

T979132

528-17-3233

Restn

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR KLEINBROOK, SECTION FOUR;
KLEINBROOK, SECTION FIVE;
ENCLAVE AT KLEINBROOK;
AND TRACES, SECTION FOUR

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STATE OF TEXAS {

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF HARRIS {

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THE KLEINBROOK/TRACES LIMITED PARTNERSHIP, a Texas Limited Partnership, by and through its Managing General Partner, PERNAT DEVELOPMENT CORPORATION, a Texas corporation (hereinafter called the "Declarant"), is the owner of KLEINBROOK, SECTION FOUR (4), being a 18.88 acre tract being situated in and part of the W. H. MOWREY Survey, A-1419 in the County of Harris, State of Texas, an addition in Harris County, Texas, according to the map or plat thereof duly recorded on April 21, 1999 at County Clerk's Film Code Number 418041 of the Map Records of Harris County, Texas; is the owner of ENCLAVE AT KLEINBROOK, being a 10.39 acre tract being situated in and part of the W. H. MOWREY Survey, A-1419 in the County of Harris, State of Texas, an addition in Harris County, Texas, according to the map or plat thereof duly recorded on May 19, 1999 at County Clerk's Film Code Number 420020 of the Map Records of Harris County, Texas; and is the owner of TRACES, SECTION FOUR, being a 1.5983 acre tract being situated in and part of the W. H. MOWREY Survey, A-1419 in the County of Harris, State of Texas, an addition in Harris County, Texas, according to the map or plat thereof duly recorded on January 28, 1999 at County Clerk's Film Code Number 412143 of the Map Records of Harris County, Texas. *122*

The "Declarant" is also the owner of KLEINBROOK, SECTION FIVE (5), being a 21.8 acre tract being situated in and part of the W. H. MOWREY Survey, A-1419 in the County of Harris, State of Texas, an addition in Harris County, Texas. The map or plat thereof has not yet been recorded in the Map Records of Harris County, Texas. It is contemplated that KLEINBROOK, SECTION FIVE (5) will be platted and that the map or plat thereof will be duly recorded in the Map Records of Harris County, Texas. Upon such recording, then KLEINBROOK, SECTION FIVE (5) shall be brought within the scheme of development of the Subdivision as that term is defined in Article I, Section 27 of this Declaration. The Declaration of Covenants, Conditions and Restrictions for Kleinbrook, Section Five (5) shall be filed of record in the Real Property Records of the Office of the County Clerk of Harris County, Texas. The Declaration of Covenants, Conditions and Restrictions for Kleinbrook, Section Five (5) shall be the same

or substantially similar to this Declaration. This Declaration contains certain references to provisions, conditions, restrictions and covenants pertaining and pertinent to KLEINBROOK, SECTION FIVE (5). Unless otherwise stated in the Declaration of Covenants, Conditions and Restrictions for Kleinbrook, Section Five (5) to be subsequently filed of record, the said provisions, conditions, restrictions and covenants pertaining and pertinent to KLEINBROOK, SECTION FIVE (5) contained in this Declaration shall be applicable to KLEINBROOK, SECTION FIVE (5).

THE KLEINBROOK/TRACES LIMITED PARTNERSHIP, a Texas Limited Partnership, desires to adopt a uniform plan for the orderly development of the above described real properties, and does hereby impose upon all the Properties owned by the Declarant above described, the following restrictions, covenants, conditions, maintenance fund, annual assessment fee charges and Vendor's Liens (hereinafter called the "Covenants, Restrictions and Conditions"), which shall be covenants running with the land and shall be binding upon any purchaser, grantee, owner, transferee, occupant, renter or lessee of any land or building in or on the Properties described above, and upon the respective heirs, executors, administrators, devisees, successors and assigns of such purchaser, grantee, owners, transferee, occupant, renter or lessee and upon all parties having or claiming any right, title or interest in or to the said Properties or any part thereof. Declarant hereby declares that the said Properties shall be developed, improved, held, used, sold and conveyed in accordance with, and subject to the following plan of development, restrictions, covenants, conditions, maintenance fund, annual assessment fee charges and Vendor's Liens, all of which are hereby adopted for and placed upon said Properties. Every contract, deed or other instrument of conveyance which has been executed or may be hereafter executed with regard to the above-described Property or any portion thereof shall be conclusively deemed to have been executed, delivered and accepted with the following reservations, charges, easements, covenants, conditions, restrictions and other provisions, regardless of whether or not said covenants, restrictions, conditions and other provisions are set out in full or incorporated therein.

NOW, THEREFORE, Declarant hereby adopts, establishes and imposes this Declaration upon all of the above described Properties and declares the following reservations, restrictions, covenants, conditions, maintenance fund, annual maintenance charges and Vendor's Liens to be applicable thereto, all of which reservations, restrictions, covenants, conditions, maintenance fund, annual maintenance charges and Vendor's Lien are for the express purpose of enhancing and protecting the value, desirability and attractiveness of the Properties and which reservations, restrictions, covenants, conditions, maintenance fund, annual maintenance charges and Vendor's Lien shall run with

the land and shall be binding upon all parties having an interest or acquiring any right, title, or interest therein, or any part thereof, their heirs, personal representatives, successors, executors, administrators, legal representatives and assigns.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to KLEINBROOK/TRACES HOMEOWNERS ASSOCIATION, INC., a Texas Non-Profit Corporation, its successors and assigns.

Section 2. "Building" shall mean any structure built for the support, shelter, or enclosure of persons, animals, chattels, or movable property of any kind.

Section 3. "Common Areas" shall mean all real and personal property (including the improvements thereon) owned by the Association for the common use and enjoyment of the Owners or which may be acquired by the Association. The term "Common Areas" shall be synonymous with "Common Facilities" and "Common Properties". The term shall also include property owned by a governmental entity which the Association may elect to maintain.

Section 4. "Declarant" shall mean and refer to THE KLEINBROOK/TRACES LIMITED PARTNERSHIP, a Texas Limited Partnership, and its successors and assigns, or any person, partnership, corporation or other entity to which Declarant may convey all or substantially all of the land then owned by Declarant in the Properties described herein for purposes of continuing the development of the Properties. The terms "Developer" or "Declarant" shall be synonymous when used in this Declaration. The Managing General Partner for "Declarant" is PERNAT DEVELOPMENT CORPORATION, a Texas corporation. The term "Declarant" shall refer to its successors and assigns only if such successor or assignee shall receive from Declarant all or a portions of Declarant's rights hereunder as such Declarant, by an instrument expressly assigning such rights as Declarant to such successor or assignee.

Section 5. "Lot" shall mean and refer to any plot of land shown upon recorded subdivision map of the Properties with the exception of the Common Areas, and public areas such as parks, parkways and esplanades.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or portion of a Lot which is part of the Properties, but excluding those having such interest merely as

security for the performance of an obligation, and excluding those persons or entities holding only a lien, easement, mineral interest or royalty interest burdening the title thereto. The term "Owner" shall be synonymous with the terms "Property Owner", "Lot Owner" or "Owner of Lot".

Section 7. "Plat of Kleinbrook, Section Four" shall mean and refer to the recorded map or plat or replat of Kleinbrook, Section Four recorded on April 21, 1999 at County Clerk's Film Code Number 418041 of the Map or Plat Records of Harris County, Texas.

Section 8. "Plat of Kleinbrook, Section Five" shall mean and refer to the recorded map or plat or replat of Kleinbrook, Section Five to be hereafter recorded in the Map or Plat Records of Harris County, Texas.

Section 9. "Plat of Enclave at Kleinbrook" shall mean and refer to the recorded map or plat or replat of Enclave at Kleinbrook recorded on May 19, 1999 at County Clerk's Film Code Number 420020 of the Map or Plat Records of Harris County, Texas.

Section 10. "Plat of Traces, Section Four" shall mean and refer to the recorded map or plat or replat of Traces, Section Four recorded on January 28, 1999 at County Clerk's Film Code Number 412143 of the Map or Plat Records of Harris County, Texas.

Section 11. "KLEINBROOK, SECTION FOUR" shall mean and refer to the real property, including the land and common areas, consisting of a 18.88 acre tract being situated in and part of the W. H. MOWREY Survey, A-1419 in the County of Harris, State of Texas, an addition in Harris County, Texas, according to the map or plat thereof duly recorded at County Clerk's Film Code Number 418041 of the Map or Plat Records of Harris County, Texas.

Section 12. "KLEINBROOK, SECTION FIVE" shall mean and refer to the real property, including the land and common areas, consisting of a 21.8 acre tract being situated in and part of the W. H. MOWREY Survey, A-1419 in the County of Harris, State of Texas, according to the map or plat thereof to be subsequently duly recorded in the Map or Plat Records of Harris County, Texas.

Section 13. "ENCLAVE AT KLEINBROOK" shall mean and refer to the real property, including the land and common areas, consisting of a 10.39 acre tract being situated in and part of the W. H. MOWREY Survey, A-1419 in the County of Harris, State of Texas, an addition in Harris County, Texas, according to the map or plat thereof duly recorded at County Clerk's Film Code Number 420020 of the Map or Plat Records of Harris County, Texas.

Section 14. "TRACES, SECTION FOUR" shall mean and refer to the real property, including the land and common areas,

consisting of a 1.6 acre tract being situated in and part of the W. H. MOWREY Survey, A-1419 in the County of Harris, State of Texas, an addition in Harris County, Texas, according to the map or plat thereof duly recorded at County Clerk's Film Code Number 412143 of the Map or Plat Records of Harris County, Texas.

Section 15. "Properties" shall mean and refer to all of the real properties described in Article I, Section 11, Section 12, Section 12 and Section 13 (which is within the jurisdiction of the Board of Directors of the Association or the Declarant) and any additions thereto as may hereinafter be brought within the jurisdiction of the Board of Directors of the Association or by the Declarant.

Section 16. "Supplemental Declaration" shall mean and refer to any supplemental declaration of covenants and restrictions bringing additional property within the scheme of the declaration under the authority provided in this Declaration, and/or supplementing these restrictions and covenants. It is specifically contemplated and provided that Kleinbrook, Section Five shall be brought within the scheme of the declaration under the authority provided in this Declaration upon recording of the map or plat of Kleinbrook, Section Five in the Map or Plat Records of Harris County, Texas.

Section 17. "Streets" shall include any street, drive, boulevard, road, lane, avenue or any place that is shown on the recorded plats as a thoroughfare.

Section 18. "Record Owner" shall mean the owner of record of a Lot or portion of a Lot as is recorded in the Real Property Records for and in Harris County, Texas.

Section 19. "Real Property Records" means the applicable records of the County Clerk of Harris County, Texas, in which conveyances of real property are recorded.

Section 20. "Board" or "Board of Directors" shall mean the Board of Directors of the KLEINBROOK/TRACES HOMEOWNERS ASSOCIATION, INC., also known as the "Directors".

Section 21. "Lien Holder" means an individual, corporation, financial institution or other entity that holds a vendor's or deed of trust lien or mechanic's lien secured by land within the Properties.

Section 22. "Majority" shall refer to a simple majority (more than one-half) of the Record Owners.

Section 23. "Structure" shall refer to and mean anything constructed on a Lot, including, but not limited to, buildings and any part thereof, improvements, garages, fences, pavement,

driveways, walkways, slabs and other things constructed, whether constructed on the Lot or constructed elsewhere and moved onto the Lot.

Section 24. "Declaration" shall refer to the restrictions, covenants and conditions contained in this document.

Section 25. "Subdivision" shall mean and refer to Kleinbrook, Section Four, Kleinbrook, Section Five, Enclave at Kleinbrook and Traces, Section Four, according to the above plats thereof, filed for record in the Map or Plat Records of Harris County, Texas, or to be subsequently filed for record in the Map or Plat Records of Harris County, Texas, and all the properties and land encompassed within the boundaries established by the recorded plats of Kleinbrook, Section Four, Kleinbrook, Section Five, Enclave at Kleinbrook and Traces, Section Four.

Section 26. "Builder", for the purposes of this Declaration, is defined as any person, firm, corporation or other entity who or which is regularly engaged in the business of building residential structures for sale or rental purposes, and not primarily for his or its personal use or occupancy. Such person, firm, corporation or other entity must be specifically designated as a "Builder" by the Declarant or its successors and assigns. The term "Builder" shall not be applicable to an Owner, unless such Owner independently qualifies as a "Builder" under the provisions of this Section 26.

ARTICLE II

GENERAL PROVISIONS

Section 1. Declarant's Right to Appoint Agents; Transfer of Powers to Association. The Declarant may at any time and from time to time, by instrument filed of record in the Office of the County Clerk of Harris County, Texas, appoint any person, firm, corporation or other entity as agent and attorney-in-fact to perform any act, function or duty of Declarant hereunder, and such power may be effectively revoked only by instrument filed of record in the Office of the County Clerk of Harris County, Texas. THE KLEINBROOK/TRACES LIMITED PARTNERSHIP, a Texas Limited Partnership, does by this instrument designate and appoint its Managing General Partner, PERNAT DEVELOPMENT CORPORATION, a Texas Corporation, as its agent and attorney-in-fact to perform any act, function or duty and to assume any powers of Declarant hereunder. Whenever in this Declaration the approval of the Declarant is required as a condition in respect of certain functions or where other consents, waivers or other actions on the part of the Declarant are required to be or may be given by the Declarant, the Association shall succeed to all the rights, privileges, duties, obligations, powers and functions of

the Declarant hereunder at such time as the ownership by the Declarant, its successors and assigns of all the Properties in the Subdivision shall have terminated. Such transfer to the Association shall be automatic and shall not require an instrument being filed of record in the Office of the County Clerk of Harris County, Texas.

Section 2. Waiver of Interest in Association Property. All real and personal property, including but not limited to all improvements and facilities and the Common Area, owned by or hereinafter acquired by the Association shall be owned by the Association. The Owners in the Subdivision shall have no interest in specific property of the Association. Each such Owner hereby waives the right to require partition of all or part of the Property owned by Association. All rights of ownership, management, administration, supervision, policy and rule-making and other proprietary rights as to the Common Area shall remain exclusively with the Association, subject only to the right of the common use and enjoyment of the Owners as provided elsewhere in this Declaration. Declarant, at its sole option, may convey all or any portion of the improvements and facilities owned by or hereinafter constructed by the Declarant to the Association at any time.

Section 3. Obstruction of Common Areas. There shall be no obstruction of the Common Areas. No activities, enterprises or projects shall be conducted, engaged in or undertaken in the Common Areas without the prior written consent of the Association. Nothing shall be kept, placed or stored in the Common Areas without the prior written consent of the Association. Nothing shall be done or kept in the Common Areas which would increase the rate of insurance on the Common Areas without the prior written consent of the Association. No Owner or occupant shall cause or permit anything to be done or kept in the Common Areas which would result in the cancellation of insurance for any part of the Common Areas or which activity or thing would be in violation of law. No rubbish, trash or waste material shall be placed in or on the Common Areas. The Association shall have the absolute and sole right to promulgate and enforce rules and regulations relating to the Common Areas. The Association shall have the power to adopt and publish rules and regulations governing the use of the Common Areas and facilities and governing the personal conduct of the Owners and occupants and their and guests thereon and to establish penalties for the infraction of such rules and regulations, provided that such rules and regulations are reasonable and necessary. Where the Common Area is owned by Declarant, then the word "Declarant" shall be substituted for the word "Association" and, after the conveyance of any such Common Area to Association by the Declarant, then the word "Association" shall be applicable.

Section 4. Owner's Easements of Enjoyment. Every Owner

shall have a non-exclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to the title to every Lot, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner or the Owner's delegate for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (c) The right of the Association to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property; and
- (d) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of Members agreeing to such dedication or transfer has been recorded.

Section 5. Owner's Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the Members of his household, his lease tenants, or contract purchasers who reside on the property. All such delegatee shall be subject to the rules and regulations of the Association and all provisions of the Articles of Incorporation and Bylaws of the Association and of this Declaration to the same extent as the Owner, and the Association may take any action against such delegate to enforce such documents as it is authorized to take against the Owner, and the Owner and his delegate shall be bound thereby.

ARTICLE III

KLEINBROOK/TRACES HOMEOWNERS ASSOCIATION, INC.

Section 1. Membership. Every record Owner of a Lot in the Subdivision shall be a Member of the KLEINBROOK/TRACES HOMEOWNERS ASSOCIATION, INC., a Texas Non-Profit Corporation. Membership shall be appurtenant to and may not be separated from the ownership of the Lot. Ownership of such Lot shall be the sole

qualification for membership.

Section 2. Voting Rights. Subject to the hereinafter stated provisions, all Members who are current on their annual assessments shall be entitled to one vote for each Lot in the Subdivision in which they hold the interest required for membership provided in Section 1 above.

The Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all Owners as defined in Article I, with the exception of the Declarant and its successors and assigns to whom the right of Class B membership is expressly assigned in writing. A Class A Member or Members shall be entitled to one (1) vote for each Lot owned in the Subdivision which vote may be cast by the Owner or co-Owners of that Lot, but in no event shall more than one (1) vote be cast with respect to any Lot. When more than one person or entity holds such interest in any Lot, all such persons or entities 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 such Lot.

Class B. The Class B Member(s) shall be the Declarant and its successors and assigns to whom the right of Class B membership is expressly assigned in writing by the Declarant. The Class B Member(s) shall be entitled to ten (10) votes for each Lot owned. The Class B membership shall cease and become converted to Class A membership on the happening of either of the following events, whichever occurs first:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) January 1, 2010;

provided, however, that the Class B membership shall be reinstated upon annexation to the Properties of any additional residential property and/or Common Area, but subject to further cessation in accordance with the limitations set forth in the preceding paragraphs (a) and (b) of this Article, whichever occurs first.

From and after the happening of whichever event specified in (a) and (b) above first occurs, the Class B Member shall be deemed a Class A Member entitled to one (1) vote for each Lot in the Subdivision in which it holds the interest required for membership by this Declaration or any Supplemental Declaration.

Section 3. Bylaws. The KLEINBROOK/TRACES HOMEOWNERS

ASSOCIATION, INC. may make whatever rules or bylaws it may choose to govern the organization, provided that said are not in conflict with the terms and provisions hereof.

Section 4. Maintenance Fund. The KLEINBROOK/TRACES HOMEOWNERS ASSOCIATION, INC. shall have all duties, obligations, benefits, liens and rights enumerated in Article IV, regarding Covenants for Regular, Annual Assessments; and said Association shall be the authority to collect all regular, annual assessments and to disburse the funds derived therefrom for the purposes enumerated in Article IV.

Section 5. Standing. The KLEINBROOK/TRACES HOMEOWNERS ASSOCIATION, INC. shall have legal standing to bring any actions either at law or in equity for purposes of collecting the regular annual assessments; enforcing any and all covenants, conditions, restrictions, or other rights granted under this Declaration; to enforce any other rights, obligations, benefits, or liens created in this Declaration; to seek injunctive relief for violations of these restrictive covenants; to seek monetary damages, attorney fees, costs and interest as provided in this Declaration; to foreclose on Vendor's Liens or any other liens as provided in this Declaration; and to take any other action necessary or proper to protect and defend any duties, obligations, benefits, liens and rights conferred herein.

ARTICLE IV

COVENANTS FOR ANNUAL AND SPECIAL ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Annual Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a Deed therefor or conveyance thereof, 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 or charges in the amount per annum specified below, and subject to increase or decrease as provided in Section 3 below;

(b) Special Assessments for Capital Improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs, late charges and reasonable attorney's fees, shall also be the personal obligation of the person or entity who was the Owner of such property at the time when the assessment became due, but such personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

However, any such transfer shall not affect the Vendor's Lien on said property as said annual and special assessments shall run with the land.

Section 2. Purpose of Assessments. Each Lot or portion thereof in Kleinbrook, Section Four, Kleinbrook, Section Five, Enclave at Kleinbrook and Traces, Section Four is hereby subjected to an annual maintenance charge and assessment for the purpose of creating a fund to be designated and known as the "maintenance fund," which annual maintenance charge and assessment shall be paid by the Owner or Owners of each Lot within Kleinbrook, Section Four, Kleinbrook, Section Five, Enclave at Kleinbrook and Traces, Section Four to the KLEINBROOK/TRACES HOMEOWNERS ASSOCIATION, INC., on or before January 1 of each year, in advance annual payments, commencing on a date and in a manner to be promulgated by the Board of Directors of the Association. Subject to the hereinafter stated provisions, 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 of the Subdivision may, in the judgment of the Board of Directors of the Association, require. Such assessment shall be uniform, except as hereinafter provided for Declarant and any builder to whom Declarant sells a Lot. Such annual maintenance assessments and any special assessments, together with interest, costs, late charges and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each such assessment is made. The lien created herein shall be binding on each such Lot and on the Property Owner, and his heirs, devisees, personal representatives, assigns and successors. The aforesaid lien shall be superior to all other liens and charges against the Lot, except as specially provided for otherwise in this Article. The Association shall use the proceeds of said maintenance fund for the benefit of all such owners and for the use and benefit of the Properties in general. The uses and benefits to be provided by the Association shall include, by way of example but without limitation, at its sole option and discretion, any and all of the following: constructing and maintaining alleys, paths, parks, landscape reserves, parkways, easements, esplanades, rights-of-way, cul-de-sac and street medians and vacant parcels of land; furnishing and maintaining landscaping, lighting and beautification of the Properties; maintaining and operating the recreational facilities, including the swimming pool and tennis courts; payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions and conditions affecting the Properties to which the maintenance fund applies; payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment; employing police officers and security persons; caring for vacant Lots; mosquito and insect fogging, collection of refuse and

garbage; paying the expenses for all utilities or services furnished to the Common Areas and the Common Properties and Common Facilities in the Properties; paying the expenses for the maintenance, repair, care, upkeep, beautification, protection, taxes, insurance, replacement, reconstruction, management, supervision and operation of or for the Common Areas and the Common Properties and Common Facilities in the Properties; paying for capital improvements to such Common Areas and Common Properties and Common Facilities; and doing such other things and taking such other actions as are necessary or desirable in the opinion of the Board of Directors of the Association to keep the Properties neat and in good order, or which are considered of general benefit to the Owners or occupants of Lots in the Subdivision, including the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance and other charges as specified herein. The judgement of the Board of Directors of the Association, in the expenditure of said funds, shall be final and conclusive so long as such 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. Each person or entity who accepts a deed or conveyance to a Lot or Lots agrees, by acceptance of same, to pay such maintenance charge and assessment as herein provided.

Section 3. Maximum Annual Assessment. Beginning on January 1, 2000, the maximum annual assessment shall be initially set at One Hundred Eighty Dollars and No Cents (\$180.00) for each Lot not owned by Declarant. Beginning on January 1, 2001, the annual assessment per Lot may be adjusted to more clearly reflect the true costs and anticipated economic conditions affecting the Subdivision, and the Board of Directors of the Association may, by a majority vote of a quorum of the members of the Board of Directors, increase the annual assessment by not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the Lot Owners. By such majority vote of the Board of Directors, the Board may cumulate such percent increases from prior years in the event that the Board did not increase the annual assessment by a complete ten percent (10%) in a prior year or years, provided that, in no event, shall the annual assessment be increased by the Board of Directors by more than twenty percent (20%) above the maximum assessment for the previous year without a vote of the Lot Owners. In the event that the Board of Directors of the Association determines that circumstances require that the annual assessment be increased by more than ten percent (10%) above the maximum assessment for the previous year, then unless the above provisions for cumulative increases shall be applicable, such increase shall require the affirmative vote of sixty percent (60%) of each class of Members who are voting in person or by proxy, at a meeting specially duly called for this purpose and at which a quorum of each class of Members is present. The Board of Directors may fix the annual

assessment at an amount not to exceed the maximum permitted herein. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs, fix the actual assessment for any one year at a lesser amount than specified herein, but such rate shall not constitute a waiver by the Board of Directors of the Association of its right to revert to the full assessment for future years.

The maintenance charge provided in this Section shall be effective during the full term of this Declaration, unless changed as provided herein, in which event the maintenance charge, as changed from time to time, pursuant to the provisions of this Section, shall be effective during the full term of this Declaration.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy a special assessment in any assessment year, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any new construction, or reconstruction, repair or replacement of a capital improvement in the Common Areas, provided that any such special assessment for capital improvements shall have the assent of sixty percent (60%) of the total voting membership of each class of Members who are voting in person or by proxy, at a meeting specially duly called for this purpose and at which a quorum of each class of Members is present.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or Section 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 the first such meeting called, the presence of Members or of proxies entitled to cast a majority 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 preceding meeting. No such subsequent meeting shall be held any sooner than ten (10) days nor more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate, except as hereafter provided, for all Lots and shall be collected on an annual basis. Declarant and any "Builder" to whom Declarant sells a Lot shall not be liable for the payment of maintenance charge assessments for any Lot until such Lot has been improved and a residential dwelling has been built thereon. After such time, Declarant or any "Builder" to whom Declarant sells a Lot, as the case may be, shall be liable for fifty percent (50%) of the then existing maintenance charge or assessment for such Lot

until said Lot is conveyed to an Owner. The prorated amount of the annual assessment shall become due on the first day of the next succeeding calendar month. At the time that the Lot is conveyed to an Owner, the Owner thereof shall commence to pay the full assessment thereon. Any remaining prorated amount of the full annual assessment shall become due and payable by the Owner at the closing on the Lot. Notwithstanding the foregoing provisions, in the event that the "Builder" leases or rents the dwelling on the Lot for a period of six months or more, then a prorata amount of the then existing annual assessment shall be due and payable by the "Builder" for the period of time during the effective date of the lease or rental agreement. The term "Builder", for the purposes of this Declaration, is defined as any person, firm, corporation or other entity who or which is regularly engaged in the business of building residential structures for sale or rental purposes, and not for his or its personal use or occupancy. Owners of the unimproved Lots, other than the Declarant or the "Builder", shall pay one hundred percent (100%) of the then existing full maintenance charge assessment for each Lot owned by them, until a residential dwelling has been completed thereon and occupied. In the event that such Lot Owner owns more than one Lot, even though such Lots may have been consolidated as provided for elsewhere in this Declaration, then there shall be a separate annual assessment for each such Lot owned. In the event that any such Lot Owner owns a fraction of a Lot, then there shall be a separate annual assessment for such fraction of the Lot owned, with said amount to be determined by the percentage of the Lot owned, calculated upon the square footage of such fractional Lot. For purposes of calculating such percentage, the Board of Directors may, in its discretion, round such percentage to twenty-five percent (25%) increments. For any fractional Lot or Lots owned by such Lot Owner which are contiguous with the Lot or Lots upon which the Lot Owner's main dwelling is situated, the Vendor's Lien provided for in this Article IV shall attach collectively to the fractional Lot or Lots and to the Lot upon which the dwelling is situated.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessment period shall run from January 1 through December 31 of each year. The Board of Directors of the Association shall fix the amount of the annual assessment against the Lots at least thirty (30) days in advance of each annual assessment period. Written notice, by regular mail, of the annual assessment shall be sent to each Owner subject thereto. The failure or neglect of the Board of Directors to fix the amount of the annual assessment against the Lots at least thirty (30) days in advance of each annual assessment period and/or to provide written notice of the annual assessment shall not affect the validity of the assessment or impair the Vendor's Liens created in this Declaration so long as such annual assessment is so fixed and written notice is so provided within a

reasonable time. In the event that the Board of Directors fails to fix the amount of the annual assessment against the Lots by January 1st of the annual assessment period, then the amount of the annual assessment shall be deemed to be the same amount as that established for the immediately preceding annual assessment period. The Association shall, upon demand, and for a reasonable charge to be determined by the Board of Directors 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 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment or any part thereof not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of up to a maximum of eighteen percent (18%) per annum or the maximum rate of interest allowed by law, whichever is lower, in the discretion of the Board of Directors of the Association, provided that the rate of interest is uniform as to all Lots. The Board of Directors of the Association shall set the applicable rate of interest by the 30th day of November of each year for the coming fiscal year. The failure or neglect of the Board of Directors to fix the amount of the interest rate by November 30th shall not affect the validity of the assessment or the interest thereon so long as the rate of interest is so fixed within a reasonable time after November 30th. In the event that the Board of Directors fails to fix the rate of interest by January 1st of the annual assessment period, then the rate of interest shall be deemed to be the same rate of interest as that fixed for the immediately preceding annual assessment period. In addition to the interest set forth above, the Association shall also be entitled to collect a late charge of \$10.00 per month if said assessment fees or any part thereof are not paid by February 1st. Said interest and late charges shall become part of the assessment fees and shall be secured by a Vendor's Lien on the Lot. In addition thereto, in the event that the assessments or any part thereof are not paid within thirty (30) days after the due date, any costs and attorney's fees actually incurred by the Association for Notices of Lien, Releases of Lien, collection letters sent by the Association's attorney, proceedings for non-judicial foreclosure of the Vendor's Lien and other expenses and costs in connection with collection of delinquent accounts shall be added to the Owner's account and such additional fees and charges shall become part of the assessment fees and shall be secured by a Vendor's Lien on the Lot. The Board of Directors of the Association, at its sole option, may bring an action at law against the Owner personally obligated to pay the same, or may foreclose, by judicial proceedings, the Vendor's Lien created hereby against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of a Lot. To

evidence the aforesaid assessment lien, the Association shall be authorized, but not required, to prepare a written Notice of Assessment Lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a legal description of the Lot. Such notice shall be signed by one of the Board of Directors of the Association and may be recorded in the office of the County Clerk of Harris County, Texas. In any foreclosure proceeding, the Owner shall be required to pay the costs, expenses and reasonable attorney's fees as provided in this Article.

Section 9. Subordination of Lien. The Vendor's Lien for the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Vendor's Lien. Each signatory and each Property Owner contractually agrees to the assessment of fees and Vendor's Liens securing same, provided for in this Article, and further contractually agrees that said Vendor's Lien, if not sooner paid or not foreclosed upon through judicial proceedings, shall be paid at the closing on the sale of the Lot or Lots burdened by such Vendor's Lien. The Vendor's Lien securing payment of the annual assessment and any special assessments retained in this Declaration shall constitute notice of such Vendor's Lien without the necessity of a Notice of Assessment Lien or a Notice of Lien or other lien notice being recorded in the Real Property Records of the Office of the County Clerk.

Section 11. Termination of Services. The Board of Directors of the Association may, upon a majority vote of the Board, suspend the right of any Lot Owner to receive any services provided by the Association and/or suspend the right of any Lot Owner and his or its family, tenants and guests to use and enjoy the Common Area and the Association's facilities and amenities, if any, during such period of time as the Lot Owner is delinquent in said annual assessment. In the event of such suspension, the Lot Owner shall not be entitled to any abatement or adjustment in the assessment fees for the services suspended or for suspension of the right to use and enjoy such facilities and amenities, if any, during such period of time as the Lot Owner is delinquent in said annual assessment.

Section 12. Additional Annual Maintenance Charge. In addition to the Annual Assessments, specified in Article IV, Section 3, and the Assessments for Capital Improvements, specified in Article IV, Section 4, of this Declaration, the

Owners of Lots in ENCLAVE AT KLEINBROOK shall pay a separate annual assessment charge (hereinafter referred to as the "Additional Annual Maintenance Charge") of One Hundred Twenty Dollars and No Cents (\$120.00) for the purposes of defraying the costs associated with repair and maintenance of the streets in ENCLAVE AT KLEINBROOK, with the repair, maintenance and replacement of the entry gates to ENCLAVE AT KLEINBROOK and with the repair, maintenance and replacement of the perimeter fences or walls and/or entry walls in ENCLAVE AT KLEINBROOK, if same are constructed by the Declarant. The Additional Annual Maintenance Charge shall be governed by the provisions of Section 6, Section 7, Section 8, Section 9, Section 10 and Section 11 of this Article IV, except where such provisions are inconsistent with the provisions of this Article IV, Section 12. The Additional Annual Maintenance Charge shall be maintained as a segregated fund from the Annual Assessments, specified in Article IV, Section 3, and the Assessments for Capital Improvements, specified in Article IV, Section 4. The proceeds of such segregated fund may only be used for the specific purposes set forth in this Section 12. The Association shall not be required to use funds derived from the Annual Assessments, specified in Article IV, Section 3, and the Assessments for Capital Improvements specified in Article IV, Section 4, for any purposes set forth in this Section 12, unless the Board of Directors determines that such use would be beneficial to the Subdivision as a whole. Any such expenditure of the Association's general funds for such purposes shall require the unanimous approval of the entire Board of Directors. Beginning on January 1, 2001, the Additional Annual Maintenance Charge per Lot may be increased by an amount not to exceed ten percent (10%) of the prior year's amount by the affirmative vote of two-thirds (2/3) of each class of Members who own Lots in ENCLAVE AT KLEINBROOK and who are voting in person or by proxy, at a meeting specially duly called for this purpose. For purposes of this Section 12, the Board of Directors shall not cumulate such percent increases from a prior year or prior years, even if the Board did not increase the annual assessment by a complete ten percent (10%) in a prior year or prior years. In the event that the funds available in the segregated fund generated by the Additional Annual Maintenance Charge are not sufficient, during a particular calendar year, to defray the costs associated with a specific purpose set forth in this Section 12, then the Association may levy, in any assessment year, a special assessment against the Lots in ENCLAVE AT KLEINBROOK, applicable to that year only, for the purpose of defraying, in whole or in part, such cost, provided that any such special assessment shall have the assent of two-thirds of the votes of the total voting membership of each class of Members who own Lots in ENCLAVE AT KLEINBROOK and who are voting in person or by proxy at a meeting duly and specially called for that purpose. Written notice of any meeting called for the purpose of taking any action authorized under this Section 12 shall be sent to all Members who own Lots in ENCLAVE AT KLEINBROOK not less than

thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast a majority of all the votes of each class of membership entitled to vote at the meeting 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 preceding meeting. No such subsequent meeting shall be held any sooner than ten (10) days nor more than sixty (60) days following the preceding meeting.

ARTICLE V

LAND USE AND BUILDING RESTRICTIONS

Section 1. Residential Use. All Lots shall be known and described as Lots for residential purposes only (hereinafter sometimes referred to as "residential lots"), and no structure shall be erected, altered, placed or permitted to remain on any Lot other than one (1) detached single family dwelling not to exceed two (2) stories in height with a detached or attached garage for not less than two (2) or more than three (3) cars. Said garage, except as hereinafter provided, shall not be enclosed, altered, or modified in any manner that would prevent its use for parking cars. However, a builder may temporarily convert a garage into a sales or construction office only so long as sale or construction of new houses is proceeding. Any such sales or construction office must be promptly converted into a functional garage upon termination of sales or construction of new houses by that builder. No Lot shall be used for any purpose other than for single family residential purposes, except as hereinafter provided. As used herein, the term "residential purposes" shall be construed to prohibit the use of said property for duplex houses, garage apartments, garage houses, multiple family dwellings, boarding houses, stores, licensed and unlicensed day-care or child care centers, sales offices (except as hereinafter provided), warehouses, halfway houses, or other business related or multiple family dwellings. No Lot shall be used or occupied for any business or professional purposes of any kind, including garage sales. No Lot shall be used or occupied for any commercial, trade or manufacturing purposes, even though such purposes be subordinate or incident to the use of the premises as a residence. No building or structure intended for or adapted to business purposes shall be erected or maintained on such Lots or on any part thereof. No building of any kind or character shall ever be moved onto any Lot within the subdivision by any Class A Member, it being the intention that only new construction shall be placed and erected thereon. Each single family dwelling may be occupied by only one family consisting of one or more persons related by blood, adoption or marriage or no more than two unrelated persons living and cooking

together as a single housekeeping unit together with any household servants. Each single family dwelling shall contain no more than one housekeeping unit.

Section 2. Architectural Control. No dwelling, garage, building, improvement, foundation, fountain, outdoor lighting, fence, wall, statuary, landscaping, driveway, sidewalk, swimming pool, gazebo, satellite dish, or any other structures or other improvements shall be commenced, erected, placed, altered, or maintained upon the Properties, nor shall any exterior addition to or change or alteration (including without limitation the painting and/or repainting of any dwelling, garage, building or any other structures or other improvements) thereon be made until the construction plans and specifications and drawings showing the front elevation, the nature, kind, shape, height, materials, color scheme and location of the same shall have been submitted to and approved in writing, as to harmony of the exterior design and location in relation to surrounding structures and topography, by the Architectural Control Committee as hereinafter established.

Section 3. Dwelling Size. Any one story residential dwelling constructed on any Lot in Kleinbrook, Section Four must have a living area of not less than 1050 square feet, exclusive of open or screened porches, terraces, driveways, and garages. Any residential dwelling constructed on any Lot in Kleinbrook, Section Four, other than a single story residential dwelling, must have not less than 1400 square feet of living area, exclusive of open or screened porches, terraces, driveways, and garages. Any one story residential dwelling constructed on any Lot in Kleinbrook, Section Five must have a living area of not less than 1,050 square feet, exclusive of open or screened porches, terraces, driveways, and garages. Any residential dwelling constructed on any Lot in Kleinbrook, Section Five, other than a single story residential dwelling, must have not less than 1400 square feet of living area, exclusive of open or screened porches, terraces, driveways, and garages. Any one story residential dwelling constructed on any Lot in Enclave at Kleinbrook must have a living area of not less than 1,100 square feet, exclusive of open or screened porches, terraces, driveways, and garages. Any residential dwelling constructed on any Lot in Enclave at Kleinbrook, other than a single story residential dwelling, must have not less than 1,500 square feet of living area, exclusive of open or screened porches, terraces, driveways, and garages. Any one story residential dwelling constructed on any Lot in Traces, Section Four must have a living area of not less than 1,050 square feet, exclusive of open or screened porches, terraces, driveways, and garages. Any residential dwelling constructed on any Lot in Traces, Section Four, other than a single story residential dwelling, must have not less than 1400 square feet of living area, exclusive of open or screened porches, terraces, driveways, and garages. No residential

dwelling constructed on said Lots may exceed two (2) stories. All dwellings shall have an attached or detached enclosed garage with at least the minimum interior floor necessary to accommodate two full-sized automobiles. No garage may be greater in height or number of stories than the residence for which it is built. Garages shall correspond in style, color and architecture to the main residential dwelling.

Section 4. Quality and Type of Construction, Materials and Landscape. The following restrictions shall govern the construction of any structure on any Lots in the Subdivision:

(a) Except where otherwise approved in writing by the Architectural Control Committee, the construction of any residence shall require the use of not less than fifty percent (50%) brick, brick veneer, stone or equivalent masonry construction on its exterior wall area around the outside perimeter of the ground floor of the building, except that detached garages may have wood siding of a type and design approved by the Architectural Control Committee. All exterior first floor walls (exclusive of window and door openings) facing a street shall be erected with complete brick or masonry veneer, except that the Architectural Control Committee has the authority to approve residential construction utilizing other building materials so long as fifty percent (50%) of the residency is brick or equivalent masonry construction on its exterior wall area. For purposes of this restrictive covenant, masonry includes brick, brick veneer, stone, stone veneer, stucco, concrete board siding, and all materials commonly referred to in the Houston, Texas, building industry as masonry, but shall not include asbestos shingles or other similar fireproof boarding. Stone veneer must complement the style of the architecture employed and must conform to the color scheme of the immediate neighborhood. If material other than wood siding is used for the remaining portions of the exterior wall area, or is used for the exterior wall area of the garage structure, then the material used must be approved, in writing, by the Architectural Control Committee. In computing the above percentage, roof areas, gables and window and door openings shall be excluded, but attached garages, porches and other structures constituting part of the residency shall be included.

(b) All residential structures shall be constructed on a concrete slab. The minimum top slab elevation for any residence shall be the minimum slab elevation required for a building permit issued by the appropriate governmental agency, in compliance with the Federal Flood Insurance regulations.

(c) No external roofing material other than composition

roofing, or such other types as may be approved in writing by the Architectural Control Committee shall be constructed or used on any building or structure in any part of the Properties. Composition roofing materials must be of 240 lb. or heavier weight. Subject to this Restriction, the Architectural Control Committee shall have the right to establish specific requirements for the pitch of any roof and the type and color of roofing materials that may be utilized for any Residential Dwelling or garage. All vents, roof stacks, flashing and other projections from the roof must be painted to match the color of the roofing material.

(d) Garages must be provided for all residences. The garage shall conform in architectural design and material with the main structure. There shall be only one (1) garage structure for each Lot which shall have places for no fewer than two (2) and no more than three (3) vehicles. Except as hereinafter provided otherwise, the location of the garage on the Lot and the direction in which the garage doors open or face shall be expressly approved, in writing, by the Architectural Control Committee prior to the construction of said garage. Any enclosure of the garage which prevents its use for, primarily, the housing of automobiles or vehicles is specifically prohibited. In no case may any garage be used for any business and/or business purpose. No garage on any Lot shall be used as a residence under any circumstance. Any construction of a second floor level on a garage, whether by the original builder or as an alteration to an existing garage, shall require the prior written approval of the Architectural Control Committee.

(e) No window or wall-type air conditioner shall be permitted to be used, erected, placed or maintained in or on any building in any part of the Properties in such manner that it may viewed on the street on which the Lot fronts or sides.

(f) All fireplace flues, smoke stacks and spark arrestors shall be completely enclosed and concealed from public view in finished chimneys of materials architecturally compatible with the principal finish material of the exterior walls of the Dwelling or may otherwise be approved in writing by the Architectural Control Committee. Metal flashings, valleys, vents and gutters installed on a Residential Dwelling and/or garage shall be painted to blend with the color of the exterior materials to which they are adhered or attached.

(g) The color of paint used for the exterior color scheme of the Residential Dwelling and garage must be approved, in writing, by the Architectural Control Committee. Iridescent colors or tones considered to be brilliant are not permissible. For the purposes of this paragraph,

"brilliant" is construed to mean a color that is not in harmony with the paint colors of the Residential Dwellings throughout the Subdivision.

Section 5. Building Locations. The following building and setback line requirements shall be applicable:

(a) Building Locations in all Sections. The following building and setback line requirements shall be applicable to all Lots in the "Subdivision": (i) Except as may be authorized in writing by the Architectural Control Committee, no dwelling, building or other structure shall be located on any Lot nearer to the front Lot line or nearer to the side street Lot line than the minimum building setback lines shown on the recorded plat and the minimum setbacks required by the City of Houston Zoning Ordinance, if any exists. (ii) Except as may be authorized in writing by the Architectural Control Committee, no dwelling or building shall be located on any Lot nearer to the side or rear Lot line than as permitted by the recorded plat. (iii) For purposes of this Declaration, eaves, steps and open porches shall not be considered as part of the main residence building; provided, however, that the foregoing shall not be construed to permit any portion of a building on any Lot to encroach upon another Lot or to extend beyond the building setback line. An overhang of building shall be permitted so long as such overhang does not extend out more than two feet (2') from the slab or foundation. (iv) For purposes of this Declaration, the front each Lot shall coincide with and be the property line having the smallest or shortest dimension abutting a street. (v) Unless otherwise approved in writing by the Architectural Control Committee, each main residence building shall be constructed on the Lot in such manner so as to face the front of the Lot, and each detached or attached garage will either face upon the front Lot line or face upon a line drawn perpendicular to the front Lot line, and shall not be located nearer to the front Lot line than the minimum building setback lines shown on the recorded plat; provided that upon written approval of the Architectural Control Committee, any detached garage located more than sixty-five (65) feet from the front Lot line shall not be required to face upon said Lot line. (vi) A corner Lot shall be deemed to front on that street on which it has its least dimension. Dwellings on corner Lots shall have an acceptable frontage on all streets on which the particular corner Lot faces. On each corner Lot, the residence shall face the street which it has the smallest frontage, except that garages on corner Lots may face the side street. (vii) Driveway access will be provided from the front of all Lots, except that driveway access may be provided to corner Lots from a side street. No Lot shall have direct driveway access from a drainage right-of-way or easement. The Architectural Control Committee shall determine the location and type of material of the driveway.

(b) Building Locations in Kleinbrook, Section Four, Kleinbrook, Section Five and Enclave at Kleinbrook. The following building and setback line requirements shall be applicable to all Lots in Kleinbrook, Section Four, Kleinbrook, Section Five and Enclave at Kleinbrook, but not to any Lots in Traces, Section Four: No dwelling, building or other structure shall be located nearer than five feet (5') to any side or rear interior Lot line, except that any building or structure may be located not less than three feet (3') from any interior Lot line, provided that the building or buildings on the adjacent Lot are complete and situated in such manner as to be no closer than ten feet (10') to the nearest adjoining building. It is the purpose of this provision to maintain at least a ten foot (10') separation between building on contiguous Lots, while allowing structures to be built as close as three feet (3') to an interior Lot line. However, a garage or other permitted accessory building which is located more than sixty-five feet (65') from the front Lot line may be located not less than three feet (3') from any interior Lot line.

(c) Building Locations and Zero Lot Line Option in Traces, Section Four. The following building and setback line requirements shall be applicable to all Lots in Traces, Section Four, but not to any Lots in Kleinbrook, Section Four, Kleinbrook, Section Five and/or Enclave at Kleinbrook:

(1) Placement. Except as may be authorized in writing by the Architectural Control Committee, no dwelling or building shall be located on any Lot nearer to the front Lot line or nearer to the side or rear Lot line than as permitted by the recorded plat. 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 feet (5') from the residency or appurtenant structure on any contiguous Lot(s). Each residence dwelling shall be designed so as to provide that a minimum of fifty percent (50%) of the linear distance of one (1) wall of the residence structure shall be constructed adjacent to and abutting a side Lot line. Such side Lot line where there is such construction shall be hereinafter referred to as the "Zero Lot Line." It is provided, however, that an open court or patio may be built adjacent and abutting the aforementioned Zero Lot Line, but said open court or patio must be enclosed by a masonry or wood wall having a minimum height of eight feet (8'). This wall must, as is the case with the residence wall, be constructed adjacent to the abutting Zero Lot Line and enclose the court or patio in such a manner as to appear to be an extension of the residence dwelling. The Zero Lot Line walls shall have no exterior objects or appurtenances such as, for example and without limitation, there shall be no electric panels, vents, plumbing clean outs, windows or opening of any kind

unless such Zero Lot Line side is on the street side of the corner Lot. If the Zero Lot Line is on the street side of the corner Lot, normal opening and exterior appurtenances may be constructed on the dwelling abutting the Zero Lot Line. There is hereby established a five (5) foot minimum distance between the Zero Lot Line and the residence dwelling situated upon the adjoining Lot. No dwelling shall be located on any Lot within any Utility Easement along the rear Lot line.

(2) Zero Lot Line Access Easement. Upon the election of Declarant, its successors and/or assigns of the Zero Lot Line Option, as evidenced by completion on a Lot of construction of any residence complying therewith, each such Lot shall have an access easement not less than three feet (3') in width extending the entire depth of the Lot from front to back abutting and parallel to the Zero Lot Line wall, over, on and across the adjacent Lot for the construction, repair, and maintenance of improvements located on the Zero Lot Line. Conditions and use of the Zero Lot Line Access easement are hereby declared and established by and between the Owner of the Zero Lot Line Lot and the Owner of the adjacent Lot, which shall be covenants running with the land and binding both of the above-mentioned Owners and all of the respective heirs and assigns forever, to wit: (i) The Zero Lot Line Lot Owner must replace any fencing, landscaping or other items on the adjacent Lot that he may be disturbing during construction, repair, or maintenance. (ii) This easement, when used by the Zero Lot Line Lot Owner for such construction, repair or maintenance, must be left clean and unobstructed unless the easement is actively being utilized and any items removed must be replaced. (iii) The Zero Lot Line Lot Owner must notify the Owner of the adjacent Lot of his intent to do any construction, repair or maintenance upon the Zero Lot Line wall at least twenty-four (24) hours prior to starting any work, with the hours that such access easement may be utilized being between 8:00 a.m. and 5:00 p.m., Monday through Friday, and 9:00 a.m. through 6:00 p.m. on Saturday. (iv) Both the Zero Lot Line Lot Owner and the adjacent Lot Owner shall have the right of surface drainage over, along and upon the access easement area. Neither Owner shall use the access easement area in such a manner as will interfere with such drainage. (v) Neither Owner shall attach any object to the Zero Lot Line wall, facing onto the access easement area and the Owner of the adjacent Lot will not use the Zero Lot Line wall as a playing surface for any sport. In addition, no structure shall be constructed or placed upon the access easement area by either Owner, except the roof overhang and gutters as provided for above, and a fence by the Owner of the adjacent Lot, which allows drainage; however, access to the access easement must be

preserved for the Owner of the Zero Lot Line Lot.

(3) Equal Set Back Option. Each residence dwelling shall be located on the Lot no nearer to the side property line on the opposite side from the Zero Lot Line and no nearer to the rear property line than that as shown on the recorded plat. It is further provided that each Lot or parcel in Traces, Section Four shall be subject to an easement for minor (one foot or less) encroachments created by construction, settling, overhangs, brick ledges, fences, or other protrusions constructed by the Declarant or Lot Owner as long as it stands, and shall and does exist. In the event any dwelling in Traces, Section Four is partially or totally destroyed, and then rebuilt, the Owners affected agree that minor encroachments onto adjacent property due to the construction, reconstruction, or repair shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

Section 6. Nuisance and Annoyances. No noxious or offensive activity shall be carried on upon any Lot or in the common area, nor shall anything be done thereon which may be or become any annoyance or nuisance to the other Lot Owners or the neighborhood. No Lot shall be used, in whole or in part, for the storage of rubbish or hazardous waste of any character whatsoever, nor for the storage of any property or thing that might cause such Lot to appear in an unclean or untidy condition or that will be obnoxious to the eye, nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding property. No activity shall be carried on upon any Lot or in the common area which might reasonably be considered as giving annoyance to the neighbors or other owners of ordinary sensibilities or which might be calculated to reduce the desirability of the properties as a residential neighborhood, even though such activity may be in the nature of a hobby and not carried on for profit. No exterior speaker, horn, whistle, bell or other sound device, except security devices used exclusively for security purposes, shall be located, used or placed upon any Lot. The Board of Directors of the Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance. Activities expressly prohibited, without limitation, include (1) the performance of work on automobiles or other vehicles in driveways or streets abutting Lots, other than work of a temporary nature (not to exceed twelve (12) hours), (2) the use or discharge of firearms, firecrackers or other fireworks within the Properties, and (3) the storage of flammable liquids in excess of five gallons.

Section 7. Temporary Structures and Outbuildings. No structure of a temporary or permanent character, whether trailer,

tent, shack, garage (which is not appurtenant to a dwelling situated on the Lot), barn or other outbuilding shall be constructed, erected, placed or maintained or used on any Lot at any time for any purpose, provided, however, that:

- (a) That non-commercial greenhouses, tool sheds, and bathhouses shall be permitted hereunder, provided plans for the same are approved in writing in advance by the Architectural Control Committee. Said outbuildings shall be limited to a maximum of eight feet (8') in height, one hundred twenty square feet (120 sq. ft.) of floor space and correspond in architecture, style, color and materials to the dwelling to which it is appurtenance, and,
- (b) That Declarant reserves, for itself and any builders in said Subdivision, the exclusive right to erect, place and maintain such facilities or maintain a sales or construction office, in or upon any portions of the Properties as, in its sole discretion, may be necessary or convenient while selling Lots, selling or constructing residences and constructing other improvements upon the Properties. Such facilities may include, but not necessarily be limited to, sale and construction offices, storage areas, model units, signs and portable toilet facilities.

Section 8. Storage of Vehicles or Equipment. No motor home, house trailer, boat, marine craft, boat rigging, boat trailer, hovercraft, aircraft, truck, camper, travel trailer, mobile home, truck cab, detached camper top, motorcycles, recreational vehicle, (RV), commercial vehicle, any vehicle with commercial logos or signs, any truck or other vehicle having a rated load capacity in excess of three-quarter (3/4) ton and/or any self-propelled or towable equipment or machine shall be stored, parked or kept on any part of any Lot, any easement, any right-of-way, any Common Area or in the street adjacent to such Lot, easement, right-of-way or Common Area unless such vehicles or object is completely concealed from public view inside a garage or approved enclosure. Passenger automobiles, passenger vans, or pick-up trucks that are in operating condition, having no advertising thereon, having current license plates and inspection stickers, are in daily use as motor vehicles on the streets and highways of the State of Texas, and which do not exceed six feet six inches in height, or seven feet six inches in width, or twenty-one feet in length are excepted. For purposes of this Restriction, the term "pick-up truck" is limited to three-quarter (3/4) ton capacity which have not been adapted or modified for commercial use and which do not have campers attached. At no time shall any house trailer, or any truck, trailer or commercial vehicle having a rated load capacity in excess of one (1) ton, be parked overnight or stored on any

residential Lot nor shall any of the foregoing be parked on any street in the Subdivision at any time other than as may be reasonably required incident to construction work or delivery or pickup of goods, wares, property or materials to or from a Lot in the subdivision. No inoperative vehicle (inoperative being defined as not in running or usable condition and/or not having a valid inspection sticker and/or not being properly licensed) may be parked or stored on any Lot or in any street at any time unless parked or stored in the garage. At no time shall any house trailer, and/or any truck, trailer or commercial vehicle having a rated load capacity in excess of one (1) ton, and/or any vehicle designed for or adapted for commercial purposes (including any vehicle with commercial logos or signs), be parked or stored on any residential Lot or on any street in the Subdivision at any time other than as may be reasonably required incident to construction work or delivery or pickup of goods, wares, property or materials to or from a Lot in the Subdivision. No vehicle of any type shall be parked or stored at any time on unpaved surfaces, such as the grass, lawn or dirt areas of the front, side or rear yards of the Lot. No vehicle of the Lot Owner and/or the occupant of the property and/or the Owner's or occupant's family, guests and/or invitees shall be parked on streets or driveways in such manner so as to obstruct ingress and egress by the occupants of other Lots, their families, guests and invitees, except for the reasonable needs of emergency. No vehicle may be parked in such manner so as to obstruct or block a public sidewalk. Except for emergency repairs, no repair work, dismantling or assembling of motor vehicles or of any other machinery or equipment shall be permitted on a Lot where such vehicle or equipment is not concealed from view inside a garage or other structure.

Section 9. Signs and Billboards. No signs, billboards, banners, posters, flags or advertising devices of any character shall be erected, placed, permitted or maintained on any residential Lot, except one (1) sign of not more than seven square feet (7 sq. ft.) advertising the Lot for sale or rent, including signs used by a builder to advertise the Lot during the construction or sale of a new dwelling and except for street signs and such other signs as may be required by law. An open house sign by a licensed real estate broker or agent shall be permitted in the yard of the property being listed for sale, provided that such sign meets the required size set forth above. The permitted signs in this paragraph shall be fastened only to a stake in the ground and extending not more than three feet (3') above the surface of such Lot.

The right is reserved by Declarant to construct and maintain such signs, billboards or advertising devices of such size as it deems necessary and is customary in connection with the financing and general sale of property in this Subdivision. In no event shall any sign, billboard, poster or advertising device of any

character, other than as specifically prescribed in this paragraph or in the first paragraph of this Section 9, be erected, permitted or maintained on any Lot without the express prior written consent of the Architectural Control Committee. The term "Declarant", as used in this Section 9, shall refer to the entities and such successor or assigns of such entities to whom the right under this Section 9, is expressly and specifically transferred.

Political signs may be placed in the yard of the Owner of the Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, provided that such signs shall not be erected more than thirty (30) days before the pertinent election and shall be removed immediately after the pertinent election, but in no event less than three (3) days after such pertinent election.

Signs containing information about one or more children residing in the Dwelling and the school they attend (commonly called School Spirit Signs) shall be permitted so long as the sign is not more than 36" X 36". There shall be no more than one sign for each child under the age of eighteen (18) years, residing in the Dwelling. Banner shall not be permitted.

Signs or stickers provided to an Owner by a commercial security or alarm company providing security or alarm service to the Dwelling Unit shall be permitted so long as the sign is no more than 12" by 12" or the sticker is no more than 4" by 4". There shall be no more than one such sign per Lot and the sign must be placed in a flower bed or other non-conspicuous location as near to the Dwelling Unit as reasonably possible. No more than fifty percent (50%) of the windows may have a sticker and only one sticker shall be permitted on the front door or front entry area.

The Declarant and/or its agents and the Board of Directors of the Association and/or its agents shall have the right to remove any signs not complying with the provisions of this Section, and in doing so, Declarant or its agents and the Board of Directors of the Association or its agents, as the case may be, shall not be liable to the Lot Owner for trespass or other tort in connection with such removal, and are expressly relieved from any liability for trespass or other tort in connection therewith, or arising from such removal.

Section 10. Animals, Livestock, or Poultry. The raising, breeding or keeping of reptiles. goats, sheep, hogs, pigs, rabbits, monkeys, chickens, turkeys, ducks, geese, peacocks, pigeons, guinea fowl, other poultry or fowls, feline animals (except for domesticated cats) and exotic animals (such as Llamas, emus, pot belly pigs, cheetahs, etc), ponies, horses, cattle or other livestock, including without limitation wild

animals, on any Lot in the Subdivision is strictly prohibited. Consistent with its use as a residence, dogs, cats and/or other common domestic household pets, not in excess of a total of three (3) adult pets, may be kept on a Lot, provided that such pets are not kept, bred or maintained for any commercial purposes, but only for the use and pleasure of the Owner of such Lots, and provided that such pets are not allowed to roam or wander unleashed in the neighborhood and provided that such pets shall not become a nuisance or annoyance to other Lot owners in the neighborhood. All animals shall be kept confined inside an enclosed area by their owner and shall not be outside the enclosed area except on a leash. The Board of Directors of the Association shall have the right to limit the variety of household pets and shall, in its sole discretion, determine whether the activities of such pets constitute a nuisance or annoyance to other Lot and the neighborhood.

Section 11. Water and Mining Operations. No oil, gas or water drilling, oil, gas or water development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall any oil wells, water well, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use and boring for oil, water, natural gas or minerals shall be erected, maintained or permitted upon or in any Lot. No individual water supply or sewage disposal system shall be permitted on any Lot. No water well, outside toilets, privy, cesspool, septic tank or other individual water or sewage system shall be constructed, utilized or maintained on any Lot.

Section 12. Storage and Disposal of Refuse. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste material. Rubbish, trash, garbage or other waste material and such rubbish shall not be kept except in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids. All containers, bags or equipment for the storage or disposal of such waste materials shall be kept in clean and sanitary condition. Trash, garbage or other waste shall be kept screened by adequate planting or fencing or in the garage and shall not be kept in an area which extends beyond the front setback line or the front or the side setback lines on a corner Lot and must be concealed from public view, except on the regularly scheduled collection days. No Lot shall be used for the open storage of any materials whatsoever which storage is in the public view from the street, except that new building materials used in the construction and improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses, without undue delay, until the completion of the improvements, after which time these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot. Under no

circumstances shall be building materials be placed or stored on the street paving.

Section 13. Visual Obstruction at the Intersections of Streets. No shrub, trees, planting, fence, wall, hedge or other object or thing that obstructs sight lines at elevations between two feet (2') and six feet (6') above the surface of the streets or roadways shall be placed, planted, constructed, erected, or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five feet (25') from the intersection of the public street. The same sight line limitations shall apply to the triangular area formed by the Lot line abutting a street, the edge of any driveway pavement and a line connecting them at points ten feet (10') from their intersection. No vehicles may be parked in driveways on corner Lots in such a manner as to obstruct sight lines at intersecting streets. No tree shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. No fence, wall, tree, hedge or planting shall be maintained in such manner as to obstruct sight lines for vehicular traffic. The decision by the Board of Directors of the Association as to what constitutes such obstruction shall be final and the Board of Directors of the Association shall be vested with authority to remove such obstruction without liability to the Owner in trespass or otherwise.

Section 14. Antennas, Satellite Dishes and Flagpoles. No antenna or electronic device of any type for transmitting or receiving radio, short-wave or television signals shall be erected, constructed, placed or permitted to remain on the exterior of any house, garage or building constructed on any Lot in the Subdivision or free standing on any Lot. Except as specifically permitted by the Telecommunications Act of 1996 or any subsequent Federal laws or regulations, external satellite dishes may only be maintained, erected or installed on any Lot if the satellite dish and/or satellite dish type structure is screened by a fence so as to be concealed, to the greatest extent possible, from view of any other Lot and the public street.

Section 15. Clothes Lines. No clothes lines or outside drying of clothing is permitted. No clothing or other material shall be aired or dried on any Lot, except in an enclosed structure, or in an area adequately screened so as not to be seen from other Lots, street or any other areas.

Section 16. Decorative Appurtenances. No decorative appurtenances, such as sculptures, birdhouses, birdbaths, fountains or other decorative embellishments, shall be installed on front lawns or any other location visible from any street, unless such specific items have been approved in writing by the

Architectural Control Committee.

Section 17. Wind Generators. No wind generators shall be erected or maintained on any Lot.

Section 18. Solar Collectors. No solar collector shall be installed without the prior written approval of the Architectural Control Committee. Such installation shall be harmony with the design of the dwelling. All roof-mounted solar panels and alternate energy installations must be approved in writing by the Architectural Control Committee.

Section 19. Recreational and Playground Equipment. No recreational equipment or structure, such as, without limitation, basketball boards, trampolines, tether poles, play nets and swing sets, shall be erected or maintained on any Lot in a location that is visible from the front of said Lot or from a street abutting the Lot. Where permitted, such recreational equipment or structures shall not be permitted to be used in such manner as to become a nuisance or annoyance to other Lot Owners.

Section 20. Carports. No metal or prefabricated carport shall be erected, constructed or permitted on any Lot. Porte-cocheres and porte-cochere type structures must be approved as to location, size, type of material and design by the Architectural Control Committee prior to the construction of same. The porte-cochere must correspond in style, architecture and type of material to the main structure to which it is appurtenant. Approval will be denied unless the porte-cochere or porte-cochere type structure is shown to be an integral part of the dwelling and is constructed using the same design, color and materials as the dwelling uses.

Section 21. Garage Doors. Garage doors visible from any street shall be kept in the closed position except when the garage is being actively used by the Owner or occupant. All garages shall be enclosed by metal or wood garage doors with a paneled design in order to be harmonious in quality and color with the exterior of the appurtenant Residential Dwelling and shall be installed with an automatic opening and closing device, which device shall at all times be kept in a serviceable condition.

Section 22. Permitted Hours for Construction Activity. Except in an emergency or when other unusual circumstances exist, as determined by the Director of Directors of the Association, outside construction or yard work or noisy interior construction work shall be permitted only after 7:00 o'clock a.m. and before 10:00 o'clock p.m.

Section 23. Removal of Dirt and Trees. The digging or the removal of any dirt from any Lot or property in the Subdivision

is prohibited, except as may be reasonably necessary in conjunction with landscaping or construction of improvements thereon. No trees shall be cut from any Lot or any property in the Subdivision, except to provide room for construction of improvements or to remove dead, diseased or unsightly trees.

Section 24. Mailboxes. Mailboxes, house numbers and name identification used in the Subdivision must be harmonious with the overall character and aesthetics of the Subdivision and the decision of the Architectural Control Committee that any such matter is not so harmonious shall be final. The style, the size, the height, the type of building material and the location of mailboxes shall be determined and prescribed by the Architectural Control Committee. This provision with respect to mailboxes shall not apply when cluster box units are required by the United States Postal Service.

Section 25. Lot Maintenance. All Lots shall be kept at all times in a sanitary, healthful, safe and attractive condition. The Owner or occupant of any Lot shall at all times keep all grass, vegetation and weeds thereon cut in a sanitary, healthful and attractive manner. No weeds, underbrush or other unsightly growth shall be permitted to grow or remain upon the premises. It shall be the Lot Owner's or occupant's responsibility to keep the lawn abutting the street on his property line properly edged and to remove any dead limbs or trees which are either unsightly or which are a danger to other property owners. In no event shall any Lot Owner or occupant use any Lot for storage of materials and equipment (except for normal residential requirements or incident to construction of improvements thereon as herein permitted) or permit the accumulation of garbage, trash or rubbish of any kind thereon. No open burning of debris shall be permitted. All yard equipment, woodpiles, material and storage piles and shall be kept screened by a service yard fence or similar facility so as to conceal them from public view of neighboring Lots, streets or properties in the Subdivision. Every Owner of a Lot, by the acceptance of a deed for the same, or by acceptance of title, covenants that he, she or it will not permit the Lot or any improvements thereon, including, but not limited to, the grass, shrubs, trees, driveways, walks, structures, improvements, dwelling, garage and fences thereon, to be otherwise maintained than in good repair and in safe, neat and attractive condition. All residences, garages, permitted buildings, fences, driveways, walkways and other improvements and structures, must be kept in good repair and in an attractive condition, and must be painted, after written approval of the Architectural Control Committee, when necessary to preserve their attractiveness.

In the event that any Owner shall fail to maintain his Lot (and/or the structures and improvements thereon) in accordance with the provisions contained in this section and, in the

judgment of the Board of Directors of the Association, such failure results in a condition of unsightliness tending to adversely affect the value or enjoyment of neighboring Lots or constitutes a hazard to persons or property, the Board of Directors of the Association may give written notice to the owner of the Lot, by certified mail and regular mail to the property address (or any alternate mailing address for the Lot Owner as shown on the Association's records), of such failure to maintain, specifically setting out the actions required to rectify such failure to maintain, and demanding that corrective action sufficient to cure the lot maintenance problem defined by the Board be taken by the Owner of the Lot within fourteen (14) days of receipt of written notice setting forth the complaint. Within fourteen (14) days after receipt of such notice, the Owner of the Lot shall perform such maintenance or repairs required to bring the Lot and/or structures and improvements within compliance with these deed restrictions. If the Owner fails to do so, then the Board of Directors of the Association may, without liability to the owner or occupant, in trespass or otherwise, enter upon or authorize its agents to enter upon said Lot to mow the grass or cut the weeds, remove trash and debris and/or to perform any other work on the Lot and/or to the structures and improvements to restore the Lot and/or structures and improvements to a condition in compliance with these Deed Restrictions.

Payment of charges for any work performed upon any Lot to bring said Lot into compliance with these Deed Restrictions shall remain the responsibility of the Owner of the Lot, regardless of whether that work was performed by the Owner of the Lot and his agents, employees or contractors, or by the Association and its agents, employees or contractors. Payment for any work performed on a Lot by the Association or its agents pursuant to the provisions of this Section shall be due upon presentation of invoice to the Owner, either in person or by mail. The Owner or occupant, as the case may be, agrees by the purchase or occupation of the Lot to pay such statement immediately upon receipt thereof. Default in the prompt and full payment of that invoice within thirty (30) days from the date the invoice is sent to the Owner at the property address (or alternate mailing address) shall entitle the Board of Directors of the Association to cause the amount of the invoice to be added to and become part of the annual assessment or charge, to which such Lot is subjected under these covenants, and as part of such annual assessment or charge, it shall be a lien and obligation of the owner in all respects as provided in these covenants. To secure the payment of such charges in the event of nonpayment by the Owner, a Vendor's Lien is herein and hereby retained against the said Lot and improvements thereon in favor of the Association or its assignee.

Section 26. Repair of Damaged or Destroyed Buildings and Structures. In the event of damage or destruction by fire, storm

or other casualty of any house, garage, building or other structure and which house, garage, building or and structure may be reasonably repaired, the Owner shall contract to repair or rebuild such damaged or destroyed portions of such house, garage, building or other property in a good workmanlike manner in conformity with the original plans and specifications of said house, garage, building or structure or in a manner approved by the Architectural Control Committee. The Owner shall contract to repair and rebuild any or all of the damage to such house or other property within a reasonable period of time, not to exceed thirty (30) days from the date of the Owner's receipt of the insurance proceeds, regardless of whether or not the insurance proceeds are sufficient to pay all costs of repair and restoration, but no later ninety (90) days from the date of the occurrence, whichever occurs sooner. The Owner shall complete the said repairs of rebuilding within a reasonable period of time, not to exceed one hundred twenty (120) days from the receipt of the insurance proceeds or within one hundred fifty (150) days of the occurrence, whichever occurs sooner. However, anything to the contrary notwithstanding, the Lot Owner or builder shall, at the earliest possible time after the accident or other occurrence specified in this section (but with said period not to exceed 30 days from the date of such accident or other occurrence), take whatever action that is necessary to make the house, garage, building or other structure safe and to make the property attractive and neat by cleaning up the property and by removing all debris, burned wood and other items, dead trees and shrubs and other items required so as to maintain the appearance of the property. If the house, garage, building or other structure has been completely destroyed beyond repair, then the house, garage, building or other structure shall be reduced to the slab and all debris and the remainder of the structure shall be removed within a reasonable time, not to exceed ninety (90) days from date of the destruction. The land shall then be immediately restored to an orderly and attractive condition.

Section 27. Lot Drainage. Each Owner of a Lot agrees for himself, his heirs, or successors in interest that he will not in any way interfere with the established drainage pattern over his Lot from adjoining or other Lots in said tract; and he will make adequate provisions for proper drainage in the event it becomes necessary to change the established drainage over his Lot. For the purpose hereof, "established drainage" is defined as the drainage which occurred at the time that the overall grading of said tract, including landscaping of any Lots in said tract, was completed by Declarant. No wall, fence, structure, hedge, trees, shrubs or other obstacles shall be planted, erected and/or constructed so as to prevent natural surface drainage across the adjoining Lots. No structure, planting or other materials shall be placed or permitted to remain or other activity undertaken which may damage or interfere with established slope ratios, create erosion or slippage problems, or which may change the

direction or flow of drainage channels or obstruct or retard the flow of water through drainage channels.

Section 28. Fences and Protective Screening. No fence, wall, hedge, pergola, or other attached or detached structure shall be erected, placed, maintained or permitted to remain on any part of any Lot between the street adjoining the Lot and front setback lines and/or forward of the building setback line of such Lot as the case may be or on the Lot building line of any corner Lot on the side facing the street. No fence or wall is to exceed six feet six inches (6'6") in height, except as otherwise approved in writing by the Architectural Control Committee. The heights or elevations of any wall or fences shall be measured from ground level perpendicularly to the top of the fence. Wooden fences visible from and/or adjacent to any street shall be constructed in such a manner that smooth faced pickets will be visible from the street and horizontal rails and vertical posts face into the rear or side yard. Said fences shall be constructed so that there are no gaps between the boards constituting said fence larger than 1/2 inch. It shall be the Lot Owner's responsibility to maintain the fence or protective screening in good repair. All fences shall be of the design, color and type of materials which are architecturally compatible and in keeping with the general decor of the subdivision. Wrought iron fences shall be permitted provided that the design, color and type of material of such fence is approved by the Architectural Control Committee prior to its construction or installation. No fence or wall constructed of chain link or other form of metal wire or wire mesh shall be erected on any Lot, unless completely enclosed inside wood fencing or other approved fencing and unless such fence is lower in height than the outside fence. Brick walls, entrance wing walls and perimeter fences may be constructed by the Declarant and, if so constructed, such walls and fences shall not be governed by the provisions of this Section. The Declarant shall, at its sole option, have the right to convey such walls and fences to the Association and, upon such conveyance, such walls and fences shall become the property of the Association and an easement to maintain said improvements is hereby retained in favor of the Declarant and, upon conveyance, in favor of the Association. Said improvements shall not be altered, replaced or repaired without approval of the Declarant or, upon conveyance, of the Board of Directors of the Association.

Section 29. Outdoor Swimming Pools, Hot Tubs, Spas, Decking and Gazebos. The design and location of outdoor swimming pools, hot tubs, spas, decking (over six feet in height), greenhouses and gazebos must be approved, prior to installation and/or construction, by the Architectural Control Committee, and such pools, etc. , must be securely fenced. Each Lot Owner shall provide adequate fencing around any swimming pool, hot tub and/or spa constructed or installed on his Lot. No outdoor swimming

pool, hot tub, spa, decking or gazebo may be built or maintained forward of the front building setback line of a Lot, or the side yard lines for corner Lots, or forward of the residence. Every Lot containing a swimming pool, hot tub and/or spa must be constructed or installed so as to comply with all public laws and ordinances. Swimming pools, hot tubs and/or spas must be maintained so as not to create a breeding place for mosquitoes and other insects or so as not to create an obnoxious odor or so as not, in any other manner, to become a nuisance. Outdoor swimming pools, hot tubs, spas, decking and gazebos shall not be constructed in such a manner or at such location so as to infringe upon or interfere with any utility easements.

Section 30. Window Coverings and Shades. All windows of any dwelling which are visible from either the street or any adjoining properties must be covered with appropriate window covering or shades, which window covering or shades shall be of a type and color scheme which is compatible with the style and color scheme of the exterior of the dwelling and with the general appearance of the house. Reflective glass or reflective types of solar window film are not permitted on windows which are visible from the street. The window covering or shades must be kept in an acceptable condition at all times. Extremely bold colors, primary colors (such as red, yellow and blue) or green pastels are generally not acceptable colors unless such colors are completely compatible with the exterior color scheme of the Residential Dwelling and do not present a stark appearance. Solar screens are permitted on windows only if the screens blend with the brick and roof colors. All storm doors visible from the street must be a full glass door. Burglar bars or burglar doors or gates shall not be permitted.

Section 31. Composite Building Site. Any Owner of one or more adjoining Lots or portions thereof may consolidate such Lots or portions into one building site with the right of placing or constructing improvements on such resulting composite sites in which case setback lines shall be measured from the resulting property lines. Any such composite building site must have a frontage at the building setback line of not less than the minimum frontage of the Lots in the same block. Notwithstanding the above, it is expressly provided that no such consolidation of Lots as provided herein above shall be permitted without the prior written approval of the Architectural Control Committee. A consolidate Lot shall bear the full assessment rate theretofore applicable to all Lots which are not consolidated, such that the consolidate Lot will be treated for assessment as if it the Lot or Lots (or portions of such Lots) were not consolidated.

Section 32. Special Conditions, Covenants and Restrictions Relating Only to Enclave of Kleinbrook. An easement is hereby created and granted to all sheriff, constable, police, fire protection, ambulance and other emergency vehicles, and to

garbage and trash collection vehicles, and to other service vehicles to enter upon the streets and roads in Enclave of Kleinbrook in the performance of their duties. Further, an easement is hereby created and granted to the Association, its officers, agents, employees and management personnel to enter upon the streets and roads in Enclave of Kleinbrook in the performance of their duties or to render any service. The Association shall maintain the streets in ENCLAVE AT KLEINBROOK and make any necessary repairs, maintain the entry gate or gates in workable condition, determine the type of mechanism or device for opening and closing the entry gate or gates, maintain such mechanism or device in workable condition and repair, maintain and replace (if required) the perimeter fences or walls and/or entry walls in ENCLAVE AT KLEINBROOK. Any and all costs associated with the repair and maintenance of the streets in ENCLAVE AT KLEINBROOK, with the repair, maintenance and replacement of the entry gates to ENCLAVE AT KLEINBROOK, with the installation, repair, maintenance or replacement of the mechanism or device for opening and closing the entry gate or gates in ENCLAVE AT KLEINBROOK and/or with the construction, repair, maintenance and replacement of the perimeter fences or walls and/or entry walls in ENCLAVE AT KLEINBROOK shall be paid solely from the segregated fund created in Article IV, Section 12 of this Declaration, unless the Board of Directors determines that the use of general Association funds for such purposes would be of general benefit to the Subdivision as a whole. The type of entry gate or gates, the type of mechanism or device for opening and closing the entry gate or gates and other all other matters relating to the entry gate or gates shall be determined by the Board of Directors of the Association. In making such determinations, the Board of Directors shall consult, to the greatest extent possible, with the Owners in ENCLAVE AT KLEINBROOK. Any access codes shall be established by the Board of Directors, with the Owners and residents in ENCLAVE AT KLEINBROOK to be notified promptly of any access codes or changes in the access codes. The Board of Directors of the Association shall promulgate rules and regulations relating to the entry gate or gates, including, without limitation, whether such entry gate or gates shall remain open or closed, the periods of time in which such entry gate or gates shall remain open or closed, the manner and circumstances in which Owners or residents in ENCLAVE AT KLEINBROOK may divulge any access codes to non-Owners or nonresidents, the manner and circumstances in which the Association may divulge any access codes to non-Owners or nonresidents and such other rules and regulations that the Board of Directors deems appropriate for security or for proper access in and to ENCLAVE AT KLEINBROOK. In promulgating such rules and regulations, the Board of Directors shall consult, to the greatest extent possible, with the Owners in ENCLAVE AT KLEINBROOK.

ARTICLE VI

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Creation of Architectural Control Committee. There is hereby created a committee to be known as the Architectural Control Committee. All construction, development, remodeling, modifications, alterations, or additions on the Lot shall be subject to the approval of the Architectural Control Committee. The Committee's objective shall be to prevent from being built in the Subdivision any unusual, radical, uncommon, unsightly, unattractive, curious, odd, extraordinary, bizarre, peculiar or irregular designs or appearances and/or to prevent from being built in the Subdivision any and all structures, buildings, improvements or any other designs that may adversely affect property values in the Subdivision. The Committee's primary objective shall be to control and regulate architectural harmony in the Subdivision. In considering the harmony of external design between existing structures and improvements and the proposed structure or improvement to be constructed, erected or altered, the Architectural Control Committee shall consider, among other things, the general appearance of the proposed building, structure or improvement as that can be determined from front, rear and side elevations on submitted plans.

Section 2. Approval of Building Plans. No dwelling, garage, building, improvement, foundation, fence, wall, landscaping, driveway, sidewalk, swimming pool, gazebo, satellite dish, or any other structure or improvement shall be commenced, erected, placed, altered, or maintained on any Lot, nor shall any exterior addition to or change or alteration (including without limitation the painting and/or repainting of any dwelling, garage, building or any other structures or other improvements) thereon be made until the plot plan and the construction plans and specifications and drawings showing the front elevation, the nature, kind, shape, height, materials, color scheme and location of the same shall have been submitted to and approved in writing, as to harmony of the exterior design, color and location with respect to surrounding structures and topography and finished ground elevation and as to compliance with minimum construction standards by the Architectural Control Committee. No remodeling, modifications or additions to existing buildings, structures and improvements shall be made on any Lot until the construction plans and specifications, drawings and a plot or site plan have been approved in writing by the Architectural Control Committee. A copy of the construction plans and specifications, drawings and a plot or site plan, together with such information as may be deemed pertinent, shall be submitted to the Architectural Control Committee or its designated representative prior to the commencement of construction of any structure improvements or prior to the commencement of any remodeling, modifications or

additions to existing improvements. The Architectural Control Committee may require the submission of such plans, specifications, and plot plans, together with such other documents as it deems appropriate, in such form and detail as it may elect at its sole discretion. The Committee shall have the right to retain one copy of the submitted plans and specifications for the Committee's files. The Committee shall have thirty (30) days from the date that the Application and plans are submitted to the Committee in which to either approve or disapprove the Application and plans. If the Committee fails to act within that thirty (30) day period, it shall be presumed that the Committee has disapproved the Application and plans. The failure of the Committee to comply strictly with the requirements of this Section shall not be deemed as approval of the proposed Application and plans as it is the intent of this Article that no construction, remodeling, additions, modifications or other work requiring Architectural Control Committee approval shall be commenced without first obtaining the written approval of the Committee. The decision of the Committee on any matter contained within this Article shall be conclusive and final. If approval is granted, then all buildings and structures shall be built or remodeled, as the case may be, and all other improvements shall be constructed or made in strict accordance with the drawings and specifications as the same may have been finally approved, in writing by the Architectural Control Committee. Any Owner receiving approval of any plans hereunder agrees to construct said addition, improvement or structure in accordance with the approved plans.

Section 3. Powers of the Committee. The Committee shall have the right to specify architectural and aesthetic requirements for building sites, minimum setback lines, the location, height and extent of fences, walls or other screening devices, the orientation of structures with respect to streets, walks, paths and structures on adjacent property and a limited number of acceptable exterior materials and finishes that may be utilized in construction or repair of improvements. The Committee shall have full power and authority to reject any plans and specifications that do not comply with the restrictions herein imposed or that do not meet its minimum construction or architectural design requirements or that might not be compatible with the overall character and aesthetics of the Subdivision. The Committee shall have the right, exercisable at its discretion, to grant variances to the architectural restrictions in specific instances where the Committee in good faith deems that such variance does not adversely affect the architectural and environmental integrity of the Subdivision or the common scheme of development. A variance may only be granted when unique circumstance dictate, such as topography, natural obstructions, hardship, or aesthetic or environmental considerations. No variance shall (1) be effective unless in writing signed by a majority of the Committee, (b) be contrary to

the restrictions set forth in this Declaration, (c) estop the Committee from denying a variance in other circumstances. All variance granted by the Committee shall be in writing, addressed to the Owner requesting the variance, describing the applicable restrictions to which the variance is granted, listing conditions imposed on the granted variance and listing specific reasons for granting of the variance. Failure by the Committee to respond within thirty (30) days to a request for a variance shall operate as a denial of the variance. The Committee shall not be obligated to grant a similar variance as a result of granting the same or similar variance in the past.

Section 4. Committee Membership. The Architectural Control Committee members shall be three (3) in number, and the initial members of the Architectural Control Committee shall be Raj Natarajan, Michael T. Rutherford and Karen Chen. Any approval or disapproval of any matter requiring action by the Committee shall be in writing and signed by a majority of the Committee, provided that, by a majority vote of the Committee, any one member of the Committee may be designated as the representative to act for the Committee.

Section 5. Replacement. In the event of death, removal, expiration of term or resignation of any member or members of said Committee, the successor member or members shall be appointed by the Declarant, and until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications and plot plans submitted. The power of the Declarant to remove or replace members of the Architectural Control Committee and to appoint successor member or members of the Architectural Control Committee shall automatically cease on the day immediately following the fifteenth (15th) year that this Declaration was recorded in the Real Property Records of the County Clerk's Office. Thereafter, the power to remove or replace members of the Architectural Control Committee and to appoint successor member or members of the Architectural Control Committee and all powers, duties and rights conferred upon the Architectural Control Committee by virtue of this Declaration shall vest in the Association, without the necessity of the execution or recording of any written instrument of assignment. Nothing contained herein shall prevent the Declarant from assigning such powers to the Association at an earlier date.

Section 6. Minimum Construction Standards. The Architectural Control Committee may from time to time promulgate an outline of minimum acceptable construction standards, provided, however, that such outline will serve as a minimum guideline and such Architectural Control Committee shall not be bound thereby. The Architectural Control Committee, in its discretion, may promulgate and record guidelines for architecture and landscaping, and if and when such guidelines are provided,

the guidelines shall be used as the basis for review and approval or disapproval of plans. Such guidelines shall be binding upon the Committee and the Owners of Lot until such time as said guidelines are revoked or modified by subsequent action of the Committee. Such guidelines may be recorded, but shall not be required to be recorded in the Real Property Records of the County Clerk's Office. Notice of such guidelines shall be provided to the Owners of Lots in the Subdivision; however, the failure to provide such Notice shall not invalidate or impair the effect of such guidelines.

Section 7. No Liability to Committee. The Declarant, the Architectural Control Committee and the Association, as well as the members, agents, employees and architects of the Declarant, the Architectural Control Committee and the Association, shall not be liable to any person or entity or any other party for any loss, claim or demand asserted on account of their administration of these restrictions and their performance of their duties hereunder, or for any failure or defect in such administration and performance, and further shall not be liable to any person or entity or any other party, under any theory of law or under any circumstances, in connection with the approval or disapproval of any Applications, plans, drawings and/or specifications, including without limitation, any liability based on the soundness of construction, adequacy of plans, drawings or specifications, or otherwise. These restrictions can be altered or amended only as provided herein and no person is authorized to grant exceptions or make representations contrary to these restrictions. No approval of plans and specifications and no publication of minimum construction standards shall ever be construed as representing or implying that such plans, specifications or standards will, if followed, result in a properly designed residence. Such approvals and standards shall in no event be construed as representing or guaranteeing that any residence will be built in a good, workmanlike manner. The acceptance of a deed to a residential Lot in the Subdivision shall be deemed a covenant and agreement on the part of the grantee, and the grantee's heirs, successors and assigns, that Declarant, the Association and the Architectural Control Committee, as well as their agents, employees and architects, shall have no liability under these restrictions except for willful misdeeds.

ARTICLE VII

EASEMENTS

Section 1. Utility Easements. Declarant hereby reserves for itself, its successors and assigns, the easements and rights-of-way as shown on the Subdivision Plats. Declarant hereby reserves for itself, its successors and assigns, the right to:

(1) dedicate streets, walks and alleys throughout the Property, and (2) reserve or grant easements of ingress and egress and for the installation, construction, maintenance, repair and replacement of utilities and related facilities, which shall include, but not be limited to, electric lighting, electric power, cable television and telephone line or lines, natural gas lines, sewer (sanitary and storm) lines, water lines, or any other utility Declarant sees fit to install or construct or permit to be installed or constructed in, across and/or under the Properties. It is expressly agreed and understood that the title conveyed by Declarant to any Lot or parcel of land within the Properties by contract, deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, cable television or telephone purposes and shall convey no interest in any pipes, lines, poles or conduits, or in any utility facility or appurtenances thereto constructed by Declarant, by any utility company or by any easement owner, or their agents, through, under, along or upon the premises affected thereby, or any part thereof. The right to maintain repair, sell or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved to Declarant.

Section 2. Rights Reserved to Governmental Authorities and Utility Companies. Full rights of ingress and egress over any dedicated easement, at all times, shall be had by Declarant, any governmental authority having jurisdiction over the Property, and any utility company which provides utilities to the Property for the installation, operation, maintenance, repair or removal of any utility, together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, repair, operation, removal or installation of such utility. Neither Declarant, its assigns, agents, employees or servants nor any utility company or governmental authority using the easements hereinbefore referred to shall be liable to the Owner for any damages done by them to fences, shrubbery, trees or flowers or other property situated on the part of the land upon or under which said easements are situated. All claims for damages, if any, against the Declarant, or any utility company or governmental authority, or any of their servants or agents, arising out of the construction, maintenance and repair of utilities or on account of temporary or other inconvenience caused thereby are hereby waived by each Owner and the Association. The Declarant further reserves the right to alter, redesign or discontinue any street, avenue or roadway shown on the Subdivision Plats which Declarant deems not necessary for ingress or egress to and from an Owner's Lot, subject to the approval of the applicable governmental authority, if required.

Section 3. Universal Easements. Each Lot and its Owner is

hereby declared to have an easement, and the same is hereby granted to Declarant, over all adjoining Lots and Common Areas for the purpose of accommodating any minor encroachment due to engineering error, errors in original construction, settlement or shifting of the building, or any cause. There shall be easements for the maintenance of any such encroachments. Each of the easements referred to in this Section shall be deemed to be established upon the recordation of this Declaration and shall be appurtenant to the Lot and shall pass with each conveyance of said Lot. Notwithstanding the foregoing, in no event shall an easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the intentional or willful misconduct of said Owner or Owners.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Term and Amendment. The covenants and restrictions of this Declaration (and any Amendments thereto) shall run with and bind the Properties, and shall inure to the benefit of and be binding on the Declarant, the Association, all signatories hereto and all Lot Owners in the Subdivision, their respective legal representatives, heirs, successors and assigns, for an initial term commencing on the effective date hereof and, except as hereinafter provided, ending twenty (20) years after the date that this Amendment is recorded in the County Clerk's Office. The rights, uses, easements and privileges of the Property Owners in and to the Common Areas as provided for herein shall be deemed to be covenants running with the land and shall be perpetual. During the initial term, the covenants and restrictions of this Declaration may be changed or amended only by an instrument signed by not less than seventy-five percent (75%) of the Owners of the Lots in the Subdivision. Any amendment must be properly recorded in the appropriate records of Harris County, Texas. Upon the expiration of such initial term, said covenants and restrictions (if not previously amended, and as amended, if amended), and the enforcement rights relative thereto, shall be automatically extended for successive periods of ten (10) years. During such ten (10) year extension periods, the covenants and restrictions to this Declaration may be changed or amended only by an instrument signed by not less than sixty percent (60%) of the Owners of the Lots in the Subdivision. Any amendment must be properly recorded in the appropriate records of Harris County, Texas. If a Lot is owned by joint owners, there shall be only one vote cast for each such Lot and the approval of any one joint Owner shall be sufficient for the purpose of providing the required approval of this Declaration as to such Lot. The signature of the Lot Owner need not be acknowledged or

notarized. After a Lot Owner approves and signs the Declaration, the fact that the Owner subsequently conveys the Lot shall not affect the validity of the previous signing of the Declaration, and further approval as to that Lot shall not be required. Following any such lawful Amendment every reference herein to this Declaration shall be held and construed to be a reference to this Declaration as so amended.

The Declarant shall have, and does hereby reserve, the right at any time and from time to time, without the joinder or consent of any other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of correcting any typographical or grammatical error, or correcting any ambiguity or inconsistency appearing herein, or which may be required by any governmental agency, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by the Declaration and any Supplemental Declarations taken collectively, and shall not impair or affect the vested property rights of any Owner or his mortgagee. The right of the Declarant to amend pursuant to the provisions of this paragraph shall cease upon Declarant ceasing to be a Class B Member.

Section 2. Enforcement. In the event of any violation or attempt to violate any of the terms or provisions hereof, including without limitation, any of the covenants or restrictions set forth herein, enforcement of the terms and provisions shall be authorized by any proceedings at law or in equity against any person or persons or entity or entities so violating or attempting to violate any of the provisions hereof, including by means of actions to restrain or prevent such violation or attempted violation by injunction, prohibitive or mandatory, and it shall not be a prerequisite to the granting of such injunction that there shall be any showing of an inadequate remedy at law or that there shall be any showing of irreparable harm or damage if such injunction is not granted. In addition, any person entitled to endorse the provisions hereof may recover such damages, either actual or punitive, as such person may show himself justly entitled by reason of such violation of the terms and provisions hereof. The terms and provisions hereof may be enforced by the Declarant and/or by the Association and/or by any Owner to prosecute any proceeding at law or in equity against the person or persons or entity or entities violating or attempting to violate any such covenant or restriction and either to prevent him or them from doing so or to recover damages for such violations. The Association is hereby expressly authorized to use its funds for the purpose enforcing or assisting in the enforcement of the terms and provisions hereof. It is expressly provided that the Declarant and/or the Association shall have standing to bring any action to enforce, by any proceeding at law or in equity, restrictions and covenants contained herein and the fees and charges now or hereafter imposed by the provisions of

this Declaration.

Section 3. Delay in Enforcement. Failure or delay by the Declarant and/or by the Association and/or by any Owner or by any other person or entity having any rights herein to enforce any covenant or restriction hereof shall not be construed to constitute a waiver of the right to thereafter enforce such provision or any other provision hereof. Such failure or delay of any such party shall not be considered as a basis for estoppel either in equity or at law. Such parties may exercise their rights herein despite said delay or failure to enforce said terms and provisions hereof on a prior occasion.

Section 4. Annexation. Additional residential property and Common Area outside of the Subdivision may be annexed to the Properties covered by the Association, and subject to the jurisdiction and benefits of the Association, with the consent of two-thirds of each class of membership of the Association; provided, however, that additional land and additional residential property may be annexed by or brought into the development by the Declarant without the consent of the Members and without the consent of the Association. The Owners of Lots in such annexed property, as well as all other Owners subject to the jurisdiction of the Association, shall be entitled to the use and benefit of all Common Areas used for recreational purposes that may become subject to the jurisdiction of the Association, provided that such annexed property shall be impressed with and subject to at least the annual maintenance assessment imposed hereby. The right of the Declarant to annex additional property without the consent of the membership shall cease upon the earliest occurrence of any one of the following events, the Declarant ceasing to be a Class B Member or ten (10) years from the date that this Declaration is recorded.

Section 5. Entry and Emergency Powers. To the extent necessary to prevent rat infestation, diminish fire hazards and accomplish any of the above needed repair, maintenance and restoration, the Association shall have the right, through its agents and employees, to enter any residence or improvements located upon such Lot. The Association may render a statement of charge to the Owner or occupant of such Lot for the cost of such work. The Owner and occupant agree by the purchase and occupation of the Lot to pay such statement immediately upon receipt. The cost of such work, plus interest thereon at the maximum rate permitted under the laws of the State of Texas, shall become a part of the assessment payable by said Owners and payment thereof shall be secured by the Vendor's Lien herein retained. The Association, its agents and employees shall not be liable, and are hereby expressly relieved from any liability, for trespass or other tort in connection with the performance of the exterior maintenance and other work authorized herein.

Section 6. Interpretation. If this Declaration or any word, clause, sentence, paragraph or other part thereof shall be susceptible to more than one interpretation or susceptible of conflicting interpretations, then the interpretation which is most nearly in accordance with the general purposes and objectives of this Declaration shall govern.

Section 7. Omissions. If any punctuation, word, clause, sentence or provision necessary to give meaning, validity or effect to any other word, clause, sentence or provisions appearing in this Declaration shall be omitted from this Declaration, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence or provisions shall be supplied by inference.

Section 8. Headings; Use of Pronouns. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration. Titles of Articles and Sections are for convenience only, and neither limit nor amplify the provisions of the Declaration itself. Words of any gender used herein shall be held and construed to include any other gender, and words in the singular shall be held to include the plural and vice versa, unless the context requires otherwise. All personal pronouns used in this Declaration, whether used in the masculine, feminine, neuter gender, shall include all other genders.

Section 9. Severability. In the event that any of the covenants or provisions hereof, or any portion thereof, shall become or be held to be invalid, whether by judicial decision, court order or otherwise, such invalidity shall not affect, alter or impair any other covenant or provision hereof that was not so declared invalid, and such other covenants and provisions shall be and remain in full force and effect in accordance with the terms hereof. In the event that any portion of this Declaration conflicts with any mandatory provisions of any statute, ordinance or regulation enacted or promulgated by any applicable governmental authority (including, without limitation, any comprehensive zoning ordinance), then such governmental requirement shall control.

Section 10. Mergers and Consolidations. The Association may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have two-thirds (2/3) vote of each class of the voting membership.

Section 11. Good Faith Lenders Clause. No violation of any of the terms or provisions hereof, or of any portion thereof, shall affect the rights of any mortgagee under any mortgage of deed of trust presently or hereafter placed of record covering any of the Lots or any of the land shown to the within the plat

establishing the Subdivision. Any violation of these restrictions and provisions shall not affect any other lien or deed of trust of record held in good faith upon any Lot or any part thereof, which liens or deeds of trust may be enforced in due course, subject to the covenants, conditions, reservations and restrictions contained herein.

Section 12. Incorporation. The terms and provisions of this Declaration (and any Amendments thereto) shall be construed as being adopted in each and every contract, deed, conveyance, lease, rental agreement, contract for deed or other agreement affecting title to or interest in any and all Lots in the Subdivision heretofore or hereafter executed wherein and warranties of title contained herein shall be subject to the terms and provisions of this Declaration (and any Amendments thereto), and such terms and provisions are hereby incorporated into each such contract, deed, conveyance, lease, rental agreement, contract for deed or other agreement affecting title or interest to such Lots by reference as if set forth therein verbatim.

Section 13. Binding Effect; Successors in Title. All the terms and provisions hereof shall be binding on all of the parties hereto, all signatories hereto, all persons or entities who own or possess an interest or title to any Lots in the Subdivision, whether heretofore or hereafter acquired, and all persons or entities claiming an interest by deed, contract for deed, lease or rental agreement, and/or other conveyance, and to each of the foregoing respective heirs, personal representatives, successors, executors, administrators, legal representatives and assigns. The terms and provisions of this Declaration (and any Amendments thereto) shall inure to the benefit of the Declarant, of the Association, of the Owners of Lots and to its or their respective successors and assigns.

Section 14. Legal Entities. Each party hereto that is a legal entity, including but not limited to, association, corporation, partnership, or trust, represents that this Declaration has been duly authorized by all necessary corporate, partnership or trust proceedings and actions and that all appropriate corporate, partnership or trust meetings were held to authorize the aforementioned Declaration and that all corporate, partnership or trust resolutions were properly adopted prior to the time of execution of this Declaration.

Section 15. Disputes. Matters of dispute or disagreement between Owners, Residents or Members with the respect to the interpretation or application of the provisions of this Declaration or the Association Bylaws shall be determined by the Board of Directors. These determinations (absent arbitrary and capricious conduct or gross negligence) shall be binding upon all Owners, Residents or Members.

Section 16. Texas Law to Apply. This Declaration shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties created hereunder are performable in Harris County, Texas. The parties hereto agree that venue for purposes of any and all lawsuits, causes of action, and other disputes shall be in Harris County, Texas.

Section 17. Effective Date. This Declaration shall become effective immediately on the date that this Declaration is filed for record in the County Clerk's Office of Harris County, Texas.

IN WITNESS WHEREOF, the undersigned, has hereunto set its hand and seal this 17TH day of September, 1999.

THE KLEINBROOK/TRACES LIMITED PARTNERSHIP, a
Texas Limited Partnership, by and through its
Managing General Partner, PERNAT DEVELOPMENT
CORPORATION, a Texas corporation (being the
"Declarant")

20R



RAJ NATARAJAN, President
PERNAT DEVELOPMENT CORPORATION
a Texas corporation

528-17-3281

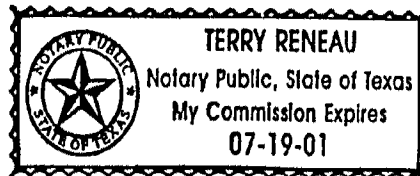
STATE OF TEXAS {

COUNTY OF HARRIS {

BEFORE ME, the undersigned authority, on this day personally appeared RAJ NATARAJAN, President of PERNAT DEVELOPMENT CORPORATION, a Texas corporation, as Managing General Partner of THE KLEINBROOK/TRACES LIMITED PARTNERSHIP, a Texas Limited Partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed, in the capacities therein stated, and as his act and deed and the act and deed of the said corporation and of the Limited Partnership and on behalf of said corporation and of the Limited Partnership.

GIVEN UNDER MY HAND AND SEAL OF THIS, this 17TH day of September, 1999, to certify which witness my hand and seal of office.

Terry Rneau
NOTARY PUBLIC, STATE OF TEXAS
PRINTED NAME OF NOTARY:
Terry Rneau
MY COMMISSION EXPIRES:
07-19-01



AFTER RECORDING PLEASE RETURN TO:

Everett E. Hartnett
Attorney at Law
20405 State Highway 249 - Suite 222
Houston, Texas 77070

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS NULL AND UNENFORCEABLE UNDER FEDERAL LAW
THE STATE OF TEXAS }
COUNTY OF HARRIS }

I hereby certify that this instrument was FILED in File Number _____ Sequence on the date and at the time stamped herein by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas on _____

SEP 22 1999



Beverly R. Hoffman
COUNTY CLERK
HARRIS COUNTY TEXAS

FILED
1999 SEP 22 AM 10:59
Beverly R. Hoffman
COUNTY CLERK
HARRIS COUNTY, TEXAS