Declarations-CC&Rs Greenleaf Homeowners Assocation Inc.

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DECLARATION OF

509-23-3116

COVENANTS, CONDITIONS & RESTRICTIONS

FOR

GREENLEAF

Houston, Harris County, Texas

Declarant

D. R. Horton - Texas, Ltd.

COUNTY OF THE

509-23-3117

DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS FOR GREENLEAF

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DECLARATION OF

COVENANTS, CONDITIONS & RESTRICTIONS

FOR

GREENLEAF

This Declaration of Covenants, Conditions & Restrictions for Greenleaf is made by D. R. Horton - Texas, Ltd., a Texas limited partnership ("Declarant"), on the date signed below. Declarant owns the real property described in <u>Appendix A</u> of this Declaration, together with the improvements thereon.

Declarant desires to develop the real property with a residential community to be known as Greenleaf. Declarant further desires to provide for the preservation and maintenance of portions of Greenleaf, and to protect the value, desirability, and attractiveness of Greenleaf. Declarant deems it advisable to create an association to perform these functions and activities more fully described in this Declaration.

Declarant hereby declares that the real property described in Appendix A is subject to this Declaration.

ARTICLE 1 DEFINITIONS

<u>DEFINITIONS</u>. The following words and phrases, whether or not capitalized, have specified meanings when used in the Documents, unless a different meaning is apparent from the context in which the word or phrase is used.

- 1.1. "Area of Common Responsibility" means portions of real property and improvements thereon that are maintained by the Association as described in Section 2.2 below.
- 1.2. "Assessment" means any charge levied against a lot or owner by the Association, pursuant to the Documents or State law.
- 1.3. "Association" means Greenleaf Homeowners Association, Inc., the association of owners of all lots in the Property, organized as a Texas nonprofit corporation, and serving as the "property owners' association" defined in Section 202.001(2) of the Texas Property Code.
 - 1.4. "Board" means the board of directors of the Association.
- 1.5. "City" means the City of Houston, Harris County, Texas, in which the Property is located.
- 1.6. "Common Area" means all land in the Property other than the 82 numbered lots, and specifically includes Restricted Reserve "A," Restricted Reserve "B," and the private streets which are shown on the plat as a 50-foot permanent access easement.

- 1.7. "Declarant" means D. R. Horton Texas, Ltd., a Texas limited partnership, or its successor, who is developing the Property.
- 1.8. "Declarant Control Period" means that period of time, beginning the date this Declaration is recorded, during which Declarant controls the operation of the Association, pursuant to Appendix C of this Declaration.
 - 1.9. "Declaration" means this document, as it may be amended from time to time.
- 1.10. "Development Period" means that period of time, beginning the date this Declaration is recorded, during which Declarant reserves certain rights for the marketing and build-out of lots, pursuant to Appendix C of this Declaration.
- 1.11. "Documents" means, singly or collectively as the case may be, this Declaration, the plat, the bylaws, the Association's articles of incorporation, and the rules of the Association, as any of these may be amended from time to time. An appendix, exhibit, schedule, or certification accompanying a Document is a part of that Document.
- 1.12. "Lot" means a portion of the Property intended for independent ownership, on which there is or will be constructed a dwelling, as shown on the plat. Where the context indicates or requires, "lot" includes all improvements thereon.
 - 1.13. "Majority" means more than half.
- 1.14. "Member" means a member of the Association, each member being an owner of a lot, unless the context indicates that member means a member of the board or a member of a committee of the Association.
- 1.15. "Owner" means a holder of recorded fee simple title to a lot. Declarant is the initial owner of all lots. Contract sellers and mortgagees who acquire title to a lot through a deed in lieu of foreclosure or through judicial or nonjudicial foreclosure are owners. Persons or entities having ownership interests merely as security for the performance of an obligation are not owners. Every owner is a member of the Association.
- 1.16. "Plat" means all plats, singly and collectively, recorded or to be recorded in the Real Property Records of Harris County, Texas, and pertaining to Greenleaf, a subdivision to the City of Houston, including all dedications, limitations, restrictions, easements, and reservations shown on the plat, as it may be amended from time to time. The initial plat, titled "Greenleaf," was recorded on April 16, 1996, as Film Code 376086, in the Real Property Records of Harris County, Texas.
- 1.17. "Property" means all the land subject to this Declaration and all improvements, easements, rights, and appurtenances to the land. The name of the Property is Greenleaf. The Property is located on land described in Appendix A to this Declaration, and includes every lot thereon.

ARTICLE 2 PROPERTY SUBJECT TO DOCUMENTS

2.1. <u>PROPERTY</u>. The real property described in <u>Appendix A</u> is held, transferred, sold, conveyed, leased, occupied, used, insured, and encumbered subject to the terms, covenants, conditions, restrictions, liens, and easements of this Declaration, including Declarant's

representations and reservations in the attached Appendix C, which run with the real property and bind all parties having or acquiring any right, title, or interest in the property, their heirs, successors, and assigns, and inure to the benefit of each owner of the property. As originally conceived by Declarant, the Property will consist of 82 individually owned lots to be improved with detached single family houses facing private streets, with one gated formal entrance on Synott Road, the recreational use of Restricted Reserve "A", and landscaping on Restricted Reserve "B".

- 2.2. <u>AREA OF COMMON RESPONSIBILITY</u>. The Area of Common Responsibility consists of the following components on or adjacent to the Property, even if located on a lot or a public right-of-way:
 - a. Restricted Reserves "A" and "B," as shown on the plat, and all improvements, signage, and equipment thereon.
 - b. The private streets, being all streets and cul-de-sacs within the Property that are not publicly dedicated, which are shown on the plat as permanent access easements.
 - c. Fixtures and improvements on or appurtenant to the private streets and which are intended for the use, operation, or maintenance of the private streets, including but not limited to curbs and traffic signs.
 - d. The formal entrance to the Property on Synott Road, and all improvements related thereto, including entrance gates, signage, landscaping, electrical and water installations, planter boxes and fencing on both sides of the Synott Road entrance.
 - e. The screening wall or fence along the Synott Road side of the Property, running north and south from the formal entrance, and the screening wall or fence along the Meadow Briar Drive side of the Property (the "screening walls").
 - f. The grounds between Synott Road and its screening wall, and between Meadow Briar Drive and its screening wall, to the extent that the city fails or refuses to maintain those grounds.
 - g. Installations of multiple mailboxes, referred to as gang boxes.
 - h. Any right, title, or interest in real property that is held by the Association for the use and benefit of owners or residents of the Property, including any lot owned by the Association.
 - i. Any modification, replacement, or addition to any of the above-described areas and improvements.
 - 2.3. MAINTENANCE EASEMENT FOR SCREENING WALL AND FORMAL ENTRANCES. The Association is granted a perpetual easement (the "Maintenance Easement") over each lot that abuts or contains a portion of the Property's screening walls or formal entrances for the purposes stated in this Section, regardless of whether or how the plat shows the easement, screening wall, or formal entrance.

- 2.3.1. Easement Lots. On recording this Declaration, Declarant burdens the following lots, hereafter referred to as the "Easement Lots," with the Maintenance Easement:
 - a. Lots 1 and 52, Block 1, of Greenleaf, on which the formal Synott Road entrance, including the entrance gates, as well as the screening wall are located.
 - b. Lots 2 through 4, Block 1, of Greenleaf, on which the Synott Road screening wall is located.
 - c. Lots 45 through 51, Block 1, of Greenleaf, on which the Synott Road screening wall is located.
 - d. Lot 44, Block 1, of Greenleaf, on which screening walls for Synott Road and Meadow Briar Drive are located.
 - e. Lots 34 through 43, Block 1, of Greenleaf, on which the Meadow Briar Drive screening wall is located.
- 2.3.2. Purpose of Easement. The purpose of the Maintenance Easement is to provide for the existence, repair, improvement, and replacement of the Property's screening walls, entrance gates, and formal entrances, to be maintained by the Association as an Area of Common Responsibility. In exercising this Maintenance Easement, the Association may construct, maintain, improve, and replace improvements reasonably related to the screening or entrance of a residential subdivision, including: fences and/or screening walls; entrance gates; planter beds, landscaping, and plant material; electrical and water meters and equipment, including light fixtures and sprinkler systems; and signage relating to the Property.

NOTICE CERTAIN LOTS IN GREENLEAF ARE SUBJECT TO A MAINTENANCE EASEMENT. PLEASE REFER TO THE DEFINITION OF "EASEMENT LOT" IN SECTION 2.3

- 2.3.3. Rights Reserved. The owners of the Easement Lots will have the continual use and enjoyment of their lots for any purpose that does not interfere with and prevent the Association's use of the Maintenance Easement.
- 2.3.4. <u>Temporary Easement</u>. In addition to the easement granted herein, the Association has the temporary right, from time to time, to use as much as the surface of an Easement Lot as may be reasonably necessary for the Association to perform its contemplated work on the Maintenance Easement.
- 2.3.5. <u>Duration and Termination of Easement</u>. This easement is perpetual. The Maintenance Easement will terminate when the purpose of the easement ceases to exist or is abandoned by the Association.

- 2.3.6. Assignment. The Association may assign this easement, or any portion thereof, to the city if the city agrees to accept the assignment.
- 2.3.7. Exclusiveness of Easement. The easement, rights, and privileges granted by this Section are exclusive, and Declarant covenants not to convey any other easement or conflicting rights in the area covered by this grant.
- PRIVATE STREETS. The Synott Road entrance gates and the streets within Greenleaf are private and constitute part of the common area and Area of Common Responsibility, which are governed by the Association. In addition to other rights of the Association, the board is specifically authorized to adopt, amend, repeal, and enforce rules, regulations, and procedures for use of the property's gated entrance and streets, including but not limited to:
 - Identification of vehicles used by owners and residents, and their families and a. guests.
 - Programs for controlling access through the entrance gates. b.
 - Designation of speed limits and parking or no-parking areas. C.
 - Removal or prohibition of vehicles that violate applicable rules and regulations. d.
 - Fines for violations of applicable rules and regulations. e.
 - Fees related to the device by which residents operate the entrance gates. f.
- ELECTRICAL RESTRICTIONS. The Property is subject to the restrictions contained in Appendix D of this Declaration, which are provided at the request and for the benefit of Houston Lighting & Power.

ARTICLE 3 ARCHITECTURAL COVENANTS AND CONTROL

- PURPOSE. Because the lots are part of a single, unified residential development, the Association has the right to regulate the design, use, and appearance of the lots in order to preserve and enhance the Property's value and architectural harmony. The purpose of this Article is to promote and ensure the level of taste, design, quality, and harmony by which the Property is developed.
- ARCHITECTURAL CONTROL COMMITTEE. After the Development Period, the Architectural Control Committee (the "ACC") consists of 3 persons appointed by the board, pursuant to the bylaws, or, at the board's option, the board may act as the ACC. Members of the ACC need not be owners or residents. The board, acting through the ACC, may adopt, publish, and enforce architectural guidelines and procedures for obtaining architectural approval.
- PROHIBITION OF CONSTRUCTION, ALTERATION & IMPROVEMENT. Without the ACC's prior written approval, a person may not construct a dwelling or make an addition, alteration, improvement, installation, modification, redecoration, or reconstruction of or to the Property, if it will be visible from a street or another lot. The ACC has the right but not the duty to evaluate every aspect of construction, landscaping, and property use that may adversely affect the general value or appearance of the Property.

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- 3.4. ACC APPROVAL. To request ACC approval, an owner must make written application and submit 2 identical sets of plans and specifications showing the nature, kind, shape, color, size, materials, and locations of the work to be performed. The application must clearly identify any requirement of this Declaration for which a variance is sought. The ACC will return one set of plans and specification to the applicant marked with the ACC's response, such as "Approved" or "Denied." The ACC will retain the other set of plans and specifications, together with the application, for the Association's files.
 - 3.4.1. <u>Deemed Approval</u>. If an owner has not received the ACC's written approval or denial within 60 days after delivering his complete application to the ACC, the owner may presume that his request has been approved by the ACC. The owner may then proceed with the improvement, provided he adheres to the plans and specifications which accompanied his application, and provided he initiates and completes the improvement in a timely manner.
 - 3.4.2. <u>Building Permit</u>. If the application is for work that requires a building permit from the city, the ACC's approval is conditioned on the city's issuance of the appropriate permit. The ACC's approval of plans and specifications does not mean that they comply with the city's requirements.

BEFORE MAKING ANY IMPROVEMENT OR ALTERATION TO A LOT OR DWELLING, A BUILDER OR OWNER MUST APPLY FOR THE ACC'S PRIOR WRITTEN APPROVAL

3.5. ACC GUIDELINES. The Association may publish architectural restrictions, guidelines, and standards developed by the ACC, subject to revision from time to time, including revisions to reflect changes in technology, style, and taste. The Association, acting through the ACC, has the right to establish and enforce architectural restrictions, guidelines, and standards relating to every aspect of proposed or existing improvements on a lot, including but not limited to dwellings, fences, and landscaping, and further including replacements or modifications of original construction or installation.

ARTICLE 4 CONSTRUCTION AND USE RESTRICTIONS

- 4.1. <u>SUBJECT TO ACC RESTRICTIONS</u>. In addition to the restrictions contained in this Article, each lot is subject to any architectural restrictions developed by the ACC and published by the Association. The provisions of this Article may be treated as the minimum requirements for improving and using a lot. The ACC may promulgate additional restrictions, as well as interpretations, additions, and specifications of the restrictions contained in this Article. An owner should review the Association's architectural restrictions, if any, before planning improvements, repairs, or replacements to his lot and dwelling.
- 4.2. <u>CONSTRUCTION RESTRICTIONS</u>. Without the ACC's prior written approval for a variance, improvements constructed on every lot must have the following characteristics:
 - 4.2.1. Houses. The principle improvement on a lot must be one detached single family dwelling.

- 4.2.2. <u>New Construction</u>. Dwellings must be constructed on the lot. A dwelling or addition constructed elsewhere may not be moved onto a lot. The construction of a dwelling must be started promptly after the ACC approves the dwelling's plans and specification. At the start of construction -- but not before, building material to be used in the construction may be stored on the lot. Once started, the dwelling and all improvements on the lot must be completed with due diligence.
 - 4.2.3. No Subdivision. No lot may be subdivided.
- 4.2.4. <u>Debris</u>. No lot or other part of the Property may be used a dumping ground. Waste materials incident to construction or repair of improvements on a lot may be stored temporarily on the lot during construction while work progresses.
- 4.2.5. Construction Specifications. Without the ACC's prior written approval for a variance, improvements constructed on every lot must have the characteristics described in Appendix B.

4.3. <u>USE RESTRICTIONS</u>.

- 4.3.1. <u>Association's Right To Promulgate Rules</u>. The Association, acting through its board, is granted the right to adopt, amend, repeal, and enforce reasonable rules, and penalties for infractions thereof, regarding the maintenance and appearance of the Property, operation of the Association, administration of the Documents, and the quality of life for residents of the Property.
- 4.3.2. Residential Use. The use of a lot is limited exclusively to residential purposes or any other use permitted by this Declaration. This residential restriction does not, however, prohibit a resident from using the lot for personal business or professional pursuits provided that: (a) the uses are incidental to the use of the lot as a dwelling, (b) the uses conform to all applicable governmental ordinances, (c) there is no external evidence of the uses, and (d) the uses do not entail visits to the lot by employees or the public.
- 4.3.3. Annoyance. No lot may be used in any way that: (a) may reasonably be considered annoying to neighbors; (b) may be calculated to reduce the desirability of the Property as a residential neighborhood; (c) may endanger the health or safety of residents; or (d) will violate any law. The board has the sole authority to determine what constitutes an annoyance.
- 4.3.4. <u>Animal Restrictions</u>. No animal, bird, fish, reptile, or insect of any kind may be kept, maintained, raised, or bred anywhere on the Property for any commercial purpose. Domesticated household pets may be kept subject to rules adopted by the board. If the rules fail to establish animal occupancy quotas, no more than 2 dogs and/or cats may be maintained in each dwelling.
- 4.3.5. Appearance Restrictions. Both the lot and the dwelling must be maintained in a manner so as not to be unsightly when viewed from the street or neighboring lots. The board will be the arbitrator of acceptable appearance standards.
- 4.3.6. <u>Sign Restrictions</u>. One standard real estate "For Sale" or "For Lease" sign, up to 6 square feet in size, per lot is permitted on the front lawn. No other advertising signs or unsightly objects may be erected, placed, or permitted to remain on the Property

or to be visible from windows in the lots without written authorization of the board. The board's authorization may specify the location, nature, dimensions, number, and time period of any advertising sign.

- 4.3.7. Garage Restrictions. The original garage area of a lot may not be enclosed or used for any purpose that would prohibit the parking of operable vehicles therein, without the board's written authorization. Garage doors are to be kept closed at all times except when a vehicle is entering or leaving.
- 4.3.8. Vehicle Restrictions. All vehicles on the Property, whether owned or operated by the residents or their families and guests, are subject to this provision. No mobile home, motor home, camper, bus, trailer, boat, aircraft, inoperable vehicle, large commercial-type vehicle, or any other similar vehicle or any vehicular equipment, mobile or otherwise, which the board deems to be a nuisance, unsightly, or inappropriate may be kept, parked, or stored anywhere on the Property unless used for daily transportation and, in that event, subject to board approval. Repairs or restorations of vehicles are prohibited on driveways and streets. The Association may effect the removal of any vehicle in violation of this provision.
- 4.3.9. <u>Landscaping Restrictions</u>. No person may perform landscaping, planting, or gardening on the Area of Common Responsibility, without the board's prior written authorization.
- 4.3.10. <u>Drainage Restrictions</u>. No person may interfere with the established drainage pattern over any part of the Property unless an adequate alternative provision for proper drainage has been approved by the board.
- 4.3.11. Communications Restrictions. Without the prior written consent of the ACC, no person may install the following equipment on a lot if it would be visible from a street: an antenna, microwave or satellite dish, receiving or transmitting tower. Each resident of the Property will avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic, electronic, microwave, cable, or satellite reception on the Property.
- 4.3.12. Leasing of Homes. An owner may lease the dwelling on his lot. Whether or not it is so stated in a lease, every lease is subject to the Documents. An owner is responsible for providing his tenant with copies of the Documents and notifying him of changes thereto. Failure by the tenant or his invitees to comply with the Documents, federal or State law, or local ordinance is deemed to be a default under the lease. When the Association notifies an owner of his tenant's violation, the owner will promptly obtain his tenant's compliance or exercise his rights as a landlord for tenant's breach of lease. If the tenant's violation continues or is repeated, and if the owner is unable, unwilling, or unavailable to obtain his tenant's compliance, then the Association has the power and right to pursue the remedies of a landlord under the lease or State law for the default, including eviction of the tenant. The owner of a leased lot is liable to the Association for any expenses incurred by the Association in connection with enforcement of the Documents against his tenant. The Association is not liable to the owner for any damages, including lost rents, suffered by the owner in relation to the Association's enforcement of the Documents against the owner's tenant.

ARTICLE 5 ASSOCIATION AND MEMBERSHIP RIGHTS

- 5.1. <u>THE ASSOCIATION</u>. The Association is a nonprofit nonstock corporation organized under the laws of the State of Texas. The specific purposes for which the Association is created include:
 - a. To maintain the Area of Common Responsibility.
 - b. To enforce the restrictions contained in this Declaration.
 - c. To provide for perpetuation of the Architectural Control Committee.
- bas the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Property as may be required or permitted by the Documents, local ordinance, and State law. In addition to the powers and duties set forth in Documents, the Association has the general and implied powers of an incorporated property owners association organized under the laws of the State of Texas. The Association may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of the owners, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Documents. The Association's maintenance obligations will be discharged when and how the board deems appropriate.

EVERY OWNER OF A GREENLEAF LOT AUTOMATICALLY JOINS A MANDATORY MEMBERSHIP ASSOCIATION

- 5.3. GOVERNANCE. The Association will be governed by a board of directors elected by and from the members. Unless the Association's bylaws or articles of incorporation provide otherwise, the board will consist of at least 3 persons elected at the annual meeting of the Association, or at a special meeting called for that purpose. The Association will be administered in accordance with the bylaws. Unless the Documents provide otherwise, any action requiring approval of the members may be approved in writing by owners of at least a majority of all lots, or at a meeting by owners of at least a majority of the lots that are represented at the meeting.
- 5.4. MEMBERSHIP. Each owner is a member of the Association, ownership of a lot being the sole qualification for membership. Membership is appurtenant to and may not be separated from ownership of the lot. The board may require satisfactory evidence of transfer of ownership before a purported owner is entitled to vote at meetings of the Association. If a lot is owned by more than one person or entity, each co-owner is a member of the Association and may exercise the membership rights appurtenant to the lot. A member who sells his lot under a contract for deed may delegate his membership rights to the contract purchaser, provided a written assignment is delivered to the board. However, the contract seller remains liable for all assessments attributable to his lot until fee title to the lot is transferred.
- 5.5. <u>VOTING</u>. One vote is appurtenant to each lot. The total number of votes equals the total number of lots in the Property. Each vote is uniform and equal to the vote appurtenant to every other lot, except during the Development Period as permitted in <u>Appendix</u>

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- C. Cumulative voting is not allowed. Votes may be cast by written proxy, according to the requirements of the Association's bylaws.
- If only one of the multiple co-owners of a lot is present at a meeting of the Association, that person may cast the vote allocated to the lot. If more than one of the co-owners is present, the lot's one vote may be cast with the co-owners' unanimous agreement. Co-owners are in unanimous agreement if one of the co-owners casts the vote and no other co-owner makes prompt protest to the person presiding over the meeting. Any co-owner of a lot may vote by ballot or proxy, and may register protest to the casting of a vote by ballot or proxy by the other co-owners. If the person presiding over the meeting or balloting receives evidence that the co-owners disagree on how the one appurtenant vote will be cast, the vote will not be counted.

READERS, PLEASE PAY PARTICULAR HEED TO THE NEXT PROVISION TITLED "SECURITY"

SECURITY. The Association is not obligated to, maintain or support certain activities within the Property designed, either directly or indirectly, to improve safety in or on the Property. Each owner and resident acknowledges and agrees, for himself and his guests, that Declarant, the Association, and its directors, officers, committees, agents, and employees are not providers, insurers, or guarantors of security within the Property. Each owner and resident acknowledges and accepts his sole responsibility to provide security for his own person and property, and assumes all risks for loss or damage to same. Each owner and resident further acknowledges that Declarant, the Association, and its directors, officers, committees, agents, and employees have made no representations or warranties, nor has the owner or resident relied on any representation or warranty, express or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire, burglar, and/or intrusion systems recommended or installed, or any security measures undertaken within the Property. Each owner and resident acknowledges and agrees that Declarant, the Association, and its directors, officers, committees, agents, and employees may not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. The entrance gates at Synott Road are not a security device.

ARTICLE 6 COVENANT FOR ASSESSMENTS

- 6.1. <u>PURPOSE OF ASSESSMENTS</u>. The Association will use assessments for the general purposes of preserving and enhancing the Property, and for the common benefit of owners and residents, including but not limited to maintenance of real and personal property, management and operation of the Association, and any expense reasonably related to the purposes for which the Property was developed. If made in good faith, the board's decision with respect to the use of assessments is final.
- 6.2. <u>PERSONAL OBLIGATION</u>. An owner is obligated to pay assessments levied by the board against the owner or his lot. An owner makes payment to the Association at its principal office or at any other place the board directs. Payments must be made in full regardless of whether an owner has a dispute with the Association, another owner, or any other person or entity regarding any matter to which this Declaration pertains. No owner may exempt himself from his assessment liability by abandonment of his lot. An owner's obligation is not

subject to offset by the owner, nor is it contingent on the Association's performance of the Association's duties. Payment of assessments is both a continuing affirmative covenant personal to the owner and a continuing covenant running with the lot.

- 6.3. TYPES OF ASSESSMENTS. There are 3 types of assessments: regular, special, and individual.
 - 6.3.1. Regular Assessments. Regular assessments are used for expenses related to the reoccurring, periodic, and anticipated responsibilities of the Association. Regular assessments are based on the annual budget. Each lot is liable for its equal share of the annual budget. If the board does not approve an annual budget or fails to determine new regular assessments for any year, or delays in doing so, owners will continue to pay the regular assessment as last determined. If during the course of a year the board determines that regular assessments are insufficient to cover the estimated expenses for the remainder of the year, the board may increase regular assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency.
 - 6.3.2. Special Assessments. In addition to regular assessments, the board may levy one or more special assessments against all lots for the purpose of defraying, in whole or in part, expenses not anticipated by the annual budget or reserve funds.
 - 6.3.3. <u>Individual Assessments</u>. In addition to regular and special assessments, the board may levy an individual assessment against a lot and its owner. Individual assessments may include, but are not limited to: transfer fees; resale certificate fees; interest, late charges, and collection costs on delinquent assessments; reimbursement for costs incurred in bringing an owner or his lot into compliance with the Documents; fines for violations of the Documents; reimbursement for damage or waste caused by willful or negligent acts; expenses that benefit fewer than all of the lots, which may be assessed according to benefit received; and "pass through" expenses for services to lots provided through the Association and which are equitably paid by each lot according to benefit received.

EVERY LOT IN GREENLEAF IS SUBJECT TO ASSESSMENT BY THE ASSOCIATION

- 6.4. <u>BASIS FOR ASSESSMENTS</u>. The share of liability for the annual budget, budget increases, and special assessments allocated to each lot is uniform for all lots, regardless of a lot's location or the value and size of the lot or dwelling, subject to exemptions for Declarant and Builders as provided in <u>Appendix C</u>. Each lot's fractional share is calculated by dividing the total liability by the total number of lots in the Property.
- 6.5. ANNUAL BUDGET. The board will prepare and approve an estimated annual budget for each fiscal year. The budget will take into account the estimated income and expenses for the year, contributions to reserve funds, and a projection for uncollected receivables. The board will make the budget or its summary available to an owner of each lot, although failure to receive a budget or summary does not affect an owner's liability for assessments. The board will provide copies of the detailed budget to owners who make written request and pay a reasonable copy charge.

- 6.6. <u>CONTROL FOR ASSESSMENT INCREASES</u>. This Section of the Declaration may not be amended without the approval of owners of at least 67 percent of the lots. In addition to other rights granted to owners by this Declaration, owners have the following powers and controls over the Association's budget:
 - 6.6.1. Veto Increased Dues. At least 30 days prior to the effective date of a special assessment or an increase in regular assessments, the board will notify an owner of each lot of the amount of, the budgetary basis for, and the effective date of the special assessment or increase. The special assessment or increase will automatically become effective unless owners of at least a majority of the lots disapprove the increase by petition or at a meeting of the Association. In that event, the last-approved budget will continue in effect until a revised budget is approved.
 - 6.6.2. Approve Certain Special Assessments. A special assessment for any of the following purposes must be approved by owners of least a majority of the lots:
 - a. Acquisition of real property.
 - b. Construction of additional improvements within the Property.
 - c. Any expenditure that may reasonably be expected to significantly increase the Association's responsibility and financial obligation for operations, insurance, maintenance, repairs, or replacement.
- 6.7. <u>PURPOSES OF ASSESSMENTS</u>. The purposes for which regular and special assessments may be used include, but are not limited to, the following:
 - a. Maintenance, repair, and replacement, as necessary, of the Area of Common Responsibility.
 - b. Utilities billed to the Association.
 - c. Services billed to the Association and serving all lots.
 - d. Taxes on property owned by the Association and the Association's income taxes.
 - e. Management, legal, accounting, auditing, and professional fees for services to the Association.
 - f. Costs of operating the Association, such as telephone, postage, office supplies, printing, meeting expenses, and educational opportunities of benefit to the Association.
 - premiums and deductibles on insurance policies and bonds deemed by the board to be necessary or desirable for the benefit of the Association, including fidelity bonds and directors and officers liability insurance.
 - h. Contributions to reserve funds.
 - i. Any other expense which the Association is required by law or the Documents to pay, or which in the opinion of the board is necessary or proper for the operation

of the Association, maintenance of the Area of Common Responsibility, or for enforcement of the Documents.

- 6.8. <u>DUE DATE</u>. The board may levy regular assessments on any periodic basis --annually, semi-annually, quarterly, or monthly. Regular assessments are due on the first day of the period for which levied. Special and individual assessments are due on the date stated in the notice of assessment or, if no date is stated, within 10 days after notice of the assessment is given. Assessments are delinquent is not received by the Association on or before the due date.
- 6.9. ASSESSMENT LIEN. Each owner, by accepting an interest in or title to a lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay assessments to the Association. Each assessment is a charge on the lot and is secured by a continuing lien on the lot. Each owner, and each prospective owner, is placed on notice that his title may be subject to the continuing lien for assessments attributable to a period prior to the date he purchased his lot.
 - 6.9.1. Superiority of Assessment Lien. The assessment lien is superior to all other liens and encumbrances on a lot, except only for (a) real property taxes and assessments levied by governmental and taxing authorities, (b) a recorded deed of trust lien securing a loan for construction of the original dwelling, and (c) a purchase money vendor's lien or deed of trust lien recorded before the date on which the delinquent assessment became due.
 - 6.9.2. Effect of Foreclosure. Foreclosure of a superior lien extinguishes the Association's claim against the lot for unpaid assessments that became due before the sale, but does not extinguish the Association's claim against the former owner. The purchaser at the foreclosure sale is liable for assessments coming due from and after the date of the sale, and for the owner's pro rata share of the pre-foreclosure deficiency as an Association expense.
 - 6.9.3. Notice and Release of Notice. To evidence the assessment lien, the board may, but is not required to, cause a written notice of the lien to be recorded in the county's real property records. After the debt for which the notice was recorded has been cured, the Association will record a release of the notice. The Association may require reimbursement of its costs of preparing and recording the notices before granting the release.

Yes, the HOA can foreclose!

If you fail to pay assessments to the Association, you may lose title to your home if the association forecloses its assessment lien against your lot.

6.9.4. Power of Sale. By accepting an interest in or title to a lot, each owner grants to the Association a private power of nonjudicial sale in connection with the Association's assessment lien. The board may appoint, from time to time, an officer, agent, trustee, substitute trustee, or attorney to exercise the power of sale on behalf of the Association. The appointment must be in writing and may be in the form of a resolution recorded in the minutes of a board meeting.

- 6.9.5. Foreclosure of Lien. The assessment lien may be enforced by judicial or nonjudicial foreclosure. A nonjudicial foreclosure must be conducted in accordance with the provisions applicable to the exercise of powers of sale as set forth in Section 51.002 of the Texas Property Code, or in any manner permitted by law. In any foreclosure, the owner is required to pay the Association's costs and expenses for the proceedings, including reasonable attorneys' fees. The Association has the power to bid on the lot at foreclosure sale and to acquire, hold, lease, mortgage, and convey same.
- 6.10. <u>RESERVE FUNDS</u>. The Association may establish, maintain, and accumulate reserves for operations and for replacement and repair of the Area of Common Responsibility. The Association may budget for reserves and use its best efforts to fund reserves out of regular assessments.
- 6.11. ASSOCIATION'S RIGHT TO BORROW MONEY. The Association is granted the right to borrow money, subject to the consent of owners of at least a majority of lots and the ability of the Association to repay the borrowed funds from assessments. To assist its ability to borrow, the Association is granted the right to encumber, mortgage, pledge, or deed in trust any of its real or personal property, and the right to assign its right to future income, as security for money borrowed or debts incurred, provided that the rights of the lender in the pledged property are subordinate and inferior to the rights of the owners hereunder.
- 6.12. EFFECT OF NONPAYMENT OF ASSESSMENTS. Owners who honor their obligations to the Association should not be burdened by owners who default. The board is responsible for taking action to collect delinquent assessments. Neither the board nor the Association, however, is liable to an owner or other person for its failure or inability to collect or attempt to collect an assessment. The following remedies are in addition to and not in substitution for all other rights and remedies which the Association has.
 - 6.12.1. <u>Delinquency</u>. An assessment is delinquent if the Association does not receive payment in full by the assessment's due date.
 - 6.12.2. <u>Interest</u>. Delinquent assessments are subject to interest from the due date until paid, at a rate to be determined by the board from time to time, not to exceed the lesser of 18 percent or the maximum permitted by law. If the board fails to establish a rate, the rate is 10 percent per annum.
 - 6.12.3. <u>Late Fees</u>. Delinquent assessments are subject to reasonable late fees, at a rate to be determined by the board from time to time.
 - 6.12.4. Collection Expenses. The owner of a lot against which assessments are delinquent is liable to the Association for reimbursement of reasonable costs incurred by the Association to collect the delinquent assessments, including attorneys fees and processing fees charged by the manager.
 - 6.12.5. Acceleration. If an owner defaults in paying an assessment that is payable in installments, the board may accelerate the remaining installments on 10 days' written notice to the defaulting owner. The entire unpaid balance of the assessment becomes due on the date stated in the notice.

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- 6.12.6. Suspension of Vote. If an owner's account has been delinquent for at least 30 days, the board may suspend the right to vote appurtenant to the lot. Suspension does not constitute a waiver or discharge of the owner's obligation to pay assessments.
- 6.12.7. Suspension of Use and Vote. If an owner's account has been delinquent for at least 30 days, the board may suspend the right of owners and residents to use common areas and common services during the period of delinquency. The board may not suspend an owner or resident's right of access to his lot. The board may also suspend the right to vote appurtenant to the lot. Suspension does not constitute a waiver or discharge of the owner's obligation to pay assessments.
- 6.12.8. Money Judgment. The Association may file suit seeking a money judgment against an owner delinquent in the payment of assessments, without foreclosing or waiving the Association lien for assessments.
- 6.12.9. Notice to Mortgagee. The board may notify and communicate with any holder of a lien against a lot regarding the owner's default in payment of assessments.
- 6.12.10. Application of Payments. The Association, through its board, may adopt and amend policies regarding the application of payments. The board may refuse to accept partial payment, i.e., less than the full amount due and payable. The board may also refuse to accept payments to which the payer attaches conditions or directions contrary to the board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to the lot account. If the Association does not accept the payment at that time, it will promptly refund the payment to the payer.
- 6.13. <u>LIMITATIONS OF INTEREST</u>. The Association, and its officers, directors, managers and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in this Declaration, the bylaws, the Association's collection policies and resolutions, or any other document or agreement executed or made in connection with any of these, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects or applies as interest any sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid special and regular assessments, or reimbursed to the owner if those assessments are paid in full.

ARTICLE 7 MAINTENANCE AND REPAIR OBLIGATIONS

- 7.1. ASSOCIATION RESPONSIBILITY. The Association's maintenance obligations will be discharged when and how the board deems appropriate. The Association maintains, repairs, and replaces the Area of Common Responsibility.
- 7.2. OWNER RESPONSIBILITY. Every owner has the following responsibilities and obligations for the maintenance, repair, and replacement of the Property:
 - 7.2.1. Lot Maintenance. Each owner, at the owner's expense, must maintain his lot and all improvements on the lot, including but not limited to the dwelling, fences, sidewalks, and driveways. Maintenance includes preventative maintenance, repair as

needed, as replacement as needed. Each owner is expected to maintain his lot at a level, to a standard, and with an appearance that is commensurate with the neighborhood.

- 7.2.2. Landscape Maintenance. Each owner's maintenance of the landscaping on his lot includes, without limitation, keeping lawn and garden areas alive and free of visible weeds; the proper seeding, feeding, mowing, and edging of all lawns; and periodic pruning of trees and shrubs.
- 7.2.3. Avoid Damage. An owner may not do any work or to fail to do any work which, in the reasonable opinion of the board, would materially jeopardize the soundness and safety of the Property, reduce the value of the Property, adversely affect the appearance of the Property, or impair any easement relating to the Property.
- 7.2.4. Responsible for Damage. An owner is responsible for his own willful or negligent acts and those of his or the resident's family, guests, agents, employees, or contractors when those acts necessitate maintenance, repair, or replacement to the Area of Common Responsibility.
- OWNER'S DEFAULT IN MAINTENANCE. If the board determines that an owner has failed to properly discharge his obligation to maintain, repair, and replace items for which the owner is responsible, the board may give the owner written notice of the Association's intent to provide the necessary maintenance at owner's expense. The notice must state, with reasonable particularity, the maintenance deemed necessary and a reasonable period of time in which to complete the work. If the owner fails or refuses to timely perform the maintenance, the Association may do so at owner's expense, which is an individual assessment against the owner and his lot. In case of an emergency, however, the board's responsibility to give the owner written notice may be waived and the board may take any action it deems necessary to protect persons or property, the cost of the action being the owner's expense.

ARTICLE 8 **INSURANCE**

- GENERAL PROVISIONS. All insurance affecting the Property is governed by the provisions of this Article, with which the board will make every reasonable effort to comply:
 - 8.1.1. Common Expense. The cost of insurance coverages and bonds maintained by the Association is an expense of the Association.
 - 8.1.2. Insurer. Insurance policies and bonds obtained and maintained by the Association must be issued by responsible insurance companies authorized to do business in the State of Texas.
 - 8.1.3. Insured. The Association must be the named insured on all policies obtained by the Association.
 - 8.1.4. Association as Trustee. Each owner irrevocably appoints the Association, acting through its board, as his trustee to negotiate, receive, administer, and distribute the proceeds of any claim against an insurance policy maintained by the Association.
 - 8.1.5. Notice of Cancellation or Modification. Each insurance policy maintained by the Association should contain a provision requiring the insurer to give at least 10

days' prior written notice to the board before the policy may be cancelled, terminated, materially modified, or allowed to expire, by either the insurer or the insured.

- 8.1.6. <u>Deductibles</u>. An insurance policy obtained by the Association may contain a reasonable deductible, which will be paid by the party who would be liable for the loss or repair in the absence of insurance. If a loss is due wholly or partly to an act or omission of an owner or resident or their invitees, the owner must reimburse the Association for the amount of the deductible that is attributable to the act or omission.
- 8.2. <u>CASUALTY OR HAZARD</u>. To the extent it is reasonably available, the Association will obtain blanket all-risk insurance for insurable improvements in the Area of Common Responsibility. If blanket all-risk insurance is not reasonably available, then an insurance policy providing fire and extended coverage. Also, the Association will insure the improvements on any lot owned by the Association.
- 8.3. GENERAL LIABILITY. To the extent it is reasonably available, the Association will maintain a commercial general liability insurance policy over the Area of Common Responsibility -- expressly excluding the liability of each owner and resident within his lot -- for bodily injury and property damage resulting from the operation, maintenance, or use of the Area of Common Responsibility. If the policy does not contain a severability of interest provision, it should contain an endorsement to preclude the insurer's denial of an owner's claim because of negligent acts of the Association or other owners.
- 8.4. <u>DIRECTORS & OFFICERS LIABILITY</u>. To the extent it is reasonably available, the Association will maintain directors and officers liability insurance, errors and omissions insurance, indemnity bonds, or other insurance the board deems advisable to insure the Association's directors, officers, committee members, and managers against liability for an act or omission in carrying out their duties in those capacities.
- 8.5. OTHER COVERAGES. The Association may maintain any insurance policies and bonds deemed by the board to be necessary or desirable for the benefit of the Association.

ARTICLE 9 AMENDMENTS

- 9.1. <u>CONSENTS REQUIRED</u>. As permitted by this Declaration, certain amendments of this Declaration may be executed by Declarant alone, or by the board alone. Otherwise, amendments to this Declaration must be approved by owners of at least a majority of the lots.
- 9.2. METHOD OF AMENDMENT. For an amendment that requires the approval of owners, this Declaration may be amended by any method selected by the board from time to time, pursuant to the bylaws, provided the method gives an owner of each lot the substance if not exact wording of the proposed amendment and an opportunity to vote for or against the proposed amendment.
- 9.3. <u>EFFECTIVE</u>. To be effective, an amendment must be in the form of a written instrument (i) referencing the name of the Property, the name of the Association, and the recording data of this Declaration and any amendments hereto; (ii) signed and acknowledged by an officer of the Association, certifying the requisite approvals; and (iii) recorded in the real property records of every county in which the Property is located.

- 9.4. <u>DECLARANT PROVISIONS</u>. No amendment may affect Declarant's rights under this Declaration without Declarant's written and acknowledged consent, which must be part of the recorded amendment instrument. This section may not be amended without Declarant's written and acknowledged consent.
- 9.5. MERGER. Merger or consolidation of the Association with another association must be evidenced by an amendment to this Declaration. The amendment must be approved by owners of at least a majority of the lots. Upon a merger or consolidation of the Association with another association, the property, rights, and obligations of another association may, by operation of law, be added to the properties, rights, and obligations of the Association as a surviving corporation pursuant to the merger. The surviving or consolidated association may administer the provisions of the Documents within the Property, together with the covenants and restrictions established upon any other property under its jurisdiction. No merger or consolidation, however, will effect a revocation, change, or addition to the covenants established by this Declaration within the Property.
- 9.6. TERMINATION. Termination of the terms of this Declaration and the status of the Property as a planned unit development are according to the following provisions. In the event of substantially total damage, destruction, or public condemnation of the Property, an amendment to terminate must be approved by owners of at least 67 percent of the lots. In the event of public condemnation of the entire Property, an amendment to terminate may be executed by the board without a vote of owners. In all other circumstances, an amendment to terminate must be approved by owners of at least 80 percent of the lots.

ARTICLE 10 ASSOCIATION OPERATIONS

- 10.1. <u>ASSOCIATION'S RIGHT TO ENFORCE DOCUMENTS</u>. The remedies provided in this Section for breach of the Documents are cumulative and not exclusive. In addition to other rights and remedies provided by the Documents and by law, the Association has the following right to enforce the Documents:
 - 10.1.1. <u>Nuisance</u>. The result of every act or omission that violates any provision of the Documents is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation.
 - 10.1.2. Fine. The Association may levy reasonable charges, as an individual assessment, against an owner and his lot, if the owner or resident, or the owner or resident's family, guests, employees, agents, or contractors violate a provision of the Documents. Fines may be levied for each act of violation or for each day a violation continues, and does not constitute a waiver or discharge of the owner's obligations under the Documents.
 - 10.1.3. <u>Self-Help</u>. The Association has the right to enter a lot to abate or remove, using force as may reasonably be necessary, any erection, thing, animal, person, vehicle, or condition that violates the Documents. In exercising this right, the board is not trespassing and is not liable for damages related to the abatement. The board may levy its costs of abatement against the lot and owner as an individual assessment. Unless an emergency situation exists in the good faith opinion of the board, the board will give the violating owner 15 days' notice of its intent to exercise self-help.

- 10.1.4. No Waiver. The Association and every owner has the right to enforce all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by the Documents. Failure by the Association or by any owner to enforce a provision of the Documents is not a waiver of the right to do so thereafter.
- INDEMNIFICATION. The Association indemnifies every officer, director, and committee member of the Association against any and all expenses, including attorneys fees, reasonably incurred by or imposed on such officer, director, or committee member in connection with any action, suit, or other proceeding to which he may be a party by reason of being or having been an officer, director, or committee member. The Association's officers, directors, and committee members are not liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers, directors, and committee members have no personal liability with respect to any contract or other commitment made by them in good faith on behalf of the Association, except to the extent that the officer, director, or committee member is also a member of the The Association indemnifies and forever holds each officer, director, and Association. committee member free and harmless against any and all liability to others on account of any such contract or commitment. This right to indemnification is not exclusive of any other right to which any present or former officer, director, or committee member may be entitled. To fund this obligation of indemnification, the Association will maintain adequate general liability and officers and directors liability insurance to the extent such insurance is reasonably available.
- 10.3. TRANSFER FEES. The board may levy, as an individual assessment, a charge for the transfer of a significant estate or fee simple title of a lot. A transfer fee is not refundable and may not be regarded as a prepayment of or credit against regular or special assessments. Except for the specifically exempt transactions described below, transfer fees apply to every transfer, including voluntary and involuntary transfers, assignments, deeds, leases for more than 5 years, gifts, testamentary bequests, intestate transfers, muniment of title, and transfer by other instrument or operation of law. The following transactions are exempt from transfer fees:
 - a. Foreclosure under a deed of trust.
 - b. Transfer to, from, or by the Association.
 - c. Transfer by an owner to the owner's spouse, child, or parent,
 - d. Transfers between or among co-owners of a lot.
- 10.4. CONDEMNATION. In any proceeding, negotiation, settlement, or agreement concerning condemnation of the Area of Common Responsibility, the Association will be the exclusive representative of the owners. The Association may use condemnation proceeds to repair and replace any damage or destruction of the Area of Common Responsibility, real or personal, caused by the condemnation. Any condemnation proceeds remaining after completion, or waiver, of the repair and replacement will be deposited in the Association's reserve funds.

ARTICLE 11 GENERAL PROVISIONS

11.1. <u>COMPLIANCE</u>. The owners hereby covenant and agree that the administration of the Association will be in accordance with the provisions of the Documents and all applicable laws, regulations, and ordinances, as same may be amended from time to time, of any governmental or quasi-governmental entity having jurisdiction over the Association or Property.

- 11.2. NOTICE. All demands or other notices required to be sent to an owner or resident by the terms of this Declaration may be sent by ordinary or certified mail, postage prepaid, to the party's last known address as it appears on the records of the Association at the time of mailing. If an owner fails to give the Association an address for mailing notices, all notices may be sent to the owner's lot, and the owner is deemed to have been given notice whether or not he actually receives it.
- 11.3. <u>SEVERABILITY</u>. Invalidation of any provision of this Declaration by judgment or court order does not affect any other provision, which remains in full force and effect. The effect of a general statement is not limited by the enumeration of specific matters similar to the general.
- 11.4. <u>CAPTIONS</u>. In all Documents, the captions of articles and sections are inserted only for convenience and are in no way to be construed as defining or modifying the text to which they refer. Boxed notices are inserted to alert the reader to certain provisions and are not to be construed as defining or modifying the text.
- 11.5. <u>APPENDIXES</u>. The appendixes listed below are attached to this Declaration and incorporated herein by reference. Because <u>Appendix C</u> of this Declaration is destined to become obsolete, beginning 20 years after the date this Declaration is first recorded, the board may restate, rerecord, or publish this Declaration without <u>Appendix C</u>, provided the other appendixes are not relettered. The automatic expiration and subsequent deletion of <u>Appendix C</u> does not constitute an amendment of this Declaration. The Appendixes to this Declaration include:
 - A Legal Description of Property
 - B Construction Specifications
 - C Declarant's Representations, Rights & Reservations
 - D Houston Lighting & Power Restrictions
 - E HUD Insured Mortgage Requirements
- 11.6. <u>INTERPRETATION</u>. Whenever used in the Documents, unless the context provides otherwise, a reference to a gender includes all genders. The use of male pronouns is intended to facilitate reading, and not as a gender preference. Specifically regarding pronouns, the use of "he" means "he or she"; "his" means "his or hers"; "him" means "him or her"; and "himself" means "himself or herself". Similarly, a reference to the singular includes the plural, the plural the singular, where the same would be appropriate. The effect of a general statement is not limited by the enumerations of specific matters similar to the general.
- 11.7. <u>DURATION</u>. Unless terminated or amended by owners as permitted herein, the provisions of this Declaration run with and bind the Property, and will remain in effect perpetually to the extent permitted by law.
- 11.8. <u>PREPARER</u>. This Declaration was prepared in the law office of Sharon Reuler, P.C., Post Office Box 670401, Dallas, Texas 75367-0401.

[END OF PROVISIONS]

SIGNED AND ACKNOWLEDGED

SIGNED on this day of

19/10

D. R. HORTON - TEXAS, LTD., a Texas limited partnership

By: D. R. HORTON, INC., a Delaware corporation, its authorized agent

Dan Mathews, Vice-President

THE STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on this 6 day of 1996, by Dan Mathews, Vice-President of D. R. Horton, Inc., a Delaware corporation, on behalf of the corporation in its capacity as authorized agent for D. R. Horton - Texas, Ltd., a Texas limited partnership.



Notary Public, The State of Texas

APPENDIX A METES & BOUNDS DESCRIPTION OF LAND

FIELD NOTE DESCRIPTION FOR 18.0791 ACRES (787,524 SQ. FT.) IN THE JOEL WHEATON SURVEY, A-80 HOUSTON, HARRIS COUNTY, TEXAS

Being 18.0791 acres (787,524 square feet) of land out of the Joel Wheaton Survey, Abstract No. 80, Houston, Harris County, Texas, being all of a called 18.0790 acre tract as recorded in Harris County Clerk's File No. P249314 and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found at the north end of the cutback at the intersection of the west line of Synott Road (80 feet wide) with the north line of Meadow Briar Drive (60 feet wide) as recorded in Harris County Clerk's File No. E358900;

THENCE S 44° 29' 54" W, along said cutback, a distance of 14.25 feet to a 5/8 inch iron rod set at the beginning of a curve to the left and in the north line of said Meadow Briar Drive;

THENCE along the north line of said Meadow Briar Drive and said curve to the left, having a radius of 330.00 feet and a central angle of 26° 58' 12", a distance of 155.34 feet to a 5/8 inch iron rod set at a point of reserve curve to the right, said 330.00 foot radius curve having a chord which bears S 74° 42' 49" W, 153.91 feet in length;

THENCE continuing along the north line of said Meadow Briar Drive and along said curve to the right, having a radius of 270.00 feet and a central angle of 28° 57' 22", a distance of 136.45 feet to a 5/8 inch iron rod set at a point of tangency, said 270.00 foot radius curve having a chord which bears S 75° 42' 19" W, 135.01 feet in length;

THENCE N 89° 49' 00" W, continuing along the north line of said Meadow Briar Drive, a distance of 490.23 feet to a 5/8 inch iron rod set in the east line of a 50 foot United Gas Pipe Line Co. Fee Strip as recorded in Volume 4133, Page 371 of the Deed Records of Harris County, Texas;

THENCE N 00° 24' 48" E, along the east line of said 50 foot Fee Strip, a distance of 1,026.25 feet to a 5/8 inch iron rod set at the southwest corner of a called 9.8256 acre tract as recorded in Harris County Clerk's File No. P081901;

THENCE N 89° 35' 04" E, along the south line of said 9.8256 acre tract, a distance of 771.01 feet to a 5/8 inch iron rod set in the west line of said Synott Road;

THENCE S 00° 04' 00" E, along the west line of said Synott Road, a distance of 949.31 feet to the POINT OF BEGINNING and containing 18.0791 acres (787,524 square feet) of land.

APPENDIX B CONSTRUCTION SPECIFICATIONS

Without the ACC's prior written approval for a variance, improvements constructed on a lot must have the following characteristics, in addition to those required by the City of Houston:

- B.1. Minimum Setbacks. On all lots, the front and side line set backs of each dwelling must comply with the building lines shown on the Greenleaf plat.
- B.2. <u>Dwelling Size</u>. The total air-conditioned living area of the dwelling, as measured to the outside of exterior walls, but exclusive of open porches, garages, patios, and detached accessory buildings, may not be less than 1,600 square feet.
- B.3. Garage. A dwelling must have an attached garage for at least 2 standard-size cars. The garage may be front- or side-loading.
- B.4. Exterior Wall Materials. At least 75 percent of the total exterior wall area of the dwelling's first floor, minus windows and doors, must be masonry, such as brick veneer, stucco, or concrete siding products.
- B.5. Roofing Materials. Roofs must be covered with composition material of at least 215 lb. weight shingle, in an earth tone color, and having the manufacturer's 20-year warranty. Except for wood shake roofs, which are not permitted, the ACC may permit other materials and colors.
- B.6. Fences. This Section is subject to the ACC's right to adopt specifications for construction or reconstruction of fences. Fences may not exceed 8 feet in height. Fences must be made of masonry, wood, or other ACC-approved material. Fences may not be constructed between a dwelling's front building line and the street.
- B.7. Retaining Walls. Retaining walls must be constructed entirely with ACC-approved materials, however a retaining wall visible from a street or another lot must be constructed of a masonry material.
- B.8. <u>Landscaping</u>. Landscaping must be installed on the front and side yards of the lot within 90 days after an occupancy permit is issued for the dwelling. At a minimum, (i) the front yard of each lot must be sodded, (ii) 3 to 5 feet of shrubbery beds must wrap the front corners of the dwelling, and (iii) at least 2 trees, each having a 3-inch caliper, must be planted in the front yard of each lot. The ACC may require that a landscaping plan be submitted with construction plans and specifications, and may condition its approval of the dwelling on an acceptable landscaping plan.
- B.9. <u>Utilities</u>. All utility lines and equipment must be located underground, except for: (1) elevated or surface lines or equipment required by a public utility or the city; (2) elevated or surface lines or equipment installed by Declarant as part of the development plan; and (3) surface equipment necessary to maintain, operate, or read underground facilities, such as meters, risers, service pedestals, and transformers. Each lot will use city water and sewage systems. Individual water supply and sewage disposal systems are not permitted.

- B.10. Screening. The owner of a lot must screen the following items from the view of the public and neighboring lots and dwellings, if any of these items exists on the lot: utility meters, risers, pedestals, and transformers; air conditioning equipment; clotheslines, drying racks, and hanging clothes, linens, rugs, or textiles of any kind; yard maintenance equipment; wood piles and compost piles; accessory structures, such as dog houses, gazebos, metal storage sheds, and greenhouses; garbage cans and refuse containers; satellite dishes and electronic transmission or reception towers.
- B.11. <u>Air Conditioners</u>. Air conditioning equipment may not be installed in the front yard of a dwelling. Window units are prohibited.

APPENDIX C DECLARANT REPRESENTATIONS, RIGHTS & RESERVATIONS

- C.1. <u>PURPOSE</u>. Declarant intends the Declaration to be perpetual and understands that provisions pertaining to the initial development, construction, marketing, and control of the Property will become obsolete when Declarant's role is complete. As a courtesy to future users of the Declaration, who may be frustrated by then-obsolete terms, Declarant is compiling the Declarant-related provisions in this Appendix. However, during the Declarant Control Period and the Development Period, the terms of this Appendix control over anything to the contrary in any of the Documents. Further, this Appendix may not be amended without the consent and signature of Declarant.
- C.2. <u>DEFINITIONS</u>. As used in this Appendix and elsewhere in the Documents, the following words and phrases, when capitalized, have the following specified meanings:
 - C.2.1. "Builder" means a person or entity which purchases, or contracts to purchase, a lot from Declarant for the purpose of constructing a dwelling for resale or under contract to an owner other than Declarant, and includes the Builder's successors and assigns.
 - C.2.2. "Development Period" means that period of time during which the Property is being developed, constructed, or marketed, and extends from the date this Declaration is recorded until title to all of the lots that may be created has been conveyed to owners other than Builders or other persons who purchase lots for the purpose of constructing dwellings for resale to owners. The Development Period may not exceed 10 years.
 - C.2.3. "Declarant Control Period" means that period of time during which Declarant controls the operation of the Association. The duration of the Declarant Control Period will be from the date this declaration is recorded for a maximum period not to exceed the earliest of the following:
 - a. 10 years from the date this declaration is recorded.
 - b. Four months after title to 75 percent of the lots that may be created has been conveyed to owners other than Builders or other persons who purchase lots for the purpose of constructing dwellings for resale to owners.
 - c. When, in Declarant's sole opinion, the Association is viable, self-supporting, and operational.
- C.3. <u>DECLARANT'S REPRESENTATIONS</u>. Declarant makes the following representations regarding certain characteristics of the Property.
 - C.3.1. No Phasing. Declarant does not intend to expand the Property by annexing additional land.
 - C.3.2. <u>Detached Dwellings</u>. The Property does not include any multi-dwelling units.

- C.3.3. <u>New Construction</u>. The Property is newly constructed. None of the improvements in the Property constitute conversion of existing buildings.
- C.3.4. <u>Builders</u>. Declarant may sell lots to Builders who will improve the lots with dwellings to be sold and occupied.
- C.3.5. Common Areas. At or prior to termination of the Declarant Control Period, Declarant will convey title to the common areas to the Association by deed. At the time of conveyance, the common areas will be free of encumbrance except for the property taxes accruing for the year of conveyance. Declarant's conveyance of title is a ministerial task that does not require and is not subject to acceptance by the Association or the owners.
 - C.3.6. No Leasehold. No part of the Property is on leasehold land.
- C.4. PURPOSE OF DEVELOPMENT & DECLARANT CONTROL PERIODS. This Appendix gives Declarant certain rights during the Development Period and the Declarant Control Period to ensure a complete and orderly buildout and sellout of the Property, which is ultimately for the benefit and protection of owners and mortgagees. Declarant may not use its control of the Association and the Property for an advantage over the owners by way of retention of any residual rights or interests in the Association or through the creation of any contractual agreements which the Association may not terminate without cause with 90 days' notice.
- C.5. OFFICERS & DIRECTORS. During the Declarant Control Period, Declarant may appoint, remove, and replace any officer or director of the Association, none of whom need be members or owners.
- C.6. ASSESSMENT INCREASES. During the Declarant Control Period, the right of owners to veto assessment increases or special assessments under Section 6.6.1 of the Declaration is not effective and may not be exercised.
- C.7. ORGANIZATIONAL MEETING. Within 60 days after the end of the Declarant Control Period, or sooner at the Declarant's option, Declarant will call an organizational meeting of the members of the Association for the purpose of electing, by vote of the owners, directors to the board. Written notice of the organizational meeting must be given to an owner of each lot at least 10 days before the meeting. For the organizational meeting, owners of 10 percent of the lots, other than Declarant and Builders, constitute a quorum.
- C.8. <u>DECLARANT VOTES</u>. During the Development Period, the vote appurtenant to each lot owned by Declarant is weighted 3 times that of the vote appurtenant to a lot owned by another owner. In other words, during the Development Period, Declarant may cast the equivalent of 3 votes for each lot owned by Declarant on any issue before the Association. On termination of the Development Period and thereafter, the vote appurtenant to Declarant's lots is weighted uniformly with all other votes.
- C.9. <u>DEVELOPMENT PERIOD RIGHTS</u>. Declarant reserves the following easements and rights, exercisable at Declarant's sole discretion at any time during the Development Period:
 - a. The right to appoint the Architectural Control Committee, consisting of any number of persons who serve at the pleasure of Declarant, and who may be removed and replaced by Declarant.

- b. The right to provide a reasonable means of access for the homebuying public through the Synott Road entrance gates in connection with the active marketing of lots and homes by Declarant or Builders, including the right to require that the gates be kept open during certain hours or on certain days.
- c. The right to amend this Declaration and the other Documents, without consent of other owners or any mortgagee, for the following limited purposes:
 - (1) To add real property to the Property.
 - (2) To create lots, easements, and common areas within the Property.
 - (3) To subdivide lots or convert lots into common areas.
 - (4) To comply with requirements of an institutional mortgagee or underwriting lender.
 - (5) To resolve conflicts, clarify ambiguities, and to correct inadvertent misstatements, errors, or omissions in the Documents.
- d. An easement and right to erect, construct, and maintain on and in the Area of Common Responsibility and lots owned or leased by Declarant whatever Declarant determines to be necessary or advisable in connection with the construction, completion, management, maintenance, and marketing of the Property.
- e. For purposes of promoting, identifying, and marketing the Property, Declarant reserves an easement and right to place or permit signs, banners, flags, display lighting, and seasonal landscaping on the Property. Declarant reserves an easement and right to maintain, relocate, replace, or remove the same from time to time within the Property.
- f. The right to permit Builders to place signs and promotional materials on the Property, and to exempt Builders from the sign restriction in Article 4 of the Declaration.
- g. Declarant has an easement and right of ingress and egress in and through the Property for purposes of constructing, maintaining, managing, and marketing the Property, and for discharging Declarant's obligations under this Declaration.
- h. The right to sell or lease any lot owned by Declarant.
- i. The right to complete or make improvements indicated on the plat.
- j. The right to use lots owned or leased by Declarant as models, storage areas, and offices for the marketing, management, maintenance, customer service, construction, and leasing of the Property, for as long as Declarant owns a lot.
- k. The right to merge the Association with another residential property owners association.
- 1. Declarant is exempt from transfer fees for a lot conveyed by Declarant to a Builder, to a successor declarant, or to the holder of a deed of trust lien against the lot.

- C.10. WORKING CAPITAL FUND. Declarant may establish a working capital fund for the Association. Each lot's contribution to this fund will be collected when the sale of the lot to an owner other than a Builder closes. Contributions to the fund are not advance payments of regular assessments and are not refundable. Not later than termination of the Declarant Control Period, the balance of the working capital fund will be transferred to the Association. Declarant may not use the fund to defray Declarant's expenses or construction costs, or to cover the Association's budget deficits during the Declarant Control Period.
- C.11. GENERAL RESERVATION. Notwithstanding other provisions of the Documents to the contrary, nothing contained therein may be construed to, nor may any mortgagee, other owner, or the Association, prevent or interfere with the rights contained in this Article which Declarant hereby reserves exclusively unto itself, its agents, employees, and contractors.
- C.12. EXPENSES OF DECLARANT. Expenses related to the completion and marketing of the Property will be paid by Declarant and are not expenses of the Association.
- Development Period, Declarant has no obligation for assessments on any unimproved lot owned by Declarant. During the period of construction of a dwelling on a lot owned by Declarant, Declarant's liability for regular and special assessments is one-half the rate of other owners. For each Declarant-owned lot improved with a dwelling for which a certificate of occupancy has been issued, Declarant is liable for assessments in the same manner as any owner. During the Declarant Control Period only, Declarant is responsible for the difference between the Association's actual operating expenses and the regular assessments received from owners other than Declarant, and will provide any additional funds necessary to pay actual cash outlays of the Association for actual operating expenses. On termination of the Declarant Control Period, Declarant will cease being responsible for the difference between the Association's expenses and the assessments received from owners other than Declarant. Declarant's obligations for assessments may be satisfied in the form of cash or by "in kind" contributions of services and/or materials.
- C.14. <u>BUILDER'S OBLIGATION FOR ASSESSMENTS</u>. During the Development Period only, a Builder has no obligation for regular and special assessments on a vacant unimproved lot for the first 12 months following conveyance to Builder by Declarant. After the initial 12 month period, or 45 days after the city's issuance of a building permit for the lot, whichever occurs first, Builder is liable for assessments in the same manner as any owner.

D. R. HORTON - TEXAS, LTD., a Texas limited partnership

By: D. R. HORTON, INC., a Delaware corporation, its authorized agent

By: Dan Mathews, Vice-President

APPENDIX D RESTRICTIONS FOR HOUSTON LIGHTING & POWER

This Appendix is prepared to comply with the requirements of Houston Lighting & Power at the time Houston Lighting & Power contracted with Declarant for electrical service to Property.

An underground electric distribution system will be installed for the Property (the "Underground Residential Subdivision"), including all of the lots shown on the Plat. This electrical distribution system will consist of overhead primary feeder circuits constructed on wood or steel poles, single or three phase, as well as underground primary and secondary circuits, pad mounted or other types of transformers, junction boxes, and such other appurtenances as may be necessary to make underground service available. In the event that there are constructed within the Underground Residential Subdivision structures containing multiple dwelling units, such as townhouses, duplexes, or apartments, then the underground service area embraces all of the dwelling units involved. The owner of each lot, at his own cost, will furnish, install, own, and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the electric company's metering at the structure 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 lot. The electric company furnishing service will make the necessary connections at said point of attachment and at the meter. Declarant has, by designation on the Plat or by separate instrument, granted necessary easements to the electric company providing for the installation, maintenance, and operation of its electric distribution system and has also granted to the owners of the lots reciprocal easements providing for access to the area occupied by and centered on the service wires of each owner to permit installation, repair, and maintenance of each owner's owned and installed service wires. In addition, the owner of each lot, at his own cost, will 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 the electric company for each dwelling unit involved. For so long as underground service is maintained-in the Underground Residential Subdivision, the electric service to each dwelling unit therein shall be underground, uniform in character, and exclusively of the type known as single-phase, 120/240 volt, three-wire, 60-cycle, alternating current.

The electric company has installed the underground electric distribution system in the Underground Residential Subdivision at no cost to Declarant (except for certain conduits, where applicable, and except as hereinafter provided) upon Declarant's representation that the Underground Residential Subdivision is being developed for single family homes that are designed to be permanently located where originally constructed (such category of dwelling units expressly to exclude mobile homes) which are built for sale or rent, and which are wired so as to provide for separate metering to each dwelling unit. Should the plans of Declarant or the lot owners in the Underground Residential Subdivision be changed so as to permit the erection therein of one or more mobile homes, the electric company will not be obligated to provide electric service to any such mobile home unless (a) Declarant has paid to the electric company an amount representing the excess cost of the underground distribution system, over the cost of equivalent overhead facilities, for the entire Underground Residential Subdivision, or (b) the owner of each affected lot, or the applicant for service to any mobile home, pays to the electric company the sum of (1) \$1.75 per front lot foot, it having been agreed that such amount reasonably represents the excess cost of the underground distribution system to serve such lot

or dwelling unit over the cost of equivalent overhead facilities to serve such lot or dwelling unit, plus (2) the cost of rearranging and adding any electrical facilities serving such lot, which arrangement and/or addition is determined by the electric company to be necessary.

The provisions of this Section also apply to any future residential development in Restricted Reserves "A" and "B", as shown on the Plat, for underground electric service between the electric company and Declarant or its successors. Specifically, but not by way of limitation, if an owner of Restricted Reserve "A" or "B" undertakes some action which would have invoked the above per front lot foot payment if such action had been undertaken in a platted lot in the Underground Residential Subdivision, such owner or applicant for service must pay the electric company \$1.75 per front lot foot, unless Declarant has paid the electric company as above described. The provisions of this Section do not apply to any future nonresidential development in Restricted Reserves "A" and "B."

APPENDIX E HUD INSURED MORTGAGE REQUIREMENTS

This Appendix is prepared to comply with the current legal requirements for Planned Unit Developments (PUDs) by the United States Department of Housing and Urban Development (HUD) for mortgages insured by the Federal Housing Administration (FHA). Notwithstanding anything to the contrary in any of the Documents, each provision of this Appendix automatically applies during periods in which any lot in the property is subject to a HUD-insured purchase money mortgage, so long as HUD requires the provision in legal documents for PUDs.

- E.1. Every person or entity who is a record owner of any lot is automatically a voting member of the Association.
- E.2. Membership in the Association is appurtenant to, and inseparable from, ownership of a lot.
- E.3. Each lot owner is empowered to enforce the declaration.
- E.4. Amendment of the articles of incorporation requires the approval of at least two-thirds vote of the lot owners.
- E.5. Amendment of the declaration requires the approval of at least two-thirds of the lot owners.
- E.6. A legal description of the Property must be contained in the declaration.
- E.7. All lots in the Property are subject to the declaration.
- E.8. Declarant will convey the common area to the Association free and clear of all encumbrances before HUD insures the first mortgage in the PUD.
- E.9. The lien of any Assessment is subordinate to the lien of any first mortgage.
- E.10. Mortgagees are not required to collect Assessments.
- E.11. Failure to pay Assessments does not constitute a default under a HUD-insured mortgage.
- E.12. The Association may not mortgage or convey the common area without the consent of owners of at least two-thirds of the lots that are not owned or controlled by Declarant.
- E.13. Every owner has a right and easement of enjoyment to the common area, which is appurtenant to the title to the owner's lot.
- E.14. If ingress or egress to any residence is through the common area, any conveyance or encumbrance of such area is subject to lot owner's easement of ingress and egress.
- E.15. The declaration may not impose absolute liability on lot owners for damage to common area or lots in the PUD.

- The bylaws may not be inconsistent with the declaration or the articles of F. 16. incorporation of the Association.
- If the Association (the corporate entity) is dissolved, the assets of the E.17. Association will be dedicated to a public body or conveyed to a nonprofit organization with similar purposes.
- The Class B membership (Declarant's weighted vote) ceases and converts to E.18. Class A membership upon the earlier of the following:
 - 75 percent of the lots are deeded to homeowners. a.
 - 10 years after the date on which the declaration is recorded. b.
- As long as the Declarant has a weighted vote (or there is a Class B E.19. membership) in the Association:
 - HUD (in case of FHA-insured mortgages) or the Veterans Administration (in a. case of VA-guaranteed mortgages) has the right to veto amendments of the bylaws.
 - The following actions require the prior approval of HUD (in case of FHAb. insured mortgages) or the Veterans Administration (in case of VA-guaranteed mortgages):
 - Annexation of additional real property (1)
 - Merger or consolidation of the Association with another association (2)
 - Mortgaging or dedication of common areas (3)
 - Dissolution of the corporation (4)
 - Amendment of the articles of incorporation (5)
 - Amendment of the declaration (6)

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