

DECLARATION OF CONVENANTS, CONDITIONS AND RESTRICTIONS

LAKESIDE ESTATES TOWNHOUSES

THE STATE OF TEXAS)

COUNTY OF HARRIS)

THIS DECLARATION, made on the date hereinafter set forth by ZAC P. RUSSOM, JR., a resident citizen of Harris County, Texas, hereinafter referred to as "Declarant".

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain property in the City of Houston, County of Harris, State of Texas, known as a replat of LAKESIDE ESTATES TOWNHOUSES, Section One, and which is more particularly described as:

Field notes of a 15.2911 acre tract of land in the Christiana Williams Survey, Abstract 834, Harris County, Texas, being part of and out of that certain 300.9424 acre tract of land conveyed to Houston Land Investors, referred to as TRACT ONE in deed recorded in Volume 7450, Page 313 of the Deed Records of Harris County, Texas; said 15.2911 acre tract being more particularly described by metes and bounds as follows:

Beginning at a point on the easterly right-of-way line of Wilcrest Drive, 100 feet wide, dedicated by instrument recorded in Volume 7804, Page 336 of the Harris County Deed Records, said point of beginning being the Northwest corner of Lot 9, Block 7, Lakeside Estates, Section 3, a subdivision of Harris County, Texas, the map of same being recorded in Volume 167, Page 100 of the Map Records of Harris County, Texas;

Thence, N 00 02' 43" E, along said easterly right-of-way line of Wilcrest Drive, a distance of 912.00 feet to the Southwest corner of a certain 0.6027 acre tract of land described by Deed recorded in Volume 8335, Page 61, of the Harris County Deed Records;

Thence, S 89 57' 17" E, along the southerly line of said 0.6027 acre tract, a distance of 151.00 feet to the Southeast corner of said tract;

Thence, N 00 12' 43" E, along the easterly line of said 0.6027 acre tract, a distance of 170.90 feet to the Northeast corner of said tract, said corner being on the southerly right-of-way line of Briar Forest Drive, 100 feet wide, dedicated by instrument recorded in Volume 8047, Page 110 of the Harris County Deed Records;

Thence, in an easterly direction, along the southerly right-of-way line of Briar Forest Drive with the arc of a curve to the right, having a radius of 1950.00 feet, a central angle of 11 29' 19", a distance of 391.00 feet to a point, the end of said curve;

Thence, S 74 45' 00" E, continuing with the southerly right-of-way line of Briar Forest Drive, a distance of 178.47 feet to the point of intersection with the westerly right-of-way line of Lakeside Estates Drive, 60 feet wide, dedicated by instrument recorded in Volume 7825, Page 312 of the Harris County Deed Records;

Thence, S 00 13' 40" W, along the westerly right-of-way line of Lakeside Estates Drive, a distance of 104.59 feet to a point, the beginning of a curve to the left;

Thence, in a southerly direction, continuing along the westerly right-of-way line of Lakeside Estates Drive, with the arc of said curve to the left, having a radius of 855.00 feet, a central angle of 14 34' 34", a distance of 217.52 feet to a point, the end of said curve to the left and the beginning of a curve to the right;

Thence, in a southerly direction, continuing along the westerly right-of-way line of Lakeside Estates Drive, with the arc of said curve to the right, having a radius of 1,168.04 feet, a central angle of 20 03' 32", a distance of 408.92 feet to the Northeast corner of a certain 1.8397 acre tract described by Deed recorded in Volume 7459, Page 555 of the Harris County Deed Records;

Said tract of land being known as a replat of LAKESIDE ESTATES TOWNHOUSES, Section One, as recorded in Volume 203, Page 102, of the Map Records of Harris County, Texas, and, accordingly, said map is referred to hereinafter as "said Plat".

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the values and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

SECTION 1. "Association" shall mean and refer to LAKESIDE ESTATES TOWNHOUSES ASSOCIATION, a Texas Non-Profit Corporation, its successors and assigns.

SECTION 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

SECTION 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

All land contained in the replat of LAKESIDE ESTATES TOWNHOUSES, Section One, according to the replat thereof recorded in Volume 203, Page 102 of the Map Records of Harris County, Texas.

SAVE AND EXCEPT all lots designated by lot numbers one (1) through one hundred twenty-nine (129) and a one (1) foot reserve dedicated to the public in fee as a buffer separation between the side or end of streets in subdivision plats where such streets abut adjacent acreage tracts, but

SUBJECT TO all easements shown on said plat, the dedication to public use, as such, of the streets, alleys and easements shown on said plat and subject to the regulations of the City of Houston, Texas, of public streets, and drive-ways;

Together with all improvements situated thereon which are owned by Declarant and all reversionary interests in the properties.

Section 5. "Lot" shall mean and refer to any of the 129 numbered plots of land shown upon the recorded subdivision map or plat of the properties.

Section 6. "Declarant" shall mean and refer to ZAC P. RUSSOM, JR., his heirs and assigns, if such heirs or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to 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 or other facilities owned or operated by the Association, excluding domestic water, by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infractions of its published rules and regulations;
- (c) The rights 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; Notwithstanding anything else to the contrary contained herein, any dedication or transfer made by Declarant prior to the date of execution hereof shall be effective without the consent of the members as aforesaid.
- (d) The right of the Association to limit the number of guests of owners;

- (e) The right of the Association, in accordance with its Articles of Incorporation or By-Laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property. The rights of any such mortgagee in said properties shall be subordinate to the rights of the owners hereunder;
- (f) The owners of Lots 29, 30, 31 and 32, shall have the right to use and enjoy to the exclusion of other owners, the area abutting said lots and Julie Lane, referred to on the plat as a private driveway. It shall be the responsibility of the Association, at its cost and expense, to care for and maintain the private driveway. The owners of Lots 29, 30, 31 and 32 shall not erect thereon any structure or place thereon any trailer, boat, vehicle or other similar item for a period of time exceeding 24 hours. Said owners use and enjoyment of the private driveway is subject to the rights of the Association.

Section 2. Delegation of Use. Any owner may delegate in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

The use of all parking areas situated in the Common Area shall be subject to the exclusive control and management of the Board of Directors of the Association, including the assignment of areas where boats, trailers, etc., may or may not be parked or stored.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership.

Class "A". Class "A" members shall be all Owners with the exception of the Declarant, each of which Owners shall be entitled to one (1) vote for each townhouse building tract owned by him. When more than one person owns a fee interest in any townhouse building tract, all such interested persons shall be members; however, the vote for such townhouse building tract in which more than one person has a fee interest shall be cast by the person or persons having a majority interest; and in the event the persons having a majority interest are not able to agree in respect to a vote upon any matter, then such Owners shall not have a right to vote on such matter as there shall be no fractional votes.

Class "B". Class "B" members shall be the Declarant, who shall be entitled to three (3) votes for each townhouse building tract owned by him, whether improved or unimproved. In determining the number of townhouse building tracts owned by Declarant for voting purposes there shall also be counted the number of townhouse building tracts he owns in any added or annexed property as provided for in the Declaration. The Class "B" membership shall cease and be converted into Class

"A" membership on the happening of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class "A" members equals for a period of at least twenty-four (24) consecutive months the total votes outstanding in the Class "B" membership; or
- (b) On the 5th anniversary date of the first conveyance by the Declarant of a townhouse building tract with a residence thereon, to a purchaser.

Section 3. Purposes of Association. The purposes of the Association shall be to promote the health, safety and welfare of the residents within the above described property and in the annexation or additions thereto as may hereafter be brought within the jurisdiction of the Association, and to provide for maintenance, repair, preservation, upkeep, beautification, and architectural control of the common area of such property and such other purposes as may be stated in the Articles of Incorporation and consistent with the provisions of this declaration.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interests, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purposes of Assessments. The assessments levied by the Association shall be used exclusively for the following purposes, to-wit: to promote the recreation, health, safety and welfare of the residents in the property and to pay the expenses for common services rendered to or for the benefit of the owners in connection therewith, to pay the expenses for water, sewer, gas, electricity, telephone and all other utilities furnished to the common area or any part thereof, to pay the expenses of administration and management of the Association, to pay salaries of the employees of the Association, to pay all taxes and other public dues or charges which the Association may be required to pay, to pay the expenses for the maintenance, repair, upkeep, beautification, protection, taxes, insurance, construction, management, supervision and operation of or for the common area or any part thereof, and exterior maintenance as set forth in Article VI hereof, and to pay all other expenses lawfully incurred by the Association in accordance with the provisions of this Declaration, its Articles of Incorporation or By-Laws, all of which expenses of every kind and nature to be incurred and paid by the Association are herein sometimes referred to as the "common expenses". The common area does not have a clubhouse, swimming pool or other recreational facilities. Accordingly, the Association may enter into agreements with the owners or adjoining property for use of their recreational facilities, and assess the members of the association for the charges incurred in this connection.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be THREE HUNDRED SIXTY DOLLARS (\$360.00) per Lot.

- (a) From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased each year not more than five (5%) (such percentage increase may be cumulative from year to year) above the maximum assessment for the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 5% by the vote or written assent of 66 2/3% of each class of members.
- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the vote or written assent of 66 2/3% of each class of members.

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 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty per cent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis. All Lots upon which a residence has been built to substantial completion shall be subject to assessments regardless of who may own the same; Lots with substantially completed houses owned by the Declarant and that are unoccupied shall be assessed at fifty five (55%) per cent of the assessment for Lots with completed houses and owned by parties other than Declarant. All vacant lots on which homes are under construction which are not owned by the "Declarant", as defined in this Declaration, shall be assessed at twenty-five (25%) per cent of the assessment for lots with houses which are substantially completed; however, vacant lots or lots upon which homes have not been substantially completed and which are owned by the "Declarant", as defined in this Declaration, shall not be subject to assessments until substantial completion of the home on such lot. Vacant lots owned by parties other than Declarant shall be assessed at ten (10%) per cent of the assessment for lots with substantially completed homes. The term "substantial completion" as used herein shall mean that the residence is ready for sale or occupancy, except for minor items which must be finished, corrected or adjusted.

Section 7. Date of Commencement of Annual Assessments. The annual assessment provided for herein shall commence as to all lots with substantially completed houses, which are not owned by Declarant, on the first day of the month next following the date of substantial completion. The annual assessment as to all lots with substantially completed houses which are owned by Declarant shall commence on the first day of the third (3rd) month next following the date of substantial completion. The annual assessment as to all other lots subject to assessment shall commence on the first day of the month next following the date of transfer of the lot from "Declarant", as defined in this Declaration. The annual assessment shall be due and payable in monthly installments equal to one-twelfth (1/12) the annual assessment commencing on the dates provided hereinbefore. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the date due at the rate of 6 per cent (6%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the rights and power to bring all actions against the property. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the rights and power to bring all actions against the property. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the rights and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including judicial foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property, and such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Lot owners. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall 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. Exempt Property. All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Insurance.

(a) The Board of Directors of the Association shall obtain and continue in effect blanket property insurance to insure the buildings and structures in the Common Areas and the Association against risks of loss or damage by fire and other hazards as are covered under standard extended coverage against vandalism.

(b) The Board of Directors of the Association shall obtain comprehensive public liability insurance in such limits as it shall deem desirable, insuring the Association, its Board of Directors, agents and employees, and each Owner, from and against liability in connection with the Common Areas.

(c) Each Owner shall be responsible at his own expense and cost for his own personal insurance on the building and contents of his own residence, carport or parking space and his additions and improvements thereto, including decorations, furnishings and personal property therein, and his personal property stored elsewhere on the Properties; and for his personal liability not covered by liability insurance for all Owners obtained as a part of the common expense.

(d) All costs, charges and premiums for all insurance that the Board of Directors authorized as provided herein shall be a common expense of all Owners and be a part of the maintenance assessment.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

The properties shall be further subject to the use restrictions and architectural control conditions and provisions set forth in that certain General Warranty Deed dated December 29, 1972, wherein LAKESIDE ESTATES, INC., a Texas Corporation, is Grantor and Declarant herein is Grantee, recorded in Harris County Clerk's File No. _____ and recorded under Film Code Number _____ of the Official Public Records of Real Property of Harris County, Texas; reference to which is hereby made for all purposes.

ARTICLE VI

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder as follows: paint, repair and replace (but not in the event of fire, or other casualty loss normally covered by insurance on the premises), gutters and downspouts, (if any), exterior building surfaces, fences, trees,

shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include: roofs, glass surfaces, enclosed patio area, (if any), window and door fixtures and hardware, landscaping installed by Owner, (if any), exterior light fixtures operated from a residence, air conditioning equipment, utility company meters, circuit breakers and switch panels, sanitary sewer, gas and electric power service lines, nor any work or thing specifically defined as Owner's maintenance in Article VIII, Section 12.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Lot is subject.

In the event an Owner is responsible for certain exterior maintenance as set forth in the Rules and Regulations of the Association and such Owner shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and any improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which said Lot is subject.

ARTICLE VII

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The rights of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be a majority of all the arbitrators. Should any party refuse to choose an arbitrator within ten (10) days after written request therefor, the Board of Directors of the Association shall select an arbitrator for the refusing party.

ARTICLE VIII

USE RESTRICTIONS

The Lots and the Common Area shall be occupied and used as follows:

Section 1. Residential Use. No Owner shall occupy or use his Lot or building thereon, or permit the same or any part thereof to be occupied or used for any purpose other than as a private residence for the Owner, his family, guests and tenants.

Section 2. Obstruction of Common Area. There shall be no obstruction of the Common Area. Nothing shall be stored in the Common Area without the prior written consent of the Board of Directors.

Section 3. Insurance. Nothing shall be done or kept in the Common Area which will increase the rate of insurance on the Common Area, without the prior written consent of the Board of Directors. No Owner shall permit anything to be done or kept in the Common Area which will result in the cancellation of insurance on any part of the Common Area, or which would be in violation of any law. No waste will be committed in the Common Area.

Section 4. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, or the Common Area, nor shall anything be done thereon which may be or may become any annoyance or nuisance to the other Owners. No boat, trailer or truck, shall be parked or stored in front of any dwelling unit for more than 48 hours. No repair work, dismantling or assembling of motor vehicles or any other machinery or equipment shall be permitted in any street, driveway or yard adjacent to a street, or in the Common Area.

Section 5. Temporary Structures. No structures of a temporary character, trailer, basement, tent, shack, barn, servants quarters or other out buildings shall be used on any Lot at any time as a residence, either temporarily or permanently; nor shall any used residence or other used structure be moved onto any Lot. During the construction and sales period of the initial dwelling units, the builder may erect and maintain such structures as is customary in connection with such construction and sale of such property, including, but without limitation, a business office, storage areas, construction yards, signs, model units and sales offices.

Section 6. Signs. No sign of any kind shall be displayed to public view on any Lot or building except one sign of not more than five (5) square feet in area advertising the merits of the property for sale or rent. During the construction and initial sales period of the dwelling units the builder may use other signs and displays to advertise the merits of the property for sale or rent.

Section 7. Oil and Mining Operations. No gas or oil drilling, gas or oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot.

Section 8. Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets, not to exceed the total of two (2) pets, may be kept provided that they shall not become a nuisance and are not kept, bred, or maintained for any commercial purposes.

Section 9. Garbage and Refuse Disposal. No Lot shall be used or maintained as dumping ground for rubbish. Trash, garbage or other waste shall be kept screened by adequate planting or fencing so as to conceal them from public view. There is reserved in favor of the Association the determination of the method of garbage disposal, that is, whether it shall be through public authority or through private garbage disposal contractor(s). All incinerators or other equipment for the storage or disposal of such materials shall be kept in clean and sanitary condition.

Section 10. Sewage Treatment. No sewage treatment system shall be permitted on any Lot.

Section 11. Use of Common Areas. Except in the individual patio areas appurtenant to a residence, no planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon said Property except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Association's Board of Directors or their designated architectural committee. Except for the right of ingress and egress and the right and easement of enjoyment as defined herein, the Owners are hereby prohibited and restricted from using any of said Property outside the exterior Property lines of each Lot, except as may be allowed by the Association's Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners of the Properties, and any additions thereto, and is necessary for the protection of said Owners. Maintenance, upkeep and repairs of any patio area shall be the sole responsibility of the individual Owner and not in any manner the responsibility of the Association, except as provided in Article VI. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of the Common Area and all exteriors of the residences, including but not limited to, recreation and parking area and walks, shall be taken by the Board of Directors or by its duly delegated representative.

Section 12. Owner's Maintenance. The Owner shall maintain and keep in repair the following equipment and lines located on his lot: air conditioning compressor condenser, including pipes and electrical lines connecting same to the residence, sanitary sewer line connecting the residence to the sanitary sewer collection system, electric power service conductors from the exterior of the building to the point of connecting to the electric utility company's junction box or transformer, electric circuit breakers, any portion of natural gas, and/or telephone service lines located on the Lot but not maintained by the gas and/or telephone companies, and water service line from the point of connection to the water meter serving the lot to and throughout the residence and all parts of the water distribution system on the lot. The Owner shall be solely responsible for the maintenance of his roof.

Any Owner shall do no act nor any work that will impair the structural soundness or integrity of another residence or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other residences or their Owners.

Section 13. Outside Antennas. Without prior written approval of the Board of Directors, no exterior television or radio antennas of any sort shall be placed, allowed or maintained upon any portion of the improvements to be located upon the Property nor upon any structure situated upon the Property other than an aerial for a master antenna system, should any such master system or systems be utilized and require any such exterior antenna.

Section 14. Non-Discrimination. No action shall at any time be taken by the Association or its Board of Directors which in any manner would discriminate against any Owner or Owners in favor of the other Owners.

ARTICLE IX

EASEMENTS

Section 1. Construction. Each Lot and the property included in the Common Area shall be subject to an easement for encroachments created by construction, settling and overhands, as designed or constructed by the Declarant. A valid easement for said encroachments and for the maintenance of same, so long as it stands, shall and does exist. In the event the structure containing two or more residences is partially or totally destroyed, and then rebuilt, the Owners so affected agree that minor encroachments of parts of the adjacent residential units on Common Areas due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

Section 2. Utility, Emergency and Association. There is hereby created a blanket easement upon, across, over and under all of said property for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones and electricity, and a master television antenna system, should such a master system be installed. By virtue of this easement, it shall be expressly permissible for the providing electrical and/or telephone company to erect and maintain the necessary poles and other necessary equipment on said property and to affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of said residences. An easement is further granted to all police, fire protection, ambulance, garbage and trash collector pick-up vehicles and all similar persons to enter upon the Common Area in the performance of their duties. Further an easement is hereby granted to the Association, its officers, agents, employees, and to any management company selected by the Association to enter in or to cross over the Common Area and any Lot to perform the duties of maintenance and repair of the residence of Common Area provided for herein. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on said Property except as initially programmed and approved by the Declarant or thereafter approved by Declarant or the Association's Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, Declarant shall have the right to grant such easement of said property without conflicting with the terms hereof. The easements provided for in this Article shall in no way affect any other recorded easement on said premises.

Section 3. Underground Utility Services. An underground electric distribution system will be installed to Lots. The Owner of each Lot, at his own cost, shall furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the electric company's metering on customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company at the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition, the Owner of each lot shall, at his own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on such Owner's Lot. For so long as underground service is maintained, the electric service to each Lot shall be uniform in character and exclusively of the type known as singly phase 120/240 volt, three wire, 60 cycle, alternating current.

(b) Telephone Service. Telephone service shall be available to each Lot and Common Area. Service between the telephone company's main lines and an individual residence shall be by way of underground conduit. Such conduit system shall be owned by and maintained by the Owner, but all service wires therein shall be installed, owned and maintained by the telephone utility.

(c) Use of Easements. Easements for underground utility services may be crossed by driveways, walkways, patios and fences provided the Declarant or builder make prior arrangements with the utility furnishing service. Such easements for underground services shall be kept clear of all other improvements. Neither Declarant nor any utility company using the easements shall be liable for any damages done by either of them or their assigns, their agents, employees, or servants to shrubbery, trees, flowers or other improvements of the owner located on the land covered by said easements.

(d) Water Service. Water service shall be provided to each lot by way of a water meter distribution system owned by the City of Houston; provided the Owner of each lot shall have the sole responsibility of operating, repairing and maintaining all parts of the water distribution system, including but not limited to water lines, from the point of connection to the water meter serving the lot to and throughout the residence and all parts of the water distribution system located on the lot. The City of Houston shall own the water meter.

(e) Sanitary Sewer Service. Sanitary sewer service shall be provided to each lot by means of a sanitary sewer collection system owned by the City of Houston. That portion of the sanitary sewer service from the point that it connects to the collection system owned by the City of Houston to and throughout the residence shall be owned and maintained by the Owner.

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, lines and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenants or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. In validation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The rights, use easements and privileges of the Owners of the Lots in and to the Common Area as provided for and set out in the Declaration shall be deemed to be covenants running with the land and shall be of perpetual duration. All other provisions, restrictions, covenants and conditions of this Declaration shall also run with and bind the land and the owners for an initial term of twenty (20) years from the date this Declaration is filed for record, after which time they shall be automatically extended for successive periods of ten (10) years each, except that at any time after the expiration of said initial term the same may be terminated or amended in whole or in part by a written agreement signed and acknowledged by the owners of at least 75% of the lots and filed for record in the Official Public Records of Real Property of Harris County, Texas.

Notwithstanding anything else to the contrary contained herein, Declarant reserves and shall have the right at any time and from time to time, without the joinder or consent of any owners or any other person, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record, for the purpose of correcting any typographical error, ambiguity or inconsistency appearing in this Declaration, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration, and shall not impair the vested property rights of any owners or his mortgagees.

Section 4. Annexation. Additional residential property and common area may be annexed to the properties with the consent of two-thirds (2/3) of each class of members.

IN WITNESS WHEREOF, the undersigned, being the Declarant and herein, has hereunto set his hand this 19th day of March, 1974.

ZAC P. RUSSOM, JR.

THE STATE OF TEXAS)

COUNTY OF HARRIS)

BEFORE ME, the undersigned authority, on this day personally appeared ZAC P. RUSSOM, JR., 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 consideration therein expressed.

Given under my hand and seal of office on this 19th day of March, 1974.

NOTARY PUBLIC in and for
Harris County, T E X A S

FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR LAKESIDE ESTATES TOWNHOUSES

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

WHEREAS, various covenants, conditions and restrictions were imposed upon all of the Lots in Lakeside Estates Townhouses by an instrument dated March 25, 1974, and duly recorded in the Real Property Records of Harris County, Texas, under County Clerk's File Number E116669 and Film Code Number 101-10-0002 et. seq., and

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Lakeside Estates Townhouses ("the Declaration") provides that the provisions, restrictions and covenants of the Declaration shall run with and bind the land and the owners for an initial term of twenty (20) years from the date the Declaration is filed of record, after which time they shall be automatically extended for successive periods of ten (10) years each, and

WHEREAS, the Declaration further provides that at any time after the expiration of said initial term the same may be terminated or amended in whole or in part by a written agreement signed and acknowledged by the owners of at least seventy-five percent (75%) of the lots and filed for record the Official Public Records of Real Property of Harris County, Texas, and

WHEREAS, the undersigned, being the Owners of at least seventy-five percent (75%) percent of the Lots in Lakeside Estates Townhouses as of 12-31, 1994, desire to alter, modify and amend the Declaration as hereinafter set forth;

NOW, THEREFORE, the undersigned being the Owners of at least seventy-five (75%) percent of the Lots in, as of 12-31, 1994, do hereby adopt, establish and impose upon all Lots in Lakeside Estates Townhouses, a residential townhome development in Harris County, Texas, according to the maps or plats thereof recorded in Volume 167, Page 100, of the Map Records of Harris County, Texas, the following reservations, easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the properties, which reservations shall amend the Declaration of Covenants, Conditions and Restrictions for Lakeside Estates Townhouses, and which shall run with the land and be binding upon all parties having or acquiring any right, title or interest in any of the subject properties and shall inure to the benefit of each owner thereof.

I.

Article VI of the Declaration is hereby amended as follows:

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each lot which is subject to assessment hereunder as follows: paint (one coat/same color) exterior building surfaces according to the written Painting Policy and Specifications approved by the Board of Directors. The Association shall not be responsible for painting brick surfaces, vinyl siding or metal siding unless specifically provided in the Painting Policy and Specifications. Regularly maintain (but not replace) grass, flowerbeds, shrubs, and trees; and provide regular municipal or private refuse

collection. Such exterior maintenance shall not include the repair and maintenance of any exterior building surface, siding or undersurface, roofs, glass surfaces, enclosed (by fences or gate) patio areas, window and door fixture and hardware, landscaping installed by Owner (if any), exterior light fixtures operated from a residence, air conditioning equipment, utility company meters, circuit breakers and switch panels, sanitary sewer, gas and electric power service lines, gutters and downspouts, fences, walls or gates, walks or sidewalks, street curbs or driveways, or any other exterior improvements, nor any work or item specifically defined as Owner's Maintenance in Article VIII, Section 12.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Lot is subject.

In the event an Owner is responsible for certain exterior maintenance as set forth in the Rules and Regulations of the Association or stated as an exception in the first paragraph of this Article VI and such Owner shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and any improvements erected thereon or to invoke the enforcement provisions of Article X-Section 1. The cost of such exterior maintenance or enforcement shall be added to and become part of the assessment to which said Lot is subject.

II.

Except as hereby amended, the Declaration and Amendment shall remain unchanged and continue in full force and effect.