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101-18-1778

COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

CHARTERWOOD, SECTION ONE  
A SUBDIVISION IN HARRIS COUNTY, TEXAS

THE STATE OF TEXAS §  
COUNTY OF HARRIS §

THIS DECLARATION, made on the date hereinafter set forth, by CHARTERWOOD, a Joint Venture composed of CHARTER LAND & HOUSING CORPORATION, a Florida corporation licensed to do business in Texas, and PROPERTIES INTERNATIONAL, INC., a Texas corporation, (hereinafter referred to as "Declarant")

W I T N E S S E T H:

WHEREAS, Declarant is the owner of that certain property in Harris County, Texas, known as "CHARTERWOOD, SECTION ONE", a subdivision in Harris County, Texas, according to the map or plat thereof recorded in Vol. 213, at pg. 71, of the Map Records of Harris County, Texas; and

WHEREAS, it is the desire of Declarant to place certain restrictions, covenants, conditions, stipulations, and reservations upon and against such property in order to establish a uniform plan for the development, improvements, and sale of such property, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of lots in said subdivision;

NOW, THEREFORE, Declarant hereby adopts, establishes, imposes upon CHARTERWOOD, SECTION ONE, and declares the following reservations, easements, restrictions, covenants, and conditions applicable thereto, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the land, which reservations easements, covenants, restrictions, and conditions shall run with the land and shall be binding upon all parties having or

acquiring any right, title, or interest therein, or any part thereof,  
and shall inure to the benefit of each owner thereof.

## ARTICLE I

### Definitions

Section 1. "Association" shall mean and refer to CHARTERWOOD COMMUNITY IMPROVEMENT ASSOCIATION, its successors and assigns, provided for in Article V hereof.

Section 2. "Properties" shall mean and refer to CHARTERWOOD, SECTION ONE, subject to the Reservations set forth herein and/or in the Subdivision Plat, and any additional properties made subject to the terms hereof, pursuant to the provisions set forth herein.

Section 3. "Lot" and/or "Lots" shall mean and refer to the lots shown upon the Subdivision Plat which are restricted hereby to use for residential purposes.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of title to any Lot which is a part of the Properties, including contract sellers, but excluding those having interest merely as security for the performance of an obligation and those having only an interest in the mineral estate.

Section 5. "Subdivision Plat" shall mean and refer to the map or plat of CHARTERWOOD, SECTION ONE, recorded in Vol. 213, at pg. 71, of the Map Records of Harris County, Texas.

Section 6. "Architectural Control Committee" shall mean and refer to the CHARTERWOOD, SECTION ONE, ARCHITECTURAL CONTROL COMMITTEE provided for in Article IV hereof.

## ARTICLE II

### Reservations, Exceptions and Dedications

Section 1. The Subdivision Plat dedicates for use as such, subject to the limitations set forth therein, the streets and easements shown thereon, and such Subdivision Plat further establishes certain restrictions applicable to the Properties, including, without limitation, certain minimum setback lines, and such Subdivision Plat further designates certain Reserves, being Reserves A and B as shown thereon, and such Reserves A and B shall not be a part of the Properties, nor subject to the provisions hereof unless otherwise specifically provided herein. The said Reserves A and B shall be unrestricted except for the dedications, limitations, restrictions, and reservations shown on the Subdivision Plat specifically relating to the said Reserves; provided that nothing herein nor therein shall restrict the use of said Reserve tracts.

Section 2. Declarant reserves the easements and rights-of-way as 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 line or lines, gas, sewers, or any other utility Declarant sees fit to install in, across, and/or under the Properties.

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Section 3. Neither Declarant nor any utility company using the easements herein referred to shall be liable for any damages done by them or their assigns, their agents, employees, or servants, to fences, shrubbery, trees, or flowers, or other property of the Owner situated on the land covered by said easements.

Section 4. It is expressly agreed and understood that the title conveyed by Declarant to any Lot or parcel of land within the Properties by contract, deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone purposes, and shall convey no interest in any pipes, lines, poles, or conduits, or in any utility facility or appurtenances thereto constructed by or under Declarant or any easement owner, or their agents, thru, along, or upon the premises affected thereby, or any part thereof, to serve said land or any other portion of the Properties, and where not affected, and the right to maintain, repair, sell, or lease such appurtenances to any municipality or other governmental agency, or to any public service corporation or to any other party, is hereby expressly reserved.

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#### ARTICLE III

##### Use Restrictions

Section 1. Land Use and Building Type. All Lots shall be known and described as Lots for residential purposes only (hereinafter sometimes referred to as "Residential Lots"), and no structure shall be erected, altered, placed, or permitted to remain on any Residential Lot other than one single-family dwelling not to exceed two (2) stories in height and a detached or an attached garage for not less than two (2) or more than four (4) cars. As used herein, the term "residential purposes" shall be construed to prohibit the use of said Lots for duplex houses, garage apartments, or apartment houses; and no Lot shall be used for business or professional purposes of any kind, nor for any commercial or manufacturing purpose. No building of any kind or character shall ever be moved onto any Lot within said subdivision, 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 Lot until the construction plans and specifications and a plot plan showing the location of the structure thereon have been approved by the Architectural Control Committee as to quality of workmanship and materials, as to harmony with existing structures, with respect to exterior design and color, with existing structures, as to location with respect to topography and finished grade elevation, and as to compliance with minimum construction standards more fully provided for in Article IV hereof.

Section 3. Dwelling Size. The ground floor area of the main residential structure, exclusive of open porches and garages, shall not be less than 1,400 sq. ft. for a one-story dwelling, nor shall the ground floor area, plus the upper floor area of the main residential structure of a one and one-half (1-1/2) or a two-story dwelling be less than 1,600 sq. ft.

Section 4. Type of Construction, Materials, and Landscape.

a) No residence shall have less than 51% masonry construction or its equivalent on its exterior wall area, unless approved by the Architectural Control Committee.

b) No external roofing material other than wood shingles or composition roof shall be constructed or used on any building in any part of the Properties without the written approval of the Architectural Control Committee.

c) No window or wall-type air-conditioners shall be permitted to be used, erected, placed, or maintained on or in any building in any part of the Properties.

d) Each kitchen in each dwelling or living quarters situated on any Lot shall be equipped with a garbage disposal unit, which garbage disposal unit shall at all times be kept by the Owner of such Lot in serviceable condition.

e) No landscaping shall be done in the front of any dwelling in any part of the Properties until the landscape layout and plans shall have been first approved by the Architectural Control Committee.

Section 5. Building Location. No building shall be located on any Lot nearer to the front Lot line or near to the side street line than the minimum building setback lines shown on the recorded Plat. No building, without the approval of the Architectural Control Committee, shall be located nearer than five (5) ft. to any interior Lot line, except that a garage or other permitted accessory building located sixty-five (65) ft. or more from the front Lot line may be located within three (3) ft. of an interior Lot line. No main residence building nor any part thereof, without the approval of the Architectural Control Committee, shall be located on any interior Lot near than fifteen (15) ft. to the rear Lot line. For the purpose of this covenant, eaves, steps, and open porches shall not be considered as a part of the building; provided, however, that this shall not be construed to permit any portion of a building on any Lot to encroach upon another Lot. For the purposes of these restrictions, the front of each Lot shall coincide with and be the property line having the smallest or shortest dimension abutting the street. Unless otherwise approved in writing by the Architectural Control Committee, each main residence building will face the front of the Lot, and each detached garage will face and be located at least sixty-five (65) ft. from the front of the Lot on which it is situated, except for corner Lots, in which instance the garage may face either street the Lot abuts.

Section 6. Minimum Lot Area. No Lot shall be re-subdivided, nor shall any building be erected or placed on any Lot or Lots, or any portion thereof, having an area of less than 6,500 sq. ft., without the consent of the Architectural Control Committee; provided, however, that nothing contained herein shall be construed to prohibit the building of a residence on an area including all or part of one or more Lots, so long as such area contains: i) 6,500 or more square feet, or ii) a less amount of square footage, if approved by the Architectural Control Committee.

Section 7. Annoyance or Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may become an annoyance to the neighborhood.

Section 8. Temporary Structures. No structure of a temporary character, whether trailer, basement, tent, shack, garage, barn, or other out-building shall be maintained or used on any Lot at anytime as a residence, or for any other purpose, either temporarily or permanently; provided, however, that Declarant reserves the exclusive right to erect, place, and maintain such facilities in or upon any portions of the Properties as in its sole discretion may be necessary or convenient while selling Lots, selling or constructing residences, and constructing

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other improvements upon the Properties. Such facilities may include, but not necessarily be limited to, sales and construction offices, storage areas, model units, signs, and portable toilet facilities. No truck, trailer, automobile, or other vehicle shall be stored, parked, or kept on any Lot or in the street in front of the Lot unless such vehicle is in day-to-day use off the premises and such parking is only temporary, from day to day, provided, however, that nothing herein contained shall be construed to prohibit the storage of an unused vehicle in the garage permitted on any Lot covered hereby.

Section 9. Signs and Billboards. No signs, billboards, posters, or advertising devices of any character shall be erected on any Lot or plot except one sign of not more than 10 sq. ft. advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period. The right is reserved by Declarant for its benefit and the benefit of any builder who purchases a Lot or Lots from Declarant, or its successors or assigns, to construct and maintain such signs, billboard, or advertising devices as is customary in connection with the general sale of the Properties.

Section 10. Oil and Mining Operations. No oil drilling or development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot.

Section 11. Storage and Disposal of Garbage and Refuse. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste materials shall not be kept except in sanitary containers constructed of metal, plastic, or masonry materials with sanitary lids or covers. All equipment for the storage or disposal of such waste materials shall be kept in clean and sanitary condition. No Lot shall be used for the open storage of any materials whatsoever, which storage is visible from the street, except that any new building materials used in the construction of improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without undue delay, until the completion of the improvements, after which these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot.

#### ARTICLE IV

##### Architectural Control Committee

Section 1. Approval of Building Plans. No building shall be erected, placed, or altered on any Lot until the construction plans and specifications and a plot plan showing the location of the structure have been approved in writing as to quality of materials, as to structural soundness, 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 by the CHARTERWOOD, SECTION ONE, ARCHITECTURAL CONTROL COMMITTEE. A copy of the construction plans and specifications and a plot plan, together with such other information as may be deemed pertinent, shall be submitted to the Architectural Control Committee, or its designated representative, not less than seven (7) days prior to the proposed date for the commencement of construction. The Architectural Control Committee may require the submission of such plans, specifications, and plot plans, together with such other documents as it deems appropriate, in such form and detail as it may elect

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in its entire discretion. 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, approval will not be required and the requirements of this Section will be deemed to have been fully complied with.

Section 2. Committee Membership. The Architectural Control Committee shall be initially composed of JOE M. WILSON, JAMES H. FULPON, JACK R. BRYAN, and W. J. PERRITTE, who may, by majority vote, designate a representative to act for them.

Section 3. Replacement. In the event of death or resignation of any member or members of said Committee, the remaining member or members shall appoint a successor member or members, and until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications, and plot plans submitted, or to designate a representative with like authority.

Section 4. Minimum Construction Standards. The Architectural Control Committee may, from time to time, promulgate an outline of minimum acceptable construction standards; provided, however, that such outline will serve as a minimum guideline and such Architectural Control Committee shall not be bound thereby.

Section 5. Term. The duties and powers of the Architectural Control Committee and of the designated representative shall cease on and after ten (10) years from the date of this instrument. Thereafter, the approval described in this covenant shall not be required and all power vested in said Committee by this covenant shall cease and terminate; provided, that at anytime after October 1, 1980, by two-thirds vote of the members present and voting, the CHARTERWOOD COMMUNITY IMPROVEMENT ASSOCIATION may assume the duties and powers of the Architectural Control Committee.

Section 6. No Liability. No members of the Architectural Control Committee shall ever be liable for either approving or failing to approve proposed construction or improvements and approval shall not constitute a representation that such construction is sound.

#### ARTICLE V

#### CHARTERWOOD COMMUNITY IMPROVEMENT ASSOCIATION

Section 1. Membership. Every person or entity who is a record owner of any of the Properties which are subject to or which become subject to maintenance charge assessment by the Association, including contract sellers, shall be a member of the CHARTERWOOD COMMUNITY IMPROVEMENT ASSOCIATION. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation or those having only an interest in the mineral estate. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of the land which is subject to assessment by the Association. Ownership of such land shall be the sole qualification for membership.

Section 2. Non-Profit Corporation. CHARTERWOOD COMMUNITY IMPROVEMENT ASSOCIATION, a non-profit corporation, shall be organized and all duties, obligations, benefits, liens, and rights hereunder in favor of the Association shall vest in said corporation.

Section 3. By-Laws. The Association may make whatever rules or by-laws it may choose to govern the organization; provided that the same are not in conflict with the provisions hereof.

Section 4. Inspection of Records. The members of the Association shall have the right to inspect the books and records of the Association at reasonable times during normal business hours.

Section 5. Annexation of Property. The Association, acting in accordance with its Articles of Incorporation and By-laws, may annex any additional sections of CHARTERWOOD Subdivision and subject them to the jurisdiction of the Association and benefits thereof.

101-18-1784

ARTICLE VI

Maintenance Charge

Section 1. Each Lot in CHARTERWOOD, SECTION ONE, is hereby subjected to an annual maintenance charge and assessment for the purpose of creating a fund to be designated and known as the "maintenance fund", which maintenance charge and assessment will be paid by the Owner or Owners of each Lot within CHARTERWOOD, SECTION ONE, to CHARTERWOOD COMMUNITY IMPROVEMENT ASSOCIATION on or before January 1 of each year, in advance annual installments, commencing January 1, 1974. The rate at which each Lot will be assessed will be determined annually and may be adjusted from year to year by the Association as the needs of the subdivision may, in the judgment of the Association, require; provided that such assessment will be uniform (except as hereafter provided) and in no event will such assessment or charge exceed \$15.00 per Lot per month, or \$180.00 per Lot per year, except that Declarant and any builder to whom Declarant sells a Lot shall not be liable to the payment of maintenance charge or assessment for any Lot until a home is substantially completed on such Lot. The Association shall use the proceeds of said maintenance fund for the use and benefit of all residents of CHARTERWOOD, SECTION ONE, as well as all subsequent sections of CHARTERWOOD; provided, however, that each future section of CHARTERWOOD to be entitled to the benefit of this maintenance fund must be impressed with and subjected to the annual maintenance charge and assessment on a uniform, per Lot, basis, equivalent to the maintenance charge and assessment imposed hereby, and further made subject to the jurisdiction of the Association. The uses and benefits which may be provided by said Association shall include, by way of clarification and not limitation, at its sole option, any or all of the following: constructing and maintaining streets, alleyways, paths, parks, parkways, easements, esplanades, cul-de-sacs, and other public areas, payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions, and conditions affecting the Properties to which the maintenance fund applies, payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessments, employing policemen, and watchmen, caring for vacant Lots, and doing other things necessary or desirable, in the opinion of the Association, to keep the Properties in the Subdivision neat and in good order, or which is considered of general benefit to the Owners or occupants of the Properties, it being understood that the judgment of the Association in the expenditure of said funds shall be final and conclusive so long as said judgment is exercised in good faith. Nothing herein shall constitute a representation that any of the above will, in fact, be provided by the Association. Each person who accepts a deed to a Lot or Lots agrees by the acceptance of same to pay such maintenance charge and assessments as herein provided.

Section 2. To secure the payment of the maintenance fund established hereby and to be levied on individual residential Lots, there shall be reserved in each deed (whether specifically stated therein or not) by which the Declarant will convey such Lots, the vendor's lien for the benefit of the Association, said lien to be enforceable thru appropriate proceedings at law by such beneficiary; provided, however, that each such lien shall be 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 Lot to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the construction of improvements on any such Lot to the extent of any such maintenance fund charge accrued and unpaid prior to foreclosure of any such purchase money lien or construction lien; and further; provided that as a condition precedent to any proceeding to enforce such lien upon any Lot upon which there is an outstanding valid and subsisting first mortgage lien, for the aforesaid purpose or purposes, the Association shall give the holder of such first mortgage lien sixty (60) days written notice of such proposed action, which notice shall be sent to the nearest office of such first mortgage holder by prepaid U. S. Postal Service, and shall contain a statement of the delinquent maintenance charges 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 Lot covered by such first mortgage lien to the holder thereof.

101-18-1785

Section 3. The above maintenance charge and assessment will remain effective for the full term (and extended term, if applicable) of the within covenants.

#### ARTICLE VII

##### General Provisions

Section 1. Term. These covenants shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of forty (40) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by a majority of the then Owners of the Lots has been recorded, agreeing to change or terminate said covenants in whole or in part. These covenants, or any of them, may be amended by an instrument signed in writing by the Owners of a majority of the Lots and the recording of said instruments with the County Clerk of Harris County, Texas. Any such instrument shall show the Lots owned by each Owner signing same, and, in case property is owned by a man and wife, as community property, the signature of the husband alone shall be sufficient, except that in cases where the husband resides elsewhere, or has abandoned his wife, her signature alone shall be sufficient.

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

Section 3. The undersigned, GULF MORTGAGE AND REALTY INVESTMENTS, a Massachusetts Business Trust, has executed this instrument as lienholder, covering or affecting the property shown on the Subdivision Plat, for the purpose of subordinating all liens held by it against said property, to the imposition of the aforesaid reservations,



restrictions, covenants, and conditions; and each does hereby agree that a foreclosure of its lien shall not affect such reservations, restrictions, and covenants.

RECORDER'S MEMORANDUM:  
Instrument has no execution date shown

CHARTERWOOD, a Joint Venture 4W

By CHARTER LAND & HOUSING CORPORATION

Attest:

Richard D. Denny  
Asst. Secretary

By: J. Steven Wilson

By PROPERTIES INTERNATIONAL, INC.

Attest:

James Chazy  
Secretary

By: James W. Felt  
VICE PRESIDENT

101-18-1786

GULF MORTGAGE AND REALTY INVESTMENTS

By: [Signature]  
President - Trustee

"Lienholder"

RECORDER'S MEMORANDUM:  
The additions on this instrument were present at the time instrument was filed and recorded.

THE STATE OF Florida S  
COUNTY OF Duval S

BEFORE ME, the undersigned authority, on this day personally appeared J. Steven Wilson, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said CHARTER LAND & HOUSING CORPORATION and that he executed the same as the act of said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

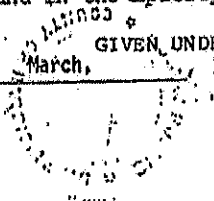
GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26th day of March, 1974.

Barbara H. Young  
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE

THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared JAMES H. FULTON, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said PROPERTIES INTERNATIONAL, INC., and that he executed the same as the act of said corporation for the purposes and consideration therein expressed and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 28th day of March, 1974.



Sue E. Hoff  
NOTARY PUBLIC in and for HARRIS COUNTY, TEXAS

101-18-1787

THE STATE OF FLORIDA §  
§  
COUNTY OF DUVAL §

BEFORE ME, the undersigned authority, on this day personally appeared ALBERT J. TOOLE, III, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said GULF MORTGAGE AND REALTY INVESTMENTS, and that he executed the same as the act of said business trust for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26 day of March, 1974.

Myra E. Martin  
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE

My Commission expires Notary Public, State of Florida at Large  
My commission expires May 22, 1975  
Bonded by Fidelity & Equity Co. of N.Y.

Retired: Lee D. Schlarmer  
MIS FANNIN  
HOUSTON, TEXAS 77002  
-11-

101-18-1788

STATE OF TEXAS  
COUNTY OF HARRIS  
I hereby certify that the foregoing was taken in  
the presence of the public and of the following  
persons of the law and was duly recorded in the Official  
Public Records of said County of Harris County, Texas on

APR 8 1974



*William B. ...*  
COUNTY CLERK  
HARRIS COUNTY, TEXAS

FILED  
APR 12 1974  
HARRIS COUNTY, TEXAS

6-11-74

ANY REPRODUCTION OF THIS COPY WITHOUT THE WRITTEN PERMISSION OF THE COUNTY CLERK OF HARRIS COUNTY, TEXAS IS PROHIBITED UNDER FEDERAL LAW.

THE STATE OF TEXAS  
COUNTY OF HARRIS  
The above is a full, true, and correct photographic copy of the original  
record now in my lawful custody and possession, as the same is recorded  
in the Official Public Records of Real Property in my office and preserved  
on Microfilm and having Microfilm Identification Number as stamped  
thereon. I hereby certify on

APR 12 1989



ANITA RODEHEAVER  
COUNTY CLERK  
HARRIS COUNTY, TEXAS

By *Judy Sword*  
Deputy

Judy Sword

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2/21/75

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**E379130**

AMENDMENT TO COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

117-07-1794

CHARTERWOOD, SECTION ONE  
A SUBDIVISION IN HARRIS COUNTY, TEXAS

THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

WHEREAS, CHARTERWOOD, a Joint Venture composed of CHARTER LAND & HOUSING CORPORATION, a Florida corporation licensed to do business in Texas, and PROPERTIES INTERNATIONAL, INC., a Texas corporation, executed an instrument entitled "COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CHARTERWOOD, SECTION ONE, A SUBDIVISION IN HARRIS COUNTY, TEXAS", recorded under County Clerk's File No. 8123669, Film Code Ref. 101-18-1778, of the Official Public Records of Real Property of Harris County, Texas (the "Restrictions"), the Restrictions covering CHARTERWOOD, SECTION ONE, a subdivision in Harris County, Texas, according to the map or plat thereof recorded in Vol. 213, at pg. 71, of the Map Records of Harris County, Texas ("CHARTERWOOD, SECTION ONE"); and

WHEREAS, Article VII, Section I, of the Restrictions provides that the Restrictions or any of them may be amended by an instrument signed in writing by the owners of a majority of the lots and the recording of said instrument with the County Clerk of Harris County, Texas; and

WHEREAS, the undersigned CHARTERWOOD, a Joint Venture composed of CHARTER LAND & HOUSING CORPORATION and PROPERTIES INTERNATIONAL, INC., CATALINA HOMES, INC, and RESIDENTIAL INVESTMENT CORPORATION are the "Owners" (as such term is defined in the Restrictions) of more than a majority of the "Lots" (as such term is defined in the Restrictions) in CHARTERWOOD, SECTION ONE,

and desire to amend the Restrictions as hereinafter provided;

NOW, THEREFORE, for and in consideration of the premises and of the recitations provided above, the undersigned, CATALINA HOMES, INC., RESIDENTIAL INVESTMENT CORPORATION, and CHARTERWOOD, a Joint Venture composed of CHARTER LAND AND HOUSING CORPORATION and PROPERTIES INTERNATIONAL, INC., do hereby agree that the Restrictions shall be amended as follows:

ARTICLE V, Section 5, entitled "Annexation of Property", shall be deleted in its entirety, and in its place shall be the following:

"Section 5. Annexation of Property. Additional residential property and common area outside of CHARTERWOOD SUBDIVISION may be annexed to the Properties covered by the Association, and subject to the jurisdiction and benefits of the Association, with the consent of 2/3 of each class of membership of the Association; provided, however, additional residential property within CHARTERWOOD SUBDIVISION may be annexed by the Declarant without the consent of the members, provided that the Federal Housing Association and Veterans Administration determine that the annexation is in accord with a general plan heretofore approved by them and the Federal Housing Administration and Veterans Administration approve each additional stage or section of CHARTERWOOD SUBDIVISION."

ARTICLE VI, Section 1, shall be deleted in its entirety, and in its place shall be the following:

"Section 1. Each Lot in CHARTERWOOD, SECTION ONE, is hereby subjected to an annual maintenance charge and assessment for the purpose of creating a fund to be designated and known as the "maintenance fund", which maintenance charge and assessment will be paid by the Owner or Owners of each Lot within CHARTERWOOD, SECTION ONE, to CHARTERWOOD COMMUNITY IMPROVEMENT ASSOCIATION on or before January 1 of each year, in advance annual installments, commencing January 1, 1974. The rate at which each Lot will be assessed will be determined annually and may be adjusted from year to year by the Association as the needs of the Subdivision may, in the judgment of the Association, require; provided, that such assessment will be uniform (except as hereafter provided) and in no event will such assessment or charge exceed \$15.00 per Lot per month, or \$180.00 per Lot per year, except that Declarant and any builder to whom Declarant sells a Lot shall not be liable to the payment of maintenance charge or assessment for any Lot until such Lot has been improved, so that it is prepared for the construction of improvements thereon, and from and after such time, Declarant and any builder to whom Declarant sells a Lot shall be liable for 1/2 of the maintenance charge or assessment for all other Lots until such time as a home is substantially completed on such Lot. From and after the time a home is substantially completed on any Lot, regardless of the ownership of such Lot, the Owner thereof shall pay the full assessment thereon. The Association shall use the proceeds of said maintenance fund for the use and benefit of

MEMORANDUM FOR THE RECORD  
DATE: 11/15/73  
BY: [illegible]

117-07-1796

all residents of CHARTERWOOD, SECTION ONE, as well as all subsequent sections of CHARTERWOOD; provided, however, that each future section of CHARTERWOOD be entitled to the benefit of this maintenance fund must be impressed with and subjected to the annual maintenance charge and assessment on a uniform, per Lot, basis, equivalent to the maintenance charge and assessment imposed hereby, and further made subject to the jurisdiction of the Association. The uses and benefits to be provided by said Association shall include, by way of clarification and not limitation, at its sole option, any and all of the following: constructing and maintaining alleys, paths, parks, parkways, easements, esplanades, cul-de-sacs, and other public areas, payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions and conditions affecting the Properties to which the maintenance fund applies, payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment, employing policemen and watchmen, caring for vacant Lots, and doing other things necessary or desirable, in the opinion of the Association; to keep the Properties in the subdivision neat and in good order of which is considered of general benefit to the Owners or occupants of the Properties, it being understood that the judgment of the Association in the expenditure of said funds shall be final and conclusive so long as said judgment is exercised in good faith. Nothing herein shall constitute a representation that any of the above will, in fact, be provided by the Association. The proceeds of the assessments shall not be used to finance or to reimburse the Declarant for any capital expenditures incurred in construction or other improvements of recreational facilities within the subdivision, recreational facilities outside the perimeter of the subdivision, nor for the operation or maintenance of any such facilities incurred prior to conveyance, unencumbered, to the Association of such facilities, it being understood that there is no representation or warranty that there will be recreational facilities conveyed to the Association or owned by the Association. Each person who accepts a deed to a Lot or Lots agrees, by the acceptance of same, to pay such maintenance charge and assessments as herein provided."

There shall be added to ARTICLE VI a Section 4, as follows:

"Section 4. The Association shall have two classes of voting memberships, designated as 'Class A' and 'Class B', who shall be composed of and having voting rights as follows:

Class 'A' members shall be all Owners with the exception of Declarant, its successors and assigns, if such successors or assigns should acquire more than one improved Lot from the Declarant for the purpose of constructing improvements thereon; each of which Owner shall be entitled to one vote for each Lot owned by him. When more than one person owns a fee interest in a Lot, all such interested persons shall be members; however, the vote for such Lot in which more than one person owns 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 with respect to a vote on any matter, then such Owners shall not have a right to vote on such subject, as there shall be no fractional vote.

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Class 'B' members shall be the Declarant, its successors and assigns, if such successors or assigns shall acquire more than one unimproved Lot from the Declarant for the purpose of constructing the improvements thereon. Class 'B' members shall be entitled to three votes for each Lot owned by them, whether improved or unimproved. The Class 'B' membership shall cease and be converted to Class 'A' membership (subject to revival of same, as hereinafter provided), upon the happening of either of the following events, whichever occurs earlier:

a) When the total votes outstanding in the Class 'A' membership equals the total votes outstanding in the Class 'B' membership; or

b) January 1, 1980;

provided, however, that upon the annexation of additional property to the Association, the Class 'B' membership shall be revived until such time as the conditions provided for herein are met once again, with the understanding that this shall continue upon each additional annexation."

ARTICLE VII, Section 1, entitled "Term" (of the Restrictions) shall be deleted in its entirety, and in its place shall be the following:

"Section 1. Term. These Restrictions shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of forty (40) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by a majority of the then Owners of the Lots has been recorded agreeing to change or terminate said covenants in whole or in part. These covenants, or any of them, may be amended by an instrument signed in writing by the Owners of a majority of the Lots and the recording of said instrument with the County Clerk of Harris County, Texas. Any such instrument shall show the Lots owned by each Owner signed same, and, in case the property is owned by a man and wife as community property, the signature of the husband alone shall be sufficient except that in cases where the husband resides elsewhere, or has abandoned his wife, her signature alone shall be sufficient. Notwithstanding anything herein to the contrary, as long as there is a Class 'B' membership in the Association, the amendment of these covenants will require, in addition to the requirements above, the prior approval of the Federal Housing Administration or the Veterans Administration. However, if no loans in CHARTERWOOD, SECTION ONE, are insured by the Federal Housing Administration or Veterans Administration, prior approval for such amendments will not be required by the Federal Housing Administration or Veterans Administration."

CHARTERWOOD, a Joint Venture composed of CHARTER LAND & HOUSING CORPORATION and PROPERTIES INTERNATIONAL, INC., is the Owner of the Lots described on EXHIBIT "A" hereto. CATALINA HOMES, INC.,

117-07-1798

is the Owner of the Lots described on EXHIBIT "A" hereto, and RESIDENTIAL INVESTMENT CORPORATION is the Owner of the Lots described on EXHIBIT "A" hereto, the said EXHIBIT "A" hereto being incorporated herein and made a part hereof for all purposes.

EXECUTED this the 30<sup>th</sup> day of March, 1975.

RECORDERS MEMORANDUM:  
The additions on this instrument were present at the time instrument was filed and recorded.

CHARTERWOOD, a Joint Venture  
By CHARTER LAND & HOUSING CORPORATION

Attest:

[Signature]  
Asst. Secretary

By: [Signature]  
V.P.

and  
PROPERTIES INTERNATIONAL, INC.

Attest:

\_\_\_\_\_  
Secretary

By: [Signature]

CATALINA HOMES, INC.

Attest:

[Signature]  
Secretary

By: [Signature]

RESIDENTIAL INVESTMENT CORPORATION

Attest:

[Signature]  
Asst. Secretary

By: [Signature]

THE STATE OF FLORIDA §  
COUNTY OF DUVAL §

RECORDERS MEMORANDUM:  
The changes made on this instrument were present at the time instrument was filed and recorded.

BEFORE ME, the undersigned authority, on this day personally appeared [Signature], known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said CHARTER LAND & HOUSING CORPORATION and that he executed the same as the act of said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 3<sup>rd</sup> day of March, 1975.

[Signature]  
NOTARY PUBLIC, STATE OF FLORIDA  
AT LARGE, Harris County, Texas

-5- My Commission Expires  
[Signature]  
Date: 1, 1975



THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

117-07-1799

BEFORE ME, the undersigned authority, on this day personally appeared J. M. WILSON, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said PROPERTIES INTERNATIONAL, INC., and that he executed the same as the act of said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 5th day of MARCH, 1975.

Eric S. [Signature]  
NOTARY PUBLIC in and for HARRIS COUNTY,  
TEXAS

THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

RECORDERS MEMORANDUM:  
All the Parts of the Text on This Page  
Was Not Clearly Legible For Satisfactory  
Recording

BEFORE ME, the undersigned authority, on this day personally appeared JACK BROWN, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said CATALINA HOMES, INC., and that he executed the same as the act of said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 5th day of MARCH, 1975.

Eric S. [Signature]  
NOTARY PUBLIC in and for HARRIS COUNTY,  
TEXAS

THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared J. S. PERDUE, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said RESIDENTIAL INVESTMENT CORPORATION and that he executed the same as the act of said corporation for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 5th day of MARCH, 1975.

Eric S. [Signature]  
NOTARY PUBLIC in and for HARRIS  
COUNTY, TEXAS

RETURN TO:

CHARLINE JOHNSON  
Southwestern Co., Inc.,  
1415 Fidelity at Bell  
Houston, Texas 77002