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Declarant

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR FAIRFIELD INWOOD PARK SECTIONS ONE AND TWO
A SUBDIVISION IN HARRIS COUNTY, TEXAS

Lee

RESIDENTIAL PROJECTS

THIS DECLARATION is made on March 18, 1988
by FRIENDSWOOD DEVELOPMENT COMPANY ("Declarant"), an Arizona
corporation, together with the other person whose name is
subscribed to this Declaration (the "subscriber").

Declarant and the subscriber are the owners of property in
Harris County, Texas, that has been platted and subdivided into
two subdivisions known as Fairfield Inwood Park Sections One and
Two, according to the plats thereof recorded in Volume 339,
Page 125 and Volume 339, Page 126 of the Map Records of Harris
County, Texas (the "Subdivision").

Declarant and the subscribers desire to develop the Sub-
division as a residential and commercial subdivision, together
with additional land which may hereafter be made subject to this
Declaration and the jurisdiction of the Association (the Sub-
division and additional land are collectively referred to as the
"Property") and to provide and adopt a uniform plan of develop-
ment, including assessments, conditions, covenants, easements,
reservations, and restrictions designed to govern, control, and
preserve the values and amenities of the Property for the de-
velopment, improvement, sale, use, and enjoyment of the Property
as a residential and commercial subdivision.

Declarant and the subscribers desire to subject the Sub-
division, together with additional land which may hereafter be
made subject to this Declaration, to the assessments, condi-
tions, covenants, easements, reservations, and restrictions of
this Declaration, for the benefit of the Property and each owner
of any part of the Property.

It has been deemed desirable, for the efficient preserva-
tion of values and amenities in the Property, to create an
Association to which shall be delegated and assigned the powers
of administering and enforcing the provisions of this Declaration
including levying, collecting, and disbursing the assessments.

To exercise these functions, the Fairfield Inwood Park
Neighborhood Association Inc., a non-profit corporation created
under the laws of the State of Texas, has been incorporated. The
directors of the Association have established bylaws by which the
Association shall be governed.

Declarant and the subscriber declare that the Property
shall be developed, improved, sold, used, and enjoyed in accord-
ance with and subject to the following plan of development,
including the assessments, conditions, covenants, easements,
reservations, and restrictions of this Declaration, all of which
are adopted for and placed upon the Property; shall run with the

Property and be binding on all parties who now or hereafter have or claim any right, title, or interest in the Property or any part of the Property, and on the heirs, executors, administrators, successors, and assigns of such parties, regardless of the source of or the manner in which any such right, title, or interest is or may be acquired; and shall inure to the benefit of each owner of any part of the Property.

I. DEFINITIONS

The following words shall have meanings as assigned to them:

1. ARC: the Architectural Review Committee established for the Property by this Declaration.

2. Association: the Fairfield Inwood Park Neighborhood Association Inc., a nonprofit corporation incorporated under the laws of the State of Texas and its successors and assigns.

3. Board: the duly elected board of directors of the Association.

4. Common Area: all real property owned in fee or held by easement by the Association for exclusive common use and enjoyment of the Owners, including areas designated by Declarant to be conveyed by deed or easement to the Association.

5. Declarant: Friendswood Development Company and its successors and assigns.

6. Equivalent Unit: the unit of property, subject to assessment pursuant to the terms of this Declaration, by which votes in the Association are assigned and assessments are levied, as follows:

a. Lot: any plot of land shown upon any recorded subdivision map or plat upon which there has been or will be constructed a single-family residence, including plots that have been combined into one composite residential Lot.

b. Apartment: one living unit of a multi-family project.

c. Undeveloped Parcel: a tract of land of five acres existing in its undeveloped state.

d. Developed Parcel: a tract of land of one acre on which paving of streets and construction of water, sewage, and drainage lines have been completed.

e. Tract: a tract of commercial or institutional land containing 10,000 square feet on which end-use improvements have been completed.

No Equivalent Unit shall contain land designated as Common Area or land exempt from assessment under this Declaration.

Each tract of land other than a Lot or an Apartment shall be assigned Equivalent Units for voting and assessment purposes based on a fraction, the numerator of which is the area contained within that tract and the denominator of which is the area defined by the category assigned to the tract. Each Lot shall be one Equivalent Unit, regardless of size. Each Apartment shall be 3/4 Equivalent Unit, regardless of size.

The determination of which category of Equivalent Unit is assigned to any property shall be made as of January 1 of each year.

7. Member: those persons entitled to membership in the Association as provided in the articles of incorporation of the Association.

8. Owner: the record owner, whether one or more persons or entities, of fee simple title to any property subject to assessment by the Association, but excluding those having an interest in any portion of the Property merely as security for the performance of an obligation.

9. Property: the Subdivision and any other land which may hereafter be made subject to this Declaration and the jurisdiction of the Association.

II. PLAT; CONDEMNATION

1. Incorporation of Plat. The plat of the Subdivision dedicates for use as such, subject to the limitations set forth in the plat, certain streets and easements shown on the plat, and the plat further establishes certain dedications, limitations, reservations, and restrictions applicable to the Property. All dedications, limitations, reservations, and restrictions shown on the plat, to the extent they apply to the Property, are incorporated in and made a part of this Declaration as if fully set forth in this Declaration, and shall be construed as being adopted in each contract and deed of conveyance executed or to be executed by or on behalf of Declarant or the subscriber, conveying any portion of the Property. The terms of this paragraph shall be understood to apply to any land which may hereafter be made subject to this Declaration and the jurisdiction of the Association, although such additional land will not be shown on the referenced plat.

2. Condemnation. If all or any part of the Common Area is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association and each Owner shall be entitled to participate in the condemnation proceedings at their own expense. The Association shall give timely written notice of the existence of such proceedings to all Owners and to all holders of first mortgages known to the Association by notice to the Association to

have an interest in any property subject to assessment. The expense of participation in such proceedings by the Association shall be borne by the Association and paid for out of assessments and charges collected pursuant to Article V of this Declaration. The Association is authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses, and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings.

All damages or awards for any taking shall be deposited with the Association, and the damages or awards shall be applied as follows. If an action in eminent domain is brought against a portion of the Common Area, the Association, in addition to its general powers, shall have the sole authority to determine whether to defend or resist any such proceeding; to make any settlement of such proceeding; or to convey such portion of the Property to the condemning authority in lieu of such proceeding. With respect to any taking, all damages and awards shall be determined for the taking as a whole and not for each Owner's interest in the portion sought to be condemned. After the damages or awards for the taking are determined, the damages or awards shall be paid to the account of the Association. The Association, if it deems advisable, may call a meeting of the Owners, at which meeting the Owners, by a majority vote, shall decide whether to replace or restore, as far as possible, the Common Area so taken or damaged. If it is determined that such Common Area should be replaced or restored by obtaining other land, this Declaration shall be duly amended by instrument executed by the Association on behalf of the Owners.

III. PROPERTY RIGHTS

1. Member's Easements of Enjoyment. Every Member shall have a right and easement of enjoyment to the Common Area and Association facilities, which shall be appurtenant to and shall pass with the title of every Equivalent Unit, subject to the right of the Association to:

- a. establish operating procedures, rules, and regulations and charge reasonable admission and other fees for the use of any recreational or other facility situated upon the Common Area and regulate the time and circumstances for Members' use of these facilities;
- b. limit the number of Members' guests;
- c. suspend a Member's voting rights and right to use the Common Area and Association's facilities during any period in which any assessment against the Member is in default in the payment of any assessment levied by this Declaration and the Association and for any infraction of the Association's published rules and regulations; and

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d. dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for purposes and subject to conditions as may be approved by a two-thirds majority of the votes in the Association. Dedication of public utility easements affecting the Common Area may, however, be approved solely by the Board.

2. Delegation of Use. Any Member may delegate the right of enjoyment to the Common Area and Association facilities to a family member, tenant, occupant, or contract purchaser if that person shall reside on the Property, or to a guest, but no transfer shall relieve the Member of responsibility for the actions of persons to whom the right is transferred.

IV. MEMBERSHIP AND VOTING RIGHTS

1. Membership. Every person or entity who is an Owner of property subject to assessment by this Declaration and the Association shall be a Member of the Association. Persons or entities who hold an interest in the property merely as security for the performance of an obligation shall not, however, be Members. Membership shall be appurtenant to and may not be separated from ownership of the property, which shall be the sole qualification to be a Member.

2. Votes. In any election of the Association, each Equivalent Unit shall be entitled to one vote, and each fraction of an Equivalent Unit shall be entitled to a fractional vote (as described in the definition of "Equivalent Unit"), regardless of how many persons may be the Owner of such Equivalent Unit. When more than one person is the Owner of an Equivalent Unit, they shall decide among themselves how their vote shall be cast and shall advise the secretary of the Association of their determination in advance of any meeting at which a vote will be taken. No vote may be cast on behalf of any Equivalent Unit for which any assessment has not been paid in full by the due date set forth in the Declaration or, as applicable, by the Association.

V. ASSESSMENTS

1. Creation of the Lien and Personal Obligation of Assessments. The Declarant and the subscriber covenant, and the Owner of any land subject to assessment by the terms of this Declaration, by acceptance of a deed for the property, whether or not expressed in the deed, is deemed to covenant, to pay to the Association:

- a. annual assessments;
- b. special assessments; and
- c. enforcement assessments.

The obligation to pay assessments, together with late charges and reasonable costs of collection, including counsel fees, shall be a charge upon the property and a continuing and contractual lien upon the property against which each assessment is made and shall run with title to the property.

Each assessment, together with late charges and costs of collection, including counsel fees, shall also be the personal obligation of the Owner of the property at the time that the assessment became due, and the Owner's grantee shall be jointly and severally liable for assessments due and payable at the time of conveyance.

2. Purposes of Assessments. Assessments levied by the Association shall be used exclusively for the welfare and benefit of the Property and the Owners, for such purposes as the Association may determine appropriate in accordance with its articles of incorporation and bylaws, including (but not limited to) maintenance of the Common Area, including buildings, pools, parks, and landscape reserves conveyed to or owned by the Association; cleaning and lighting of the streets internal to the Property; maintenance of the street rights of way adjacent to landscape reserves and esplanades within the rights of way; recreation; and other services, facilities, and activities as may be in the community's interest.

Except for the Association's use of the assessments to perform duties described in this Declaration and in the bylaws, the use of the assessments is permissive and not mandatory. The judgment of the Association as to the expenditure of assessments shall be final and conclusive so long as its judgment is exercised in good faith.

3. Payment and Rate of Annual Assessment. Assessments shall commence on the date of this Association, shall be prorated for the first year, and are due and payable in advance. Until January 1, 1989, the maximum annual assessment shall be One Hundred Fifty-five and No/100 Dollars (\$155.00) per Equivalent Unit.

All property subject to assessment that is annexed into the Association after the date of this Declaration, including land owned by Declarant, shall bear the annual assessment from the date of annexation, prorated for the remaining calendar year. The rate of annual assessment for each Lot owned by Declarant upon which construction of the residence has not commenced shall be one-half of the annual assessment.

The Board shall determine and certify annually the category of Equivalent Unit assigned to all property within the jurisdiction of the Association and whether the then current annual assessment is sufficient, insufficient, or excessive to meet the expenses of the Association and, at a meeting of the Board called for such purpose at least thirty days in advance of the assessment period, may, by majority vote, increase or decrease the annual assessment up to an amount equal to the greater of:

- a. 10% of the current annual assessment; and
- b. the same percentage of the current annual assessment as the year-to-year increase (or, as applicable, the year-to-year decrease) in the United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U)--United States Average (1982-84=100).

If there shall be no Consumer Price Index for All Urban Consumers, then the Board shall designate a comparable successor index.

The Board shall not change the amount of the annual assessment more than once in any calendar year, and no increase shall be retroactive. The annual assessment may be increased by a greater amount by the approval of a 2/3 majority of the votes represented in person or by proxy at a meeting duly called for this purpose.

4. Special Assessments. In addition to the annual assessments, the Association may, in any assessment year, levy one or more special assessments applicable to that year only to defray, in whole or in part, costs for necessary purposes of the Association such as the construction, reconstruction, repair, or replacement of a capital improvement in the Common Area or on land subject to the Association's jurisdiction; counsel fees and the fees of other retained experts; and similar costs that are necessary for the furtherance of the purposes of the Association. No special assessment shall be levied until it has been approved by a 2/3 majority of the votes represented in person or by proxy at a meeting duly called for the purpose of considering the levy of the special assessment.

5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of raising the annual assessment by an amount that requires the vote of the Owners or of levying a special assessment shall be sent to all Owners not less than thirty days nor more than sixty days in advance of the meeting. At the first meeting called, a quorum shall be sixty percent of the votes in the Association, represented in person or by proxy. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the previous meeting. This procedure may be repeated until a quorum is obtained. No subsequent meeting shall be held more than sixty days following the preceeding meeting.

6. Determination and Notice of Annual Assessments. The Board shall fix the amount of the annual assessment at least thirty days in advance of each annual assessment period. Written notice of assessment shall be sent to every Owner of land subject to assessment, including the due date established by the Board. The Association shall, upon demand and for a reasonable charge,

furnish a certificate signed by an officer of the Association setting forth whether the assessment on a specified Equivalent Unit has been paid.

7. Enforcement Assessments. The Board may by majority vote assess any Equivalent Unit and the Owner of the Equivalent Unit those costs incurred by the Association in enforcing any covenant of this Declaration or any right of the Association, to the extent that the Board has determined that the costs were necessary to enforce the covenants and rights against the Equivalent Unit. The Board shall give notice of each enforcement assessment to the Owner of the property as provided in Article VII, Paragraph 5. Each enforcement assessment shall be due and payable thirty days from the date of the notice.

8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty days after the due date shall bear a late charge calculated from the due date at the maximum rate of interest permitted by applicable law. To enforce payment, the Association may bring an action at law against the Owner or Owners personally obligated to pay any assessment, or it may foreclose its lien against the property subject to the assessment. No Owner may waive or otherwise escape liability for an assessment by reason of non-use of the Common Area or abandonment.

To secure payment of the assessments, Declarant and the subscriber reserve, and shall reserve and assign to the Association in each deed by which they shall convey all property subject to assessment, and each Owner, by acceptance of the property, shall be deemed to have granted the Association, a vendor's lien and a continuing and contractual lien enforceable through judicial proceedings.

If any Owner shall fail to pay any assessment, the Association may, in addition to foreclosing its liens and exercising the remedies provided in this Declaration and upon ten days prior written notice to the nonpaying Owner, exercise any other rights and remedies available at law or in equity. The liens are assignable by the Association, in whole or in part.

9. Notice of Lien. In addition to any other enforcement right that the Association may have, the Association may file a notice of claim or lien in the Official Records of Real Property of Harris County, Texas. The notice shall state the legal description of the property against which the claim or lien is made, the name(s) of the Owner(s), the amount of the claim or lien, and the accrued late charges and costs of collection and shall be signed and acknowledged by an officer of the Association. The claim or lien shall continue until the amounts claimed and all subsequently accruing amounts shall be fully paid or otherwise satisfied. When all claims have been satisfied, the Association shall execute and record a notice releasing the claim or lien and shall charge a reasonable fee for the preparation and recording of the release.

10. Subordination of the Lien to Mortgages. The assessment lien shall be subordinate to the lien of any first mortgage given for the purpose of purchase or improvements on the property subject to assessment. Mortgagees shall not be required by this Declaration to collect assessments from Owners, and the failure to pay assessments shall not constitute a default under a mortgage. Except in the event of the foreclosure of mortgages that are guaranteed or insured by an agency of the federal government or any proceeding in lieu of such foreclosure, the sale or transfer of any property subject to assessment, including the sale or transfer by mortgage foreclosure or any proceeding in lieu of foreclosure, shall extinguish neither the assessment lien nor payments which became due prior to the sale or transfer.

11. Exempt Properties. All property dedicated to and accepted by a political subdivision of the State of Texas or a municipal authority and all properties owned by charitable or non-profit organizations exempt from taxation by the laws of the State of Texas shall be exempt from the assessments created by this Declaration, except that no property or improvements devoted to dwelling purposes shall be exempt from assessment. The Board may make other exceptions when, in its sole determination, the exemption of the property from assessment is in the best interests of the Association.

12. Addition to the Property. Additional land may be annexed by declaration without consent of the Members within ten years of the date of this Declaration, provided that the FHA and VA have determined that the annexation is in accord with the general plan previously approved by them. Addition or annexation shall be accomplished by execution by Declarant and on behalf of FHA and VA and filing for record of an instrument describing the land added or annexed.

13. Deannexation of Land from the Association. Land previously added or annexed into the Association and made subject to this Declaration may be deannexed by an instrument signed and acknowledged on behalf of not less than 2/3 of the votes in the Association and filed in the Official Public Records of Real Property of Harris County, Texas.

VI. RESTRICTIONS ON USE

1. Single Family Residential Construction. Subject to Paragraphs 4 and 5 of this Article VI, no building shall be erected, altered, or permitted to remain on any Lot other than one detached single-family residential structure not to exceed two stories in height. Each residence shall have a private garage for not more than three cars, which garage shall not exceed the main residential structure in height or number of stories. No residence shall be constructed on less than the equivalent of one Lot as shown on the Plat. No part of the main structure or garage shall be used as a second dwelling unit for rental purposes.

2. Construction Approval Required. No building, addition, or improvement shall be constructed, remodeled, replaced, or altered on any portion of the Property in any manner until the construction plans and specifications (including, but not limited to, site layout, building location, building materials, colors, and elevations) have been approved in writing by Declarant or the ARC, as applicable.

Declarant and ARC approval of plans and specifications shall be limited to compliance with the restrictions of this Declaration and the applicable Minimum Construction Standards adopted and promulgated for the Property by Declarant, the ARC, or their respective assignees, as to quality of materials, color, harmony of external design with existing and proposed structures, and as to location with respect to topography and finish grade elevation. Approval of plans shall be to ensure compliance with the restrictions and specifically, but not without limitation, shall not be construed as any representation by Declarant, the ARC, or their respective assignees as to or responsibility for the design or quality of the improvements or the ultimate construction of the improvements.

Reference is made to the Minimum Construction Standards applicable to the Property for all construction, remodeling, replacement, or alteration of any building or improvement, as published by Declarant and the ARC. The Minimum Construction Standards may be amended from time to time. All construction, remodeling, replacement, or alteration of any building or improvement shall comply with the Minimum Construction Standards as in effect at the time of construction.

If no action has been taken on a request to approve plans and specifications within forty-five days after the receipt by Declarant or the ARC, as applicable, of a request for approval, then the plans and specifications shall be deemed to be approved, and the related restrictions of this Declaration shall be deemed to have been fully satisfied. If an Owner's plans and specifications are disapproved, and the Owner and Declarant or the ARC, as applicable, are not able to resolve their differences within forty-five days after receipt of the request, then, following Owner's written request, Declarant may, at Declarant's option, repurchase the land from Owner, for the original purchase price paid in cash, and Owner shall thereupon reconvey the land to Declarant by special warranty deed free and clear of all liens and encumbrances other than those to which that land was subject on the date of this Declaration. The choice of Declarant not to exercise its repurchase option shall in no way impair or alter Owner's obligations under this Declaration.

Declarant or the ARC, as applicable and at their sole discretion, may approve deviations from the use restrictions of this Article VI in instances where, in their respective judgment, the deviation will result in a benefit which is not adverse to the Property as a whole. Such approvals shall be granted in writing and, when given, will become a part of these restrictions.

3. Minimum Square Footage. The minimum square footage of the main structure (as measured on the exterior) for a residence on any Lot, exclusive of garage and patio areas, shall be as follows:

<u>1 Story</u>	<u>More than 1 Story</u>
1100	1100

Declarant shall have the right to modify these minimum square footage requirements for any additional land annexed into the Association and made subject to this Declaration.

4. Location of Improvements Upon the Lot. Buildings shall not be located on any Lot nearer to the front, interior, or side or rear street property lines than as follows:

	<u>Front</u>	<u>Interior</u>	<u>Side or Rear Street</u>
For any Lot located all or in part on the turnaround of a cul-de-sac			
House	20	5	10
Detached Garage	55	3	10

For any Lot located entirely on the straight section of a street

House	25	5	10
Detached Garage	60	3	10

When the garage is attached to the house in whole or in part, the garage shall be set back at least the distance of the front setback line for the house. When there is a conflict between these setback lines and the plat or recorded easements, the larger setback line shall apply.

Eaves, steps, and unroofed terraces shall not be considered as part of a building for purposes of the setback criteria. This covenant shall not be construed, however, to permit any portion of any structure on one Lot to encroach upon another Lot.

Declarant shall have the right to modify these setback criteria for any additional land annexed into the Association and made subject to this Declaration, and Declarant shall establish building setback criteria for uses other than single-family residential on a case by case basis.

5. Composite Building Sites. The Owner of one or more adjoining Lots (or portions thereof) may consolidate these Lots or portions into one single-family residence building site, with the privilege of constructing improvements on the resulting composite building site. Setback lines for the resulting composite building site shall be measured from the resulting interior

property lines rather than from the Lot lines shown on the plat. The frontage of each composite building site at the building setback line shall not be less than the minimum frontage of the other Lots in the same block. Each composite building site shall be assessed as though it were one Lot.

6. Utility Easements. Easements for the installation and maintenance of utilities are reserved as shown and provided for on the plat and as provided by instruments of record on the date of this Declaration or to be recorded after the date of this Declaration (but prior to conveyance to an Owner other than the subscribers) by Declarant.

Such easements shall be kept clear of all other improvements, including buildings, patios or other pavement, subject to the consent of the owner of the applicable easement to obstruct the land subject to the easement. Neither Declarant, nor subscribers, nor any utility company or government entity using the easements shall be liable for any damage done by either them or their assigns, agents, servants, or employees to shrubbery, trees, flowers, or any other improvements located on the land subject to an easement.

a. Audio and Video Communications Easements. If audio and video communication services and utilities are made available to any of the Lots by means of any underground coaxial cable system, the company furnishing these services and facilities shall have a two foot wide easement along and centered on the underground wire or cable when and as installed by the company from and at a right angle to the utility easement nearest to the point of connection on the house or garage constructed or to be constructed upon each Lot and in a direct line from the nearest utility easement to the point of connection.

b. Drainage Easements. There is reserved, for Declarant and its successors and assigns, a three foot wide unobstructed drainage easement adjacent and parallel to each of the side and rear lot lines of each Lot, together with the right of ingress and egress for the purpose, without liability to Owner, of excavating to the extent reasonably necessary, and constructing, maintaining, repairing, and reconstructing drainage swales as part of the surface water drainage system of the Property. Unless Declarant shall otherwise approve, each drainage easement shall remain unobstructed by any structures, pavement, or landscaping plantings that may impede the free flow of surface water drainage. Any construction of drainage swales and other drainage improvements undertaken by Declarant on the easement area shall be for the account of the Lots benefited by such work, and the Owners of the Lots so benefited shall pay Declarant for its work promptly upon receipt of an invoice for the work. To secure the payment of such charges in the event of nonpayment, a continuing and

contractual lien is retained in favor of Declarant identical in terms to the assessment lien described in Article V of this Declaration.

c. Maintenance Easements. There is reserved, for Declarant and its successors and assigns, a three foot wide construction and maintenance easement adjacent and parallel to each of the rear and side lot lines of all Lots that abut a landscape reserve, greenbelt, or major thoroughfare where Declarant has constructed or intends to construct a fence within the landscape reserve or public rights-of-way, together with the right of ingress and egress for the purposes, without liability to Owner, of constructing, repairing, and/or reconstructing the fence. The easement area shall remain unobstructed of any structures or plantings that would prohibit access to the fence for construction and maintenance purposes.

d. Electrical Distribution Easements. An electric distribution system will be installed in the Property, in a service area that will embrace all of the Lots which are platted in the Property. In the event that there are constructed within the Property structures containing multiple dwelling units such as townhouses, duplexes, or apartments, then the underground service area shall embrace all of the dwelling units involved. The Owner of each Lot containing a single dwelling unit, or in the case of a multiple dwelling unit structure, the Owner or developer, shall, at its own cost, 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 such company's installed transformers or energized secondary junction boxes, the point of attachment to be made available by the electric company at a point designated by such company at the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter.

Declarant has either 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 various homeowners reciprocal easements providing for access to the area occupied by and centered on the service wires of the various homeowners to permit installation, repair and maintenance of each homeowner's owned and installed service wires. In addition, the owner of each Lot containing a single dwelling unit, or in the case of a multiple dwelling unit structure the Owner and developer thereof, shall at its own cost, furnish, install, own and maintain a meter loop (in accordance with the then

current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for each dwelling unit involved. For so long as this service is maintained in the Property, the electric service to each dwelling unit 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 electric distribution system in the Property at no cost to Declarant (except for certain conduits, where applicable, and except as hereinafter provided) upon Declarant's representation that the Lots are being developed for residential dwelling units, including homes, and if permitted by the restrictions applicable to such subdivision, townhouses, duplexes and apartment structures, all of which are designated to be permanently located where originally constructed (such category of dwelling units expressly to exclude mobile homes), built for sale or rent, and all of which multiple dwelling unit structures are wired so as to provide for separate metering to each dwelling unit.

The provisions of the two preceding paragraphs also apply to any future residential development in reserve(s) shown on the plat as such plat exists at the execution of the agreement for underground electric service between the electric company and Declarant or thereafter. Specifically, but not by way of limitation, if an Owner in a former reserve undertakes some action which would invoke a per front lot foot payment if such action had been undertaken in the Property, such Owner or applicant for service shall pay the electric company \$1.75 per front lot foot, unless the electric company has previously been paid for service to the reserve(s). The provisions of the two preceding paragraphs do not apply to any future nonresidential development in the reserve(s).

7. Prohibition of Certain Activities. No activity, whether for profit or not, which is not related to single-family residential purposes, shall be carried on on any Lot, except on those Lots which may be designated by Declarant for use as sales offices, construction offices, and storage facilities for a period of time commensurate with home construction and sales within the Property. Except for this temporary use of selected Lots, no noxious or offensive activity of any sort shall be permitted, nor shall anything be done, on any land which may be or become an annoyance or nuisance to the neighborhood.

8. Temporary Structures. No structure of a temporary character, recreation vehicle, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any land at any time as a residence, temporary or otherwise. Outbuildings or

other structures, temporary or permanent, other than the main residence and garage shall be limited to eight feet in height and shall be subject to approval by the ARC. Temporary structures may be used as building offices and other related purposes as provided in Article 7, Paragraph 7.

9. Animal Husbandry. No animal, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot except dogs, cats, and other common household pets, provided they are not kept, bred, or maintained for commercial purposes and further provided that no more than two animals shall be kept on any Lot. Notwithstanding the foregoing, no animal shall be kept on a Lot which creates an annoyance or is obnoxious to residents of the Property.

10. Fences, Walls, Hedges. No wall, fence, planter, structure, or hedge in excess of two feet in height shall be erected or maintained on any Lot nearer to the front Lot line than the front line of the main structure. No side or rear fence, wall, or hedge shall be more than six feet high. Side yard fences on corner lots shall not be located nearer to the property line than the building setback line shown on the Plat. Fences of wire or chain link construction are prohibited, and the design and materials of all fences shall be approved by the ARC prior to construction pursuant to the approval requirements of Article VI, Paragraph 2 of this Declaration.

11. Visual Obstruction at Intersections. No object shall be placed or located on corner Lots which obstructs sight lines at elevations between two and six feet above the top of the street curb within the triangular area formed by the junction of street curb lines and a line connecting them at points twenty-five feet from the junction.

12. Visual Screening on Lots. The drying of clothes in public view is prohibited.

13. Maintenance. All property shall be kept in a sanitary, healthful, safe, and attractive condition at all times, including cutting of weeds and grass. No material and equipment except for normal residential and/or commercial requirements and those requirements incident to construction of initial improvements shall be kept on any portion of the Property. The accumulation of garbage, trash, or rubbish of any kind shall not be permitted, and no garbage, trash, or rubbish shall be burned except by use of an incinerator approved by the ARC, and then only as permitted by law. All yard equipment, woodpiles, storage piles, and trash containers shall be screened so as not to be visible from any public street. These requirements shall also apply to each portion of the Property located between each Owner's property and the edge of the curb on the adjacent street.

If the Owner or occupant of any portion of the Property fails to observe these maintenance requirements and if the default continues after ten days written notice of default,

Declarant or its assignee or the Association may, without liability to the Owner or occupant in trespass or otherwise, enter the premises and cut, or cause to be cut, weeds and grass and remove or cause to be removed garbage, trash, and rubbish; repair or secure vacated properties; and do any other thing necessary to secure compliance with these restrictions, place the premises in a neat, attractive, healthful, safe, and sanitary condition, or maintain the visual integrity of the neighborhood.

Declarant or the Association, as applicable, may charge the Owner or occupant for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupation of land subject to this Declaration to pay the statement for services immediately upon receipt. To secure the payment of the charges in the event of nonpayment, a continuing and contractual lien is retained in favor of Declarant or the Association, as applicable, identical in terms to the assessment lien described in Article V.

14. Signs, Advertisements, Billboards. No sign, advertisement, billboard, or advertising structure of any kind shall be displayed to public view on any Lot except for one sign on each Lot, which sign may not exceed six square feet, for the purpose of advertising the property for sale or rent, except signs used by Declarant, or its successors or assigns, for a period of time commensurate with its home construction/sales program. No sign shall be permitted that shall advertise that a property has been or will be foreclosed. Declarant and the ARC shall have the right to remove any sign, advertisement, billboard, or advertising structure in violation of this restriction and in so doing shall not be subject to any liability for trespass in connection with or arising from such removal. All signs for land other than Lots shall be subject to Declarant's prior review and approval.

15. Removal of Dirt and Trees. The digging or removal of dirt from any land is expressly prohibited except as necessary in conjunction with the initial construction and subsequent landscaping or improvements. No trees shall be cut without the prior written approval of Declarant or the ARC, as applicable, except to remove the dead or diseased trees, to provide room for permanent improvements, or to permit construction of drainage swales as described in Article VI, Paragraph 6.

16. Antennae. Devices for transmitting or receiving radio, television, or other electronic signals, including satellite dishes, shall not be permitted on any portion of the Property unless located so as not to be visible from any public street. If located on a roof, such device shall in addition be located to the rear of the roof ridge line and/or gable of the main structure and shall not extend above the highest point of such structure. A satellite dish shall not be greater than six feet in height and shall be completely screened from public view by a fence that itself is in full conformity with this Declaration.

An Owner may apply for a variance in the location of such devices, or for approval of other aerial devices such as electronic antenna, by submitting a plan showing the location, height, and type of materials to Declarant or the ARC, as applicable, for approval in accordance with Article VI, Section 2.

17. Roof Ventilators. All roof ventilators (other than ridge ventilators) shall be located to the rear of the roof ridge line and/or gable of any structure and shall not extend above the highest point of such structure, so as not to be visible from any public street. Declarant and the ARC may approve exceptions to this restriction when energy conservation and heating/cooling efficiency require ventilators that, because of a particular roof design, cannot be hidden from public view.

18. Storage of Automobiles, Boats, Trailers, Other Vehicles and Equipment. No automobiles, boats, trailers, campers, motorcycles, buses, trucks, tractors, recreation vehicles, inoperative vehicles, equipment, machinery of any kind, camp rigs off truck, boat rigging, or any item deemed offensive by Declarant or the ARC shall be stored on any public street, right-of-way, or driveway. Storage of these vehicles or items must be screened from public view either within the garage or behind a solid fence. Storage is defined as parking without movement for a period of twenty-four consecutive hours or more during a period of seven consecutive days. No boats, trailers, campers, buses, trucks (excluding pickup trucks), tractors, recreation vehicles, commercial vehicles, inoperative vehicles, equipment, or machinery of any kind, camp rigs off truck, boat rigging, or any item deemed offensive by Declarant or the ARC may be parked or stored on any public street, right-of-way, or driveway for a period of forty-eight consecutive hours or more during a period of seven consecutive days. No front or side lawn within view of the public shall be used for parking any vehicle at any time.

19. Approval of Construction. Declarant shall have responsibility to review and approve plans and specifications for all new construction on the Property and for all modifications to existing commercial and institutional improvements on the Property. The Association shall have responsibility to review and approve plans and specifications for all modifications to existing residential improvements and shall appoint the ARC as a committee of its Board to accomplish this purpose. Declarant and the ARC shall function independently and concurrently as to their respective jurisdictions, except that Declarant shall relinquish all construction approval authority to the ARC on or before twenty-five years from the date of this Declaration, at which time full authority will become vested with the Association. Declarant and the ARC may at any time appoint persons to act in their behalf.

20. Standards and Procedures. Declarant and the ARC shall establish and promulgate rules, standards, and procedures which it deems necessary and appropriate for the orderly development of the Property, including but not limited to those concerning workmanship, materials, building methods, observance of requirements

concerning installation and maintenance of public utility facilities and services, and compliance with governmental regulations. Construction approvals shall be guided by industry standards, and such rules, standards, and procedures may be amended when deemed necessary and appropriate. These rules, standards, and procedures shall be binding and enforceable against each Owner in the same manner as any other restriction of this Declaration.

21. Additional Land. Declarant reserves the right to modify and change the conditions of this Article VI for any additional property annexed into the Association and made subject to this Declaration.

VII. GENERAL PROVISIONS

1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceedings at law or in equity, any provision of this Declaration, as it may be amended from time to time. Failure by the Association or any Owner to enforce any provision of this Declaration shall not constitute a waiver of the right to enforce such provision or any other provision of this Declaration at a later date.

2. Severability. Invalidity of any term of this Declaration shall not affect the validity of any other provision, which shall all remain in full force and effect.

3. Duration; Amendment. The provisions of this Declaration shall run with and bind the Property for a term of twenty-five years from this date, after which time they shall be automatically extended for successive periods of ten years.

This Declaration may be amended during the first twenty-five year period by an instrument signed by a sufficient number of Owners representing not less than 2/3 of the votes in the Association, and thereafter by an instrument signed by a sufficient number of Owners representing not less than fifty percent of the votes. All amendments shall be recorded in the Official Public Records of Real Property of Harris County, Texas.

Notwithstanding the above, for so long as Declarant shall hold any portion of the Property out for sale, Declarant may, without joinder or consent of any Owner or mortgagee, amend this Declaration by an instrument in writing, duly signed, acknowledged, and filed for record, to resolve or clarify any ambiguities or conflicts in this Declaration; correct any inadvertent misstatements, errors, or omissions; or comply with the requirements of Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veteran's Administration, or Federal Housing Administration; provided that no such amendment shall change the vested property rights of any Owner, except as otherwise provided in this Declaration.

4. Books and Records. The books, records, and papers of the Association shall be subject to inspection by any Member during reasonable business hours and upon prior notice to the

Association. The articles of incorporation, bylaws, and this Declaration shall likewise be available for inspection by any Member at the office of the Association.

5. Notice. Any notice required to be sent to any Owner pursuant to this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person(s) who appears as Owner on the records of the Association at the time of the mailing.

6. Good Faith Lender's Clause. No violation of this Declaration shall affect any lien or deed of trust of record upon any property subject to assessment or any part of the property, when held in good faith. These liens may be enforced in due course, subject to the provisions of this Declaration.

7. Mergers. If the Association shall merge or consolidate with another association as provided in the articles of incorporation, then the Association's properties, assets, rights, and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, assets, rights, and obligations of another association may be transferred to the Association as a surviving corporation. The surviving or consolidated association shall administer any restrictions, together with any declarations of covenants, conditions, and restrictions governing these and any other properties, under one administration. No merger or consolidation shall cause any revocation, change, or addition to this Declaration.

8. Conflict With Deeds of Conveyance; Declarant's Rights. If any part of this Declaration shall be in conflict with any term of a previously recorded deed of conveyance to any portion of the Property, the term of the prior deed of conveyance shall govern, but only to the extent of the conflict. Where rights are reserved to Declarant by the restrictions of this Declaration, Declarant reserves the right to modify the restrictions in subsequent deeds of conveyance, in which case the terms of the deeds of conveyance shall prevail. Where commencement and timing of construction periods are specified in this Declaration, Declarant shall have the right to extend the time periods, together with the right to extend Declarant's repurchase rights, by an instrument in writing.

9. Initial Construction Period. Owner shall commence construction of initial improvements on or before six months from the date of conveyance from Declarant or its successors or assigns and diligently proceed to final completion (meaning ready for occupancy) within six additional months (plus a period of time equal to the duration of delays caused by reason of fire, act of God, shortage of labor or material, strike, lockout, casualty, or other conditions/occurrence beyond Owner's control). If Owner should fail to perform this construction obligation, Owner will, at Declarant's option and upon tender to Owner in cash of a sum equal to ninety percent of the purchase price paid by Owner for the land, reconvey the land to Declarant by special warranty deed free and clear of any liens and encumbrances other

than those to which the original conveyance was subject and any express lien created for the purpose of financing the improvements, if any. This conditional repurchase option shall terminate upon substantial completion of the improvements on any tract, or fifteen months from the date of conveyance (plus a period of time for delays beyond Owner's control), whichever shall first occur.

If Owner should execute a deed of trust to secure a construction loan made to Owner and informs Declarant in writing of the name and identity of Owner's mortgagee, then at any time when Declarant considers Owner to be in default under the terms of this paragraph, Declarant shall give written notice to the mortgagee at the address furnished, and the mortgagee shall have a reasonable time within which to foreclose its lien, acquire title to and possession of any portion of the Property, and comply with the provisions of this paragraph. While the mortgagee is attempting in good faith to accomplish foreclosure, Declarant will not exercise its conditional repurchase option.

10. VA, FHA Approvals. As long as Declarant controls a majority of the votes in the Association, approval of the Federal Housing Administration and/or the Veterans Administration shall be required prior to an increase in the annual assessment in an amount greater than that prescribed in Section V.3.a,b of this Declaration; the levy of a special assessment; the annexation of additional properties; deannexation of land from the Association; dedication or mortgaging of Common Area; amendment of this Declaration; and merger, consolidation, or dissolution of the Association.

Declarant and the subscriber have executed this Declaration on the date of the acknowledgment below, to be effective on the date first written, which shall be the date of this Declaration for all purposes.

FRIENDSWOOD DEVELOPMENT COMPANY,
as Declarant

By Robert F. Bradley
Robert F. Bradley
Vice President

OK
FORM MB
OK
TRANS. MB
OK
CONT. MB

THE RYLAND GROUP, INC.,
as Subscriber
By Friendswood Development Company,
its attorney-in-fact pursuant to
power of attorney filed under
Clerk's File No. L531570 in the
Official Public Records of Real
Property of Harris County, Texas

By Robert F. Bradley
Robert F. Bradley
Vice President

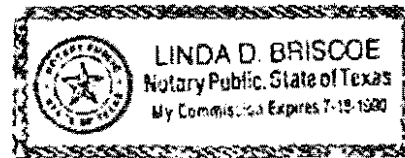
STATE OF TEXAS §
COUNTY OF HARRIS §

113-75-1036

This instrument was acknowledged before me on 3-18-88
by Robert F. Bradley, Vice President of Friendswood Development
Company, an Arizona corporation, on behalf of said corporation
and in its capacity as attorney-in-fact pursuant to the power of
attorney referenced in this instrument.

Linda D. Briscoe

W-342A



APR 12 1 37 PM '88
Linda D. Briscoe
NOTARY PUBLIC

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL
PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW
THE STATE OF TEXAS }
COUNTY OF HARRIS }
I hereby certify that this instrument was filed in File Number
Sequence on the date and at the time stamped hereon by me, and was
duly RECORDED in the Official Public Records of Real Property of Harris
County, Texas on

APR 12 1988



John K. Schellman
COUNTY CLERK
HARRIS COUNTY, TEXAS

RETURN TO:

Friendswood Development Company
Mary M. Baker Suite 880
P. O. Box 2037
Houston, Texas 77253-0307