100824 of the Harris County Official Public Records of Real Property (H.C.O.P.R.R.P.) said 38.0722 acre tract of land being more particularly described as follows with all bearings based on a call of South 01°55'23" East along the east line of a called 45.8983 acre tract as recorded under Clerk's File No. W100823 of the H.C.O.P.R.R.P.;

COMMENCING at the intersection of the south right-of-way line of French Road (called 60 feet wide) and the east right-of-way line of Windsong Trail Road (called 60 feet wide);

THENCE, South 02°24'34" East, 751.93 feet along the east right-of-way line of said Windsong Trail Road to a 1/2-inch iron rod found for the southwest corner of a called 5.00 acre tract of land described in a recording to Fred A. Tadlock as filed for record under C. F. No. E922411 of the H.C.O.P.R.R.P. and being the **POINT OF BEGINNING** of the herein described tract;

THENCE, North 85°32'24" East, 606.28 feet along the south line of said 5.00 acre tract to a 1/2-inch iron rod found for the common southeast corner of said 5.00 acre tract and the southwest corner of a called 2.1868 acre tract of land described in a recording to Derrell J. Holliday and Rebecca Holliday as filed for record under C. F. No. M653142 of the H.C.O.P.R.R.P.;

THENCE, North 85°11'46" East, 132.23 feet along the south line of said 2.1868 acre tract to a 1/2-inch iron rod found for the common southeast corner of said 2.1868 acre tract and the southwest corner of a called 2.8247 acre tract of land as described in a recording to John R. McIlhenny, Jr. as filed for record under C. F. No. S348315 of the H.C.O.P.R.R.P.;

THENCE, North 85°27'07" East, 171.54 feet along the south line of said 2.8247 acre tract to a 1/2-inch iron rod found for the common southeast corner of said 2.8247 acre tract and the southwest corner of a called 5.0 acre tract of land (called Second Tract) as described in a recording to J. G. Stone Sr. Management Trust as filed for record under C. F. No. R460817 of the H.C.O.P.R.R.P.;

THENCE, North 85°09'22" East, 97.59 feet along the south line of said 5.0 acre tract to a 1-inch square iron rod found for angle point;

THENCE, North 85°11'28" East, 212.54 feet continuing along the south line of said 5.0 acre tract to a 1/2-inch iron rod found for the common southeast corner of said 5.0 acre tract and the southwest corner of a called 5.0 acre tract of land (called First Tract) as described in said recording to J. G. Stone Sr. Management Trust;

Parcel 3
38.0722 Acres

W. C. R. R. Co. Survey, Section 16, A - 1476

THENCE, North 85°15'09" East, 317.31 feet along the south line of said First Tract to a 1/2-inch iron rod found for the common southeast corner of said First Tract and the southwest corner of a called 5.0 acre tract of land described in a recording to J. N. Fagg as filed for record under C. F. No. C677496 of the H.C.O.P.R.R.P.;

THENCE, North 85°10'26" East, 324.48 feet along the south line of said Fagg tract to a 5/8-inch iron rod found for the common southeast corner of said Fagg tract and the southwest corner of a called 5.0000 acre tract of land as described in recording to Bear Creek Community Church as filed for record under C. F. No. G521480 of the H.C.O.P.R.R.P.;

THENCE, North 85°15'11" East, 333.15 feet along the south line of said Church tract to a 5/8-inch iron rod found for the southeast corner of said Church tract, being on the west right-of-way line of Queenston Boulevard as recorded under C.F. No. J193092 of the H.C.O.P.R.R.P. and being on the arc of a non-tangent curve to the right;

THENCE, in a southwesterly direction along the west right-of-way line of said Queenston Boulevard with said curve to the right having a central angle of 08°23'15", a radius of 1950.00 feet, a distance along the arc of 285.46 feet and a chord bearing South 02°15'14" West, 285.20 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency from which a found 5/8-inch iron rod bears South 17°03'00" West, 0.28 feet;

THENCE, South 06°26'52" West, 100.18 feet continuing along the west right-of-way line of said Queenston Boulevard to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to the left from which a found 5/8-inch iron rod bears North 63°17'00" West, 0.28 feet;

THENCE, in a southwesterly direction continuing along the west right-of-way line of said Queenston Boulevard with said curve to the left having a central angle of 05°42'07", a radius of 2050.00 feet, a distance along the arc of 204.01 feet and a chord bearing South 03°35'48" West, 203.93 feet to a 5/8-inch iron rod found for the point of tangency;

THENCE, South 00°44'45" West, 49.07 feet continuing along the west right-of-way line of said Queenston Boulevard to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 89°14'48" West, 130.25 feet departing the west right-of-way line of said Queenston Boulevard to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 00°44'01" East, 8.23 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 89°14'48" West, 349.89 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 00°45'12" West, 13.64 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

Parcel 3
38.0722 Acres

W. C. R. R. Co. Survey, Section 16, A - 1476

THENCE, South 85°21'38" West, 415.80 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 02°17'24" East, 275.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 15°05'39" East, 108.06 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 36°18'28" West, 18.72 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 87°42'36" West, 103.28 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to the right;

THENCE, in a southwesterly direction, with said curve to the right having a central angle of 126°54'44", a radius of 50.00 feet, a distance along the arc of 110.75 feet and a chord bearing South 72°42'11" West, 89.46 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

THENCE, South 46°09'33" West, 20.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 87°42'36" West, 102.61 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 02°17'24" East, 118.32 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 14°37'27" West, 103.60 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to left;

THENCE, in a northwesterly direction, with said curve to the left having a central angle of 17°32'13", a radius of 317.83 feet, a distance along the arc of 97.28 feet and a chord bearing North 58°56'49" West, 96.90 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of reverse curvature of a curve to the right;

THENCE, in a northwesterly direction, with said curve to the right having a central angle of 79°36'16", a radius of 25.00 feet, a distance along the arc of 34.73 feet and a chord bearing North 27°54'47" West, 32.01 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

THENCE, North 78°11'42" West, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to right;

THENCE, in a southwesterly direction, with said curve to the right having a central angle of 11°08'21", a radius of 270.01 feet, a distance along the arc of 52.49 feet and a chord bearing South 17°22'28" West, 52.41 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

Parcel 3
38.0722 Acres

W. C. R. R. Co. Survey, Section 16, A - 1476

THENCE, North 67°03'18" West, 115.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 14°29'24" East, 45.58 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 01°06'55" West, 79.66 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 87°42'36" West, 115.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 02°17'24" West, 92.80 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 87°42'36" West, 165.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 02°17'24" West, 310.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 87°42'36" West, 172.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 02°17'24" West, 50.44 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 87°42'36" West, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to the right;

THENCE, in a southwesterly direction, with said curve to the right having a central angle of 90°00'00", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing South 42°42'36" West, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, South 87°42'36" West, 89.69 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to the right;

THENCE, in a northwesterly direction, with said curve to the right having a central angle of 90°00'04", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing North 47°17'22" West, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency on the east right-of-way line of the aforementioned Windsong Trail Road;

THENCE, North 02°17'20" West, 516.64 feet, along the east right-of-way line of said Windsong Trail Road to the **POINT OF BEGINNING**, containing 38.0722 acres of land in Harris County, Texas as shown on Drawing No. 5007 (OS) in the offices of Cotton Surveying in Houston, Texas.

Parcel 3
38.0722 Acres

W. C. R. R. Co. Survey, Section 16, A - 1476

"The foregoing legal description describes the same property as shown in the vesting deed, recorded under Clerk's File No. W100824 of the Harris County Official Public Records of Real Property, and is the same property described in Schedule A of title commitment No. 02180990 bearing an effective date of November 3, 2002 as prepared by Stewart Title Guaranty Company.

April 4, 2002
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570-94-0913

EXHIBIT "A"

Parcel 4 of 4 PARCELS
34.5082 Acres

W. C. R. R. Co. Survey, Section 16, A - 1476

STATE OF TEXAS §

COUNTY OF HARRIS §

A **METES AND BOUNDS** description of a certain 34.5082 acre tract of land in the W. C. R. R. Co. Survey, Section 16, Abstract Number 1476 in Harris County, Texas, being that same certain 34.5082 acre tract of land as described in Special Warranty Deed from MHI Partnership Ltd. to PF Lakes Investment Ltd., and filed for record under Clerk's File (C. F.) Number W100824 of the Harris County Official Public Records of Real Property (H.C.O.P.R.R.P.), said 34.5082 acre tract of land being more particularly described as follows with all bearings based on a call of South 01°55'23" East along the east line of a called 45.8983 acre tract as recorded under Clerk's File No. W100823 of the H.C.O.P.R.R.P.;

COMMENCING at the intersection of the south right-of-way line of French Road (called 60 feet wide) and the east right-of-way line of Windsong Trail Road (called 60 feet wide);

THENCE, South 02°24'34" East, 751.93 feet along the east right-of-way line of said Windsong Trail Road to a 1/2-inch iron rod found for the southwest corner of a called 5.00 acre tract of land described in a recording to Fred A. Tadlock as filed for record under C. F. No. E922411 of the H.C.O.P.R.R.P.;

THENCE, South 02°17'20" East, 1582.06 feet continuing along the east right-of-way line of said Windsong Trail Road to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the **POINT OF BEGINNING** of the herein described tract and being the point of curvature of a non-tangent curve to the right;

THENCE, in a northeasterly direction, departing the east right-of-way line of said Windsong Trail Road, with said curve to the right having a central angle of 89°59'56", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing North 42°42'38" East, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, North 87°42'36" East, 157.49 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to the left;

THENCE, in a northeasterly direction, with said curve to the left having a central angle of 07°30'25", a radius of 1000.04 feet, a distance along the arc of 131.03 feet and a chord bearing North 83°57'23" East, 130.93 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of reverse curvature of a curve to the right;

THENCE, in a northeasterly direction, with said curve to the right having a central angle of 07°30'25", a radius of 750.03 feet, a distance along the arc of 98.27 feet and a chord bearing North 83°57'23" East, 98.20 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of tangency;

THENCE, North 87°42'36" East, 33.19 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a curve to the right;

THENCE, in a southeasterly direction, with said curve to the right having a central angle of 90°00'00", a radius of 25.00 feet, a distance along the arc of 39.27 feet and a chord bearing

Parcel 4
34.5082 Acres

W. C. R. Co. Survey, Section 16, A - 1476

South 47°17'24" East, 35.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 87°42'36" East, 60.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 02°17'24" East, 131.77 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to the right;

THENCE, in a southeasterly direction, with said curve to the right having a central angle of 03°20'39", a radius of 880.00 feet, a distance along the arc of 51.36 feet and a chord bearing South 01°34'52" East, 51.36 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 87°42'36" East, 113.30 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 43°35'24" East, 19.80 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 05°06'36" West, 126.18 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 03°57'39" West, 65.39 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 00°23'17" East, 65.04 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 02°17'24" East, 180.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 42°42'36" West, 21.21 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 16°47'49" West, 28.34 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to the right;

THENCE, in a southeasterly direction, with said curve to the right having a central angle of 46°36'09", a radius of 330.00 feet, a distance along the arc of 268.41 feet and a chord bearing South 49°54'07" East, 261.07 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the end of curve;

THENCE, North 64°06'30" East, 110.00 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 70°53'30" East, 21.25 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

Parcel 4
34.5082 Acres

W. C. R. R. Co. Survey, Section 16, A - 1476

THENCE, South 25°53'30" East, 46.69 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 09°16'17" East, 155.08 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 08°49'13" West, 119.45 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 00°12'24" West, 52.74 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 20°26'32" East, 51.67 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 40°58'13" East, 51.67 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 61°29'53" East, 51.67 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 82°05'44" East, 52.03 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 87°52'25" East, 457.67 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 85°08'08" East, 56.42 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, North 65°53'04" East, 59.47 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 34°38'11" East, 122.95 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for the point of curvature of a non-tangent curve to right;

THENCE, in a southwesterly direction, with said curve to the right having a central angle of 13°52'37", a radius of 260.00 feet, a distance along the arc of 62.97 feet and a chord bearing South 60°05'54" West, 62.82 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner;

THENCE, South 22°57'47" East, 216.11 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner on the north line of a called residue of a 77 acre tract of land described in recording to Edward Scholz, et ux as recorded in Volume 1728, Page 728 of the Harris County Deed Records;

Parcel 4
34.5082 Acres

W. C. R. R. Co. Survey, Section 16, A - 1476

THENCE, South 87°52'42" West, 631.30 feet along the north line of said Scholz tract to a 1/2-inch iron rod found for angle point and being the common northwest corner of said Scholz tract and the northeast corner of a called 36.7418 acre tract of land described in recording to Charles V. Miller, Trustee as filed for record under C. F. No. L654434 of the H.C.O.P.R.R.P.;

THENCE, South 87°52'10" West, along the northerly line of said 36.7418 acre tract, at a distance of 890.56 feet passing a 1-inch iron rod found marking the common north corner of said 36.7418 acre tract and a called one acre tract conveyed to Lawrence E. Scholz as filed for record under C.F.No. D911518 of the H.C.O.P.R.R.P. and continuing along the northerly line of said one acre tract for a total distance of 1099.28 feet to a 3/4-inch iron rod with cap stamped "Cotton Surveying" set for corner on the east right-of-way line of the aforementioned Windsong Trail Road from which a 1/2-inch iron rod found, bears South 84°36'58" West, 0.54 feet and a 1/2-inch galvanized iron rod pipe, bears North 66°28'33" West, 0.22 feet;

THENCE, North 02°17'20" West, 1598.27 feet, along the east right-of-way line of said Windsong Trail Road to the **POINT OF BEGINNING**, containing 34.5082 acres of land in Harris County, Texas as shown on Drawing No. 5007(OS) in the offices of Cotton Surveying Company in Houston, Texas.

"The foregoing legal description describes the same property as shown in the vesting deed, recorded under Clerk's File No. W100824 of the Harris County Official Public Records of Real Property, and is the same property described in Schedule A of title commitment No. 02180990 bearing an effective date of November 3, 2002 as prepared by Stewart Title Guaranty Company.

September 13, 2002

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ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.
THE STATE OF TEXAS
COUNTY OF HARRIS
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas on

JUL - 9 2003



Dorothy B. Kaufman
COUNTY CLERK
HARRIS COUNTY, TEXAS

RETURN TO:
MILLENNIUM TITLE CO.
4700 W. Sam Houston Pkwy. North, Suite 100
Houston, TX 77041
ATTN: Kelly Ford