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THE STATE OF TEXAS \$
COUNTY OF HARRIS \$
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This Declaration is made on the date hereinafter set forth by Westbury Homes, Inc., a Delaware corporation (hereinafter sometimes "Declarant").

W I T N E S S E T H:

7,

NOW, THEREFORE, Declarant does hereby declare that the Subdivision shall be held, sold, and conveyed subject to the following restrictions, reservations, covenants, easements and conditions, which are for the purpose of protecting the value and desirability of, and shall run with, the Subdivision and which shall be binding on all parties having any right, title or interest in the Subdivision, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner (as hereinafter defined) of any portion of the Subdivision.

ARTICLE I

DEFINITIONS.

Section 1. "Association" shall mean and refer to Sunbury Estates Community Improvement Association, a Texas non-profit corporation, its successors and assigns.

Section 2. "Committee" shall mean and refer to the Sunbury Estates Architectural Control Committee, as provided for in Article IX hereof.

Section 3. "Common Area" shall mean all real property (including any improvements thereto) acquired or which may be acquired by the Association for the common use and enjoyment of the Owners.

Section 4. "Common Structures" shall mean the Party Wall, the pipes, vents, outlets, plumbing, insulation, wiring and duct work within such Party Wall and the portions of the roof and foundation of a Paired Unit located between two (2) imaginary planes formed by extension upward and downward of the surfaces of the Party Wall forming the interior wall of each Unit.

Section 5. "Declarant" shall mean and refer to Westbury Homes, Inc. ("Westbury"), its successors and assigns, including, but not limited to, any person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, which acquires all or substantially all of the Properties then owned by Westbury (or subsequent successors in interest), by conveyance or assignment from Westbury, or by judicial or non-judicial foreclosure, for the purpose of development and/or construction on the Properties.

Section 6. "Dwelling" shall mean a detached residential structure which is constructed on a Plot of not less than four thousand (4,000) square feet for occupancy by one (1) person or one (1) family.

Section 7. "Lot" and/or "Lots" shall mean and refer to the lots shown upon the Subdivision Plat, with the exception of any portion of the Properties which is or may be hereinafter designated or described on the Subdivision Plat as Reserve "A".

Section 8. "Owner" and/or "Owners", shall mean and refer to the holder of fee simple record title, whether one or more persons or entities, to any Plot which is a part of the Properties, including contract sellers, but excluding those whose interest is held merely as security for the performance of any obligation.

Section 9. "Paired Unit" shall mean and refer to a structure which is constructed as two (2) single-family zero lot line, attached, residential structures with Common Structures and which is composed of two (2) Units.

Section 10. "Party Wall" shall mean and refer to that wall which is built as part of the two (2) Units comprising a Paired Unit and which is on the dividing line between the two (2) Plots on which the Paired Unit is constructed.

Section 11. "Plot" shall mean and refer to that portion of a Lot (i) which is not less than four thousand (4,000) square feet and on which a Dwelling has been, or is intended to be, constructed, and (ii) which is not less than three thousand (3,000) square feet and on which a Unit has been, or is intended to be, constructed.

Section 12. "Properties" shall mean and refer to the Subdivision and, where applicable, the real property which may hereafter be annexed into the jurisdiction of the Association.

Section 13. "Residences" shall mean and refer to all Units and Dwellings.

Section 14. "Unit" shall mean that portion of a Paired Unit which is constructed on a Plot of not less than three thousand (3,000) square feet for occupancy by one (1) person or one (1) family.

ARTICLE II

PROPERTY RIGHTS IN COMMON AREA

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area, if any, which shall be appurtenant to and shall pass with the title to every Plot, 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, if any;

(b) The right of the Association to suspend the voting rights and enjoyment rights of any Owner for any period during which any assessment against such Owner's Plot remains unpaid;

(c) The right of the Association to suspend the voting rights and enjoyment rights of any Owner for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(d) The right of the Association to dedicate or transfer all or any part of the Common Area, or any interest or interests therein, to any public agency, authority or utility for such purposes and subject to such conditions as may be approved by two-thirds (2/3rds) of each class of members of the Association, as evidenced by an instrument signed by such approving two-thirds (2/3rds) which is filed for record in the Office of the County Clerk of Harris County, Texas; and

(e) The right of the Association to enforce the restrictions, reservations, covenants and conditions herein set forth by any proceeding at law and/or in equity as may be deemed advisable or appropriate.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the bylaws of the Association, such Owner's right of enjoyment to the Common Area and facilities, if any, to the members of such Owner's family, to such Owner's tenants, or to contract purchasers who reside on such Plot.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN ASSOCIATION

Section 1. Paired Unit Building Site. As used in this Article III, "Paired Unit Building Site" shall mean the two (2) Plots on which a Paired Unit has been, or is intended to be, constructed.

Section 2. Membership. Every Owner of a Plot which is subject to Charges, Special Assessments and Annual Assessments (all as hereinafter defined) shall be a member of the Association and membership shall be appurtenant to and shall not be separated from ownership of any Plot. Every member shall have the right at all reasonable times during business hours to inspect the books of the Association.

Section 3. Voting Rights. The Association shall have two (2) classes of voting membership:

(a) Class A. Class A members shall be all Owners, with the exception of Declarant, and each Class A member shall be entitled to one (1) vote for each Plot owned. When more than one (1) person holds an interest in any Plot, all such persons shall be members. The vote for such Plot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Plot.

(b) Class B. Declarant shall be the Class B member and shall be entitled to three (3) votes for each Plot owned by Declarant on which a Dwelling is constructed or intended to be constructed and for each Paired Unit Building Site on which a Paired Unit is constructed or is intended to be constructed. The

Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

(i) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B Membership; or

(ii) September 1, 1988.

(c) Conversion. If at any time after the initial conversion of Class B membership to Class A membership, other areas are duly annexed into the jurisdiction of the Association, the voting rights of the Class B member shall automatically revert to three (3) votes for each Plot owned until such time as the total votes outstanding in the Class A membership once again equals or exceeds the total votes outstanding in the Class B membership, or until September 1, 1988, whichever occurs earlier, at which time Class B membership shall automatically cease and be converted to Class A membership.

ARTICLE IV

RESTRICTIONS, COVENANTS AND CONDITIONS USE RESTRICTIONS

Section 1. Land Use and Building Type. All Plots shall be known, described and used for residential purposes only and no building shall be erected, altered, placed or permitted to remain on any Plot other than one (1) Residence not to exceed two (2) stories in height. Each Plot shall have not less than two (2) onsite parking spaces. If a garage has been constructed on a Plot it shall constitute, for purposes hereof, one (1) onsite parking space. As used herein the term "residential purposes" shall be construed to prohibit garage apartments, business or professional purposes of any kind, and any commercial or manufacturing purposes; provided, however, residential purposes shall be construed to permit the construction and occupancy of Paired Units, and the occupancy of any Unit and/or Dwelling by one (1) person or one (1) family, although such occupant is not the Owner of the Plot on which such Unit or Dwelling is constructed. No building of any kind or character shall ever be moved onto any Plot; it being the intention that only new construction shall be placed and erected thereon.

Section 2. Architectural Control. No building shall be erected, placed or altered on any Plot until the construction plans and specifications and a plot plan showing the location of the structure thereon have been approved by the Committee as to quality of workmanship and materials, harmony of external design with existing structures, and location with respect to topography and finished grade elevation, all in accordance with the procedures set forth in Article IX hereof.

Section 3. Dwelling Size. The air conditioned living area of each Residence, exclusive of open porches and garages, shall not be less than:

(a) eight hundred (800) square feet for a Dwelling;
and

(b) one thousand six hundred (1600) square feet for a Paired Unit, each Unit containing a minimum of eight hundred (800) square feet.

scape. Section 4. Type of Construction, Materials and Land

(a) The roof of any Residence shall meet or exceed all Federal Housing Administration standards.

(b) Each kitchen in each Residence shall be equipped with a garbage disposal unit, which shall be kept at all times in a serviceable condition.

(c) No window or wall-type air conditioner shall be permitted to be used, erected, placed or maintained, in or on any portion of a Residence or other building, except in the sales office, unless such window or wall-type air conditioner is being used as a supplement to a central air conditioning unit. If a window or wall-type air conditioner is permitted pursuant hereto, it shall not be used, erected, placed, or maintained in or on any portion of a Residence or other building, which faces any street.

(d) No fence or wall shall be erected, placed or moved on any Plot so that such fence or wall is closer to the front of such Plot than the minimum building setback line as shown on the Subdivision Plat. Unless otherwise approved by the Committee, all fences shall be (i) made of wood, (ii) six (6) feet in height, and (iii) of a usual construction and configuration.

(e) In the construction of a Paired Unit, the Party Wall shall be constructed so as to have no openings or penetrations of any kind, and shall not be penetrated by plumbing lines, electrical wiring, and ventilation duct work so that the systems of the individual Units of a Paired Unit would be interconnected or so that lines would pass completely through the Party Wall. Electrical wiring may be placed in the Party Wall to serve the individual Units so long as such wiring penetrates only the side of the Party Wall on which service is provided.

Section 5. Building Location. No Residence or other building shall be located on any Plot nearer to the front Lot line or nearer to a side street line than the minimum building setback lines shown on the Subdivision Plat. No Dwelling or other building shall be located nearer than five (5) feet to any interior Plot line; provided, however (i) a garage or other permitted accessory building, if built sixty-five (65) feet or more from the front Lot line, may be located within three (3) feet of an interior Plot line and, (ii) a Dwelling may be located as near as three (3) feet to any interior Plot line so long as the distance between any adjacent Dwelling and the Dwelling situated as close as three (3) feet to an interior Plot line is not less than ten (10) feet. Notwithstanding any provision herein to the contrary, in no event shall the sum of the widths of the side yards of any Plot (except in the case of a garage or other permitted accessory building set back sixty-five (65) feet as above provided) be less than fifteen percent (15%) of the width of the Plot, measured (to the nearest foot) along the front setback line shown on the Subdivision Plat. For the purposes hereof, the term, "side yard" shall mean and refer to that portion of the Plot lying between the side Plot line and a line coincident with the exterior wall of the Dwelling situated on such Plot which is nearest such side Plot line. No Residence, or any part thereof, shall be located on any interior Plot nearer than five (5) feet to the rear Plot line. For the purposes of these restrictions, the front of each Plot shall coincide with and be the property line having the smallest or shortest dimension abutting a street. Each Residence will face the front of

the Plot. Minor variations in Residence locations not exceeding one (1) foot may be granted by the Committee.

Section 6. Temporary Structures.

(a) No structure of a temporary character, whether trailer, motor home, mobile home, tent, shack, carport, barn, or other accessory building shall be maintained or used on any Plot at any time as a residence or for any other purpose, provided, however:

(i) Declarant reserves the exclusive right to erect, place, and maintain such facilities in or on any portion of the Properties as in its sole discretion may be necessary or convenient while selling Plots, selling or constructing Residences and constructing other improvements upon the Properties. Such facilities may include but are not limited, to sales and construction offices, storage areas, model units, signs and portable toilet facilities;

(ii) A doghouse is permitted on a Plot, so long as it is not of unreasonable size, is located on the Plot so that it is not visible from any street in the Subdivision, and it is constructed and maintained in a manner consistent with these restrictions; and

(iii) A storage building is permitted on a Plot, so long as it does not exceed seven (7) feet in height, eight (8) feet in width, and ten (10) feet in length, being 560 cubic feet of enclosed, roofed space, it is located on the Plot so that its lower 5-1/2 feet is screened from view from any street in the Subdivision by a fence duly approved by the Committee as provided herein, it is located at or near the perimeter of the Plot, and it is constructed and maintained in a manner consistent with these restrictions.

Section 7. Annoyances or Nuisances. No noxious or offensive activity of any sort shall be done or permitted on any Plot. Nothing shall be done on any Plot which may be or become an annoyance or a nuisance to the neighborhood.

Section 8. Storage and Repair of Vehicles. No truck, camper, jeep, van, recreational vehicle, bus, trailer, automobile, boat trailer, boat of any type, or other vehicle shall be stored, parked or kept on any Plot, or in any street for more than forty-eight (48) hours of any seventy-two (72) hour period. No inoperative vehicle (inoperative being defined herein as not in a running or usable condition) may be stored, parked or kept on any Plot or in any street at any time. Nothing herein contained shall be construed to prohibit the storage of any operative or inoperative vehicle in a garage (if a garage has been constructed on such Plot) or to prohibit the storage of all operative vehicles behind a solid wooden fence constructed on a Plot, such fence to be without gaps between the boards constituting such fence, not to exceed six (6) feet in height, and to be maintained in accordance with the other provisions hereof. The vehicle stored behind such fence shall not exceed the height of such fence by more than three (3) feet.

Section 9. Signs and Billboards. No signs, billboards, posters or advertising devices of any kind or character shall be permitted on any Plot except one sign of not more than ten (10) square feet in surface area advertising the Residence thereon for sale or rent. Declarant reserves the right to

construct and maintain, signs, billboards and advertising devices in connection with the sale of Plots and Residences. Billboards may be used by Declarant to advertise property during the construction and sales period and the same shall be constructed so as not to create a hazardous situation.

Section 10. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Plot. No wells, tanks, tunnels, mineral excavations or shafts shall be permitted upon or in any Plot. No derricks or other structures designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Plot.

Section 11. Plot Maintenance. The accumulation of garbage, trash, or rubbish of any kind or the burning of any such materials on any Plot is prohibited. No Plot shall be used or maintained as a dumping ground for garbage, trash or rubbish. All waste materials shall only be kept in sanitary containers constructed of metal, plastic, or masonry materials with sanitary covers or lids. All equipment for the storage or disposal of such waste materials shall be kept in a clean and sanitary condition. No Plot shall be used for the open storage of any materials whatsoever which storage is visible from the street, except that building materials used in the construction of improvements erected upon any Plot may be placed thereon for 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, at which time these materials shall promptly be either removed or stored in a suitable enclosure. The Owner shall at all times keep all weeds and grass on such Owner's Plot cut in a sanitary, healthful and attractive manner. No Owner shall permit weeds or grass to grow to a height greater than six (6) inches upon any Plot; including all parkways. Vegetables shall only be grown in the back yard. In no event shall an Owner use any Plot for the storage of materials and equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The drying of clothes in front yards is prohibited and the Owner of any Plot at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear portion of the Plot is visible to full public view shall construct and maintain a drying yard or other suitable enclosure to screen from public view the drying of clothes, yard equipment, and woodpiles or storage piles which are incident to the normal residential requirements of a typical family.

Section 12. Visual Obstructions at the Intersections of Public Streets. Nothing shall be placed, planted or permitted on any corner Plot which obstructs reasonably safe and clear visibility of pedestrian or vehicular traffic through sight lines parallel to the ground surface at elevations between two (2) feet and six (6) feet above the streets, and which lies within a triangular area on any corner Plot described by connecting with a line two points, each such point respectively established at the edge of the paving abutting said corner Plot, twenty-five (25) feet back along the curb on streets abutting said Plot, measured from the center of the corner curb curve abutting said Plot.

Section 13. Maximum Height of Antenna. No radio or television aerial wires or antennae shall be maintained on any portion of any Plot forward of the minimum building setback lines as shown on the Subdivision Plat. The top of any freestanding antenna of any style, exclusive of masts, shall not be permitted to extend more than ten (10) feet above the roof of any

Residence. All radio operation shall be conducted so as to cause no electronic interference with surrounding households.

Section 14. Animal Husbandry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Plot. No more than two (2) common household pets may be kept, provided that they are not kept, bred or maintained for commercial purposes.

Section 15. Burned Residences or Buildings. In the event that any Residence or building on any Plot has burned and is thereafter abandoned for at least thirty (30) days, the Association may, after ten (10) days' written notice to the Owner of such Plot, and at such Owner's sole cost and expense, cause the burned Residence or other building to be removed and the Plot cleared. The Association shall not be liable in trespass or for damages, expenses, costs or otherwise to any Owner for such removal and clearing.

Section 16. Underground Electric Distribution System. An underground electric distribution system will be installed in that part of the Subdivision designated as "Underground Residential Subdivision," which underground service area shall embrace all Plots. Each Owner in the Underground Residential Subdivision shall, at such Owner's cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electric Code) the underground service cable and appurtenances from the point of the electric company's metering on the Owner's Residence to the point of attachment at the electric 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 the electric company at the property line of each Plot. The electric company furnishing service shall make the necessary connections at the point of attachment and at the meter. In addition, each Owner shall, at such Owner's 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 Plot. For so long as underground service is maintained, the electric service to each Plot in the Underground Residential Subdivision shall be uniform in character and exclusively of the type known as a single phase 120/240 volt, three (3) wire, sixty (60) cycle, alternating current.

ARTICLE V

RESERVATIONS, EXCEPTIONS AND DEDICATIONS

Section 1. Subdivision Plat of the Properties. The Subdivision Plat dedicates for use as such, subject to the limitations set forth therein, the streets and easements shown thereon, and establishes certain restrictions applicable to the Subdivision, including, without limitation, certain minimum building setback lines. All dedications, limitations, restrictions and reservations shown on the Subdivision Plat are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed, conveying any portion of the Subdivision, whether specifically referred to therein or not.

Section 2. Easements. Declarant reserves the easements and rights-of-way shown on the Subdivision Plat for the purpose of constructing, maintaining and repairing a system or

systems of electric lighting, electric power, telegraph and telephone lines, gas, sewers, cable television systems or any other utility Declarant sees fit to install in, across and/or under the Properties. Declarant reserves the right to make changes in and additions to the above easements for the purpose of more efficiently and economically installing the improvements. Neither Declarant nor any utility company or authorized political subdivision using the easements herein referred to shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, shrubbery, trees or flowers or any other property of the Owner of the Plot covered by such easements. All easements, as filed of record, are reserved for the mutual use and accommodation of garbage collectors and all utility companies desiring to use same. Any utility company furnishing service shall have the right to remove all or part of any buildings, fences, trees, shrubs or other improvements or growths which in any way endanger or interfere with the construction, maintenance or efficiency of its respective utility system on any easement strips. Any utility company shall, at all times, have the right of ingress and egress to and from and upon said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing from all or any part of its respective utility system without the necessity at any time of procuring the permission of anyone.

Section 3. Installation of Paving. Declarant reserves the right, during the installation of paving of the streets as shown on the Subdivision Plat, to enter onto any part of the Properties for the purpose of disposing of street excavation, including the removal of any trees, if necessary, whether or not the Properties have been conveyed to and/or contracted for sale to any other Owner.

Section 4. Title Subject to Easements. It is expressly agreed and understood that the title conveyed to any of the Plots shall be subject to any easement affecting same for roadways, access, drainage, water, gas, sanitary sewer, storm sewer, electric light, electric power, telegraph, telephone or cable television systems and shall convey no interest in any pipes, lines, poles or conduits, or in any utility facility or appurtenances thereto constructed by or under Declarant or any easement owner, or any agents through, along, or upon the premises affected thereby, or any part thereof, to serve the premises or any other portion of the Properties and the right to maintain, repair, sell or lease such appurtenances to any municipality, governmental agency, public service corporation or other party, and such right is hereby expressly reserved by Declarant.

Section 5. Existing Liens. The violation of or the failure to comply with any of the restrictions, covenants and conditions contained herein shall in no way affect the validity of any mortgage, loan or bona fide lien which may, in good faith, be then existing on any Plot.

Section 6. Exclusions. The provisions hereof shall not extend to or cover that portion of the Properties which is designated or described on the Subdivision Plat as Reserve "A." Reserve "A" shall be used for purposes harmonious with the residential character of the remainder of the Properties and such allowable uses may include, but not by way of limitation, multi-family sites, water well sites, shops or facilities for the sale of food, beverages, clothing, services and other items for personal uses, professional offices or clinics, automobile service stations or facilities of a similar nature.

Section 7. Composite Building Site. Subject to the approval of the Committee, any Owner of adjoining Plots or portions thereof may consolidate such Plots, with the privilege of constructing or placing improvements on such resulting sites. Setback lines shall then be measured from the resulting side property lines rather than from the Lot lines as indicated on the Subdivision Plat. Any such composite building site must have a frontage at the building setback line of not less than the minimum frontage of the Plots in the same block.

Section 8. Encroachments; Overhang Easement.

(a) Declarant hereby reserves for itself and each Owner an easement and right to overhang each adjoining Plot with the roof of any Dwelling, garage or carport on such Owner's Plot, as such roof is originally constructed or substantially repaired by necessity, but not otherwise.

(b) If any portion of a Unit or any garage or carport now encroaches upon any other Plot, or if any Unit, garage or carport hereafter constructed encroaches upon any Plot, or if any such encroachment shall occur hereafter as a result of settling or shifting of the Unit, garage or carport, a easement for the encroachment and for the maintenance of the same shall exist so long as the Unit, garage or carport shall stand. In the event any Unit, garage or carport shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and later rebuilt, encroachment easements due to such rebuilding shall exist for such encroachments for so long as the Unit, garage or carport shall stand to the same extent and degree as such initial encroachment.

Section 9. Ingress and Egress. Each Owner of a Dwelling or a Unit in a Paired Unit shall have an easement, which is hereby reserved by Declarant on behalf of such Owner, over and upon the adjoining Plot for the maintenance and repair of (a) the Common Structures, (b) other improvements adjacent to such adjoining Plot and (c) pipelines, electric lines, phone lines, cable television lines, and any and all other utility lines connecting a Unit with water and sewer mains and central cable lines. Any entry upon the adjoining Plot shall be made with as little inconvenience to the Owner thereof as practical, and any damage caused thereby shall be repaired at the expense of the Owner using this easement.

Section 10. Water, Sewer and Drainage. Declarant hereby reserves for itself, its successors and assigns, the right to place connecting lines for all utility and sewer systems, including water, gas (if any), sewer main, electric, phone, cable television connections, and drainage facilities on or under any Plot for service to and drainage of such Plot and other Plots. Declarant hereby reserves for itself, and any Owner of any Plot which is served by such systems or drains into such facilities, an easement on any other Plot for the installation of and thereafter the use and maintenance of the connecting lines and common drainage facilities; provided that any entry upon the Plot on which the connecting lines or common drainage facilities are located shall be made with as little inconvenience to the Owner thereof as practical. For purposes of determining the sharing by Owners of costs incurred in the clearing, maintenance and repair of common drainage facilities, such facilities shall be considered Common Structures.

Section 11. Cable Television. Declarant reserves the right to enter into a franchise or similar type agreement

with one (1) or more cable television companies and Declarant shall have the right and power in such agreement or agreements to grant to such cable television company or companies the uninterrupted right to install and maintain communications cable and related ancillary equipment and appurtenances within the easements and rights-of-way shown on the Subdivision Plat.

ARTICLE VI

MAINTENANCE CHARGE AND COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligations of Assessments. Declarant hereby covenants and agrees, and each Owner by acceptance of a deed for a Plot, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association, (a) Annual Assessments, (b) Charges, and (c) Special Assessments (Annual Assessments and Special Assessments hereinafter sometimes jointly called "Assessments") such Assessments and Charges to be established and collected as hereinafter provided. The Assessments and Charges, together with interest, costs, and reasonable attorneys' fees, shall be a continuing lien upon the Plot against which such Assessments and Charges are made. The Assessments and Charges, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Plot at the time the Assessment or the Charge fell due. The personal obligation for delinquent Assessments and Charges shall not pass to such Owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Annual Assessments. The Association shall use the Annual Assessments for the benefit of all Owners of the Properties. The uses and benefits to be provided by the Association shall include, but not be limited to, the following: constructing and maintaining parks, parkways, rights-of-way, easements, esplanades and other public areas; supervising and contracting for the collection and disposal of garbage; maintaining any Common Area; paying all legal and other expenses incurred in connection with the collection of all Charges and Assessments and the enforcement of all covenants, restrictions and conditions affecting the Properties; paying street light bills; paying all reasonable and necessary expenses in connection with the collection and administration of the Assessments; employing policemen and watchmen; caring for vacant Plots; and doing any other and all things necessary or desirable in the judgment of the Association to keep the Properties neat and in good order, or considered of general benefit to the Owners, it being understood that the judgment of the Association in the expenditure of such Assessments shall be final and conclusive so long as such judgment is exercised in good faith.

Section 3. Annual Assessments. Each Plot is hereby subjected to an annual assessment ("Annual Assessment") of up to \$25.00 per month for the purpose of creating a fund to be designated and known as the "Maintenance Fund." The Annual Assessment will be paid by each Owner in advance in annual installments, commencing as to all Plots on the first day of the month following the conveyance of the first Plot. The amount of the Annual Assessment will be determined annually by the Board of Directors of the Association ("Board of Directors") at least thirty (30) days in advance of each Annual Assessment. The amount and the manner of payment of the Annual Assessment may be adjusted from year to year by the Board of Directors as the needs of the Association may, in the judgment of the Board of Directors, require. The Annual Assessment for each Plot shall be

uniform except that, as long as there is a Class B membership, the Board of Directors may charge and collect a fraction of the Annual Assessment on each Plot owned by Declarant until the conveyance of such Plot. Any fraction of the Annual Assessment paid by the Declarant shall not be less than fifty percent (50%) of the Annual Assessment. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Annual and Special Assessments on a specified Plot have been paid. The Annual Assessment may be increased by the Board of Directors, (i) in conformance with the rise, if any, in the Annual Consumer Price Index for Clerical and Blue Collar Workers - Items for Houston, Texas, 1967=100 base published by the U.S. Department of Labor's Bureau of Labor Statistics, or any successor publication, for the preceding year, or alternatively, (ii) by an amount equal to a ten percent (10%) of the Annual Assessment of the preceding year, whichever is greater; without a vote of the members of the Association. The Annual Assessment may be increased above that established by the Consumer Price Index formula or the above-mentioned percentage only by approval of two-thirds (2/3rds) of the votes of each class of members of the Association who are voting in person or by proxy at a meeting duly called for this purpose. In lieu of notice and a meeting of members of the Association as provided in the By-Laws of the Association, a door to door canvas may be used to secure the written approval of two-thirds (2/3rds) of each class of members for such increase. This increase shall become effective on the date specified in the document evidencing such approval only after such document has been filed for record in the Office of the County Clerk of Harris County, Texas.

Section 4. Special Assessment for Capital Improvements. In addition to the Annual Assessment 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 acquisition, construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, if any, including fixtures and personal property related thereto, provided that any such Special Assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of members of the Association who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Charges. In the event an Owner fails to comply with the maintenance requirements herein, such Owner's Plot shall be subject to a Charge, all in accordance with Article VII, Section 2, hereof.

Section 6. 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 or delivered 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 sixty percent (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 sixty (60) days following the preceding meeting.

Section 7. Effect of Nonpayment of Assessments and Charges; Remedies of the Association. Any Assessments and Charges not paid within thirty (30) days after the due date shall

be delinquent. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against such Owner's Plot. Interest shall accrue on past due Assessments and Charges at the rate of ten percent (10%) per annum. Costs and reasonable attorneys' fees incurred in any such action shall be added to the amount of such delinquent Assessments and Charges. Each Owner, by such Owner's acceptance of a deed to a Plot, hereby expressly vests in the Association or its agents, the right and power to bring all actions against such Owner personally for the collection of such Charges and Assessments as a debt and to enforce the lien by all methods available for the enforcement of such lien, including foreclosure by an action brought in the name of the Association either judicially or non-judicially by power of sale, pursuant to Article 3810 of the Texas Revised Civil Statutes, and such Owner expressly grants to the Association a power of sale in connection with the non-judicial foreclosure of such lien. No Owner may waive or otherwise escape liability for the Assessments and Charges provided for herein by nonuse of the Common Area, if any, or abandonment of such Owner's Plot.

Section 8. Subordination of the Lien to Mortgages. To secure the payment of the Charges and Assessments, there is hereby reserved in each Deed by which the Declarant (and any subsequent Owner) shall convey a Plot, a Vendor's Lien for the benefit of the Association, such Vendor's lien to be enforceable through appropriate proceedings at law by the Association; provided, however, that each Vendor's lien shall be specifically made secondary, subordinate and inferior to all liens, present and future, given, granted, and created by or at the instance and request of the Owner of any such Plot to secure the payment of monies advanced or to be advanced for the purchase price and/or the construction of improvements on any such Plot; and further provided that as a condition precedent to any proceeding to enforce such Vendor's lien upon any Plot upon which there is an outstanding valid and subsisting first mortgage lien, the Association shall give the holder of such first mortgage lien sixty (60) days' prior written notice of such proposed action provided the Association has been furnished the address of such first mortgage lienholder to which such should be sent. Such notice shall be sent to such first mortgage lienholder by prepaid U. S. Registered Mail and shall contain the statement of the delinquent Assessment upon which the proposed action is based. Upon the request of any such first mortgage lienholder, the Association shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular Plot covered by such first mortgage lien to the holder thereof. Sale or transfer of a Plot shall not affect the Assessment or Charge lien. However, the sale or transfer of any Plot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such Assessment or Charge as to payments which became due prior to such sale or transfer; provided, however, the personal liability of the Owner of such Plot shall not be relieved by such sale or transfer. No sale or transfer shall relieve such Plot from liability for any Assessments thereafter becoming due or from the lien thereof.

Section 9. Duration. The right of the Association to levy the Assessments will remain effective for the full term (and extended term, if applicable) of this Declaration.

ARTICLE VII

MAINTENANCE, REPAIRS AND IMPROVEMENTS

Section 1. Residence Exterior; Plot Maintenance. Each Owner shall maintain the exterior of such Owner's Residence and Plot in an attractive manner and shall not permit the paint, roof, rain gutters, downspouts, exterior walls, windows, doors, walks, driveways, parking areas and other portions of such Owner's Residence and Plot to deteriorate in an unattractive manner. Each Owner shall be solely responsible for the maintenance of the exterior of such Owner's Residence. No change of paint color, brick or roof color will be permitted without the prior written approval of the Committee. Without limiting the generality of the foregoing obligations for exterior maintenance, each Owner shall repair and maintain in sound condition:

(a) The exterior paint on such Owner's Residence so that no portion thereof peels, scales or cracks excessively and all painted portions remain neat;

(b) The windows on such Owner's Residence so that no caulking thereon is chipped or cracked and no window panes are broken;

(c) All awnings (if any) installed on such Owner's Residence so that they are securely affixed to the exterior walls, gables, eaves or roof (as the case may be) and all holes are patched, stitched or otherwise repaired;

(d) The exterior woodwork on such Owner's Residence, including all doors and windowsills, so that it remains whole, sound and neat;

(e) The roof on such Owner's Residence so that all shingles are properly secured and no worn areas or holes are permitted to remain;

(f) The rain gutters and downspouts on such Owner's Residence so that all are properly painted or treated to prevent rust and corrosion, properly secured to roof, eaves, gables or exterior walls (as the case may be) and maintained without holes;

(g) The concrete areas of such Owner's Plot, so that all cracks, are appropriately patched or surfaced as they appear; and

(h) All fences or walls erected on such Owner's Plot, so that all holes and cracks are repaired as they appear and no portion thereof is permitted to decay beyond normal weathering.

Section 2. Charges. In the event of default by an Owner in observing the above requirements or any of them, and the continuance of such default after thirty (30) days' written notice thereof, the Committee, without liability to the Owner in trespass or otherwise, shall have the right to enter upon such Owner's Plot and do or cause to be done any thing necessary to secure compliance with these restrictions so as to place such Plot and the improvements situated thereon in a neat, attractive, healthful and sanitary condition and may render a statement of Charge to the Owner of such Plot for the cost of such work in accordance with Article IX, Section 2 hereof. The Owner agrees, by the purchase of such Owner's Plot, to pay such Charge immediately upon receipt of an invoice therefor, and such Charge shall be secured by the lien referred to in Article VI hereof.

ARTICLE VIII

UNITS AND PAIRED UNITS

Section 1. Common Structures.

(a) All reasonable costs of necessary restoration, repair and maintenance of Common Structures shall be shared by the Owners of the Units of a Paired Unit in proportion to the use each such Owner makes of the Common Structure to be restored, repaired or maintained. The costs of restoration, repair and maintenance of elements of a Common Structure serving only the Owner of one Unit of a Paired Unit, including, but not limited to, the costs of restoration, repair and maintenance of all plumbing, wiring, insulation, ducts and interior finish which services only one Owner's Unit, shall be borne, in their entirety, by such Owner. Nothing contained herein shall prevent or prohibit an Owner from seeking a larger contribution than would otherwise be due hereunder if a larger contribution would be due under any rule of law regarding liability for negligence or willful acts or omissions.

(b) Notwithstanding anything herein to the contrary, any Owner, who by negligence or willful acts causes a Common Structure to be exposed to the elements, shall bear the whole cost of the necessary restoration and protection from the elements.

(c) To the extent not inconsistent with these Restrictions, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions with respect to Common Structures shall apply thereto.

(d) No Owner of any Unit of a Paired Unit shall make any addition to, modification of or alteration of the exterior of such Owner's Unit, substantial change of the landscaping of such Owner's Plot or any change in the color of any part of the exterior of such Owner's Unit unless such addition or change has been approved in writing by the Owner of the other Unit with which such Owner's Unit is paired and by the Committee.

(e) If the Owners of Units comprising one (1) Paired Unit cannot agree on the maintenance, repairs and painting, then the Owner of the Unit who deems that the work needs to be accomplished shall prepare and present a written description and cost estimate of the work to be accomplished to the Committee. The Committee shall rule on the need for accomplishing the work, and if the Committee determines that such work is required, the cost allocation thereof and the time period within which to accomplish the work. The Committee's ruling shall be binding on both Owners.

Section 2. Insurance. Each Owner of a Unit shall maintain insurance against loss or damage by fire or other hazards in an amount sufficient to cover the full replacement cost of all repairs and/or reconstruction work in the event of damage to or destruction of such Owner's Unit from any hazard.

Section 3. Repair or Reconstruction of a Unit of a Paired Unit. In the event of damage to or destruction of a Unit, or a portion thereof, by fire or other casualty, the Owner thereof shall, with the concurrence of the mortgagee (if any), upon receipt of the insurance proceeds paid on account of such loss, contract to repair such damaged portion of the Unit or rebuild such Unit, to as good a condition as such Unit, or portion thereof was in prior to the casualty in question, unless the Owner of the damaged or destroyed Unit and the Owner of the adjoining Unit shall mutually agree otherwise.

Section 4. Repair or Reconstruction of a Paired Unit. In the event of damage to or destruction of both Units of a Paired Unit, or any portions thereof, by fire or other casualty, the Owner of each Unit shall, with the concurrence of the mortgagees (if any), upon receipt of the insurance proceeds paid on account of such loss, contract to repair such damaged portion of such Owner's Unit, or rebuild such Owner's Unit, to as good a condition as such Unit, or portion thereof, was in prior to the casualty in question, unless the Owners of the damaged Units of a Paired Unit shall mutually agree otherwise.

Section 5. Common Foundation. On certain Plots, both Units of a Paired Unit will be constructed on a single posttension slab foundation. No Owner shall alter the portion of such slab foundation under such Owner's Unit in such a way as to affect, damage or impair the portion of such slab under the adjoining Unit (such as by severing a posttension cable). If the portion of such slab foundation under one Owner's Unit is damaged or destroyed by casualty or other involuntary means, the repair thereof shall be made with due regard for the structural integrity of the entire slab, including the portion of such slab foundation under the adjoining Unit.

Section 6. Dispute Settlement. (a) In the event a dispute arises between the Owners of adjoining Units in any matter for which the consent of one, or the mutual agreement of both, or the allocation of costs of repair or maintenance between them is required, such Owners shall submit the dispute to the Committee for resolution prior to resorting to arbitration or to a court of competent jurisdiction. The factual controversy shall be determined and the dispute resolved by the Committee within thirty (30) days after presentation of the matter to the Committee, or as soon thereafter as the Committee can reasonably act. The determination of the Committee in such circumstances shall be final and conclusive upon the parties.

(b) In the event a dispute arises between the Owners of adjoining Units, and after submission to the Committee as provided in subsection (a) above, such dispute is not resolved to the satisfaction of one of the Owners involved in such dispute, then such dissatisfied Owner shall submit the dispute to arbitration in accordance with the provisions of the Texas General Arbitration Statute (the "Act") and the rules of the American Arbitration Association to the extent that such rules are not inconsistent with the Act, and the result thereof shall be binding and conclusive upon the parties. Upon the written request of either Owner, each Owner shall appoint one person as an arbitrator to hear and determine the dispute and if two arbitrators so chosen shall be unable to agree, then they shall select a third arbitrator, whose decision shall be final and conclusive upon the parties. The expenses of such arbitration shall be borne by the losing Owner, or in such proportion as the arbitrators shall determine.

ARTICLE IX

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Composition of Committee. The Committee shall be composed of Robert M. Ley, Martin C. Donohue and Jim De La Plaine, each of whose address for purposes hereof is 14614 Felling Creek Drive, Suite 102, Houston, Texas 77068. A majority of the Committee may designate a representative to act for it. In the event of the death or resignation of any member of the Committee, the remaining member or members shall have full authority to designate a successor or successors. In the event of

the death or resignation or continued absence or failure to function of all members of the Committee, the Board of Directors of the Association shall have full authority to appoint a new Committee. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed hereunder.

Section 2. Control Over Maintenance of Residence. The Committee may from time to time promulgate an outline of minimum acceptable construction standards but such outline shall serve as a minimum guideline only and the Committee shall not be bound thereby. If in the opinion of the Committee the exterior of any Residence is in need of repair or maintenance work, the Committee shall notify the Owner thereof in writing of the need for such repair or maintenance work, and if such repair or maintenance work is not accomplished within thirty (30) days of said notice, then the Committee may proceed to have such repair or maintenance work done for the account of and for payment by the Owner of such Residence, and the Owner shall pay upon demand the costs incurred by the Committee for such repair or maintenance work, together with interest at the rate of ten percent (10%) per annum from the date such costs were incurred, and reasonable attorneys' fees, if referred to an attorney for collection.

Section 3. Approval of Building Plans. Nothing shall be erected, placed, or altered on any Plot until the construction plans and specifications and a plot plan showing the location of the structures, have been approved in writing by the Committee as to harmony of exterior design and color with existing structures, as to location with respect to topography and finished ground elevation, and as to compliance with minimum construction standards. A copy of the construction plans and specifications and plot plans, together with such information as may be deemed pertinent by the Committee, in such form and detail as the Committee may elect in its sole discretion shall be submitted to the Committee, or its designated representative prior to the commencement of construction. In the event the Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the same are submitted to it and received by it, approval will not be required and the requirements of this Section will be deemed to have been fully complied with. The Committee shall have full and complete authority to approve construction of any improvement on any Plot, and its judgment shall be final and conclusive.

ARTICLE X

ANNEXATION

Section 1. Annexation. The Association upon the consent of two-thirds (2/3rds) of each class of members of the Association, may from time to time annex additional land thereby subjecting the same to the terms and provisions hereof by the execution and filing of an instrument in the Office of the County Clerk of Harris County, provided, however, that upon submission to and approval by the Federal Housing Administration (FHA) or the Veterans Administration (VA) of a general plan, such additional stages of development may be annexed without such approval. The Owners in such annexed property, as well as all Owners subject to the jurisdiction of the Association, shall be entitled to the use and benefit of all Common Area, if any, that may become subject to the jurisdiction of the Association, provided that such annexed property shall be impressed with and subject to the Annual Assessment imposed hereby on a uniform basis.

Section 2. Merger. Upon a merger or consolidation of the Association with another association, the Association's properties, rights, and obligations may be transferred to the surviving or consolidated Association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated Association shall administer the covenants and restrictions established by this Declaration, together with the covenants and restrictions applicable to the properties of the other association as one scheme. However, such merger or consolidation shall not affect any revocation, change or addition to the covenants and restrictions established by this Declaration and no merger or consolidation shall be permitted except upon approval of two-thirds (2/3rds) of each class of members of the Association.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Term. These covenants and restrictions shall run with the Properties and shall be binding upon all parties hereto and all persons claiming under them for a period of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years; provided, however, the covenants and restrictions herein may be amended during the first thirty (30) year period by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Plots, and thereafter by an instrument signed by the Owners of not less than a majority of the Plots. Any amendment must be recorded in the Official Public Records of Real Property of Harris County, Texas.

Section 2. Adjacent Property. No obligation is created hereby with respect to land adjacent to or adjoining the Properties and which is part of a larger tract of land owned by Declarant. While Declarant may subdivide other portions of its land, or may subject same to a declaration such as this, Declarant shall have no obligation to do so. Any plat or declaration executed by Declarant with respect to any of its other land may be the same, similar or dissimilar to the Subdivision Plat or to this Declaration.

Section 3. Enforcement. If any person or persons shall violate or attempt to violate any of the covenants or restrictions herein, it shall be lawful for any Owner, including Declarant, to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant or restriction, either to prevent him or them from so doing or to recover damages for such violation.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 5. FHA/VA Approval. As long as there is a Class B membership, the annexation of additional properties, the dedication of Common Area, if any, to the Association, the mortgaging of Common Area, if any, and the amendment of this Declaration shall require the prior approval of the FHA or the VA.

Section 6. Gender and Number. Words of any gender used in this Declaration shall be held and construed to include any other gender and words in the plural number shall be held to

include the singular and vice versa, unless the context requires otherwise.

Section 7. Sidewalks. Concrete sidewalks will be constructed to FHA specifications and will be located according to the standards found in the FHA Minimum Property Standards, the exact location of which will be determined by the Committee.

Section 8. Approval of Lienholders. POST WOOD, INC., a Texas corporation, HEIGHTS SAVING ASSOCIATION, a Texas corporation, and ALLIED BANK OF TEXAS, a Texas banking corporation, are the holders of liens on the Subdivision and join in the execution hereof to evidence their consent to and ratification of the imposition of the foregoing on the Subdivision.

EXECUTED this 9th day of November, 1982.

WESTBURY HOMES, INC.

By: [Signature]
Martin C. Donohue, President

POST WOOD, INC.

By: [Signature]
Robert M. Ley, President

HEIGHTS SAVINGS ASSOCIATION

By: [Signature]
Name: JAMES B. LEE
Title: VICE PRESIDENT

ALLIED BANK OF TEXAS

By: [Signature]
Name: JAMES M. ALBERT
Title: VICE PRESIDENT

THE STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on November 8,
1982, by Martin C. Donohue, President of WESTBURY HOMES, INC., a
Delaware corporation, on behalf of said corporation.

My Commission Expires:

6-29-85

Jolene Kelm
Notary Public in and for
The State of Texas

Jolene Kelm



THE STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on Nov 9,
1982, by Robert M. Ley, President of POST WOOD, INC., a Texas
corporation, on behalf of said corporation.

My Commission Expires:

6-11-86

TERE PYLANT CORBITT
Notary Public in and for
The State of Texas

TERE PYLANT CORBITT



THE STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on 11-10
1982, by Jim Lee, Vice President of HEIGHTS
SAVINGS ASSOCIATION, a Texas Corporation, on behalf of said
corporation.

My Commission Expires:

4-20-85

Charlene Olson
Notary Public in and for
The State of Texas

Charlene Olson



THE STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on November 10, 1982, by James H. Albert, Vice President of ALLIED BANK OF TEXAS, a Texas banking corporation, on behalf of said corporation.



My Commission Expires:
March 12, 1986

Deanna G. Thompson
Notary Public in and for
The State of Texas
DEANNA G. Thompson

W/96-7R/D

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 hereon by me; and was duly RECORDED, in the Official Public Records of Real Property of Harris County, Texas on

NOV 10 1982



Q. L. Lusk
COUNTY CLERK,
HARRIS COUNTY, TEXAS

FILED
NOV 10 3 44 PM 1982
Q. L. Lusk
COUNTY CLERK
HARRIS COUNTY, TEXAS