DECLARATION OF RESTRICTIONS, COVENANTS AND CONDITIONS OF LAKES OF SOMERSET

(As Amended)

ARTICLE I DEFINITIONS

Section 1. Definitions

ARTICLE II PROPERTIES SUBJECT TO THIS DECLARATION:

ADDITIONS THERETO

Section 1. Existing Property

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership

ARTICLE IV PROPERTY RIGHTS IN COMMON PROPERTIES

Section 1. Members' Easements of Enjoyment

Section 2. Title to Common Properties

Section 3. Decorative Fencing

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

- Section 1. Creation of the Lien and Personal Obligation of Assessments
- Section 2. Purpose of Assessments
- Section 3. Basis and Maximum of Semi-Annual Assessments
- Section 4. Special Assessments for Capital Improvements
- Section 5. Change in Basis and Maximum of Semi-Annual Assessments
- Section 6. Quorum for any Action under Sections 4 and 5
- Section 7. Due Date of Assessments
- Section 8. Duties of the Board of Directors
- Section 9. Effect of Non-payment of Assessment; Personal Obligations of Owner; Lien, Remedies of Association

Section 10. Subordination of the Lien to Mortgages

Section 11. Exempt Property

ARTICLE VI ARCHITECTURAL CONTROL

ARTICLE VII RESTRICTIVE COVENANTS

ARTICLE VIII EASEMENTS RESERVED

ARTICLE IX GENERAL PROVISIONS

Section 1. Duration

Section 2. Reserved Rights of Developer

Section 3. Sales Office

Section 4. Invalidation and Severability

Section 5. Acceptance of Declaration

Section 6. Interpretation

Section 7. Other Committees

Section 8. Assignment

Section 9. Notices

Section 10. Enforcement

Section 11. Amendments

Section 12. Rules and Regulations

DECLARATION OF RESTRICTIONS, COVENANTS AND CONDITIONS OF LAKES OF SOMERSET

STATE OF TEXAS)

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TARRANT)

This Declaration made this the 1st day of October, 1989 by LAKES OF SOMERSET, INC. a Texas corporation, hereinafter called "Developer."

WITNESSETH:

WHEREAS, Developer is the owner of the real property in Tarrant County, Texas, described in Article II, Section 1 of this Declaration and desires to create thereof a planned community with water surface areas, open spaces and other common facilities for the benefit of the said community; and

WHEREAS, Developer desires to provide for the preservation of the values and amenities in said community for the maintenance of said water surface areas, open spaces and other common facilities, and to this end desires to subject the real property described in Article II, Section 1, to the covenants, restrictions, conditions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values and amenities in said community to create an agency to which should be delegated and assigned the powers of maintaining and administering the community properties and facilities and administering and enforcing the covenants, restrictions and conditions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, the Developer has caused to be incorporated under the laws of the State of Texas, as a non-profit corporation, the Lakes of Somerset Homeowners' Association, Inc., for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, Developer declares that the real property described in Article II, Section 1, shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, conditions, easements, charges and liens (sometimes referred to herein as "restrictions, covenants and conditions") hereinafter set forth.

ARTICLE I

Definitions

- **Section 1.** The following words, when used in this Declaration or any Supplemental Declaration (unless otherwise indicated) shall have the following meanings:
- a. "**Association**" shall mean and refer to Lakes of Somerset Homeowners' Association, Inc., its successors and assigns.
- b. "The Properties" shall mean and refer to all existing properties, and additions thereto, as are subject to this Declaration or any Supplemental Declaration.
- c. "Common Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of The Properties and intended to be devoted to the common use and enjoyment of the members of the Association.
- d. "**Lot**" shall mean and refer to any plot of land shown upon any recorded subdivision plat of The Properties, with the exception of Common Properties as herein defined.
- e. "Living Unit" shall mean and refer to any portion of a building situated upon The Properties designed and intended for use and occupancy as a residence by a single family.
- f. "Multi-family structure" shall mean and refer to any building containing two or more living units under one roof, except when each such living unit is situated upon its own individual Lot.
- g. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Living Unit which is a part of The Properties, including purchasers under contract from Developer, but not withstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.
- h. "**Member**" shall mean and refer to every person or entity who holds membership in the Association.
- i. "Developer" shall mean and refer to LAKES OF SOMERSET, INC., its heirs, successors and assigns.

ARTICLE II

Properties Subject to This Declaration:

Additions Thereto

Section 1. Existing Property - The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Tarrant County, Texas, and is more particularly described as follows:

See Exhibit A attached hereto and incorporated here for all purposes, all of which property shall hereafter be referred to as "Existing Property."

ARTICLE III

Membership and Voting Rights

In the Association

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, shall be a member of the Association (provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a member), and any person or entity who acquired any such fee or undivided fee interest shall be deemed to have accepted membership and assumed all obligations thereof.

ARTICI F IV

Property Rights in Common Properties

Section 1. Members' Easements of Enjoyment. Subject to these terms, conditions and provisions hereof, every Member shall have a right and easement of enjoyment in and to the

Common Properties, including the water surface areas, and such easement shall be appurtenant to and shall pass with the title to every Lot or Living Unit. In addition, any member may delegate, in accordance with the Bylaws of the Association, his right and easement of enjoyment to members of his family, his guests, his tenants, or contract purchasers who reside on the property.

Section 2. Title to Common Properties. Developer may retain the legal title or easements to the Common Properties until such time as improvements have been completed thereon and until such time as, in the opinion of the Developer,

the Association is able to maintain the same, but, notwithstanding any provision herein, the Developer covenants, for himself, his heirs, successors and assigns, that the Common Properties shall be conveyed to the Association when seventy-five percent (75%) of all Lots in The Properties have been sold and Living Units constructed thereon, or not later than the 31st day of December, 1992, whichever occurs later in time.

Section 3. Decorative Fencing. In addition to the other common areas defined herein, the Common Properties shall include decorative fencing around the perimeter of the Properties and around the Common Property as shown on Exhibit "A". The design and materials of construction and/or repair of the said decorative fence shall be approved by the Architectural Control Committee.

ARTICLE V

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Developer, for each Lot or Living Unit owned by him within the Properties, hereby covenants, and each Owner of any Lot of Living Unit by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) semi-annual assessments of charges, (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. Such semi-annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. Separate semi-annual or special assessments shall be made upon each Lot or Living Unit whether or not there is more than one Living Unit per Lot.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used, exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties, and, in particular, for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties and of the homes situated upon or appurtenant to The Properties, including, but not limited to, the payment of taxes and insurance thereon, and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

Section 3. Basis and Maximum of Semi-Annual Assessments. Semi-annual assessments shall begin on the first day of the month following the initial

conveyance of any Lot by the Developer, and the semi-annual assessment for the Owner of each Lot or Living Unit shall be determined at an annual rate, prorated monthly.

The Board of Directors of the Association, may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment.

Section 4. Special Assessments for Capital Improvements. In addition to the semi-annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year a special assignment, applicable to that year only, for the purpose of defraying, in whole or part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of 66 2/3 percent of the votes of each class of Members who are voting in person or by proxy ate meeting duly called for such purpose, written notice of which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance setting forth the purpose of the meeting.

Section 5. Change In Basis and Maximum of Semi-Annual Assessments. From and after January 1 of the year immediately following the commencement of semi-annual assessments, the maximum semi-annual assessment may be increased effective January 1 of each year without a vote of the membership in conformance with the rise if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding month of July.

From and after January 1 of the year immediately following the commencement of assessments, the maximum semi-annual assessment may be increased above that established by the Consumer Price Index formula by a vote of the Members, provided that any such change shall have the approval of two-thirds (2/3) of the Members of each class of Members voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall have been sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting.

The limitations of Article V, Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Bylaws and under the provisions of this Declaration.

Section 6. Quorum for any Action under Sections 4 and 5. The Quorum for any action authorized by Sections 4 and 5 shall be as follows:

a. At the first meeting called as provided in Sections 4 and 5 hereof, the presence at the meeting of Members or of proxies entitled to cast 51 percent of all the votes of each class of membership shall constitute a quorum.

b. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirements set forth in Sections 4 and 5 and the required quorum at any such subsequent meeting shall be one-half (1 /2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Due Date of Assessments. The semi-annual assessments provided for herein shall become due and payable on the 1st lay of January and the 1st day of July, after the commencement date hereinabove set out and the due date of any special assessment under Article V Section 4 hereof shall be fixed in the resolution authorizing such assessment.

The Board of Directors may, at its option, change the semi-annual assessments to an annual or monthly assessment and determine the due date thereof.

Section 8. Duties of the Board of Directors. The Board of Directors of the Association shall, upon the commencement date herein provided, prepare a roster of The Properties and assessments applicable thereto which shall be kept in the office of the Association, and shall be open

to inspection by any Owner. Written notice of the initial assessment and of any subsequent changes therein shall be forthwith sent to every Owner subject thereto.

The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. A reasonable charge may be made by the Board for the issuance of such certificate and such certificate shall be conclusively evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-payment of Assessment; Personal Obligations of Owner: Lien; Remedies of Association. If the assessments are not paid on the date when due, then such assessments shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, forthwith become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten (10%) percent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the cost of preparing and filing the petition in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided, and a reasonable attorneys' fee to be fixed by the Court, together with costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-usage of the Common Properties or abandonment of his property.

Section 10. Subordination of the lien to mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon The Properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due nor from the lien of any such subsequent assessment.

Section 11. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments, charges and lien created herein:

- a. All properties to the extent of any easement or any other interest therein dedicated and accepted by the local public authority and devoted to public use.
- b. All Common Properties as defined in Article I, Section 1, hereof.
- c. All properties exempted from taxation by the laws of the State of Texas, upon the terms and to the extent of such legal exemption.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

ARTICLE VI

Architectural Control

No trees shall be removed except by utility easements as required in furnishing of utility services, and no building, fence wall or other structure shall be commenced, erected or maintained upon The Properties, nor shall any exterior addition to or change or alteration therein be made until the details, plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of

external design and location in relation to surrounding structures and topography by an Architectural Control Committee. This Architectural Control Committee shall be composed by three (3) or more representatives appointed by The Developer until seventy-five percent (75%) of all Lots in The Properties have been sold and Living Units constructed thereon, or until December 31, 1992, whichever is later in time, at which time the Members of the Architectural Control Committee shall thereafter be appointed by the Board of Directors. In the event the Architectural Control Committee fails to approve or disapprove any such detail, design, plan, specification or location within thirty (30) days after submission to it, or in any event if no suit to enjoin has been commenced prior to the completion thereof, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VII

Restrictive Covenants

Each of the specifically numbered Lots shown upon any recorded residential subdivision map of The Properties (as distinguished from such land, if any, within the limits of such subdivisions which is not specifically platted and numbered as Lots) shall be impressed with the following restrictions, covenants and conditions for the purpose of carrying out a general plan of development and maintenance of the premises:

- a. All dwellings shall be constructed to front on the street on which the Lot fronts unless any Lot in question fronts on two streets in which case the dwelling constructed on such Lot shall front, as the Architectural Control Committee may approve, on either of the two streets or partially on both.
- b. All dwellings and accessory structures shall be erected and maintained behind the building line shown on the Lot, or as otherwise approved by the Architectural Control Committee.
- c. No dwelling or accessory structure shall be erected or maintained nearer than ten (10) feet from the side line of any Lot or as approved otherwise by the Architectural Control Committee. (Amended. See First Amendment to Declaration dated 12/14/89).
- d. The floor area (that enclosed for heating and/or air conditioning) of any Living Unit shall be not less than the following: All Living Units -3,500 sq. ft.
- e All dwellings shall be constructed of stone, masonry, brick, or of a glass building material of the kind usually used for outside wall construction, or such other material as may be approved by the Architectural Control Committee, to the extent of at least eighty- percent (85%) of the area of the outside walls on the first

floor. The second floor of such dwellings may be masonry or such other material as may be approved by the Architectural Control Committee.

- f. No dwelling, accessory structure or fence shall be erected or maintained on any Lot until the building plans and specifications for same and a plot plan (accurately showing the topography of the Lot) showing the proposed location of same have been approved by the Architectural Control Committee. This section shall be applicable to initial construction and to alterations, changes and additions at any time subsequently made. Roofs shall be of wood shingle, tile or other material approved by the Architectural Control Committee. In no case shall the Architectural Control Committee's approval of proposed improvements be unreasonably withheld.
- g. No fence, wall or hedge shall be placed on any Lot nearer to the front street than is permitted for the house on said Lot; no fenced wall or hedge shall be placed on any portion of the sites with a greeter height than six feet (6 ") and no wire or woven fence is permitted on any part of any Lot, except as otherwise approved by the Architectural Control Committee.

Should a hedge, shrub, tree, flower or other planting be so placed, or afterwards grown, so as to encroach upon adjoining property, such encroachment shall be removed upon request of the owner of the adjoining property.

- h. All Lots shall be used for single-family residential purposes only. No building shall be erected, altered, placed or permitted to remain on any Lot other than one (1) detached single-family residence per Lot, which residence may not exceed two and one-half (2 1/2) stories in height, and a private garage as provided below.
- i. Each residence may be occupied by only one family consisting of persons related by blood, adoption or marriage or no more than two unrelated persons living together as a single housekeeping unit, together with any household servants.
- j. None of the Lots shall be subdivided into smaller Lots.
- k. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose.
- I. No noxious or offensive act or activity shall be allowed upon any Lots, nor shall anything be done thereon which may become an annoyance or a nuisance to the neighborhood.
- m. No sign shall be erected or maintained on any Lot except a "for sale" sign which sign shall not exceed fifteen (15) square feet in size, or a sign owned by

the Developer or by The Association. (Amended. See Second Amendment to Declaration dated 4/10/00).

- n. No radio, television or other aerial shall extend more than fifteen (15) feet above the highest point of the roof of any building and no such aerial shall be maintained on any Lot not containing a dwelling, except as may be approved by the Architectural Control Committee. T.V. Dishes must not exceed fence height and will be screened from street view.
- o. The garage door of any house or residence within The Properties must open to the rear of the house or as otherwise approved by the Architectural Control Committee. The phrase "open to the rear" as used in the preceding sentence of this Section o. shall be interpreted to mean that the garage door of any house or residence within The Properties must: (1) open to the rear of the house (face the opposite direction from the property line in front of the affected dwelling unit, (2) except for corner lots, open to the side (approximately perpendicular to the property line in front of the affected dwelling unit), or (3) open as otherwise approved by the Architectural Control Committee. In any instance, the garage of any dwelling shall be situated and/or screened with decorative fencing or other materials approved by the Architectural Control Committee whereby the street view into the garage is substantially restricted.
- p. A Lot or any portion of any Lot that is exposed to the public view must be maintained by the property Owner in a neat and orderly fashion. In the event this restriction is not complied with then The Association has the right to cause this maintenance to be done at the expense of the property Owner.
- q. No Lot affected hereby shall be used for the dumping or storage of rubbish, trash, debris, surplus soil or rocks, etc.
- r. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other similar structure shall be erected, maintained or permitted upon any Lot.
- s. No outbuilding shop or trailer or residence of a temporary character shall be permitted. No building material of any kind or character shall be stored upon the lot until the owner is ready to commence improvement.
- t. No boats, trailer, mobile home, camper, boat trailer or similar wheeled vehicle shall be stored (except temporarily, not to exceed 24 hours) nearer to the street than the front of the Living Unit situated thereon. No house trailer, mobile home, camper, boat trailer or similar wheeled vehicle shall be stored or parked on any Lot except in a closed garage or within the fenced, walled or enclosed portion of

such Lot, and any such fence, wall or other enclosure shall be subject to approval by the Architectural Control Committee.

- u. All houses and structures permitted shall be completed within (8) months from date of commencement of construction, or unless otherwise extended by the Architectural Control Committee. No structure shall be occupied unless and until the premises are connected in a proper way with the city sewage system.
- v. Specifically exempted from the provisions of this section are activities by the Developers, carried out in the regular pursuit of construction, maintenance and sales within the subdivision which exemption shall end when all development activity including sales by them are completed.
- w. No vehicle of any size which transports inflammatory or explosive cargo may be kept in the Properties at any time.
- x. Mailboxes shall be constructed of brick or other material and design to match the residence as approved by the Architectural Control Committee.
- y. Each Lot on which a residential Living Unit is constructed shall have and contain an underground water sprinkler system for the purpose of providing sufficient water (to preserve and maintain the landscaping in a healthy and attractive condition) to the front and side yard areas situated outside of fences, walls or hedges.
- z. Each Lot on which a dwelling unit is constructed shall have landscaping, including, but not limited to, shrubs, flowers, trees, ground cover and grass, of a sufficient quality, quantity and design to be compatible with landscaping on adjoining lots and the neighborhood setting intended for The Properties. Landscaping of a Lot shall be completed within one hundred twenty (120) days after the date on which the Living Unit is ninety percent (90%) complete. Lot owners shall use reasonable efforts to preserve, keep and maintain the landscaping in a healthy and attractive condition.
- aa. Each Lot owner shall mow and maintain the landscaping and vegetation on his Lot in such a manner as to control weeds, grass and/or other unsightly growth. If after ten (10) days prior written notice and Owner shall fail to (i) control weeds, grass and/or other unsightly growth; (ii) remove trash, rubble, building and construction debris; or (iii) exercise reasonable care or conduct to prevent or remedy an unclean, untidy or unsightly condition, then Association shall have the easement, authority and right to go onto said Lot for the purpose of mowing and cleaning said Lot and shall have the authority and right to assess and collect from the Lot owner a reasonable fee for mowing and cleaning said Lot on each respective occasion of such mowing or cleaning. The assessments, together with such interest thereon and costs of collection thereof, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such

assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof, shall also be the continuing personal obligation of the person who was the owner of such Lot at the time when the assessment occurred. The lien securing any such assessment shall be subordinate and inferior to the lien of any mortgage or any renewals or extensions thereof existing prior to the assessment date.

- bb. At the time of the initial construction of any Living Unit, each residential dwelling shall include provisions for the installation of smoke detectors and such other safety and security devices which, in the opinion of the Architectural Control Committee, are reasonably required for the individual Living Unit.
- cc. Each Owner of any Lot or dwelling unit in The Properties, shall maintain his Lot and shall construct and maintain all improvements thereon in accordance with the applicable ordinances and regulations of the City of Colleyville, Texas.

ARTICLE VIII

Easements Reserved

- a. No building or other permanent stricture shall be erected or maintained within areas designed on any recorded plat of The Properties as utility and drainage easements except as may be approved by the Architectural Control Committee.
- b. Developer reserves for the use and benefit of the Association a perpetual easement as shown on the recorded plat of The Properties, and of such other additions as may hereafter be covered and included in this Declaration as supplemented for the purpose of erecting a fence of reasonable height and composition. The Homeowners Association shall repair and maintain the fence as needed.
- c. Developer reserves for the use and benefit of the Association a perpetual easement for maintenance purposes, twenty feet (20') in width around the entire shoreline of the lake, shown on any recorded plat of The Properties. In the event that any Lot owner fails to maintain any portion of any lake on his premises, keeping said lake free from any debris, vegetation, sediment or rubbish as required by the character environment of The Properties, the Association, in its sole discretion, may enter such Lot pursuant to the foregoing easement and perform any such maintenance on behalf of the failing Lot owner, and shall have the authority and right to assess and collect from the Lot owner a reasonable fee for mowing, cleaning, or maintaining said lake on each respective occasion of such mowing, cleaning, or maintaining. Any such assessment may be assessed in accordance with the lien and personal obligation provisions of Article V, and personal obligation provisions of Article V, Sections 1, 2, 7, 8, 9, 10 and 11, hereinabove.

ARTICLE IX

General Provisions

Section 1. Duration. The restrictions, covenants and conditions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then owners of Fifty-One Percent (51%) of the Lots or Living Units has been recorded, agreeing to change said restrictions, covenants and conditions in whole or in part; provided, however, that no such agreement to change shall be effective unless made and recorded one (1) year in advance of the effective date of such change and unless written notice of the proposed agreement is sent to every Owner at least thirty (30) days in advance of any action taken.

Section 2. Reserved Rights of Developer. Notwithstanding any other provision hereof, Developer reserves the right (upon application and request of the owner of any Lot) to waive, vary or amend (by an appropriate letter to that effect addressed and delivered to such applicant owner by Developer) the application of any of these covenants and restrictions to such Lot if, in the sole discretion of the Developer such action be necessary to relieve hardship or permit good architectural planning to be affected. Developer also reserves the right:

To redivide and replat any of the property shown on the Plat of any Lot or Unit now or hereafter recorded for any Lot or Unit of The Properties at anytime in question owned by the Developer without any notice or consent of any other owner.

Section 3. Sales Office. Developer may designate the location of a Sales Office for use in offering Lots for sale, and for all purposes incident thereto. Said use is intended as temporary, and shall cease at such time as seventy-five percent (75%) of the Lots in all have been sold and Living Units constructed thereon, or on December 31, 1992, whichever is the later.

Section 4. Invalidation and Severability. The invalidation by any Court of any reservation, covenant and restriction herein or in any contract or deed contained shall not impair the full force and effect of any other reservation, covenant or restriction.

Section 5. Acceptance of Declaration. The provisions hereof are hereby made a part of each contract and deed in respect of any Lot to the same effect as if fully set forth therein, and each such contract and deed shall be conclusively held

to be executed, delivered and accepted upon and subject to the provisions and conditions herein set forth.

Section 6. Interpretation. Developers interpretation of 'the meaning and application of the provisions hereof shall be final and binding on all interested parties at any time in question.

Section 7. Other Committees. Developer may until seventy-five percent (75%) of all Lots in The Properties have been sold and Living Units constructed thereon, or until December 31, 1992, whichever is later, appoint a committee of one or more persons to exercise any or all of the discretionary rights and powers reserved herein to Developer.

Section 8. Assignment. Developer may assign to any person or corporation any or all rights, powers, reservations, easements and privileges herein reserved by and to Developer and any such assignee shall have the same right to so assign.

Section 9. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed postage prepaid to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing.

Section 10. Enforcement. Enforcement of these restrictions, covenants and conditions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any of such restrictions, covenants and conditions, either to restrain violation or to recover damages and against the land to enforce any lien created by these covenants, and failure by the Association or any Owner to enforce any restriction, covenant or condition herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 11. Amendments. Notwithstanding anything hereinabove, these restrictions, covenants and conditions may be amended and/or changed in part as follows:

- a. Prior to December 31, 1992, or when seventy-five percent (75%) of all lots in Lakes of Somerset have been sold and Living Units constructed thereon, whichever is later, developer, at its sole discretion, may amend or change these covenants and restrictions with the consent of at least fifty-one percent (51%) of the outstanding votes of the association; or
- b. After the occurrence of the last of the events described in paragraph a. hereinabove in this Section 11, these covenants and restrictions may be amended or changed upon the express written consent of at least seventy-five percent (75%) of the outstanding votes of the Association.

Section 12. Rules and Regulations. The Developer may adopt certain reasonable rules and regulations, together with sanctions for the violation thereof, to insure maintenance of the character end quality of Lakes of Somerset in harmony with the guidelines set forth in these Restrictive Covenants and Conditions. From time to time, the Association may amend or vary such rules and regulations according to the Bylaws of the Association.