

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
COPPER LAKES, SECTIONS ONE AND TWO

04/18/93 00880839 P290219 \$ 63.00

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

WHEREAS, FM PROPERTIES OPERATING CO. (the "Declarant") is the sole record owner of that certain property known as Copper Lakes, Sections One and Two, subdivisions in Harris County, Texas, according to the map or plat thereof recorded under Film Code Number 356049 and Film Code Number 356059, of the Map Records of Harris County, Texas, respectively, and more particularly described by metes and bounds in Exhibit "A" attached hereto and incorporated herein for all purposes (collectively the "Subdivision"); and

WHEREAS, the Declarant desires to establish a uniform plan for the development, improvement and sale of the Lots in the Subdivision, and to ensure the preservation of such uniform plan for the benefit of both the present and future owners of residential lots in the Subdivision in order to protect and enhance the quality, value, desirability, and attractiveness of all Lots in the Subdivision.

NOW, THEREFORE, THE DECLARANT HEREBY DECLARES AS FOLLOWS:

ARTICLE I
DEFINITIONS

As used in this Declaration, the terms set forth below shall have the following meanings:

SECTION 1.1. ANNUAL ASSESSMENT - The assessments levied pursuant to Article VII hereof for managing, maintaining, operating, repairing, and insuring the Common Area, and other purposes set out in this Declaration.

SECTION 1.2. ARCHITECTURAL CONTROL COMMITTEE - The Architectural Control Committee established and empowered in accordance with Article IV of this Declaration.

SECTION 1.3. ARTICLES OF INCORPORATION - The Articles of Incorporation of the Association.

SECTION 1.4. ASSOCIATION - COPPER LAKES HOMEOWNERS ASSOCIATION, a Texas non-profit corporation, its successors and/or assigns.

SECTION 1.5. ASSESSMENT - An Annual Assessment, a Special Assessment, or a Reimbursement Assessment.

SECTION 1.6. BOARD OR BOARD OF DIRECTORS - The Board of Directors of the Association as elected in accordance with the Articles of Incorporation and the Bylaws.

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SECTION 1.7. BUILDER - Each Owner who is in the construction business or Person who regularly engages in the construction business who is constructing Improvements for an Owner.

SECTION 1.8. BYLAWS - The Bylaws of the Association, as same may be amended from time to time.

SECTION 1.9. COMMON AREAS - All of the Subdivision other than the Lots and the unrestricted reserves shown on the Plat, together with any other common areas described on the Plat. The Common Area may be owned by (a) the Association for the benefit of and for the common use and enjoyment of the Owners of Lots in the Subdivision; or (b) Declarant, for the common use and enjoyment by those Owners of Lots in the Subdivision entitled to use such Common Area, until such time as Declarant conveys fee simple title to such Common Area to the Association.

SECTION 1.10. DECLARANT - Shall mean and refer to FM Properties Operating Co., its successors and assigns so designated in writing by FM Properties Operating Co. No person or entity merely providing loans to or purchasing (in the ordinary course of such purchaser's business) one or more Lots from FM Properties Operating Co. shall be considered a "Declarant".

SECTION 1.11. DECLARATION - The covenants, conditions, restrictions, easements, reservations and stipulations that shall be applicable to and govern the improvement, use, occupancy, and conveyance of all the Lots in the Subdivision set out in this instrument or any amendment thereto.

SECTION 1.12. DWELLING UNIT - A residential building designed for, and limited and restricted to, occupancy by a single family on a Lot, not including an accessory building or garage.

SECTION 1.13. ELECTION DATE - The earliest of the dates when (a) Declarant shall have sold all of its interests in all of the Lots in the Subdivision; (b) ten (10) years have lapsed from the date of recordation of this Declaration; or (c) Declarant by written notice to the Board notifies the Board of its election to cause the Election Date to occur.

SECTION 1.14. IMPROVEMENT TO PROPERTY - Includes, without limitation: (a) the construction, installation or erection of any building, structure, fence, or other Improvement, including utility facilities; (b) the demolition or destruction, by voluntary action, of any building, structure, fence, or other Improvements; (c) the grading, excavation, filling, or similar disturbance to the surface of any Lot, including, without limitation, change of grade, change of ground level, change of drainage pattern, or change of stream bed; (d) installation or changes to the landscaping on any Lot; and (e) any exterior modification, expansion, change or alteration of any previously approved Improvement to Property, including any change of exterior appearance, color, or texture not expressly permitted by this Declaration, Minimum Construction Standards, or the Rules and Regulations.

SECTION 1.15. IMPROVEMENTS - All structures and any appurtenances thereto of every type or kind, which are visible on a Lot, including, but not limited to: buildings, outbuildings, swimming pools, spas, hot tubs, patio covers, awnings, painting of any exterior surfaces of any visible structure, additions, sidewalks, walkways, sprinkler pipes, garages, carports, roads, driveways, parking areas, fences, screening, walls, retaining walls, stairs, decks, fixtures, windbreaks, poles, signs, exterior tanks, exterior air conditioning fixtures and equipment, water softener fixtures, exterior lighting, recreational equipment or facilities, radio, conventional or cable or television antenna or dish, microwave television antenna, and landscaping that is placed on and/or visible from any Lot.

SECTION 1.16. LOT - Each of the lots shown on the map or plat of the Subdivision.

SECTION 1.17. MAINTENANCE FUND - Any accumulation of the annual maintenance charges collected by the Association in accordance with the provisions of this Declaration and any Supplemental Declaration annexing additional residential property to the Subdivision and interest, penalties, assessments and other sums and revenues collected by the Association pursuant to the provisions of this Declaration and any such Supplemental Declaration.

SECTION 1.18. MEMBER OR MEMBERS - All Owners of Lots who are members of the Association as provided in Article III of this Declaration and any Supplemental Declaration annexing additional residential property to the Subdivision.

SECTION 1.19. MINIMUM CONSTRUCTION STANDARDS - Minimum Construction Standards, as amended from time to time or otherwise approved by the Architectural Control Committee, shall mean and refer to those guidelines and standards the Architectural Control Committee is empowered to adopt governing the Improvement to Property.

SECTION 1.20. MORTGAGE - A security interest, mortgage, deed of trust, or lien instrument voluntarily granted by an Owner of a Lot to secure the payment of a loan made to such Owner, duly recorded in the office of the County Clerk of Harris County, Texas, and creating a lien or security interest encumbering a Lot and some or all improvements thereon.

SECTION 1.21. MORTGAGEE - A mortgagee under a Mortgage or a beneficiary under a deed of trust, as the case may be, and the assignees of any such mortgagee or beneficiary.

SECTION 1.22. OWNER - Any Person, firm, corporation or other entity, including Declarant or any combination thereof that is the record owner of fee simple title to a Lot, including contract sellers, but excluding those having an interest merely as a security for the performance of an obligation.

SECTION 1.23. PERSON - A natural person, a corporation, a partnership, or any other legal entity.

SECTION 1.24. PLAT - The official plat of Copper Lakes, Section One, filed of record under Film Code Number 356049 of the Map Records of Harris County, Texas, and any replat of Copper Lakes, Section One, and the official plat of Copper Lakes, Section Two, filed of record under Film Code Number 356059, of the Map Records of Harris County, Texas, and any replat of Copper Lakes, Section Two.

SECTION 1.25. PLANS - The final construction plans and specifications (including a related site plan) of any Dwelling Unit, building or improvement of any kind to be erected, placed, constructed, maintained or altered on any portion of the Property.

SECTION 1.26. PROPERTY - All of that certain property known as Copper Lakes, Section One, a subdivision according to the map or plat thereof recorded under Film Code Number 356049 of the Map Records of Harris County, Texas, and Copper Lakes, Section Two, a subdivision according to the map or plat thereof recorded under Film Code Number 356059 of the Map Records of Harris County, Texas.

SECTION 1.27. REIMBURSEMENT ASSESSMENT - A charge against a particular Owner and its Lot for the purpose of reimbursing the Association for expenditures and other costs of the Association incurred in curing any violation, directly attributable to the Owner, of this Declaration or the Rules and Regulations, pursuant to Section 7.8 hereof.

SECTION 1.28. RULES AND REGULATIONS - Such rules and regulations as the Association may promulgate from time to time with respect to the Subdivision, which may include reasonable provisions for fines for violation of such Rules and Regulations.

SECTION 1.29. SPECIAL ASSESSMENT - A charge against each Owner and his Lot representing a portion of the cost to the Association for the purpose of funding major capital repairs, maintenance, and replacement of Improvements, imposed pursuant to Section 7.4 hereof.

SECTION 1.30. SUBDIVISION - All the certain real property located within Harris County, Texas, as reflected on the Plat.

ARTICLE II

ESTABLISHMENT OF GENERAL PLAN

Section 2.1. GENERAL PLAN AND DECLARATION - This Declaration is hereby established pursuant to and in furtherance of a common and general plan for the improvement and sale of Lots within the Subdivision and for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Subdivision. Declarant, for itself, its successors, and assigns, hereby declares that the Subdivision and each part thereof shall be owned, held, transferred, conveyed, sold, leased, rented, hypothecated, encumbered, used, occupied, maintained, altered, and improved subject to the covenants, conditions, restrictions, limitations, reservations, easements, exceptions, equitable servitudes, and other provisions set forth in this Declaration, for the duration thereof. The Lots and Common Area in the Subdivision shall be subject to the jurisdiction of the Association.

Section 2.2. EQUITABLE SERVITUDES - The covenants, conditions, restrictions, limitations, reservations, easements, and exceptions of this Declaration hereby are imposed as equitable servitudes upon each Lot, and the Common Areas within the Subdivision, as a servient estate, for the benefit of each and every other Lot and parcel of Common Area within the Subdivision, as the dominant estate.

Section 2.3. COVENANTS APPURTENANT - The covenants, conditions, restrictions, limitations, reservations, easements, exceptions, equitable servitudes, and other provisions set forth in this Declaration shall run with, and shall inure to the benefit of and shall be binding upon, all of the Subdivision, and each Lot therein, and shall be binding upon and inure to the benefit of: (a) the Subdivision; (b) Declarant and its successors and assigns; (c) the Association and its successors and assigns; and (d) all Persons having, or hereafter acquiring, any right, title, or interest in all or any portion of the Subdivision and their heirs, executors, successors, and assigns.

ARTICLE III

MANAGEMENT AND OPERATION OF SUBDIVISION

SECTION 3.1. MANAGEMENT BY ASSOCIATION - The affairs of the Subdivision shall be administered by the Association. The Association shall have the right, power and obligation to provide for the management, acquisition, construction, maintenance, repair, replacement, administration, and operation of the Subdivision as herein provided for and as provided for in the Articles of Incorporation, Bylaws, and the Rules and Regulations. In the event of any conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation shall control; and in the event of a conflict between the Articles of Incorporation or the Bylaws and the provisions of the Declaration, the provisions of the Declaration shall control. The business and affairs of the Association shall be managed by its Board of Directors, unless otherwise reserved to the Members of the Association by law, the terms of the

Declaration, Articles of Incorporation, or the Bylaws. It shall be the responsibility of each Owner or occupant of a Dwelling Unit to obtain copies of and become familiar with the terms of the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations and Minimum Construction Standards.

The Association, acting through the Board, shall be entitled to enter into such contracts and agreements concerning the Subdivision as the Board deems reasonably necessary or appropriate to maintain and operate the Subdivision in accordance with the Declaration, including without limitation, the right to enter into agreements with adjoining or nearby land owners or governmental entities on matters of maintenance, trash pick-up, repair, administration, security, traffic, operation of recreational facilities, or other matters of mutual interest. In addition to other powers granted the Board of Directors herein or in the Articles of Incorporation, the Board of Directors of the Association shall also have the power to create procedures for resolving disputes between Owners or occupants of Dwelling Units, including appointment of committees to consider or reconsider resolutions of any disputes.

SECTION 3.2. BOARD OF DIRECTORS - The number, term, and qualifications of the members of the Board of Directors shall be governed by the Articles of Incorporation and the Bylaws.

SECTION 3.3. MEMBERSHIP IN ASSOCIATION - Each Owner, whether one Person or more of a Lot shall, upon and by virtue of becoming such Owner, automatically become and shall remain a Member of the Association until ownership of the Lot ceases for any reason, at which time the membership in the Association shall also automatically cease. Membership in the Association shall be appurtenant to and shall automatically follow the ownership of each Lot and may not be separated from such ownership. Provided, however, prior to changing the name of the Owner of any Lot on the membership rolls of the Association, the Association or its managing agent (if authorized by the Board of Directors) may charge a transfer fee or processing fee when ownership to any Lot changes or the Mortgage on the Lot is refinanced. Membership in the Association shall not include persons having an interest merely as a security for the performance of an obligation.

SECTION 3.4. VOTING OF MEMBERS - The Association shall have two classes of membership.

Class A. Class A Members shall be all those Owners as defined in Section 3.3, with the exception of Declarant. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership in Section 3.3. When more than one person holds interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B Member shall be Declarant, its successors and assigns. The Class B Member shall be entitled to five (5) votes for each Lot in which it holds the interest required for membership by Section 3.3; provided, however, that in the event Declarant seeks and obtains approval for FHA financing within the Subdivision, the number of votes entitled to be cast by the Class B Member for each Lot Owner shall automatically be reduced to three (3). Provided further that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following event, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or
- (b) January 1, 2004.

SECTION 3.5. POWER TO ADOPT RULES AND REGULATIONS - The Association, through its Board of Directors, may adopt, amend, repeal, and enforce Rules and Regulations, fines, levies, and enforcement provisions as it deems necessary or desirable with respect to the interpretation and implementation of the Declaration, the operation of the Association, the use and enjoyment of the Common Areas, and the use of any other property within the Subdivision, including Lots. Any such Rules and Regulations shall be reasonable and uniformly applied to all Members and their family, tenants, and guests. Such Rules and Regulations shall be effective only upon adoption by resolution of the Board of Directors. Notice of the adoption, amendment, or repeal of any Rule and Regulation shall be given by depositing in the regular mail to each Member at the last known address of such Member according to the records of the Association a copy of such Rule or Regulation. Copies of the currently effective Rules and Regulations shall be made available to each Member upon request and payment of the reasonable expense of copying the same. Each Member shall comply with such Rules and Regulations and shall see that Persons claiming through such Member as a tenant, guest or otherwise shall comply with such Rules and Regulations. Such Rules and Regulations shall have the same force and effect as if they were set forth in and were part of this Declaration. In the event of conflict between the Rules and Regulations and the provisions of this Declaration, the provisions of this Declaration shall prevail.

SECTION 3.6. POWER TO ENFORCE DECLARATION AND RULES AND REGULATIONS - The Association shall have the power to enforce the provisions of this Declaration and any Rules and Regulations and shall take such action as the Board deems necessary or desirable to cause compliance by each Member and each Member's family, guests, or tenants. Without limiting the generality of the foregoing, the Association shall have the power to enforce the provisions of this Declaration and of the Rules and Regulations of the Association by any one or more of the following means: (a) by entry upon any Lot within the Subdivision after notice (unless a bona fide emergency exists in which event this right of entry may be exercised without notice [written or oral] to the Owner, but in such manner as to avoid any unreasonable or unnecessary interference with the lawful possession, use, or enjoyment of the Improvements situated thereon by the Owner or any other Person), without liability by the Association to the Owner thereof, for the purpose of enforcement of this Declaration or Rules and Regulations, as more particularly described in Section 12.6 hereof; (b) by commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration or the Rules and Regulations, by mandatory injunction or otherwise; (c) by commencing and maintaining actions and suits to recover damages for breach of any of the provisions of this Declaration or the Rules and Regulations; (d) by exclusion, after notice, of any Member or Member's family, guests, or tenants from use of any recreational facilities in the Common Areas during and for up to sixty (60) days following any breach of this Declaration or such Rules and Regulations by such Member or Member's family, guests, or tenants, unless the breach is a continuing breach in which case, such exclusion shall continue for so long as such breach continues; (e) by suspension, after notice, of the voting rights of a Member during and for up to sixty (60) days following any breach by such Member or Member's family, guests, or tenants, of this Declaration or such Rules and Regulations unless the breach is a continuing breach in which case such suspension shall continue for so long as such breach continues; (f) by levying and collecting, after notice, a Reimbursement Assessment against any Member for breach of this Declaration or such Rules and Regulations by such Member or Member's family, guests, or tenants; and (g) by levying and collecting, after notice, reasonable and uniformly applied fines and penalties, established in advance in the Rules and Regulations of the Association, from any Member or Member's family, guests, or tenants, for breach of this Declaration or such Rules and Regulations by such Member or Member's family, guests, or tenants.

SECTION 3.7. BOARD ACTIONS IN GOOD FAITH - Any action, inaction or omission by the Board made or taken in good faith shall not subject the Board or any individual member of the Board to any liability to the Association, its members or any other party.

SECTION 3.8. POWER TO GRANT EASEMENTS - Declarant, while Declarant owns the Common Area and thereafter the Association, shall have the power to grant access, utility, drainage, water, facility, cable television, and other such easements in, on, over, or under the Common Areas.

ARTICLE IV
ARCHITECTURAL APPROVAL

SECTION 4.1. ARCHITECTURAL CONTROL COMMITTEE. As used in this Declaration, the term "Architectural Control Committee" shall mean a committee of three (3) members, all of whom shall be appointed by Declarant, except as otherwise set forth herein. Declarant shall have the continuing right to appoint all three (3) members until the earlier of (a) the date the last Lot owned by Declarant is sold (except in connection with a conveyance to another party that is a successor as Declarant), or (b) such date as the Declarant elects to discontinue such right of appointment by written notice to the Board. Thereafter, the Board shall have the right to appoint all members. Members of the Architectural Control Committee may, but need not be, Members of the Association. Members of the Architectural Control Committee appointed by Declarant may be removed at any time and shall serve until resignation or removal by Declarant. The initial Members of the Architectural Control Committee are Michael Myers, Curtis Hawley and Ken Belanger. Members of the Architectural Control Committee appointed by the Board may be removed at any time by the Board, and shall serve for such term as may be designated by the Board or until resignation or removal by the Board. The Architectural Control Committee shall have the right to designate a Committee Representative by recordation of a notice of appointment in the Official Public Records of Real Property of Harris County, Texas, which notice must contain the name, address, and telephone number of the Committee Representative. All third parties shall be entitled conclusively to rely upon such person's actions as the actions of the Architectural Control Committee itself until such time as the Architectural Control Committee shall record a notice of revocation of such appointment in the Official Public Records of Real Property of Harris County, Texas.

SECTION 4.2. APPROVAL OF IMPROVEMENTS REQUIRED - The approval of a majority of the members of the Architectural Control Committee or the approval of the "Committee Representative" (as hereinafter defined) shall be required for any Improvement to Property before commencement of construction of such Improvement to Property, other than an Improvement to Property made by Declarant.

SECTION 4.3. ADDRESS OF COMMITTEE - The address of the Architectural Control Committee shall be at the principal office of the Association.

SECTION 4.4. SUBMISSION OF PLANS - Before commencement of work to accomplish any proposed Improvement to Property, the Applicant proposing to make such Improvement to Property shall submit to the Architectural Control Committee at its offices copies of such descriptions, surveys, plot plans, drainage plans, elevation drawings, construction plans, specifications, and samples of materials and colors as the Architectural Control Committee reasonably shall request, showing the nature, kind, shape, height, width, color, materials, and location of the proposed Improvement to Property, as may be more particularly described from time to time in any Minimum Construction Standards adopted by the Architectural Control Committee. The Architectural Control Committee may require submission of additional plans, specifications, or other information before approving or disapproving the proposed Improvement to Property. Until receipt by the Architectural Control Committee of all required materials in connection with the proposed Improvement to Property, the Architectural Control Committee may postpone review of any materials submitted for approval.

SECTION 4.5. CRITERIA FOR APPROVAL - The Architectural Control Committee shall approve any proposed Improvement to Property only if it determines in its reasonable discretion that the Improvement to Property in the location indicated will not be detrimental to the appearance of the surrounding areas of the Subdivision as a whole; that the appearance of the proposed Improvement to Property will be in harmony with the surrounding areas of the Subdivision, including, without limitation, quality and color of materials and location with respect to topography and finished grade elevation; that the Improvement to Property will comply with the provisions of this Declaration and any applicable plat, ordinance, governmental rule, or regulation; that the Improvements to Property will not detract from the beauty, wholesomeness, and attractiveness of the Subdivision or the enjoyment thereof by Owners; and that the upkeep and maintenance of the proposed Improvement to Property will not become a burden on the Association. The Architectural Control Committee is specifically granted the authority to disapprove proposed Improvements because of the unique characteristics or configuration of the Lot on which the proposed Improvement would otherwise be constructed, even though the same or a similar type of Improvement might or would be approved for construction on another Lot. The Architectural Control Committee may condition its approval of any proposed Improvement to Property upon the making of such changes thereto as the Architectural Control Committee may deem appropriate.

SECTION 4.6. MINIMUM CONSTRUCTION STANDARDS - The Architectural Control Committee from time to time may supplement or amend the Minimum Construction Standards, which provides an outline of minimum acceptable construction standards; provided, however, that such outline will serve as a minimum guideline only and the Architectural Control Committee may impose other requirements in connection with its review of any proposed Improvements. If the Minimum Construction Standards impose requirements that are more stringent than the provisions of this Declaration, the provisions of the Minimum Construction Standards shall control.

SECTION 4.7. ARCHITECTURAL REVIEW FEE - The Architectural Control Committee may, in its Minimum Construction Standards, provide for the payment of a fee to accompany each request for approval of any proposed Improvement to Property and to cover the cost of inspecting and reinspecting any Improvement to Property. The Architectural Control Committee may provide that the amount of such fee shall be uniform for similar types of any proposed Improvement to Property or that the fee shall be determined in any other reasonable manner, such as based upon the reasonable cost of the proposed Improvement to Property.

SECTION 4.8. DECISION OF COMMITTEE - The decision of the Architectural Control Committee shall be made within thirty (30) days after receipt by the Architectural Control Committee of all materials required by the Architectural Control Committee. The decision shall be in writing and, if the decision is not to approve a proposed Improvement to Property, the reasons therefor shall be stated. The decision of the Architectural Control Committee promptly shall be transmitted to the Applicant at the address furnished by the Applicant to the Architectural Control Committee.

SECTION 4.9. APPEAL TO ASSOCIATION BOARD - If the Architectural Control Committee denies or refuses approval of a proposed Improvement to Property, the Applicant may appeal to the Board of Directors by giving written notice of such appeal to the Association and the Architectural Control Committee within twenty (20) days after such denial or refusal. The Board of Directors shall hear the appeal with reasonable promptness after reasonable notice of such Notice and Hearing to the Applicant and the Architectural Control Committee and shall decide with reasonable promptness whether or not the proposed Improvement to Property shall be approved. The decision of the Board of Directors shall be final and binding on all Persons.

SECTION 4.10. FAILURE OF COMMITTEE TO ACT ON PLANS - Any request for approval of a proposed Improvement to Property shall be deemed approved by the Architectural Control

Committee, unless disapproval or a request for additional information or materials is transmitted to the Applicant by the Architectural Control Committee within thirty (30) days after the date of receipt by the Architectural Control Committee of all required materials, provided, however, that no such deemed approval shall operate to permit any Owner to construct or maintain any Improvement to Property that violates any provision of this Declaration or the Minimum Construction Standards. The Architectural Control Committee shall at all times retain the right to object to any Improvement to Property that violates any provision of this Declaration or the Minimum Construction Standards.

SECTION 4.11. PROSECUTION OF WORK AFTER APPROVAL - After approval of any proposed Improvement to Property, the proposed Improvement to Property shall be accomplished as promptly and diligently as possible and in strict conformity with the description of the proposed Improvement to Property in the materials submitted to the Architectural Control Committee. Failure to complete the proposed Improvement to Property within nine (9) months after the date of approval or such other period of time as shall have been authorized in writing by the Architectural Control Committee (unless an extension has been granted by the Architectural Control Committee in writing) or to complete the Improvements to Property in strict conformity with the description and materials furnished to the Architectural Control Committee, shall operate automatically to revoke the approval by the Architectural Control Committee of the proposed Improvement to Property. No Improvement to Property shall be deemed completed until the exterior fascia and trim on the structure has been applied and finished and all construction materials and debris have been cleaned up and removed from the site and all rooms in the Dwelling Unit, other than attics, have been finished. Removal of materials and debris shall not take in excess of thirty (30) days following completion of the exterior.

SECTION 4.12. INSPECTION OF WORK - The Architectural Control Committee or its duly authorized representative shall have the right to inspect any Improvement to Property before or after completion, provided that the right of inspection shall terminate once the Improvement to Property becomes occupied.

SECTION 4.13. NOTICE OF NONCOMPLIANCE - If, as a result of inspections or otherwise, the Architectural Control Committee finds that any Improvement to Property has been constructed or undertaken without obtaining the approval of the Architectural Control Committee, or has been completed other than in strict conformity with the description and materials furnished by the Applicant to the Architectural Control Committee, or has not been completed within the required time period after the date of approval by the Architectural Control Committee, the Architectural Control Committee shall notify the Applicant in writing of the noncompliance ("Notice of Noncompliance"). The Notice of Noncompliance shall specify the particulars of the noncompliance and shall require the Applicant to take such action as may be necessary to remedy the noncompliance within the reasonable period of time set forth therein.

SECTION 4.14. FAILURE OF COMMITTEE TO ACT AFTER NOTICE OF COMPLETION - If, for any reason other than the Applicant's act or neglect, the Architectural Control Committee fails to notify the Applicant of any noncompliance prior to the occupancy of the Improvement to Property, the Improvement to Property shall be deemed in compliance; provided, however, that no such deemed approval shall operate to permit any Owner to construct or maintain any Improvement to the Property that violates any provision of this Declaration or the Minimum Construction Standards. The Architectural Control Committee shall at all times retain the right to object to any Improvement to Property that violates this Declaration or the Minimum Construction Standards.

SECTION 4.15. APPEAL TO BOARD OF FINDING OF NONCOMPLIANCE - If the Architectural Control Committee gives any Notice of Noncompliance, the Applicant may appeal to the Board of Directors by giving written notice of such appeal to the Board and the Architectural Control

Committee within thirty (30) days after receipt of the Notice of Noncompliance by the Applicant. Additionally, if, after a Notice of Noncompliance, the Applicant fails to commence diligently to remedy such noncompliance, the Architectural Control Committee shall request a finding of noncompliance by the Board of Directors by giving written notice of such request to the Association and the Applicant within thirty (30) days after delivery to the Applicant of a Notice of Noncompliance from the Architectural Control Committee. In either event, the Board of Directors shall hear the matter with reasonable promptness after reasonable notice of such Notice and Hearing to the Applicant and the Architectural Control Committee and shall decide, with reasonable promptness, whether or not there has been such noncompliance and, if so, the nature thereof and required corrective action. The decision of the Board of Directors shall be final and binding on all Persons.

SECTION 4.16. CORRECTION OF NONCOMPLIANCE - If the Board of Directors determines that a noncompliance exists, the Applicant shall remedy or remove the same within a period of not more than forty-five (45) days from the date of receipt by the Applicant of the ruling of the Board of Directors. If the Applicant does not comply with the Board ruling within such period, the Board may, at its option but with no obligation to do so, (a) record a Notice of Noncompliance against the real property on which the noncompliance exists in the Official Public Records of Real Property of Harris County, Texas; (b) remove the noncomplying Improvement to Property; and/or (c) otherwise remedy the noncompliance (including, if applicable, completion of the Improvement in question), and, if the Board elects to take any action with respect to such violation, the Applicant shall reimburse the Association upon demand for all expenses incurred therewith. If such expenses are not promptly repaid by the Applicant or Owner to the Association, the Board may levy a Reimbursement Assessment for such costs and expenses against the Owner of the Lot in question. The permissive (but not mandatory) right of the Association to remedy or remove any noncompliance (it being understood that no Owner may require the Board to take such action) shall be in addition to all other rights and remedies that the Association may have at law, in equity, under this Declaration, or otherwise.

SECTION 4.17. NO IMPLIED WAIVER OR ESTOPPEL - No action or failure to act by the Architectural Control Committee or by the Board of Directors shall constitute a waiver or estoppel with respect to future action by the Architectural Control Committee or the Board of Directors with respect to any Improvement to Property. Specifically, the approval by the Architectural Control Committee of any Improvement to Property shall not be deemed a waiver of any right or an estoppel against withholding approval or consent for any similar Improvement to Property or any similar proposals, plans, specifications, or other materials submitted with respect to any other Improvement to Property by such Person or otherwise.

SECTION 4.18. POWER TO GRANT VARIANCES - The Architectural Control Committee may authorize variances from compliance with any of the provisions of Article V of this Declaration (except for the provisions relating to single family residential construction and use), including restrictions upon placement of structures, the time for completion of construction of Improvements to Property, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic, environmental, or other relevant considerations may require. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Architectural Control Committee. Notwithstanding anything contained in this Declaration to the contrary, the Committee Representative shall not have the power to grant a variance. If any such variance is granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall the granting of any variance affect the jurisdiction of the Architectural Control Committee other than with respect to the subject matter of the variance, nor shall the granting of a variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned.

SECTION 4.19. COMPENSATION OF ARCHITECTURAL CONTROL COMMITTEE MEMBERS - The members of the Architectural Control Committee shall be entitled to reimbursement by the Association for reasonable expenses incurred by them in the performance of their duties hereunder as the Board from time to time may authorize or approve.

SECTION 4.20. RECORDS OF ACTION - The Architectural Control Committee shall report in writing to the Board of Directors all final action of the Architectural Control Committee and the Board shall keep a permanent record of such reported action.

SECTION 4.21. ESTOPPEL CERTIFICATES - The Board of Directors, upon the reasonable request of any interested party and after confirming any necessary facts with the Architectural Control Committee, shall furnish a certificate with respect to the approval or disapproval of any Improvement to Property or with respect to whether any Improvement to Property was made in compliance herewith. Any Person, without actual notice of any falsity or inaccuracy of such a certificate, shall be entitled to rely on such certificate with respect to all matters set forth therein.

SECTION 4.22. NONLIABILITY FOR ARCHITECTURAL CONTROL COMMITTEE ACTION - None of the members of the Architectural Control Committee, any Committee Representative, the Association, any member of the Board of Directors, or Declarant shall be liable for any loss, damage, or injury arising out of or in any way connected with the performance of the duties of the Architectural Control Committee, except to the extent caused by the willful misconduct or bad faith of the party to be held liable. In reviewing any matter, the Committee shall not be responsible for reviewing, nor shall its approval of an Improvement to Property be deemed approval of, the Improvement to Property from the standpoint of safety, whether structural or otherwise, or conformance with building codes, or other governmental laws or regulations. Furthermore, none of the members of the Architectural Control Committee, the Committee Representative, any member of the Board of Directors, or Declarant shall be personally liable for debts contracted for or otherwise incurred by the Association or for any torts committed by or on behalf of the Association, or for a tort of another of such individuals, whether such other individuals were acting on behalf of the Association, the Architectural Control Committee, the Board of Directors, or otherwise. Finally, neither Declarant, the Association, the Board, the Architectural Control Committee, or their officers, agents, members, or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, Improvements, or portion thereof, or for failure to repair or maintain the same.

SECTION 4.23. CONSTRUCTION PERIOD EXCEPTION - During the course of actual construction of any permitted structure or Improvement to Property, and provided construction is proceeding with due diligence, the Architectural Control Committee may temporarily suspend the provisions of Articles V and VI contained in this Declaration as to the property upon which the construction is taking place to the extent necessary to permit such construction; provided, however, that during the course of any such construction, nothing shall be done that will result in a violation of any of the provisions of this Declaration upon completion of construction or that will constitute a nuisance or unreasonable interference with the use and enjoyment of other property within the Subdivision.

ARTICLE V **ARCHITECTURAL RESTRICTIONS**

SECTION 5.1. DWELLING UNIT SIZE - The ground floor area of any one story Dwelling Unit, exclusive of porches and garages, shall contain not less one thousand two hundred (1,200) square feet. The ground floor area of any one and one-half story and two story Dwelling Units, exclusive of porches and garages, shall contain not less than nine hundred (900) square feet, and the total living area of any one and one-half or two story single family dwelling, exclusive of porches and

garages shall contain not less than one thousand three hundred (1,300) square feet.

SECTION 5.2. HEIGHT AND CHARACTER OF DWELLING UNIT - No Dwelling Unit shall be erected, altered, or permitted to remain on any Lot other than one Dwelling Unit used for single family residential purposes only, as provided in Section 6.2, and not to exceed the lesser of two (2) stories or forty-five (45) feet above the level of the street in front of the Lot in question, and a fully enclosed garage as provided in Section 5.5 and other bona fide servants quarters; provided, however, that the servants quarters' structure may not exceed the main dwelling in height. Provided further that it shall be permissible to have third-level living space in the Dwelling Unit completely under a sloped roof with dormers or gables or additional levels beneath ground level in the Dwelling Unit, garage, or servant's quarters, so long as the maximum height of the buildings does not exceed forty-five (45) feet.

SECTION 5.3. LOCATION OF DWELLING UNIT - Except as may be authorized in writing by the Architectural Control Committee, no Dwelling Unit or Improvement shall be located nearer to the front Lot line nor nearer to any side or rear Lot line than as permitted by the recorded plat of the Subdivision. To provide for uniformity and proper utilization of the building area within the Lots, residences or appurtenant structures on a Lot shall not be less than five (5) feet from the residence or appurtenant structure on any contiguous Lot(s). Roofs on the zero setback line, if any, shall be constructed in such a manner as not to drain on to the adjacent Lot. No windows, doors or other openings may be placed in the first floor wall built on any zero setback line shown on the Plat and no windows, doors or other openings may be placed in the second floor wall built on or parallel to any zero setback line shown on the Plat; provided, however, glass blocks/bricks, as approved by the Architectural Control Committee, are allowed.

SECTION 5.4. USE OF TEMPORARY STRUCTURES - No structure of a temporary character, whether trailer, basement, tent, shack, garage, barn, or other outbuilding shall be maintained or used on any Lot at any time as a residence, or for any other purpose, either temporarily or permanently; provided, however, that Declarant reserves the exclusive right to erect, place and maintain such facilities in or upon any portions of the Subdivision as in its sole discretion may seem necessary or convenient while selling Lots, selling or constructing residences, or constructing other Improvements within the Subdivision. The right to use temporary structures in connection with the construction of Improvements may be assigned from time to time, in whole or in part, by Declarant to Builders. All permitted temporary structures shall be properly maintained.

SECTION 5.5. CARPORTS/GARAGES - No carports shall be constructed on any Lot without the prior written consent of the Architectural Control Committee. All garages shall be: (a) fully operable; (b) capable of housing at least two (2) automobiles; and, (c) enclosed by garage doors which must be kept in the closed position when the garage is not being used by the Owner or occupant. The garage portion of any model home may be used by Builders for sales purposes, storage purposes, and other related purposes. Upon (or before) the sale of any such model home to the first purchaser thereof, the garage portion of the model home shall be converted to a fully enclosed garage with garage doors by the Builder. If the garage portion of the model home is not converted to a fully enclosed garage with garage doors by the Builder upon the sale of such model home, it shall be the obligation of the first purchaser of the model home and each subsequent Owner of the lot (if not done by the first purchaser) to convert the garage portion of the model home to a fully enclosed garage with garage doors.

SECTION 5.6. DRIVEWAYS - Unless the Architectural Control Committee agrees otherwise, each Lot shall have driveway access to the street on which the Dwelling Unit constructed thereon faces. Subject to the foregoing limitations, the Owner of each Lot shall construct and maintain at his expense a driveway from his garage to an abutting street.

SECTION 5.7. ROOFS - All roofs shall be approved by the Architectural Control Committee in writing.

SECTION 5.8. GRASS, SHRUBBERY AND LANDSCAPING - Prior to sale thereof, each Lot with a residence thereon shall be sodded with grass, and all areas visible from any street shall be landscaped with shrubbery of types and quantities approved by the Architectural Control Committee. All grass and shrubbery shall be maintained by the Owner of the Lot. Each Lot shall have a minimum of two (2) trees in the front portion of the Lot.

SECTION 5.9. ANTENNAS - No electronic antenna or device of any type for transmitting or receiving electronic signals shall be erected, constructed, or placed on the exterior of any Dwelling Unit or Improvement constructed on any Lot in the Subdivision or free standing on any Lot. No radio or television signals or any other form of electromagnetic radiation shall be permitted to originate from any Lot that unreasonably interferes with the reception of television or radio signals upon any other Lot.

SECTION 5.10. FLAGPOLES - No flagpole shall be permanently erected on any Lot. A temporary flagpole approved by the Architectural Control Committee may be erected on a Lot with a model home until such time that the Lot on which the model home is situated is sold.

SECTION 5.11. EXTERIOR LIGHTING - All exterior lighting must first be approved by the Architectural Control Committee.

SECTION 5.12. SOUND DEVICES - No horns, whistles, bells, or other sound devices, except for security systems used exclusively to protect the Dwelling Unit, shall be placed or used on any Lot or Improvements. This paragraph shall not preclude the use of outdoor speakers for hi-fis, stereos, or radios if the sound level is maintained at a reasonably low level with respect to adjoining property.

SECTION 5.13. WINDOW TREATMENT - No window in any Dwelling Unit or other Improvement that is visible from any other Lot or a street may be covered with any aluminum foil or other reflective material. Window coverings must be compatible with the design and color of the Dwelling Unit and the overall appearance of the Subdivision. The Architectural Control Committee shall have the sole authority to determine whether particular window coverings are compatible with the design and color of the Dwelling Unit and the overall appearance of the Subdivision.

SECTION 5.14. AIR CONDITIONERS - No window, roof or wall type air conditioner that is visible from any street or any other Lot, shall be used, placed or maintained on or in any Dwelling Unit, garage or other Improvement.

SECTION 5.15. WALLS AND FENCES - The construction or installation of walls and fences, (including the location thereof) by Owners shall be subject to approval by the Architectural Control Committee in accordance with the provisions of this Declaration and any Minimum Construction Standards. The Owner shall be responsible for maintaining and repairing all walls and fences installed by an Owner.

SECTION 5.16. DISPOSAL UNIT REQUIREMENTS - Each kitchen in each residential dwelling or servant's quarters situated on any Lot shall be equipped with a garbage disposal unit, which garbage disposal unit at all times shall be kept in a serviceable condition.

SECTION 5.17. REMOVAL OF TRASH AND DEBRIS DURING CONSTRUCTION - During the construction, repair, and restoration of Improvements, each Builder shall remove and haul from the Lots all tree stumps, tree-limbs, branches, underbrush, and all other trash or rubbish cleared

from the Lot to permit construction of the Improvements, including landscaping. No burning of trash or other debris is permitted on any Lot, and no materials or trash hauled from any Lot may be placed elsewhere within the Subdivision, unless approved in writing by the Architectural Control Committee. Additionally, each Owner or Builder, during construction of Improvements, continuously shall keep the Lot in a reasonably clean and organized condition. Papers, rubbish, trash, scrap, and unusable building materials are to be kept, picked up, and hauled from the Lot on a regular basis. Other useable building materials are to be kept stacked and organized in a reasonable manner. No trash, materials, or dirt shall be placed in any street. Any such trash, materials, or dirt inadvertently spilling or getting into the street or street gutter shall be removed, without delay, not less frequently than daily.

SECTION 5.18. EXCAVATION AND TREE REMOVAL - The digging of dirt or the removal of any dirt from any Lot is expressly prohibited except as may be necessary in conjunction with the landscaping of or construction on such Lot. No trees shall be cut or removed except to provide room for construction of Improvements or to remove dead or unsightly trees; provided, however, that removal of any other tree in excess of a two inch (2") caliber requires the approval of the Architectural Control Committee.

SECTION 5.19. DRAINAGE - No Owner of a Lot shall be permitted to construct Improvements on such Lot or grade such Lot or permit such Lot to remain in or be placed in such condition that rain water falling on such Lot drains to any other Lot or the Common Area.

SECTION 5.20. PRIVATE UTILITY LINES - All electrical telephone and other utility lines and facilities which are located on a Lot and which are not owned and maintained by a governmental entity or a public utility company shall be installed in underground conduits or other underground facilities unless otherwise approved in writing by the Architectural Control Committee, and shall be maintained at all times by the Owner of the Lot upon which is located.

SECTION 5.21. WIND GENERATORS - No wind generators shall be erected or maintained on any Lot that are visible from any street, Lot or Common Area.

SECTION 5.22. SOLAR COLLECTORS - No solar collector shall be installed without the prior written approval of the Architectural Control Committee. Any such installation shall be in harmony with the design of the Dwelling Unit. Solar collectors shall be installed in a location not visible from the public street in front of the Dwelling Unit.

SECTION 5.23. DAMAGE OR DESTRUCTION OF IMPROVEMENTS - Owners are bound and obligated through the purchase of a Lot to maintain the Lot and all Improvements thereon in a neat and habitable manner. In the event of damage to any Improvement, the Owner shall have the shorter of the period permitted by applicable laws or sixty (60) days to begin repairing or demolishing the destroyed or damaged portion, and, once timely commenced, such repairs or demolition must be pursued diligently to completion. If, however, damage to the Improvements is not covered by insurance, or if the Owner's claim is not approved by the Owner's insurance company, or if the Owner decides not to restore the Improvements at such time, then the Owner may apply for a "hardship" extension to the operation of this restriction to be submitted to the Board within sixty (60) days from the date of such destruction or damage. The Board shall rule on the Owner's Application for a "hardship" extension within thirty (30) days from the date of submission. In no event shall the granting of a "hardship" extension in a particular case be deemed a waiver of the right to enforce this restriction thereafter. If a hardship extension is granted, the Owner thereafter immediately shall cause the damaged or destroyed Improvement to be demolished and the Lot to be suitably landscaped, subject to the approval of the Architectural Control Committee, so as to present a pleasing and attractive appearance.

ARTICLE VI
USE RESTRICTIONS

SECTION 6.1. GENERAL - No Owner shall use the Common Area, if any, or use or permit such Owner's Lot or Dwelling Unit to be used for any purpose that would (a) void any insurance in force with respect to the Subdivision; (b) make it impossible to obtain any insurance required by this Declaration; (c) constitute a public or private nuisance, which determination may be made by the Board in its sole discretion; (d) constitute a violation of the Declaration or any applicable law or (e) unreasonably interfere with the use and occupancy of the Subdivision by other Owners.

SECTION 6.2. SINGLE FAMILY RESIDENTIAL USE - Each Owner shall use his Lot and the Dwelling Unit on his Lot, if any, for single family residential purposes only. As used herein, the term "single family residential purposes" shall be deemed to specifically prohibit, by way of illustration but without limitation, the use of any Lot for a duplex apartment, a garage apartment or any other apartment or for any multi-family use or for any business, educational, church, professional or other commercial activity of any type, except that an Owner may use his residence as a personal office for a profession or occupation, provided: (a) the public is not invited, permitted, or allowed to enter the Dwelling Unit or any structure or Improvement upon such Lot and conduct business therein; (b) no signs advertising such profession or business are permitted; (c) no on-site employees are permitted; (d) no offensive activity or condition, noise and/or odor are permitted; and (e) such use in all respects complies with the laws of the State of Texas, the ordinances of the City of Houston, and the laws, rules, and regulations of any regulatory body or governmental agency having authority and jurisdiction over such matters. The term "single family residential purposes" shall also be defined as: (a) one or more persons related by blood, marriage, or adoption, which may include only parents, their children (including foster children and wards), their dependent brothers and sisters, their grandparents and domestic servants; and (b) no more than two unrelated persons living together as a single housekeeping unit and their children (including foster children and wards), their dependent brothers or sisters, their grandparents and their domestic servants.

SECTION 6.3. VEHICLES - No motor vehicle or non-motorized vehicle, boat, trailer, marine craft, recreational vehicle, camper rig off of truck, hovercraft, aircraft, machinery or equipment of any kind may be parked or stored on any part of any Lot, easement, right-of-way, unless such vehicle or object is completely concealed from public view inside a garage or enclosure approved by the Architectural Control Committee. Passenger automobiles, passenger vans, motorcycles, or pick-up trucks that: (a) are in operating condition; (b) have current license plates and inspection stickers; (c) are in daily use as motor vehicles on the streets and highways of the State of Texas; (d) which do not exceed six feet six inches (6' 6") in height, or eight feet (8') in width, or twenty-four feet (24') in length; and (e) have no commercial advertising located thereon, may be parked in the driveway on a Lot, however, no vehicle shall be parked so as to obstruct or block a sidewalk. No vehicle may be repaired on a Lot unless the vehicle being repaired is concealed from view inside a garage or other approved enclosure. This restriction shall not apply to any vehicle, machinery, or equipment temporarily parked and in use for the construction, repair or maintenance of a house or houses in the immediate vicinity; provided, however, overnight parking of any vehicles in the street is prohibited. Owners or occupants of Lots may seek a temporary variance from this restriction for their guests, however, any such request for a variance must receive the prior approval of the Board of Directors of the Association. The Board of Directors of the Association may adopt additional Rules and Regulations regulating parking on the streets in the Subdivision.

SECTION 6.4. NO NOXIOUS OR OFFENSIVE ACTIVITY - No noxious or offensive activity shall be carried on upon any property within the Subdivision nor shall anything be done or placed

therein that is or may become a nuisance or cause an unreasonable embarrassment, disturbance, or annoyance to others.

SECTION 6.5. NO HAZARDOUS ACTIVITIES - No activity shall be conducted on and no Improvements shall be constructed on any property within the Subdivision that is or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any property and no open fires shall be lighted or permitted on any property except in a contained barbecue unit while attended and in use for cooking purposes or within a safe and well-designed interior or exterior fireplace.

SECTION 6.6. RESTRICTIONS ON GARBAGE AND TRASH - No refuse, garbage, trash, lumber, grass, shrub or tree clippings, plant waste, compost, metal, bulk materials, scrap, refuse, or debris of any kind shall be kept, stored, or allowed to accumulate on any Lot except within an enclosed container of a type, size and style approved by the Board and appropriately screened from view, except that any such container may be placed in a designated area for garbage or trash pickup no earlier than six o'clock p.m. on the day preceding trash pickup of such garbage and trash and shall be returned to an enclosed structure or an area appropriately screened from view no later than midnight of the day of pickup of such garbage and trash.

SECTION 6.7. CLOTHES DRYING - No outside clothesline or other outside facilities for drying or airing clothes shall be erected, placed or maintained on any Lot if visible from any other Lot, nor shall clothing or household fabric or any other article be hung, dried, or aired on any Lot in the Subdivision in such a way as to be visible from other Lots/streets or the Common Area.

SECTION 6.8. ANIMALS - No animals of any kind shall be raised, bred, or kept in the Subdivision except as hereinafter provided. A total of two (2) dogs, cats, or other household pets may be kept on a Lot (except for fish of a type customarily kept within normal home aquariums, with respect to which there shall be no limitation on amount) provided that: (a) they are not kept, bred, or maintained for commercial purposes; (b) they do not make objectionable noises, create any objectionable odor, or otherwise constitute an unreasonable nuisance to other Owners; (c) they are kept within the Dwelling Unit, an enclosed yard on the Lot occupied by the Owner of such pets, or on a leash being held by a Person capable of controlling the animal; and (d) they are not in violation of any other provision of this Declaration and such limitations as may be set forth in the Rules and Regulations. A "reasonable number" as used in this Section 6.8 ordinarily shall mean no more than two (2) pets per Dwelling Unit; provided, however, that the Association Board (or such other Person as the Association Board from time to time may designate) from time to time determine that a reasonable number in any instance may be more or less than two (2). The Association, acting through the Board, shall have the right to prohibit maintenance of any animal that, in the sole opinion of the Board, is not being maintained in accordance with the foregoing restrictions. Each Owner, tenant or guest of an Owner shall have the absolute duty and responsibility to clean up after such animals to the extent they have used any portion of the Lot of another Owner or any Common Areas.

SECTION 6.9. SIGNS AND BILLBOARDS - No signs, billboards, posters or advertising devices of any character shall be erected, permitted or maintained on any Lot except one (1) sign of not more than nine (9) square feet area which is used to: (a) advertise the property for sale or lease; (b) indicate traffic control or security services; (c) identify the builder or contractor while construction is in progress on such Lot; or (d) promote a political candidate, party or issue for a two (2) week period starting no earlier than two (2) weeks prior to the date of the election or referendum and which must be removed no later than the day after the date of the election or referendum. Additionally, the right is reserved by Declarant to construct and maintain signs, billboards, and advertising devices as is customary in connection with the sale of newly constructed Dwelling Units. The Declarant and the Association shall

also have the right to erect identifying signs at each entrance to the Subdivision. In no event shall any sign, billboard, poster or advertising device of any character, other than as specifically prescribed in the first sentence of this Section 6.9 be erected, permitted or maintained on any Lot without the express prior written consent of the Architectural Control Committee.

SECTION 6.10. OIL AND MINING OPERATIONS - 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 any walls, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structures designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

SECTION 6.11. TREATMENT FACILITIES - No Lot shall be used for the operation of a boarding or rooming house, a residence for transients, a "group home", "family home", "community home"; "half-way house"; day-care center, rehabilitation center, treatment facility, or residence of unrelated individuals who are engaging in, undertaking, or participating in any group living, rehabilitation, treatment, therapy, or training with respect to previous or continuing criminal activities or convictions, alleged criminal activities, alcohol or drug dependency, physical or mental handicaps or illness, or other similar matters, unless otherwise allowed by the terms of any law specifically negating the provisions of restrictive covenants prohibiting same.

SECTION 6.12. LEASING - Lots may only be leased for single family residential purposes as defined in this Declaration. No Owner shall be permitted to lease his Lot for hotel or transient purposes, which for purposes of this Section 6.12 is defined as a period of less than thirty (30) days. No Owner shall be permitted to lease less than the entire Lot. Every such lease shall be in writing. Every such lease shall provide that the tenant shall be bound by and subject to all of the obligations of the Owner under this Declaration. The Owner making such lease shall not be relieved from any of such obligations. Upon the execution of a lease agreement, the Owner shall notify the Association in writing of the Owner's residence address and the name of Owner's Lessee. No Lessee shall be entitled to use the recreational facilities or Common Area of the Association until the information specified in this Section is provided to the Association in writing and the Owner further notifies the Association in writing that the Lessee has been granted the authority to use the recreational facilities and Common Area of the Association by such Owner.

ARTICLE VII **COVENANTS FOR ASSESSMENTS**

SECTION 7.1. CREATION OF THE LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS - The Declarant, for each Lot owned within the Subdivision, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

- (a) Annual Assessments;
 - (b) Special Assessments; and
 - (c) Reimbursement Assessments,
- all as hereinafter defined.

The Annual, Special, and Reimbursement Assessments (the "Assessments"), together with interest, costs and reasonable attorney's fees, shall also be a charge on the land and shall be a continuing lien upon the property against which the Assessments are made. The Assessments, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such

property at the time when the Assessments fell due. The personal obligation for delinquent Assessments shall not pass to his successors in title unless expressly assumed by them.

SECTION 7.2. PURPOSE OF ANNUAL ASSESSMENTS - Each Lot in the Subdivision is hereby subjected to an Annual Assessment for the purpose of creating a fund to be designated and known as the "Maintenance Fund", which Annual Assessment will be paid by the Owner or Owners of each Lot within the Subdivision to the Association, on or before January 1 of each year, in advance annual installments, commencing on a date and in a manner to be promulgated by the Board of Directors of the Association. The rate at which each Lot will be assessed will be determined annually and may be adjusted from year to year by the Association, as hereinafter provided as the needs for the Subdivision may, in the judgment of the Association, require. Such assessment will be uniform, except as hereinafter provided for Declarant and any Builder to whom Declarant sells a Lot. The Association shall use the proceeds of said Maintenance Fund for the use and benefit of all residents of the Subdivision, as well as any other subdivision brought within the jurisdiction of the Association; provided, however, that other subdivisions to be entitled to the benefit of this Maintenance Fund must be impressed with and subjected to the Annual Assessment on a uniform, per Lot basis, equivalent to the Annual Assessment imposed hereby. The uses and benefits to be provided by the Association shall include, by way of clarification and not limitation, at its sole option, any and all of the following: constructing and maintaining paths, parks, lakes, landscape reserves, parkways, easements, esplanades, fences, cul-de-sac and street medians, recreational facilities, including swimming pools and tennis courts, play courts, and other common areas, payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions and conditions affecting the Subdivision to which the Maintenance Fund applies, payment of all reasonable and necessary expenses in connection with the collection and administration of the Assessments, employing security, lifeguards, instructors, and operators, caring for vacant Lots, garbage collection, and doing other things necessary or desirable, in the opinion of the Association, to keep the Subdivision neat and in good order or which is considered of general benefit to the Owners or occupants of the Subdivision. It is understood that the judgment of the Association in the expenditure of said funds shall be final and conclusive so long as said judgment is exercised in good faith. Nothing herein shall constitute a representation that any of the above will, in fact, be provided by the Association.

SECTION 7.3. MAXIMUM ANNUAL ASSESSMENT - Until January 1 of the year immediately following the conveyance of the first Lot to a resident Owner, the maximum annual Assessment shall be \$ 800.00 per Lot per year.

- (a) 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 not more than fifteen percent (15%) above the Annual Assessment for the previous year without a vote of the membership.
- (b) 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 above fifteen percent (15%) 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 this purpose.
- (c) The Board of Directors may fix the Annual Assessment at an amount not to exceed the maximum permitted herein.

SECTION 7.4. SPECIAL ASSESSMENTS - In addition to the Annual Assessments authorized above, the Association may levy, in any assessment year, a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any use or benefit provided for herein in Section 7.2. Provided, however, any such assessment shall have the assent of two-thirds

(2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

SECTION 7.5. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 7.3. AND 7.4. - Written notice of any meeting called for the purpose of taking any action authorized under Sections 7.3 or 7.4 shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At any such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, subsequent meetings may be called subject to the same notice requirement and the required quorum as the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

SECTION 7.6. UNIFORM RATE OF ASSESSMENT - Both Annual and Special Assessments must be fixed at a uniform rate; provided, however, Lots which are owned by a Builder, as defined herein, shall be assessed at the rate of one-half (1/2) of any Annual Assessment or Special Assessment currently assessed. Provided further, notwithstanding anything contained in the Declaration to the contrary, Lots owned by Declarant are exempt from the payment of Annual and Special Assessments until the Class B membership has converted to Class A membership as provided in Section 3.4.

SECTION 7.7. DATE OF COMMENCEMENT AND DETERMINATION OF ANNUAL ASSESSMENTS - The Annual Assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the first Lot to an Owner. The first Annual Assessment shall be adjusted according to the number of days remaining in the calendar year. The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of the Annual Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors.

SECTION 7.8. REIMBURSEMENT ASSESSMENTS - The Board of Directors, subject to the provisions hereof, may levy a Reimbursement Assessment against any Member if the failure of the Member or the Member's family, guests, or tenants to comply with this Declaration, the Articles of Incorporation, the Bylaws, Minimum Construction Standards, or the Rules and Regulations shall have resulted in the expenditure of funds or the determination that funds will be expended by the Association to cause such compliance. The amount of the Reimbursement Assessment shall be due and payable to the Association ten (10) days after notice to the Member of the decision of the Board of Directors that the Reimbursement Assessment is owing.

SECTION 7.9. ESTOPPEL CERTIFICATES - The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

SECTION 7.10. CONTRIBUTION OF PAYMENTS - If any Owner's payment of an Assessment payment is less than the amount assessed and the payment does not specify whether it should be applied against a Common Assessment, Special Assessment, or Reimbursement Assessment, the payment received by the Association from the Owner shall be credited in the following order of priority: (a) Reimbursement Assessment until the Reimbursement Assessment has been satisfied; (b) Special Assessment until the Special Assessment has been satisfied; and (c) Annual Assessment until the Annual Assessment has been satisfied. In each of the foregoing cases, payments received shall be credited first to interest, attorney's fees, and other costs of collection, and next to principal reduction, satisfying the

oldest obligations first, followed by more current obligations, in accordance with the foregoing order of priority.

SECTION 7.11. EFFECT OF NONPAYMENT OF ASSESSMENTS - Any assessments not paid within thirty (30) days after the due date shall be delinquent and shall be subject to the following:

- (a) late charges, interest at the rate of eighteen percent (18%) per annum from the due date or the maximum rate of interest allowed by law, if less than eighteen percent (18%), and all costs of collection, including reasonable attorney's fees; and
- (b) all rights of the Owner as a Member of the Association shall be automatically suspended until all Assessments and related costs are paid in full, including usage of the Common Area, and during such suspension, such Owner shall not be entitled to vote upon any matters coming before the membership. No owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

The Association may bring an action at law against the Owner personally obligated to pay same or foreclose the Association's lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association either judicially or non-judicially by power of sale, and each Owner expressly grants to the Association a power of sale in connection with the non-judicial foreclosure of the Association's lien and the right to appoint trustees to exercise said power of sale. Non-judicial foreclosure shall be conducted by notice and posting of sale in accordance with the then applicable laws of the State of Texas; and the Board of Directors of the Association is expressly empowered hereby to designate a trustee in writing from time to time to post or cause to be posted any required notices and to conduct any such non-judicial foreclosure sale. The Association, acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure sale, and to acquire, hold, lease, mortgage, or convey the same.

SECTION 7.12. NO OFFSETS - The Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted for any reason including, without limitation, any claim that the Association or the Board of Directors is not properly exercising its duties and powers under this Declaration or claim by the Owner of non-use of the Common Areas or abandonment of his Lot or claim by the Owner of inconvenience or discomfort arising from the making of repairs or Improvements to Common Areas or from any action taken to comply with any law or any determination of the Board of Directors or for any other reason.

SECTION 7.13. SUBORDINATION OF THE LIEN TO MORTGAGES - The lien of the Assessments provided for herein shall be subordinate to any purchase money liens. Sale or transfer of any Lot shall not affect the lien of the Assessment; however, the sale or transfer of any Lot pursuant to the foreclosure of a purchase money lien or any proceeding in lieu thereof, shall extinguish the lien of the Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for the Assessments thereafter becoming due or from the lien thereof.

SECTION 7.14. REIMBURSEMENT OF DECLARANT - Recognizing that the initial cost of administration and maintenance of the Common Areas and the Association may have to be subsidized by Declarant, the Directors (whether the Directors are same as the Declarant, his agents, servants, or employees and without being liable for any claim made by any Member of the Association that the *Directors' fiduciary duty to the other Members of the Association has been breached due to a conflict of interest*) may execute promissory notes and/or other instruments evidencing any debt the Association owes the Declarant for monies expended by the Declarant or loaned to the Association by Declarant for and on behalf of the Association.

ARTICLE VIII
EASEMENTS AND UTILITIES

SECTION 8.1. TITLE TO UTILITY LINES - The title conveyed to any Lot within the Subdivision shall be subject to any easement affecting same for utility or other purposes and shall not be held or construed to include the title to the water, gas, electricity, telephone, cable television, security, storm sewer, or sanitary sewer lines, poles, pipes, conduits, or other appurtenances or facilities constructed by the Declarant, the Association, or public or private utility companies upon, under, along, across, or through such utility easements; and the right (but no obligation) to construct, maintain, repair, and operate such systems, utilities, appurtenances, and facilities is reserved to the Declarant or the Association and their successors and assigns. The Owners of the respective Lots shall not be deemed separately to own pipes, wires, conduits, or other service lines running through their property that are used for or serve other Lots, but each Owner shall have an easement for such use of the aforesaid facilities as shall be necessary for the use, maintenance, and enjoyment of his Lot.

SECTION 8.2. ACCESS EASEMENT FOR OWNERS - A non-exclusive easement hereby is granted to each Owner in and to Lots for the purpose of reasonable and necessary access to such Owner's Lot for construction, maintenance, and repair of Improvements thereon, provided that the Owner using an adjacent Lot for access purposes (the "Easement Site") shall keep such Easement Site free of any trash, rubbish, and any other materials at all times during or after construction. Prior to any exercise of the access easement granted in this Section 8.2, the Owner or Builder of the Lot intending to exercise such easement upon, over, or across the Easement Site shall give notice of such intent to the Owner (or occupant) of the Easement Site. Unless otherwise authorized in writing by the Owner of the Easement Site, this access easement may be used only between the hours, local time, of 7:00 a.m. to 5:00 p.m., Monday through Friday, and 9:00 a.m. to 5:00 p.m., Saturday, and may be used only if the Owner (or occupant) intending to use such access easement gives at least twenty-four (24) hours notice (oral or written) to the Owner (or occupant) of the Easement Site (except in the case of an emergency or if no Improvements have been constructed on the Easement Site, in which case no notice need be given). In all events, the Easement Site shall be used in such manner as to avoid any unreasonable or unnecessary interference with the possession, use, or enjoyment of the Easement Site by the Owner (or occupant) of such Easement Site, and the Owner using the Easement Site in all circumstances promptly shall repair any damage to the Easement Site caused by such Owner's use. If the Owner using the Easement Site does not repair any damage to the Easement Site caused by the Owner's use thereof within thirty (30) days after notice to the Owner harming the Easement Site of the damage, then the Association shall have the right, but shall not be obligated to, repair such damage and assess a Reimbursement Assessment against the Lot of the Owner harming the Easement Site. The Owner of the damaged Easement Site also shall be entitled to exercise all available legal and equitable remedies, in the event of the subject Owner's failure to repair any damage to the Easement Site.

SECTION 8.3. ASSOCIATION EASEMENTS - The Association, its agents, servants, and employees shall have all other such easements as specifically referenced throughout this Declaration.

ARTICLE IX
ELECTRICAL SERVICE

SECTION 9.1. UNDERGROUND ELECTRICAL DISTRIBUTION - It is contemplated that Declarant will enter into an agreement for the installation of an underground electric distribution system in the Subdivision. The Owner of each Lot shall, at his own cost, maintain his Dwelling Unit in accordance with any such agreement. For so long as underground service is maintained in the Subdivision, the electric service to each Dwelling Unit therein shall be underground, uniform in

character, and exclusively of the type known as single phase, 120/240 volt, three wire, 60 cycle, alternating current.

ARTICLE X INSURANCE

SECTION 10.1. GENERAL PROVISIONS - The Board shall have the authority to determine whether or not to obtain insurance for the Association and upon the Common Areas, if any, and if insurance is obtained, the amounts thereof. In the event that insurance is obtained, the premiums for such insurance shall be an expense of the Association which shall be paid out of the Maintenance Fund. Notwithstanding the foregoing, the Association shall at all times maintain adequate comprehensive general liability insurance and directors and officers liability insurance.

SECTION 10.2. INDIVIDUAL INSURANCE - Each Owner shall be responsible for insuring his Lot and his Dwelling Units, its contents and furnishings. Each Owner, at his own cost and expense, shall be responsible for insuring against the liability of such Owner.

ARTICLE XI AMENDMENT TO DECLARATION AND DURATION OF RESTRICTIONS

SECTION 11.1. AMENDMENT BY OWNERS - The terms of this Declaration may be amended at any time by an instrument signed by those Owners owning at least two-thirds (2/3rds) of the Lots within the Subdivision. No person shall be charged with notice of or inquiry with respect to any amendment until and unless it has been filed for record in the Official Public Records of Real Property of Harris County, Texas.

SECTION 11.2. AMENDMENT BY DECLARANT - Declarant shall have and reserves the right at any time and from time to time before the Election Date, without the consent of other Owners or the representatives of any mortgagee to amend this Declaration for the purpose of: (a) securing to the Owners the benefits from technological advances, such as security, communications, or energy-related devices or equipment that did not exist or were not in common use in similar subdivisions at the time this Declaration was adopted; (b) prohibiting the use of any device or apparatus developed or available for use following the date of this Declaration, if the use of such device or apparatus would adversely affect the Association or the Subdivision or would adversely affect the property values within the Subdivision; or (c) clarifying or resolving any ambiguities or conflicts herein, or correcting any inadvertent misstatements, errors, or omissions herein; provided, however, that no such amendment shall change the voting rights of the Declarant or other Members, annexation rights of Declarant, any Owner's proportionate share of Assessments, or the property description of any Owner and such Owner's mortgagee who do not join in the execution of such correction instrument. Any such amendment shall become effective upon the recordation of a written instrument setting forth such amendment in the Official Public Records of Real Property of Harris County, Texas.

SECTION 11.3. DURATION - This Declaration shall remain in full force and effect until April 15, 2010, and shall be extended automatically for successive ten (10) year periods; provided however, that this Declaration may be amended at any time, as set forth in Sections 11.1. and 11.2.

ARTICLE XII
MISCELLANEOUS

SECTION 12.1. SEVERABILITY - In the event of the invalidity or partial invalidity or partial unenforceability of any provision in this Declaration, the remainder of the Declaration shall remain in full force and effect.

SECTION 12.2. NUMBER AND GENDER - Pronouns, whenever used herein, and of whatever gender, shall include natural persons and corporations, entities and associations of every kind and character, and the singular shall include the plural, and vice versa, whenever and as often as may be appropriate.

SECTION 12.3. DELAY IN ENFORCEMENT - No delay in enforcing the provisions of this Declaration with respect to any breach or violation thereof shall impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time.

SECTION 12.4. ENFORCEABILITY - This Declaration shall run with the Subdivision and shall be binding upon and inure to the benefit of and be enforceable by the Association and each Owner of a Lot in the Subdivision, or any portion thereof, and their respective heirs, legal representatives, successors and assigns. In the event any action to enforce this Declaration is initiated against an Owner or occupant of a Lot by the Association, the Association or other Owner, as the case may be, shall be entitled to recover reasonable attorney's fees from the Owner or occupant of a Lot who violated this Declaration.

SECTION 12.5. REMEDIES - In the event any Person shall violate or attempt to violate any of the provisions of the Declaration, the Association, each Owner of a Lot within the Subdivision, or any portion thereof, may institute and prosecute any proceeding at law or in equity to abate, preempt or enjoin any such violation or attempted violation or to recover monetary damages caused by such violation or attempted violation.

SECTION 12.6. RIGHT OF ENTRY; ENFORCEMENT BY SELF HELP - The Association shall have the right, in addition to and not in limitation of all the rights it may have under this Declaration, to enter upon any unoccupied, vacant or abandoned Lot, including any Improvements located thereon, if deemed reasonably necessary by the Board of Directors of the Association for emergency, health, safety and/or security purposes to make repairs to Improvements, secure the Property or abate or remove things or conditions which are potentially hazardous or which violate any provisions of this Declaration. Such right may be exercised by the Association's Board, officers, agents, employees, managers, and all police officers, firefighters, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, the Association shall first attempt to provide reasonable notice to the last known Owner of the Lot. All costs of such efforts, including reasonable attorney's fees actually incurred, shall be assessed against the Owner of the Lot and shall be collected as provided for herein for the collection of the Assessments.

SECTION 12.7. VIOLATIONS OF LAW - Any violation of any federal, state, municipal, or local law, ordinance, rule, or regulation, pertaining to the ownership, occupation, or use of any property within the Subdivision hereby is declared to be a violation of this Declaration and shall be subject to any and all of the enforcement procedures set forth in this Declaration.

SECTION 12.8. REMEDIES CUMULATIVE - Each remedy provided under this Declaration is cumulative and not exclusive.

SECTION 12.9. NO REPRESENTATIONS OR WARRANTIES - No representations or warranties of any kind, express or implied, shall be deemed to have been given or made by Declarant or its agents or employees in connection with any portion of the Subdivision, or any improvement thereon, its or their physical condition, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes, or regulation thereof, unless and except as specifically shall be set forth in writing.

SECTION 12.10. VACATING OF PLAT OR CORRECTION OF PLAT BY DECLARANT AND OWNERS - No provision of this Declaration shall preclude the Declarant or Owners of Lots in the Subdivision from vacating a plat or filing a replat to correct any error in the original platting or replatting of such Lots in the Subdivision, or from otherwise recording a partial replat, provided that such vacating or replatting is done in accordance with applicable Texas statutes.

SECTION 12.11. LIMITATION ON LIABILITY - Neither the Association, the Board, the Architectural Control Committee, Declarant, or any officer, agent, or employee of any of the same acting within the scope of their respective duties described in this Declaration shall be liable to any Person for any reason or for any failure to act if the action or failure to act was in good faith and without malice.

SECTION 12.12. CAPTIONS FOR CONVENIENCE - The titles, headings, captions, article and section numbers used in this Declaration are intended solely for convenience of reference and shall not be considered in construing any of the provisions of this Declaration. Unless the context otherwise requires, references herein to articles and sections are to articles and sections of this Declaration.

SECTION 12.13. GOVERNING LAW - This Declaration shall be construed and governed under the laws of the State of Texas.

ARTICLE XIII **PROPERTY RIGHTS IN COMMON AREAS**

SECTION 13.1. CONVEYANCES TO THE ASSOCIATION - Although Declarant may retain the legal title to easements or fee simple parcels designated as Common Areas, or portions thereof, until Declarant conveys legal title to the last Lot in the Subdivision, Declarant, at any time after the date hereof, may convey legal title to all or a portion of such Common Areas to the Association. The Association shall be obligated to accept title to, operate and maintain the Common Areas conveyed to the Association as elsewhere provided in this Declaration. Declarant hereby covenants that the Common Areas or portions thereof that it may convey to the Association shall be free and clear of all liens and encumbrances (other than the lien for property taxes not then due and payable).

SECTION 13.2. RIGHTS OF MEMBERS - Every Member of the Association and the Declarant shall have a beneficial interest of nonexclusive use and enjoyment in and to the Common Areas and such Common Areas and such interest shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to publish Rules and Regulations governing the use of the Common Area and to establish penalties for infractions thereof;
- (b) The right of the Association to enter into and execute contracts with any party (including, without limitation, Declarant or its affiliates) for the purpose of providing maintenance or other materials or services consistent with the purposes of the Association and this Declaration.

ARTICLE XIV
ANNEXATION OF ADDITIONAL LAND

SECTION 14.1 ADDITIONAL LAND - Additional residential property and Common Areas outside of the Subdivision that are adjacent to or in the proximity of the Subdivision, at any time and from time to time, may be annexed by the Declarant into the Subdivision, without the consent of the Owners or any other parties; provided, however, that such additional property is made subject to similar terms and conditions as set forth in this Declaration and that such annexed property is impressed with and subject to at least the Assessments imposed pursuant to this Declaration. Such additional property may be annexed into this Subdivision by a written instrument executed by the Declarant and recorded in the Official Public Records of Real Property of Harris County, Texas.

ARTICLE XV
OTHER RESTRICTIONS

SECTION 15.1 OTHER RESTRICTIONS - The Property is also subject to the provisions of that certain document entitled "Declaration of Covenants, Conditions and Restrictions, Wheatstone Village (Recreational Facilities)" which was recorded in the Real Property Records of Harris County, Texas, on August 20, 1984, under Clerk's File No. J655942 and Film Code No. 091-97-0368, et. seq.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed the foregoing instrument on this 16 day of JUNE, 1993.

FM PROPERTIES OPERATING CO.

By: Curtis R. Hawley

Print Name: Curtis R. Hawley

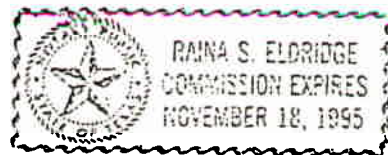
Its: Agent and Attorney-In-Fact

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned, a notary public in the State of Texas, on this day personally appeared Curtis R. Hawley, known to me to be the person whose name is subscribed to the foregoing instrument and, being by me first duly sworn and declared that he executed same in the capacity and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 16th day of June, 1993.

Raina S. Eldridge
NOTARY PUBLIC - STATE OF TEXAS



ARTICLES OF INCORPORATION
OF
COPPER LAKES HOMEOWNERS ASSOCIATION

FILED
in the Office of the
Secretary of State of Texas

JUL 26 1993

THE STATE OF TEXAS
COUNTY OF HARRIS

§
§
§

KNOW ALL MEN BY THESE PRESENTS THAT:

Corporations Section

I, the undersigned natural person of the age of eighteen (18)-years or more, and a citizen of the State of Texas, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation (hereinafter called the "Association"):

ARTICLE I

Corporate Name

The Association shall be known as COPPER LAKES HOMEOWNERS ASSOCIATION and by and under such name it shall conduct and transact all of its business.

ARTICLE II

Corporate Address and Agent

The street address of the Association's initial registered office is 6310 Lemmon Avenue, Suite 200, Dallas, Dallas County, Texas 75209, and the name of its initial registered agent at such address is Curtis Hawley.

ARTICLE III

Corporate Status

The Association is a non-profit corporation.

ARTICLE IV

Purpose and Powers of the Association

The Association is formed for the purposes of providing for the maintenance and preservation of all of the properties within Copper Lakes, Sections One and Two, residential developments located in Harris County, Texas, according to the map or plat thereof recorded in Volume 356, Page 49, and Volume 356, Page 59, of the Map Records of Harris County, Texas, respectively, and any additional land annexed to Copper Lakes, Sections One and Two, and subjected to the jurisdiction of the Association, and promoting the health, safety and welfare of the owners of lots within Copper Lakes, Sections One and Two, and any such additional properties, and for these purposes:

- (a) enter into contracts for the purpose of providing services for the benefit, use, or enjoyment to Lot Owners in general, including but not by way of limitation, security, street lighting and trash disposal;
- (b) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in any contract;
- (c) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the Declaration of Covenants, Conditions and Restrictions for Copper Lakes, Sections One and Two;
- (d) pay all office and other expenses incident to the conduct of the business of the Association, including management fees, if any, and all taxes or governmental charges levied against or imposed upon the property of the Association;
- (e) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- (f) borrow money and mortgage, pledge, deed in trust or hypothecate any or all of the Association's real or personal property as security for money borrowed or debts incurred;

- (g) dedicate, sell or transfer all or any part of the parks, common areas and facilities owned by the Association, if any, to any public agency, authority, utility, person or entity, for such purposes and subject to such conditions as may be agreed to by the Board of Directors, provided that no conveyance of any parks, common areas or facilities other than the granting of utility easement shall be permitted except to a public entity established for similar purposes as the Association or which shall be dedicated to the preservation of community purposes and interest and which is capable of maintaining and agreeing to maintain the same;
- (h) delete from its jurisdiction and the scope of its services any portion of the Properties;
- (i) participate in mergers and consolidations with other non-profit corporations organized for the same purposes;
- (j) establish and enforce rules and regulations governing the use, operation, maintenance, control, and disposition of property to which the Association holds title or to which control is vested in the Association, if any; and
- (k) exercise any and all powers, rights and privileges which a corporation organized under the Texas Non-Profit Corporation Act or any other laws of the State of Texas may now or hereafter have or exercise.

ARTICLE V

Membership

The Members of the Association shall be the record owner, whether one or more persons or entities of a fee simple title to any lot located in Copper Lakes, Sections One and Two, residential developments located in Harris County, Texas (as well as the record owner of a fee simple title to any lot in any other Harris County, Texas subdivision, brought within the jurisdiction of the Association), including a contract seller, but excluding those having such interest merely as security for the performance of an obligation. The rights of Members are subject to (a) the payment of any assessments as set forth in the provisions of the "Declaration of Covenants, Conditions and Restrictions for Copper Lakes, Sections One and Two", filed of record in the Official Public Records of Real Property of Harris County, Texas, under County Clerk's File No. P290219, (as well as the restrictive covenants of any other property brought with the jurisdiction of the Association) and any amendments thereto (hereinafter sometimes referred to as "the Declaration"), and (b) compliance with the provisions of the Declaration. The voting and other membership rights of any Member may be suspended by action of the Board of Directors during any period when such Member shall have failed to pay any assessment then due and payable; but, upon payment of such assessment, his rights and privileges shall be automatically restored. In addition, the voting or other membership rights of any member may be suspended by action of the Board of Directors for a period not to exceed sixty (60) days, if any Member, any member of his family, his tenants, or the guests of any thereof shall violate the provisions of the Declaration

ARTICLE VI

Board of Directors

The affairs of the Association shall be managed by a Board of Directors composed of such number of persons and for such terms as may be fixed by the Bylaws of the Association. The Directors shall continue to serve until their successors are selected and qualified in the manner provided in the Bylaws of the Association. The names and addresses of the persons who are to serve as the initial Directors and constitute the initial Board of Directors of the Association until such time as their successors have been qualified to serve are:

<u>NAME</u>	<u>ADDRESS</u>
Kenneth F. Belanger	3100 W. Alabama, Suite 206 Houston, Texas 77098
Michael Myers	3100 W. Alabama, Suite 206 Houston, Texas 77098
Curtis Hawley	3100 W. Alabama, Suite 206 Houston, Texas 77098

ARTICLE VII

Amendments

Amendment of these Articles shall require the affirmative vote of members holding not less than two-thirds (2/3) of the votes entitled to be cast at a regular or special meeting of the members of the Association at which a quorum is present.

ARTICLE VIII

Duration

The Association shall exist perpetually.

ARTICLE IX

Dissolution

The Association may be dissolved upon the affirmative vote of members holding not less than two-thirds (2/3) of the votes in the Association. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association, if any, shall be granted, conveyed and assigned to any non-profit corporations, associations or other organizations deemed by the Board of Directors of the Association to be appropriate, to be devoted to similar purposes.

ARTICLE X

The Association may enter into contracts or transact business with one or more of its Directors or officers, or with any firm of which one or more of its Directors or officers are members or employees, or in which they are otherwise interested, or with any corporation or association on which any of its Directors or officers are stockholders, Directors, officers, members, employees or otherwise interested; and no contract or other transaction between the Association and any firm of which one or more of its Directors or officers are members or employees or in which they are Directors or officers or otherwise interested, or between the Association and any corporation or association in which one or more of its Directors, officers, or employees are otherwise interested, shall be void or voidable or otherwise affected by reason of such Directorship or office of the Association or such interest in such other firm, corporation or association, notwithstanding that such other Director or Directors, having such interest are present and counted in determining the existence of a quorum at the meeting of the Board of Directors of the corporation which acts upon or in reference to such contract or transaction, and notwithstanding that the vote of such Director or Directors having such interest shall have been necessary to authorize, approve, ratify, or otherwise obligate the Association upon such contract or transaction, provided, that the fact of such interest shall be disclosed or known to the Board of Directors and the Board of Directors shall authorize, approve or ratify such contract or transaction by vote of a majority of the Directors present, such interested Director or Directors to be counted in determining whether a quorum is present, but not to be counted in calculating the majority necessary to carry such vote. Nor shall any Director or officer be liable to account to this Association for any profits realized by or from or through any such transaction or contract of the Association by reason of such Directorship, office or interest. Nothing herein contained shall create liability in the events described or present the authorization, approval or ratification of such contracts or transactions in any other manner permitted by law. This Article shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

ARTICLE XI

The Association shall indemnify any and all persons who may serve or who have served at any time as Directors or officers against any and all expenses, including amounts paid upon judgments, counsel fees, and amounts paid in settlement (before or after suit is commenced), actually and necessarily incurred by such persons in connection with the defense or settlement of any claim, action, suit, or proceeding in which they, or any of them, are made parties or a party, or which may be asserted against them or any of them, by reason of being or having been Directors or officers or a Director or officer of the Association.

Such indemnification shall be in addition to any other rights to which those indemnified may be entitled under any law, bylaws, agreement, or otherwise.

The Association may purchase and maintain insurance on behalf of any person who holds or who has held any position of office or Director as specified above, against any liability incurred by him in any such position, or arising out of his status as such.

ARTICLE XII

Incorporator

The name and street address of the incorporator is:

<u>NAME</u>	<u>ADDRESS</u>
Rick S. Butler	5718 Westheimer, Suite 1600 Houston, Texas 77057

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Texas, I, the undersigned, constituting the incorporator of this corporation, have executed these Articles of Incorporation on this the 23rd day of JULY, 1993.

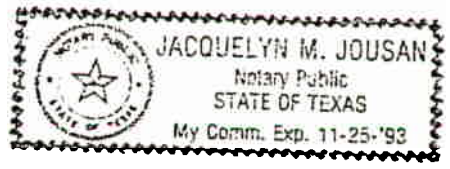
Rick S. Butler
Rick S. Butler

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, the undersigned authority, a Notary Public in and for the State of Texas, do hereby certify that on the 23rd day of July, 1993, personally appeared Rick S. Butler, who being by me first duly sworn, declared that he is the person who signed the foregoing Articles of Incorporation as incorporator and that the statements set forth in the Articles of Incorporation are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year when written.

Jacquelyn M. Jousan
Notary Public in and for the State of Texas





LETTER LANGSHORN, ELLIOTT & HULLY
SECRETARY
AUG 09 1993
FILE _____ DATE _____

The State of Texas

Secretary of State

JULY 27, 1993

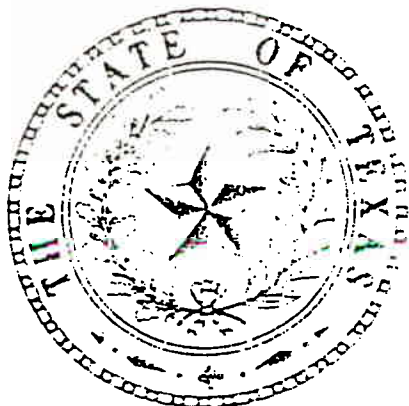
JACQUE JOUSAN
5718 WESTHEIMER STE. 1600
HOUSTON, TX 77057

RE:
COPPER LAKES HOMEOWNERS ASSOCIATION
CHARTER NUMBER 01278656-01

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES OF INCORPORATION THAT CREATED YOUR CORPORATION. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR NEW VENTURE.

AS A CORPORATION, YOU ARE SUBJECT TO STATE TAX LAWS. SOME NON-PROFIT CORPORATIONS ARE EXEMPT FROM THE PAYMENT OF FRANCHISE TAXES AND MAY ALSO BE EXEMPT FROM THE PAYMENT OF SALES AND USE TAX ON THE PURCHASE OF TAXABLE ITEMS. IF YOU FEEL THAT UNDER THE LAW YOUR CORPORATION IS ENTITLED TO BE EXEMPT YOU MUST APPLY TO THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE EXEMPTION. THE SECRETARY OF STATE CANNOT MAKE SUCH DETERMINATION FOR YOUR CORPORATION.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.



VERY TRULY YOURS,


Secretary of State

BYLAWS OF
COPPER LAKES HOMEOWNERS ASSOCIATION
A Texas Non-Profit Corporation

ARTICLE I
OFFICES

Principal Office

1.01. The principal office of the Association in the State of Texas shall be located in the County of Harris. The Association may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Association may require from time to time.

Registered Office and Registered Agent

1.02. The Association shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the Association in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II
MEMBERSHIP

Eligibility

2.01. The Members of the Association shall be the record owner, whether one or more persons or entities of a fee simple title to any lot located in Copper Lakes, Section One, a residential development located in Harris County, Texas (as well as the record owner of a fee simple title to any lot in any other Harris County, Texas subdivision, brought within the jurisdiction of the Association), including a contract seller, but excluding those having such interest merely as security for the performance of an obligation. The rights of Members are subject to (a) the payment of any assessments as set forth in the provisions of the "Declaration of Covenants, Conditions and Restrictions for Copper Lakes, Section One", filed of record in the Official Public Records of Real Property of Harris County, Texas, under County Clerk's File No. _____, (as well as the restrictive covenants of any other property brought with the jurisdiction of the Association) and any amendments thereto (hereinafter sometimes referred to as "the Declaration"), and (b) compliance with the provisions of the Declaration. The voting and other membership rights of any Member may be suspended by action of the Board of Directors during any period when such Member shall have failed to pay any assessment then due and payable; but, upon payment of such assessment, his rights and privileges shall be automatically restored. In addition, the voting or other membership rights of any member may be suspended by action of the Board of Directors for a period not to exceed sixty (60) days, if any Member, any member of his family, his tenants, or the guests of any thereof shall violate the provisions of the Declaration.

Rights and Prerequisites of Membership

2.02. Each Member is entitled to the use and enjoyment of the Common Area, if any. Such rights may be delegated to and exercised by all Members of his family who reside upon the Properties, any of his tenants who reside there under a lease for a term of one year or more, and the guests of any thereof. Each Member shall notify the Secretary of the Association in writing of the name and relationship to the Member of any person who shall be entitled to exercise such rights under this Section.

The rights and privileges of such person are subject to suspension by the Board of Directors in the same manner and for the same reasons as those of any Member under the preceding section.

ARTICLE III MEETING OF MEMBERS

Annual Meeting

3.01. The first meeting of the Members shall be held on a date specified by the Board of Directors in April of the year next following the year in which a lot in Copper Lakes, Section One, is first sold to an individual for use as a residence. Each annual meeting of the Members thereafter shall be during the same month as the first meeting on a day and time set by the Board of Directors of the Association. Annual meetings of the Members shall be held for the purposes of electing Directors, as provided in Article IV, below, and for the transaction of other business as may properly come before the meeting. If the election of Directors shall not be held at the time designated herein for any annual meeting, or any adjournment hereof, the Board of Directors shall cause the election to be held at a special meeting of the Members as soon thereafter as possible.

Special Meeting

3.02. Special meetings of the Members may be called by the President, the Board of Directors, or not less than one-third (1/3) of the Members having voting rights.

Place of Meetings

3.03. The Board of Directors may designate any place, either within or without the State of Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors.

Notice of Meetings

3.04. Written or printed notice, stating the place, day and hour of any meeting of Members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officer or person calling the meeting. In case of a special meeting or when required by statute or these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

Informal Action by Members

3.05. Any action required by law to be taken at a meeting of the Members or any action which may be taken at a meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

Quorum

3.06. The Members holding not less than twenty-five percent (25%) of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting from time to time without further notice.

Proxies

3.07. At any meeting of Members, a Member entitled to vote may vote by proxy executed in writing by the Member, or by his duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy.

ARTICLE IV
BOARD OF DIRECTORS

Powers

4.01. The Board of Directors shall have power to:

- (a) suspend the voting rights and right to use of the recreational facilities, if any, of a member during any period in which such member shall (i) be in default in the payment of any assessment levied by the Association, or (ii) be in violation of the provisions of the Declaration;
- (b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.
- (e) appoint a trustee to foreclose the Association's lien against any property for which assessments are not paid by the due date.

Duties

4.02. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-third (1/3) of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (3) foreclose the lien against any property for which assessments are not paid.
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

- (g) cause the Common Area, if any, to be maintained.

Number, Tenure, and Qualifications

4.03. The Board of Directors shall consist of three (3) directors, who need not be members of the Association. The initial Board of Directors designated in the Articles of Incorporation of the Association shall hold office until the first meeting of the Members. In the event of the death or resignation of a member of the initial Board of Directors, the remaining members of the Board of Directors shall appoint a successor. At the first meeting of the Members, one (1) Director shall be elected for a term of one (1) year; one (1) Director shall be elected for a term of two (2) years; and one (1) Director shall be elected for a term of three (3) years. At every annual meeting thereafter, one (1) Director shall be elected for a term of three (3) years.

Regular Meeting

4.04. A regular annual meeting of the Board of Directors shall be held without other notice than this bylaw, immediately after, and at the same place as the annual meeting of Members. The Board of Directors may provide by resolution the time and place, either within or without the State of Texas, for the holding of additional regular meetings of the Board without other notice than such resolution.

Special Meetings

4.05. Special Meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Texas, as the place for holding any special meetings of the Board called by them.

Notice

4.06. Notice of any special meeting of the Board of Directors shall be given at least two (2) days previous thereto by written notice delivered personally or sent by mail, fax or telegram to each Director at his address as shown by the records of the corporation. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

Quorum

4.07. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Manner of Acting

4.08. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the law or by these bylaws.

Removal

4.09. With the exception of those persons serving on the initial Board of Directors, any Director may be removed from office by a majority vote of the Members holding not less than two-thirds (2/3) of the votes of the Association at a meeting of the Members duly called for that purpose.

Vacancies

4.10. Any vacancy occurring in the Board of Directors and any directorship to be filled by a reason of an increase in the number of Directors, shall be filled by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Compensation

4.11. Directors as such shall not receive any stated salaries for their services.

Informal Action by Directors

4.12. Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors.

ARTICLE V

OFFICERS

Officers

5.01. The Officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other Officers as may be determined necessary by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Election and Term of Office

5.02. The Officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors after the annual meeting of the Members. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Resignation and Removal

5.03. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Vacancies

5.04. A vacancy in any office because of death, resignation, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

President

5.05. The President shall be the principal Executive Officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Members and of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other Officer or agent of the Association; and in general he shall perform all duties incident to the Office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Vice President

5.06. In the absence of the President or in the event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in order of their

election) shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions on the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or Board of Directors.

Treasurer

5.07. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VII of these bylaws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Secretary

5.08. The Secretary shall keep the minutes of the meetings of the Members and of the Board of Directors in one or more books provided for that purpose; give all notices in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records and of the seal of the Association, and affix the seal of the Association to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these bylaws; keep a register of the address of each Member which shall be furnished to the Secretary by each Member; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Assistant Treasurers and Assistant Secretaries

5.09. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries in general shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

ARTICLE VI

COMMITTEES

Committees of Directors

6.01. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Association. However, no such committee shall have the authority of the Board of Directors to adopt a plan of merger or adopt a plan of consolidation with another corporation; to authorize the sale, lease exchange, or mortgage of all or substantially all of the property and assets of the Association; to authorize the voluntary dissolution of the Association or removing proceedings therefor; to adopt a plan for the distribution of the assets of the Association; or to amend, alter or repeal any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on it or him by law.

Other Committees

6.02. Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. The President of the Association shall appoint the members thereof. Any members thereof may be removed by the person or persons authorized to appoint

such member whenever in their judgment the best interests of the Association shall be served by such removal.

Term of Office

6.03. Each member of a committee shall continue as such until the next annual meeting of the members of the Association and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Chairman

6.04. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Vacancies

6.05. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Quorum

6.06. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be that of the committee.

Rules

6.07. Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board of Directors.

ARTICLE VII

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

7.01. The Board of Directors may authorize any Officer or Officers, agent or agents of the Association, in addition to the Officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances.

Checks and Drafts

7.02. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such Officer or Officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Association.

Deposits

7.03. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Gifts

7.04. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

**ARTICLE VIII
BOOKS AND RECORDS**

8.01. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Members entitled to vote. All books and records of the Association may be inspected by a Member or his agent or attorney as provided for proper purposes and upon reasonable request.

**ARTICLE IX
FISCAL YEAR**

9.01. The fiscal year of the Association shall begin on the first day of January and end on the last day in December in each year.

**ARTICLE X
ASSESSMENTS AND DUES**

Annual, Special and Reimbursement Assessments

10.01. As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments, and may become obligated to pay to the Association reimbursement assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid on or before the due date, the assessment shall bear interest from the due date at the maximum rate of allowed by law, and the Association may or foreclose the lien against the property.

**ARTICLE XI
SEAL**

11.01. The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Association, "Copper Lakes Homeowners Association".

**ARTICLE XII
WAIVER OF NOTICE**

12.01. Whenever any notice is required to be given under the provisions of the Texas Non-Profit Association Act or under the provisions of the Articles of Incorporation or the Bylaws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**ARTICLE XIII
AMENDMENTS TO BYLAWS**

13.01. These Bylaws may be altered, amended, or repealed and new bylaws may be adopted at any time by vote of a majority of the Members of the Association present at an annual meeting of the Members or a Special Meeting of the Members called for that purpose. Notice of any proposed amendment to the Bylaws shall be set forth in the Notice of Meeting.


**ARTICLE XIV
CONFLICT WITH DECLARATION**

14.01. In the event anything contained in these Bylaws shall be determined to be in conflict with the provisions of the Declaration, then the Declaration shall be controlling as to the actions of the Association, its Board of Directors and Members.

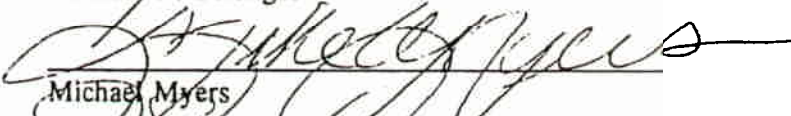
8/5/93
Date

Date


Date



Kenneth F. Belanger



Michael Myers



Curtis Hawley

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly elected and acting-secretary of the Copper Lakes Homeowners Association, a Texas non-profit corporation, and that the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 5th day of March, 1993.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 5 day of March, 1993.



, Secretary