

WHEREAS, on March 12, 2007 a document purporting to be amended restrictions for Forest Hills was filed at Volume 1567, Page 641, et seq, Official Public Records of Polk County, Texas; and

WHEREAS, on February 18, 2009, a document purporting to be amended restrictions for Forest Hills, was filed at Volume 1685, Page 137, et seq, Official Public Records of Polk County, Texas; and

WHEREAS, on October 26, 2009 a Certificate of Formation was filed with the Secretary of State for the State of Texas re-incorporating the Forest Hills Property Owners Association (referred to herein as the "Association"), as a non-profit corporation and property owners association for Forest Hills Sections 2, 3, and 4 and Lake Forest Subdivision; and

WHEREAS, the deed restrictions all provided that the deed restrictions were covenants running with the land and were to be binding upon all parties and all persons claiming under them until June 1st 2000, A.D., at which time said covenants shall be automatically extended for successive periods of Ten (10) years, unless an instrument signed by a majority of the then owners of the tract has been recorded, agreeing to change said covenants in whole or in part; and

Whereas, the Association believes it is desirable and necessary to consolidate, restate and amend the deed restrictions;

NOW THEREFORE, the Board of Directors of the Association, subject to the filing of an instrument signed by a majority of the then owners of the tract has been recorded, agreeing to change said covenants in whole or in part, hereby consolidate, restate, and amend the deed restrictions applicable to Forest Hills Subdivision, Sections 2, 3, and 4, and the Lake Forest Subdivision, and do establish the following restrictions, on the improvement, use and sale of said property, which shall apply equally to all of the lots in said subdivision as herein stated, and are for the mutual protection and benefit of future owners in said subdivision to be considered as covenants running with the land and binding upon all future owners and enforceable by any one of the land owners, as follows:

RESERVATIONS

1. There shall be reserved the utility easements and drainage easements as shown on said plat of said subdivision and on easements over all streets for the purpose of installing, using, repairing, and maintaining public utilities, water, sewer lines, electric lighting and telephone poles, pipe lines and drainage ditches or structure and/or any equipment necessary for the performance of any public or quasi-public service and function and for all other purposes incident to the development and use of said property as a community unit, with the right of access therein for the purpose of further construction, maintenance and repairs. Such right of access to include the right, without liability on part of any one or all of the owners or operators of such utilities, to remove any or all obstructions on said easement right-of-way,

caused by trees, brush, fences, shrubs, or other obstructions which in their opinion may cause interference with the installation or operation of the facilities. Such easements shall be for the general benefit of the Subdivision and the property owners thereof, and are hereby reserved and created in favor of any and all utility companies entering into and upon said property for the purposed aforesaid, subject to the limitations as to water service hereinafter set forth. There is also reserved for use of all public utility companies an unobstructed serial easement five (5') feet wide from a plane fifteen (15') feet above ground upward, located adjacent to the said easements reserved hereby and all easement shown on the plat for underground electric facilities.

2. Owners reserve unto themselves, and assigns, the exclusive right at all times to use any and all areas, reserved or dedicated as a public utility easement or street, for the purpose of laying, placing or constructing, installing, maintaining or repairing of all kinds and types of water lines, mains or pipes as well as other equipment necessary or incidental to the operation and maintenance of water service and/or supply systems, and its appurtenances, to service, furnish or supply this subdivision with water.
3. There is reserved unto Owners, their heirs, and assigns, and unto the owners of residential tracts in said subdivision all areas as "Boat Basin" on the plat of said subdivision as community ownership for boat launching and parking and other community type activities. The boat parking and launching areas shall be under the supervision of the Association's Architectural Control Committee hereinafter constituted which said Committee for purposes of beautification and conformity shall approve any structures or improvements in the same manner as provided for residential tracts. The Architectural Control Committee shall be entitled to use all necessary and reasonable means in avoiding the use of said property, residential commercial, or boat launching areas by the public at large, and thereby restrict the use thereof and in the furtherance thereof such use shall remain subject to supervision of the Architectural Control Committee herein. Reserves constituting the park areas and boat basin areas as reflected by the aforesaid plat, shall be for the sole and exclusive use of lot owners herein, and their house guests, to exclusion of the general public at large, and the maintenance and use thereof shall be under the exclusive control and supervision of the Architectural Control Committee.

RESTRICTIONS

For the purpose of setting forth a substantially uniform plan of development, the Owners of the said Sections, Two, Three, Four and Lake Forest of said Forest Hills Subdivision do hereby covenant and provide that they, their heirs, administrators, and assigns, and all parties holding title by, through and under them, shall hold such land subject to the following restrictions running with the land which shall be observed by themselves, their heirs, administrators, and assigns and shall run in favor of and be enforceable by any person who shall hereafter own any of said tracts of land above described, Save and Except the boat launching area which shall not be in any manner restricted hereby unless specifically referred to, and further provided that Owners may select a suitable tract for location of a water-well and facilities.

1. These covenants are to run with the land and shall be binding upon all parties and all persons claiming under them until June 1st 2020, A.D., at which time said covenants shall be automatically extended for successive periods of Ten (10) years, unless an instrument signed by a majority for the then owners of the tract has been recorded, agreeing to change said covenants in whole or in part. Additionally, the Property Owners Association, to be established as provided herein, shall have the right at any time hereafter to make such reasonable changes in or waivers of any or all of the above restrictions, conditions, covenants, as the Property Owners Association in its sole discretion may deem reasonably necessary or desirable, subject to the approval of the Property Owners Association's members by a majority vote in favor of such change in or waivers of any or all of the restrictions, conditions, and covenants, by the members of the Property Owners Association at a special or annual meeting at which a quorum is had, and at which special or annual meeting specific notice of such reasonable changes in or waivers of any or all of the above restrictions, conditions, covenants is given.
2. If the parties hereto, or any of them, or their heirs, successors, or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for the undersigned Owners, their heirs, administrators, or assigns, and any other persons owning any real property situated in said subdivision shall have the right to prosecute any proceeding at law or equity against the person or persons violating or attempting to violate such restrictions, and either to prevent him or them from doing, or to cause to be removed such violation, or to recover damages for such violation.
3. The violation of any restriction or covenant herein shall not operate to invalidate any mortgage, deed of trust, or other lien acquired and held in good faith against said property or any part thereof, but such liens may be enforced against any and all property covered thereby, subject nevertheless to the restrictions herein.
4. There shall be established an Architectural Control Committee, (referenced at times as the "ACC"), composed of three (3) members appointed by the Board of Directors, to protect the owner of lots hereunder against such improper use of lots as will depreciate the value of their property; to preserve, so far as practical, the natural beauty of said property; to guard against the erection thereon of poorly designed or proportioned structures and structures built of improper or unsuitable materials; to obtain harmonious architectural schemes; to insure the highest and best development of said property; to secure and maintain proper setbacks from streets and adequate free spaces between structures; and, in general, to provide adequately for a high type of quality of improvements in said property; and thereby to enhance the value of investments made by purchasers of lots therein. No building shall be erected, placed or altered on any building tract in this subdivision until the plans, specifications and plat plans showing the location of such building has been approved in writing as to conformity and harmony of external design with the existing structures in the subdivision, and as to location

with respect to topography and finished ground elevation by the Architectural Control Committee appointed by the Board of Directors of the Association. The Architectural Control Committee shall have full authority to approve or disapprove such design and location within thirty days after said plans and specifications have been submitted to it and in the event said committee fails to approve or disapprove such plans within such time, such approval will be required and this covenant shall be deemed to have been complied with. Neither the members of such ACC nor its designated representatives shall be entitled to any compensation for services performed pursuant to this covenant.

5. The Association shall have the same authority over the boat launching areas and park areas and no structure or improvement shall be planed thereon except as a community project and upon approval of the Association.
6. No outside privies or toilets shall be permitted in this subdivision, except during construction of a new residence. All toilets shall be inside the houses and prior to the occupancy the same shall be connected to a central sewage disposal system if there is one in existence at such time, then all toilets shall be connected to a septic tank at the expense of the person building on the building tract, and such septic tank shall have a field line and shall be constructed and maintained in accordance with the requirement of the State Health Department and/or TRA, and shall be subject to the inspection and approval of such authority, provided however, that whenever a central sewage treatment plant and disposal system shall be established to serve this subdivision, whether publicly owned or privately owned or operated, then all of the tract owners and/or occupants to whom such sewage disposal service is available shall connect their premisses thereto for sewage disposal, paying the established rates and all connections fees or charges therefor at their expense, and from and after the time such sewage disposal service becomes available to any lot, no septic tank whether therefor or thereafter built or installed, shall be used in connection with any tract.
7. The drainage of sewage into a road, street, alley, ditch, or any waterway either directly or indirectly is prohibited. This shall not apply to the discharge of effluent from a sewage treatment plant serving this subdivision.
8. No tract other than the areas marked "Reserve" and "Boat Basin" shown on the plat of said subdivision filed for record, shall be used except for residential purposes. The term "residential purposes" as used herein shall be held and construed to exclude hospitals, clinics, duplex houses, apartment houses, boarding houses, hotels and all other commercial uses and all such uses of said property and hereby expressly prohibited. No building shall be erected, altered, and placed or permitted to remain on any residential tract other than one detached single-family dwelling and a private garage. Rental or lease of the lot and the residence thereon for any period of time less than 180 days shall be prohibited. Any rental or lease shall provide, in writing, that the renter or lessee has received a copy of the Deed Restrictions and agrees to be bound by same and comply with all Deed Restrictions. Rental or lease of the lot and residence shall not relieve the property owner from compliance with these Deed Restrictions.

9. All residences shall be located in accordance with the building lines shown on the plat of said subdivision. If the tract has waterfront, the residence may be constructed to front on the waterfront side of the tract. No residence shall be located nearer than twenty (20') feet from the property line on the street side of the tract and no nearer than eight (8') to any side line.
10. No noxious or offensive activity shall be carried on upon any lot or shall anything be done thereon which may be an annoyance or nuisance to the neighborhood.
11. No structure of a temporary character, trailer, mobile house, basement, tent, shack, garage, barn, or other outbuilding shall be used on any tract any time as a residence either temporarily or permanently. No vacant lot shall be used to park or store any trailer, recreational vehicle, or used to construct a storage building.
12. No residential structure shall be placed on a residential tract in Section 2, 3, and/or 4 and/or in Lake Forest unless its living area has a minimum of 1500 square feet of floor area.
13. No animals, livestock or poultry of any kind shall be raised, bred or kept on any residential tract, except that dogs, cats, or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes.
14. No sign of any kind shall be displayed to the public view except signs used by the developers in the original sale of lots in said subdivision or signs used by builders to advertise the property during the construction or sales period.
15. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon any tract, nor shall oil wells, tanks, tunnels, mineral excavations or shafts are permitted on any tract. No derrick or other structure for use in boring for oil or natural gas shall be erected, maintained or permitted upon any tract.
16. No tract shall be used or maintained as a dumping ground for rubbish, trash, garbage, or other waste. Garbage and waste shall not be kept except in sanitary containers. All incinerators or other equipment for storage or disposal of such materials shall be kept in a clean and sanitary condition.
17. ~~No fence, wall, hedge, or detached improvement shall be erected, grown or maintained on any part of any tract forward of the front building line.~~
18. No building of frame construction shall be erected on any tract unless it shall at time of construction receive at least one coat of paint, stain or vinyl siding.
19. All residences shall be completed within eight (8) months from date of beginning construction unless such period is extended in writing by the Architectural Control Committee.

20. No boat docks, piers, boat storage sheds, slips, pilings or rip-rap shall be constructed, placed or excavated until plans and specifications shall be approved in writing by the Architectural Control Committee.
21. Boats, trailers, and/or any recreational vehicles must be parked behind or on the side of the residence.
22. Maintenance Fees.
- (a) The owners of lots purchased in said Subdivision shall pay a Maintenance Fee in the sum of SIXTY-FIVE and no/100 (\$65.00) Dollars per lot, on the 1st day of August of each year, beginning on the 1st day of August, 2009, to the Property Owners Association to be used for the upkeep of the roads, parks and common facilities in said Subdivision as set out in the plat of said Subdivision. Said Maintenance Fee shall be secured by a lien against said lot, and failure to pay said assessment shall constitute a foreclosure lien against said lot. This lien is in the form of an assessment to run with the ownership of said lots. The Maintenance Fee shall be deemed delinquent if not paid by September 1st of the year in which such maintenance fees are due. Any maintenance fees not paid by September 1st in the year in which such maintenance fees are due shall bear interest at such rate as established by the Board of Directors of the Association and shall further be subject to any late fees as may be established by the Board of Directors of the Association. The Association shall be entitled to recover any legal fees and court costs incurred in making demand for payment of any delinquent maintenance fees, and for other legal action in enforcing the deed restrictions and collecting the maintenance fees. Any such interest, late fees, legal fees and court costs are subject to the lien established above and are subject to judicial foreclosure.
- (b) The amount of the annual maintenance fee may be adjusted as shall be determined by a majority vote of the members, represented in person or by proxy, of the Property Owners Association at the annual meeting of the Property Owners Association, at which a quorum of the members, represented in person or by proxy, is obtained. Notice shall be given to all lot owners of said annual meeting and of the proposed annual maintenance fee to be determined for the next fiscal year. In the event the proposed maintenance fee fails to obtain the necessary votes at the annual meeting, then the maintenance fee for the next fiscal year shall remain at the same amount as then currently set, but in no event to be less than SIXTY-FIVE and no/100 (\$65.00) Dollars per year. Said assessments shall be in the form of a covenant to run with the ownership of the said lots. It is expressly provided that the Vendor's Liens retained by Developer and assigned to the Property Owners Association shall remain in full force and effect. If lot owners sell any portion of their land, they are to notify the Association, within ten (10) days of the sale, of the name and address of the buyer so that the aforesaid assessments may be collected from the new owner.
- (c) The maintenance fund shall, to the extent available, be applied to the payment of

maintenance expenses and/or construction costs incurred for any or all of the following purposes, as determined by the Board of said Association:

- (1) lighting, constructing, improving, and maintaining streets, sidewalks, paths, parkways, esplanades, or swimming pools, if any;
- (2) improvements of any area between curbs and sidewalks;
- (3) collecting and disposing of garbage, ashes, rubbish and similar material as well as the maintenance of vacant lots;
- (4) the construction of clubhouse facilities, ramps, boat landings, boat basins and other similar recreation facilities on areas so reserved by developer for the benefit of the property owners;
- (5) payment of legal fees and court costs of the Property Owners Association; and
- (6) doing any other thing necessary or desirable in the opinion of the Board of said Property Owners Association to keep the property neat and in good order or which is considered of general benefit to the owners or occupants of the Subdivision including any expenses incurred in enforcing any provisions of the restrictions, including any amendments thereto, on file in the County Clerk's office of Polk County, Texas.

23. **Applicability.** Each Contract, Deed, and/or Deed of Trust which may be hereafter executed with respect to any property in the Subdivision shall be deemed and held to have been executed, delivered, and accepted subject to all of the provisions of this instrument, including, without limitation, the Reservations, Restrictions and Covenants herein set forth, regardless of whether or not any of such provisions are set forth in said Contract, Deed or Deed of Trust, and whether or not referred to in any such instrument. These restrictions, conditions, covenants and assessments are, and shall be, deemed and considered covenants running with the herein above described lots, and the same shall be binding upon the lot owners and their heirs, executors, and administrators and assigns.
24. No motor vehicle shall remain on any lot or in the street in the subdivision unless such motor vehicle has a valid/current inspection sticker, a valid/current license registration sticker and be in running condition. All other such motor vehicles shall be considered to have been abandoned and shall be removed by the owner from the subdivision within (10) days after receiving notice from any other lot owner of the abandoned motor vehicle.
25. **Lot Maintenance.**
 - (a) No lot or portion of any lot shall be used as a dumping ground for rubbish or trash, nor for storage of items or materials (except during construction of a building), and all lots shall be kept clean and free of any boxes, rubbish, trash or other debris and inoperative cars, vans, or buses.
 - (b) Grass and weeds on occupied lots may not exceed twelve inches in height. Refrigerators and other large appliances shall not be placed outdoors.
 - (c) No noxious or offensive trade or activity shall be carried on upon this property nor

shall anything be done thereon which may become an annoyance or nuisance to the neighborhood such as allowing junk automobiles or excessive garbage and trash accumulation on the property.

- (d) The Association shall have the right to enter the property where a violation exists under this paragraph and remove the incomplete structure or other items at the expense of the offending party
- (e) Prior to such entry and correction of the restriction violation, the property owners shall be given thirty (30) days notice of the violation and an opportunity to cure the violation. If the violation is not corrected in that period of time, or such period as may be agreed upon by the lot owner and the Association, the Association shall have the right to correct such deed restriction violation, and if the cost of such correction is not paid within thirty (30) days of invoice, then a contractual lien is retained against the property as security for such expense, together with any legal fees and costs incurred in enforcing this restriction, and the Association shall have the right to judicially foreclose the lien securing such expense, legal fees and costs incurred in enforcing this restriction.

26. Property Owners Association.

- (a) "Property Owners Association", as such term is used herein, shall mean the "Forest Hills Property Owners Association."
- (b) Every property owner in Forest Hills Subdivision, Sections 2, 3, and 4, and Lake Forest Subdivision, shall be a member of the Property Owners Association, and the Property Owners Association shall be a property owners association as defined by the Texas Property Code. The Board of Directors of the Property Owners Association shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations now or hereafter imposed by these restrictions, and said lawsuit to be brought in the name of the Property Owners Association, upon a vote by the majority of the Board of the Directors of the Property Owners Association at the duly called meeting of the Board at which a quorum of Directors is present, against any lot owner who is delinquent in payment of the maintenance fees, as delinquent is defined in these restrictions, and Bylaws of the Property Owners Association, as well for enforcement of any other deed restriction violation.
- (c) Any lot owner who has not paid the annual maintenance fees applicable to the lots he/she owns, once such maintenance fees are payable as provided by these restrictions and the Bylaws, shall be considered in default. Any lot owner delinquent in payment of any maintenance fees or other fees due on the record date of any meeting, as determined by the Bylaws of the Property Owners Association, shall not be entitled to vote at any meeting of the members, whether annual or special, and shall not be entitled to hold any directorship or office of the Property Owners Association.
- (d) Any lot owner who brings a lawsuit against the Property Owners Association alleging a violation of any duty of the Property Owners Association to enforce the

deed restriction, or alleging that the Property Owners Association, or any director, officer and/or agent of the Property Owners Association, shall be liable to the Property Owners Association for any legal fees and costs incurred in defending such lawsuit.

- (e) Notwithstanding any provision to the contrary, nothing herein or in the plats above referenced shall be deemed, interpreted or construed as imposing any obligation or obligations whatever upon the Property Owners Association, and the Property Owners Association shall not be liable under any provisions hereof or thereof for any charge, assessment, breach, act or omission to act.

27. Enforcement of Deed Restrictions.

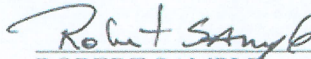
- (a) Subject to the provisions of subsection (d) of this paragraph, if any person or entity, as defined hereinafter, whether or not lawfully in possession of any real property hereunder, shall either (1) violate or attempt to violate any restriction or provision herein, or (2) suffer to be violated (with respect to the real property in which such person or entity has rights other than the rights granted by this sentence) any restriction or provision herein, it shall be lawful for Forest Hills Property Owners Association and/or any person or entity, as defined hereinafter, possessing rights with respect to any real property hereunder, to prosecute any proceedings at law or in equity against any such person or entity violating, attempting to violate and/or suffering to be violated any restriction or provision herein to (1) prevent such violation, (2) recover damages or other dues for such violation, and (3) recover court costs and reasonable attorney's fees incurred in such proceedings. "Person or entity", as used in the immediately preceding sentence hereof, shall include, but shall not be limited to, all owners and purchasers of any real property hereunder, as well as all heirs, devisees, assignees, legal representatives and other persons or entities who acquire any of the rights (with respect to the real property hereunder) of the owner or purchaser of any real property hereunder.
- (b) The Association has the right, but not the exclusive duty, to take action to enforce any violation of these deed restrictions.
- (c) Neither the Architectural Control Committee, nor the members of said Committee, nor the directors nor officers of Forest Hills Owners Association, shall have any liability or responsibility at law nor in equity on account of the enforcement of, or on account of the failure to enforce, these restrictions. An exercise of discretionary authority by the Association or other representative of the Developer concerning a restrictive covenant is presumed reasonable unless the court determines by a preponderance of the evidence that the exercise of discretionary authority was arbitrary, capricious, or discriminatory.
- (d) Notwithstanding any other provisions hereof, the Association, shall not be liable or subject to any proceeding at law or in equity on account of any violation or attempted violation of any restriction or provision herein which occurs during such time as there is in force a contract to purchase the property where such violation or attempted violation takes place.

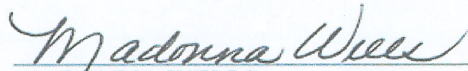
28. Partial Invalidity and Severability.

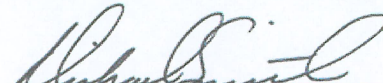
- (a) It is understood that no act or omission upon the part of any party hereto or any person hereafter acquiring an interest in said property by, through, or under same shall ever be construed as a waiver of the operation or enforcement of these covenants, restrictions, and/or easements.
- (b) In the event any portion of the provisions hereof shall become or be held invalid, whether by reason of abandonment, waiver, estoppel, judicial decision or otherwise, such partial invalidity shall not affect, alter or impair any other provision hereof, which was not thereby held invalid; and such provisions, including Restrictions, Reservations and Covenants shall remain in full force and effect, binding in accordance with their terms.

These restrictions are effective upon filing of a written instrument signed by a majority of the then owners of the lots in Forest Hills Subdivision, Sections 2, 3, and 4, and Lake Forest Subdivision, with the County Clerk of Polk County, Texas.

Executed by the Board of Directors of the Forest Hills Property Owners Association, on this 4th day of November, 2009.


ROBERT SAMPLE

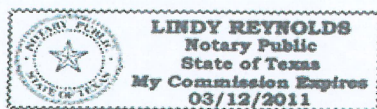

MADONNA WELLS


MICHAEL SMITH

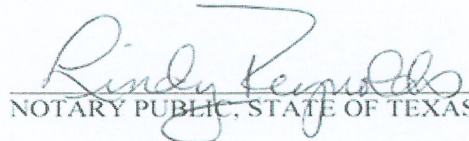
THE STATE OF TEXAS *

COUNTY OF TRINITY *

ACKNOWLEDGED by ROBERT SAMPLE, MADONNA WELLS, and MICHAEL SMITH
on this 4th day of November, 2009.



After filing return to:
Travis E. Kitchens, Jr.
Evans & Kitchens, LLP
Lawyers
P. O. Drawer 310
Groveton, Texas 75845


NOTARY PUBLIC, STATE OF TEXAS

2009 - 1722 - 916

FILED FOR RECORD

2009 NOV -5 AM 8:56

Schelana Walker
SCHELANA WALKER
COUNTY CLERK

State of Texas)
County of Polk)
I, SCHELANA WALKER hereby certify that this instrument
was FILED in the file number sequence on the date and at the time
stamped hereon by me and was duly RECORDED in the Official
Public Records in Volume and Page of the named RECORDS OF
Polk County, Texas.

RB

NOV 05 2009



Schelana Walker
COUNTY CLERK
POLK COUNTY, TEXAS