DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OAK LAKE ESTATES
SECTION TWO

STATE OF TEXAS §
§
COUNTY OF FORT BEND §

This Declaration, made on the date hereinafter set forth by Oak Lake Estates, Ltd., a Texas Limited Partnership, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of that certain property known as OAK LAKE ESTATES, SECTION TWO, according to the map or plat thereof (the "Plat") recorded in Slide No. 1277 / B, of the map records of Fort Bend County, Texas, which property is more particularly described on Exhibit "A" attached hereto and made part hereof for all purposes (herein sometimes referred to as the "Subdivision"), and

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

NOT THEREFORE, Declarant hereby adopts, establishes and imposes upon OAK LAKE ESTATES, SECTION TWO, and declares the following reservations, easements, restrictions, covenants and conditions, applicable thereto, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of said land, which reservations, easements, covenants, restrictions and conditions shall run with said land and title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE 1
DEFINITIONS

SECTION 1.01. "Association" shall mean and refer to VILLAGE OF OAK LAKE HOMEOWNERS ASSOCIATION, INC., a Texas nonprofit corporation formed or to be formed and its successors and assigns.

SECTION 1.02. "Common Area" Shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners.

SECTON 1.03. "Declarant" shall mean and refer to Oak Lake Estates, Ltd., and its successors and assigns. All persons or entities acquiring more than one (1) developed Lot from

the Declarant for the purpose of development (sometimes herein referred to as a "Builder") shall be deemed to be successors and assigns of Declarant.

SECTION 1.04. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property.

SECTION 1.05. "Member" shall mean and refer to every person or entity who holds membership in the Association.

SECTION 1.06. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 1.07. "Property" shall mean and refer to that certain real property comprising the Subdivision and any additional property made subject to the terms hereof pursuant to the provisions set forth herein.

SECTION 1.08. "Zero Setback Line" shall mean and refer to the line of the wall of a structure constructed adjacent to a abutting a side lot line, as approved in writing (which may be in the form of a recordable instrument) by the Board of Directors of the Association (sometimes herein referred to as the "Board") or the Architectural Control Committee, as applicable, or as permitted by the hereinafter described "Plat" or amendment of this Declaration.

ARTICLE II
RESERVATIONS, EXCEPTIONS AND DEDICATIONS

SECTION 2.01. RECORDED SUBDIVISION MAP OF THE PROPERTY. The Plat dedicates for use as such, subject to the limitations as set forth therein, the streets and easements shown thereof, and the Plat further establishes certain restrictions applicable to the Property including, without limitation, certain minimum setback lines. All dedications, restrictions and reservations shown on the Plat or a replat of the Subdivision hereafter recorded shall be incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each contract, deed, or conveyance executed or to be executed by or on behalf of Declarant, conveying said Property or any part thereof whether specifically referred to therein or not.

SECTION 2.02. EASEMENTS. Declarant reserves for public use the easements and rights-of-way shown on the Plat of the Property for the purpose of construction, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers, or any other utility Declarant sees fit to install in, across and/or under the Property. Notwithstanding anything to the contrary contained in this Section 2.02, no sewers, electrical lines, waterlines, or other utilities may be installed on said Property except as initially programmed and approved by the Declarant or thereafter approved by Declarant or the Associations' Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, Declarant shall have the right to grant such easement on said Property without conflicting with

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

SECTIONS 2.03. ACCESS TO ZERO SETBACK LINE EASEMENT. All Lots adjacent to Lots with improvements situated on the zero setback lines, as established by the Plat or permitted by the Architectural Control Committee, shall be subject to a three (3') foot access easement for the construction, repair and maintenance of improvements located upon any adjacent Lot where said improvements are located on the "Zero Setback Line" of such adjacent Lot. The zero setback line Owner must repair fencing, landscaping or other items on the adjoining Lot that he may disturb as a result of such construction, repair or maintenance. Additionally, this easement when used, must be left clean and unobstructed unless the easement is actively being utilized and any items removed must be replaced. The zero setback line Owner must notify the Owner of the adjacent Lot of his intent to do any construction or maintenance upon the zero setback line wall at least twenty-four (24) hours before any work is started, with the hours that such access easement may be utilized being restricted to between the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, and 9:00 a.m. to 6:00 p.m. on Saturdays, (except in the case of any emergency, in which no notice need be given and maintenance can be performed at any necessary time).

SECTION 2.04. TITLE SUBJECT TO EASEMENTS. It is expressly agreed and understood that the title conveyed by Declarant to any of the Property by contract deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone purposes. The Owners of the respective Lots shall not be deemed to separately own pipes, wires, conduits or other service lines running through the Lots which are utilized for or service other Lots, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his Lot.

ARTICLE III
USE RESTRICTIONS

SECTION 3.01. SINGLE FAMILY RESIDENTIAL CONSTRUCTION. No building shall be erected, altered, or permitted to remain on any Lot other than one detached single family dwelling used for residential purposes only and not to exceed two (2) stories in height and with private off-street parking facilities for not less than two (2) or more than three (3) cars. As used herein, the term "residential purposes" shall be construed to prohibit mobile homes or trailer being placed on said Lots, or the use of said Lots or duplex houses, garage apartments, or apartment houses: and no Lot shall be used for business, educational, religious or professional purposes of any kind, nor for any commercial or manufacturing purposes. No building of any kind or character shall ever be moved onto any Lot within said Subdivision.

SECTION 3.02. MINIMUM SQUARE FOOTAGE WITHIN IMPROVEMENTS. The living area of the main residential structure (exclusive of porches, garages and servants quarters) facilities shall be not less than One Thousand Five Hundred (1,500) square feet. The construction of any residence shall involve in use of not less than seventy-five percent (75%)

brick veneer, stone or other masonry around the outside perimeter of the ground floor of the building.

SECTION 3.03. MASONARY/BRICK VENEER. A minimum of fifty (50%) percent of the first floor wall area to the top of the first floor window height and exclusive of openings shall be of masonary, masonary veneer or stucco construction.

SECTION 3.04. ROOF MATERIAL. The roof of any home constructed shall be constructed or covered with asphalt or composition type shingles comparable in color to wood shingles. The decision of such comparison shall rest exclusively with the Architectural Control Committee. Any other type of roofing material shall be permitted only at the sole discretion of the Committee upon written request.

SECTION 3.05. SIDEWALKS. A concrete sidewalk four (4) feet wide shall constructed parallel to the curb two (2) feet from the property line along the entire front of all Lots. In addition thereto, four (4) foot wide sidewalks shall be constructed parallel to the curb two (2) feet from the property line along the entire side of all corner Lots, and the plans for each residential building on each of said Lots shall include plans and specifications for such sidewalks and same shall be constructed and completed before the main residence is occupied. In the case of a corner Lot, the front and side sidewalks shall each extend to the street curb, and shall provide curb ramps for the handicapped and must constructed in full compliance with Section 228 of the Highway Safety Act of 1973 and all amendments thereto, and all rules, regulations and interpretations there under.

SECTION 3.06. LOCATION OF IMPROVEMENTS UPON THE LOT. No building shall be located on any Lot nearer to the front line or nearer to the street side line than the minimum building setback line shown on the Plat or any replat; however, in no instance shall a building be located nearer to the front property line than fifteen (15) feet. The main residential structure shall be located not less than ten (10) feet from the rear property line. The main residential structure on any type of Lot shall face the front of the Lot. INTERIOR LOT LINE SETBACK – NORMAL LOT LINE PLAN: No residence shall be located nearer than five (5) feet to an interior lot line, except; (a) a residence may be located not less than three (3) feet from an interior lot line provided that the construction of a residence on the adjacent lot is no closer than seven (7) feet to the same interior lot line, (b) detached garage or other permitted accessory building may be located within three (3) feet of an interior lot line. For the purposes of this covenant, eaves, steps, and open porches shall not be considered as part of a residential structure. INTERIOR LOT LINE SETBACK – ZERO LOT LINE PLAN: The main residential structure can be located on the side interior lot line, (the zero setback line as established by the Plat or approved by the Architectural Control Committee); however, there must be a minimum of ten (10) feet between the main residential structure and the other side lot line. For purpose of this covenant, eaves, steps, and open porches shall not be considered as part of a residential structure, with said eaves being permitted to overhang the Zero Setback Line. This covenant shall not be construed to permit any portion of a building foundation on a Lot to encroach upon another Lot.

SECTION 3.07. COMPOSITE BUILDING SITE. Subject to the approval of the Architectural Control Committee, any Owner of one or more adjoining Lots or portions thereof

may consolidate or redivide such Lots or portions into one or more building sites with the privilege of placing or constructing improvements on such resulting sites, in which case the setbacks lines shall be measured from the resulting side property lines rather than from the Lot lines as indicated on the Plat. Any such resulting building site must have a frontage at the building setback lines of not less than the minimum frontage of the Lots in the same block.

SECTION 3.08. PROHIBITION OF OFFENSIVE ACTIVITIES. No activity, whether for profit or not, shall be carried on any Lot which is not related to single-family residential purposes. No noxious or offensive activity of any sort shall be permitted nor shall anything be done on any Lot which may be or become any annoyance or a nuisance to the neighborhood. The restriction is waived in regard to the normal sales activities required to sell homes in the Subdivision and the lighting effects utilized to display the model homes. No exterior speaker, horn, whistle, bell or other sound device, except security devises used exclusively for security purposes, shall be located, used or placed on a Lot. The Board of Directors of the Association (sometimes herein referred to as the "Board") shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance. Activities expressly prohibited, without limitation, include (1) the performance of work on automobiles or other vehicles in driveways or streets abutting Lots, (2) the use or discharge of firearms, firecrackers or other fireworks within the Property, (3) the storage of flammable liquids in excess of five gallons, or (4) other activities which may be offensive by reason of odor, fumes, dust, smoke, noise, vision, vibration, or pollution, or which are hazardous by reason of excessive danger, fire or explosion.

SECTION 3.09. USE OF TEMPORARY STRUCTURES. No structure of a temporary character, whether trailer, basement, tent, shack, garage, barn or other outbuilding shall be maintained or used on any Lot any time as a residence, or for any other purpose, either temporarily or permanently; provided, however, that Declarant reserves the exclusive right to erect, place and maintain such facilities in or upon any portions of the Property as in its sole discretion may be necessary or convenient while selling Lots, selling or constructing residences and constructing other improvements upon the Property. Such facilities may include, but not necessarily be limited to sales and construction offices, storage areas, model units, signs, and portable toilet facilities. Declarant's successors and assigns may exercise the right reserved in this Section 3.09.

SECTION 3.10. STORAGE OF VEHICLES OR EQUIPMENT. No motor vehicle or non-motorized vehicle, boat, trailer, camper, marine craft, hovercraft, aircraft, machinery or equipment of any kind may be parked or stored on any part of any Lot, easement, right-of-way, or Common Area unless such vehicle or object is completely concealed from public view inside a garage or approved enclosure. Passenger automobiles, passenger vans, motorcycles, or pickup trucks that are in operating condition, having current license plates and inspection stickers, and that are in daily use as a motor vehicle on the streets on highways of the State of Texas are exempt. No vehicle shall be parked on a yard or in a manner that obstructs or blocks a public sidewalk. No vehicle may be repaired on a Lot where such vehicle is not concealed inside a garage or other approved enclosure. This restriction shall not apply to any vehicle, machinery or equipment temporarily parked and in use for the construction, repair or maintenance of a house or houses in the immediate vicinity.

SECTION 3.11. MINERAL OPERATIONS. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall any wells, tanks, tunnels, mineral excavation, or shafts be permitted upon or in any Lot. No derrick or other structures designed for the use of boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

SECTION 3.12. ANIMAL HUSBANDRY. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other common household pets may be kept provided that they are not kept, bred or maintained for commercial purposes. No more than (2) of each type of animal shall be kept as household pets. No resident of any Lot shall permit any dog, cat or other domestic pet under his ownership or control to leave such resident's Lot unless leashed and accompanied by a member of such resident's household.

SECTION 3.13. WALLS, FENCES AND HEDGES. No hedge in excess of three (3) feet in height, wall or fence shall be erected or maintained nearer to the front Lot line that the walls of the dwelling existing on such Lot. No side or rear fence, wall or hedge shall be more that eight (8') feet high; however, any such fence, wall or hedge over six (6') feet high shall be approved by the Architectural Control Committee.

SECTION 3.14. VISUAL OBSTRUCTION AT THE INTERSECTIONS OF PUBLIC STREETS. No planting or object which obstructs sight lines at elevations between two (2') feet and six (6') feet above the roadways within the triangular area formed by the intersecting street property lines and a line connecting them at points twenty-five (25') feet from the intersection of the street property lines or extension thereof shall be placed, planted or permitted to remain on any corner Lots.

SECTION 3.15. LOT MAINTENANCE. The Owners or occupants of all Lots shall at all times keep all weeks and grass thereof cut in a sanitary, healthful and attractive manner and shall in no event use any Lot for storage of materials and equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The drying of clothes in full public is prohibited and the Owners or occupants of any Lots at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the Lot is visible to full public view shall construct and maintain a drying yard or other suitable enclosure to screen the following from public view: the drying of clothes, yard equipment, wood piles or storage piles which are incident to the normal residential requirements of a typical family. No lot shall be used or maintained as a dumping ground for trash. Trash, garbage or other waste materials shall be kept in a clean and sanitary condition. New building materials used in the construction of improvements erected upon any Lot may be placed upon such Lot at the time of construction so long as the construction progresses without undue delay, until the completion of the improvements, after which these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot. In the event of default on the part of the Owner or occupant written notice thereof , Declarant, or its assigns, or the Association, may without liability to Owner or any occupants, but without being under any duty to do so, in trespass or otherwise, enter upon said Lot, cut, or cause to be cut, such weeds and grass and

remove or cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with this Declaration, so as to place said Lot in a neat, attractive, healthful and sanitary condition, and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupation of the Lot to pay such statement immediately upon receipt thereof. The sum due shall be a charge on the Lot and shall be a continuing lien upon the Lot against which sums are due.

SECTION 3.16. SIGNS, ADVERTISEMENTS, BILLBOARDS. Except for signs owned by Declarant or other Builders advertising their model homes during the period of original construction and home sales, no sign, advertisement or billboard, or advertising structure of any kind other than a normal "For Sale" sign not to exceed nine (9) square feet in total size may be erected or maintained on any Lot in said Subdivision. Declarant, the Association, or its assigns, will have the right to remove any sign advertisement or billboard or structure that does not comply with the above, and in so doing shall not be subject to any liability of trespass or other sort in the connection therewith or arising with respect to such removal.

SECTION 3.17. ANTENNAS AND FLAGPOLES. No electronic antenna or device of any type for receiving electronic signals shall be erected, constructed, placed or permitted to remain on the exterior of any houses, garage or buildings constructed on any Lot. No flagpole shall be permanently erected on any Lot unless prior written approval has been granted by the Architectural Control Committee. Antennas shall be screened by a fence or other similar facility, to completely conceal them from view of any other Lot or public street.

SECTION 3.18. WIND GENERATORS. No wind generators shall be erected or maintained on any Lot if said wind generator is visible form any other Lot or public street.

SECTION 3.19. SOLAR COLLECTORS. No solar collector shall be installed without the prior written approval of the Architectural Control Committee. Such installation shall be in harmony with the design of the residence. When reasonably possible, solar collectors shall be installed in a location not visible from the public street in front of the residence.

SECTION 3.20. CARPORTS. No carports shall be erected or permitted to remain on any Lot without the express prior written approval of the Architectural Control Committee. Said approval will be denied unless the carport is shown to be an integral part of the residence and construction using the same design, color and materials as the residence uses.

SECTION 3.21. GARAGE DOORS. Garage Doors visible from any street shall be kept in the closed position when the garage is not being used by the Owner or occupancy.

SECTION 3.22. CONTROL OF SEWAGE EFFLUENT. No outside toilets will be permitted, and no installation of any type of device for disposal of sewage shall be allowed which would result in raw or untreated or unsanitary sewage being carried in the streets or into any body of water. No septic tank or other means of sewage disposal will be permitted.

SECTION 3.23. RESIDENCES AND IMPROVEMENTS DAMAGED BY FIRE OR OTHER CASUALTY. Any buildings or other improvements within the Subdivision that are destroyed partially or totally by fire, storm, or any other casualty, shall be repaired or

demolished within a reasonable period of time, and the Lot and improvements thereon, as applicable, restored to an orderly and attractive condition.

SECTION 3.24. COMMON AREA. Any Common Area shall be used only for streets, paths, recreational amenities or drainage purposes, and Lot purposes reasonably connected therewith or related thereto: provided, however, no residential, professional, commercial, educational or church use shall be made of any Common Area.

ARTICLE IV
ARCHITECTURAL CONTROL COMMITTEE

SECTION 4.01. APPROVAL OF BUILDING PLANS. No building shall be erected, placed, or altered on any Lot until the construction plans and specifications and a plot plan showing the location of the structure, have been approved in writing by the Board of Directors of the Association, or by an Architectural Control Committee composed of three (3) or more representatives appointed by the Board (the "Architectural Control Committee' or "Committee"). Approval by the Board or Architectural Control Committee, as applicable, shall be granted or withheld based on matters of compliance with the provisions of this Declaration, quality of material, harmony of external design with existing and proposed structures and location with respect topography and finished grade elevation. The Architectural Control Committee shall have full and complete authority to approve or disapprove the construction or alteration of any improvement on any Lot, and its judgment shall be final and conclusive. No member of the Committee or its designated representatives, as herein defined, shall be entitled to any compensation for services performed pursuant to this Section 4.01. The Committee may, however employ one or more architects, engineers, attorneys or other consultants to assist the Committee in carrying out its duties hereunder, and the Association shall pay consultants for such service as they render to the Committee.

SECTION 4.02. AD HOC ARCHITECTURAL COMMITTEE – NEW CONSTRUCTION. The initial members of the Architectural Control Committee, specific to new construction as pertains to Article IV, Section 4.01 of the Declaration of Covenants and Restrictions of Oak Lake Estates Section 2 shall be Clinton F. Wong, Alan F. Bauer and Alan L'Roy. Such committee shall at all times contain one (1) member being a resident member of Village of Oak Lake, Section Two (2) and two (2) representatives of Oak Lake Estates, Section Two and all subsequent annexed sections of Oak Lake Estates the dissolution of the AD HOC ARCHITECTURAL COMMITTEE shall be final and complete.

SECTION 4.03. REPLACEMENT. In the event of death or resignation of any member or members of said Committee, the remaining member or members shall appoint a successor member or members, and until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications and plot plans submitted or to designate a representative with like authority.

SECTION 4.04. INSPECTION. In order to control the quality of construction and to reasonably insure that all residential construction (including the construction of the residence and all other improvements on the Lot) are constructed in accordance with (a) the Plat or any replat,

(b) this Declaration, (c) Fort Bend County regulations, (d) minimum acceptable construction standards as promulgated from time to time by the Architectural Control Committee, and (e) Architectural Control Committee regulations and requirements, the Architectural Control Committee or its representatives may conduct certain building inspections of the improvements being constructed by the Builders and/or Owners, in accordance with inspection procedures established from time to time by the Architectural Control Committee. A fee in an amount to be determined by the Architectural Control Committee must be paid to the Architectural Control Committee prior to architectural approval, or at such other time as designated by the Architectural Control Committee, to defray the expense of such building inspections, and the use of architects, engineers, attorneys and other consultants to assist the Committee.

SECTION 4.06. EFFECT OF APPROVAL BY COMMITTEE. The granting of the aforesaid approval (whether in writing or by lapse of time) shall constitute only an expression of opinion, by the Committee, that the terms and provisions hereof shall be complied with if the building and/or other improvements are erected in accordance with said plans and specifications and Plat; and such approval shall not constitute any nature of waiver or estoppel either as to the persons expressing such approval or any other person in the event that such building and/or improvements are not constructed in accordance with such plans and specifications and Plat or in the event that such building and/or improvements are constructed in accordance with such plans and specifications and Plat, and nevertheless, fail to comply with the provisions hereof. Further, no person exercising any prerogative of approval or disapproval shall incur any liability by reason of the good faith exercise thereof.

SECTION 4.07. VARIANCES. The Architectural Control Committee may authorize variances from compliance with any of the provisions of this Declaration or minimum acceptable construction standards or regulations and requirements as promulgated from time to time by the Architectural Control Committee, when circumstances such as topography natural obstructions, hardship, aesthetic or environmental considerations may require. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the member of the Architectural Control Committee. If any such variances are granted, no violation of the provisions of this Declaration, shall be deemed to have occurred with respect to the matter for which the variance is granted; provided however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the Lot and the Plat.

SECTION 4.08. NON-COMPLIANCE. If, as a result of inspections or otherwise, the Architectural Control Committee finds that any residential construction has been done without obtaining the approval of the Architectural Control Committee or was not done in conformity with the approved plans and specifications and Plat, the Architectural Control Committee shall notify the Owner in writing of the noncompliance. The Notice of Noncompliance shall specify the particulars of the non-compliance and shall require the Owner to take such actions as may be necessary to remedy the non-compliance. If, for any reason other than the Owner's act or neglect, the Architectural Control Committee fails to notify the Owner of any non-compliance within sixty (60) days after receipt of by the Architectural Control Committee of the Notice of

Completion, the improvements constructed by such Owner on the Lot shall be deemed in compliance if such improvements were, in fact, completed as of the date of Notice of Completion. If however, the Architectural Control Committee issues a Notice of Non-Compliance, the Owner shall cure the non-compliance within forty-five (45) days after receipt of the Notice of Non-Compliance or commence to cure such non-compliance in the case of a non-compliance which cannot reasonably be expected to be cured within a forty-five (45) days (provided that such Owner diligently continues the curing of such non-compliance) the Board of Directors may, at its option, record a Notice of Non-Compliance against the Property on which the non-compliance exists, or may otherwise cure such non-compliance, and the Owner shall reimburse the Association, upon demand, for all expenses incurred therewith, which reimbursement obligation shall be secured in the same manner as the payment of assessments (described in Article VI of this Declaration). The right of the Board of Directors to remedy or remove any non-compliance shall be in addition to all other rights and remedies which the Board of Directors may have at law, in equity, or under this Declaration to cure such non-compliance.

SECTION 4.09. NO IMPLIED WAIVER OR ESTOPPEL. No action or failure to act by the Architectural Control Committee or by the Board of Directors shall constitute a waiver or estoppel with respect to future action by the Architectural Control Committee or Board of Directors with respect to the construction of any improvements within the Subdivision. Specifically, the approved by the Architectural Control Committee or Board ofany such residential construction shall not be deemed a waiver of any right or an estoppel to withhold approval or consent for any similar residential construction or any similar proposals, plans, specifications or other material submitted with respect to any other residential construction by such person or otherwise.

SECTION 4.10. DISCLAIMER. No approval of plans and specifications and no publication or designation of architectural standards shall ever be construed as representing or implying that such plans, specifications or standards will result in a properly designed structure or satisfy any legal requirements.

ARTICLE V
VILLAGE OF OAK LAKE HOMEOWNERS ASSOCIATION, INC.

SECTION 5.01. MEMBERSHIP. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants or record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership per Lot. Membership shall be appurtenant to and may not be separated from any ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership. Any mortgagee or lienholder who acquired title to any Lot which is a part of the Property, through judicial or nonjudicial foreclosure shall be a member of the Association.

SECTION 5.02. CLASSES OF MEMBERSHIP. The Association shall have one class of voting membership, CLASS A: Class A members shall be all Owners including the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an

interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

SECTION 5.03. NON-PROFIT CORPORATION. VILLAGE OF OAK LAKE HOMEOWNERS ASSOCIATION, INC., a non-profit corporation, has been organized and it shall be governed by the Articles of Incorporation ("Articles") of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

SECTION 5.04. BYLAWS. The Association may adopt whatever ("Rules and Regulations") or Bylaws it may chose to govern the organization, provided, however, that same are not in conflict with the terms and provisions hereof.

SECTION 5.05. INSPECTION OF RECORDS. The members of the Association shall have the right to inspect the books and records of the Association at reasonable times during normal business hours.

SECTION 5.06. MEMBERS' RIGHT OF ENJOYMENT. Every member shall have a beneficial interest of use and enjoyment in and to the Common Area and such right shall be appurtenant to and shall pass with the title to every assessed Lot, Subject to the following provisions:

(a) the right of the Association, with respect to the use of the Common Area, to limit the number of guests of members;
(b) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
(c) the right of the Association, in accordance with its Article and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, however, the rights of such mortgagee of said property shall be subordinate to the rights of the homeowners hereunder;
(d) the right of the Association to suspend the voting rights and right to use of the Common Area by a member for any period during which any assessment against his Lot remains unpaid; and the right to suspend the voting rights and right to use of the Common Area by a member for a period not to exceed sixty (60) days for any infraction of the Rules and Regulations relating to the use of the Common Area: and
(e) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility, for such purposes and subject to conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer is signed by members entitled to cast two thirds (2/3) of the votes and such instrument has been recorded.

SECTION 5.07. DELEGATION OF USE. Any member may delegate, in accordance with the Bylaws, his right of enjoyment of the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property.

SECTION 5.08. RENTAL AND LEASING. Owners must notify the Association if their Lots are leased. The Association needs to know the name of the tenant and also the correct mailing address of the Owner of the Property. In no event, however, shall any leasing be allowed except pursuant to written agreement or form approved by the Board of Directors that affirmatively obligates all tenants and other residents of the Lot to abide by the Declaration, Bylaws, and Rules and Regulations of the Association.

ARTICLE VI
MAINTENANCE ASSESSMENTS

SECTION 6.01. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENT. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, as hereinafter provided, shall be a charge on the Lots and shall be a continuing lien upon the property against which each such assessment is made. In order to secure the payment of the assessments hereby levied, a vendor's lien for the benefit of the Association, shall be and hereby reserved in the Deed from the Declarant to the purchaser of each lot or portion thereof, which lien shall be enforceable through appropriate judicial and non-judicial proceedings by the Association. As additional security for the payment of the assessments hereby levied, each Owner of a Lot in the Subdivision, by such party's acceptance of a deed thereto, hereby grants the Association a lien on such Lot which may be foreclosed on by non-judicial foreclosure and pursuant to the provisions of Section 51.002 of the Texas Property Code; and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of said Section 51.002 and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time the Association by means of a written instrument executed by the President or any Vice-President of the Association of the Association and filed for record in the Real Property Records of Fort Bend County, Texas. In the event that the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 and to exercise the power of sale hereby granted, the Association shall mail to the defaulting Owner a copy of the Notice of Trustee's Sale not less than twenty-one (21) days prior to the date on which said sale is scheduled by posting such notice through the U.S. Postal Service, postage pre-paid, registered or certified, return receipt requested, properly addressed to such Owner at the last known address of such Owner according to the records of the Association. Out of the proceeds of such sale, there shall first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be

paid to the Association an amount equal to the amount in default; and third, the remaining balance shall be paid to such Owner. Following any such foreclosure, each occupant of any such Lot foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder.

In addition to foreclosing the lien hereby retained, in the event of nonpayment by an Owner of such Owner's portion of any assessment, the Association may, acting through the Board, upon ten (10) days prior written notice thereof to such nonpaying Owner, in addition to all other rights remedies available at law or otherwise, restrict the rights of such nonpaying Owner to use the Common Areas, if any Recreational Facilities in such manner as the Association deems fit or appropriate and/or suspend the voting rights or such nonpaying Owner so long as such default exists.

It is the intent of the provisions of this Section 6.01 to comply with the provisions of said Section 51.002 relating to non-judicial sales by power of sale and, in the event of the amendment of said Section 51.002 of the Texas Property Code hereafter, the President or any Vice President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration filed in the Real Property Records of Fort Bend County, Texas, amend the provisions hereof so as to comply with said amendments to Section 51.002 of the Texas Property Code.

SECTION 6.02. NOTICE OF LIEN. In addition to the right of the Board of Directors to enforce assessments, the Board of Directors may file a claim or lien against the Lot of the delinquent Owner or member by recording a notice ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest and costs of collection which have accrued thereon, (c) the legal description and street address of the Lot against which lien is claimed and (d) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amount secured thereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may be accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Association shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

SECTION 6.03, LEINS SUBORDINATE OT MORTGAGES. The liens described I Section 6.01 hereof and the superior title herein reserved shall be deemed subordinate to a first lien or other liens of any bank, insurance company, savings and loan association, university, pension and profit sharing trusts or plans, or other bona fide, third party lender which may have heretofore or may hereafter lend money in good faith for the purchase or improvement of any Lot an any renewal, extension, rearrangement or refinancing thereof. Each such mortgage of a mortgage encumbering a Lot who obtains title to such Lot pursuant to the remedies provided in the mortgage or by judicial foreclosure shall take title to the Lot free and clear of any claims for unpaid assessments or charges against such Lot which accrued prior to the time such holder acquires title to

such Lot. No such sale or transfer shall relieve such holder acquiring title to a Lot from liability for any assessments thereafter becoming due or from the lien thereof. Any other sale or transfer of a Lot shall not affect the Association's lien for assessments. The Association shall use its best efforts to give each such mortgagee sixty (60) days advance written notice of the Association proposed foreclosure of the lien described in Section 6.01 hereof, which notice shall be sent to the nearest office of such mortgagee by prepaid United States registered or certified mail, return receipt requested, and shall contain a statement of delinquent assessments upon which the proposed action is based; provided, however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of Section 6.01 hereof.

SECTION 6.04. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Property and in particular for any improvement or services in furtherance of these purposes and maintenance of the Common Area. They shall include, but are not limited to, funds for the actual cost to the Association of all taxes, insurance, repairs, replacement and maintenance of the Common Area as may from time to time be authorized by the Board of Directors, including, but not limited to, mowing grass, caring for the grounds, installation and maintenance of a sprinkler system, security services, insect control, landscaping, operation and maintenance of a swimming pool, tennis courts, recreational building and equipment, trash pickup, payment of all legal and other expenses incurred in connection with the enforcement of this Declaration and Rules and Regulations, payments of all reasonable and necessary expenses in connection with the collection and administration of assessments, and other charges required by this Declaration or that the Board of Directors of the Association shall determine to be necessary to meet the primary purpose of the Association. The use of the annual assessments for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Association as to the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

SECTION 6.05. BASIS AND MAXIMUM OF ANNUAL ASSESSMENT. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be $240.00 per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by an amount equal to the greater of: (a) ten percent (10%) of the maximum annual assessment for the previous year or (b) the increase in the Consumer Price Index published in the U.S. Department of Labor, specifically the Consumer Price Index for Urban Wage Earners and Clerical Workers, U.S. City Average ("CPI"), provided that if such CPI should be discontinued, such calculations shall be made by use of another reputable CPI selected by the Association and provided further, that if the Base period for such CPI (currently 1967 = 100) is hereafter modified, the base period used in making

the foregoing calculations shall be appropriately adjusted by the Association to reflect such modification. The CPI adjustment to the maximum assessment for any year shall be the amount determined by (1) taking the dollar amount specified above in the first sentence of this Section 6.03, (2) multiplying that amount by the published CPI number for the sixth (6^{th}) month prior to the beginning of the subject year and (3) dividing the product of (1) and (2) above by the published CPI number for the sixth (6^{th}) month prior to the month in which this Declaration was signed by the Declarant.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above the established by the formula described in (a) above for the next succeeding two years and at the end of each such period of two years, for each succeeding period of two years, by the votes of two-thirds (2/3rds) of the aggregate of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments resulting from a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(c) After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment.

SECTION 6.06. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENT. In addition to the annual assessment authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the aggregate of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. Any such special assessments shall be payable (and the payment thereof may be enforced) in the manner herein specified for the payment and enforcement of the annual assessments, with the due dates for such special assessments being established by the Board of Directors.

SECTION 6.07. UNIFORM RATE OF ASSESSMENT. Annual and special assessments shall be fixed at a uniform rate as follows:

(a) Owners, as defined herein, shall pay one hundred percent (100%) for both annual and special assessments; and

(b) The declarant, and its successors as defined herein, shall pay fifty percent (50%) of both annual and special assessments attributable to their unimproved Lots: and

(c) Builders shall pay fifty percent (50%) of both annual and special assessments attributable to their Lots.

SECTION 6.08. QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTION 6.05 AND 6.06. At the first meeting called, as provided in Sections 6.05 and 6.06 hereof, the presence at the meeting of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Section 6.05 and 6.06, and the presence at the meeting of members or of proxies entitled to cast forty percent (40%) of all of the votes of each class of membership shall constitute a quorum at any such subsequent meeting shall be held not more than sixty (60) days following the preceding meeting.

SECTION 6.09. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATES: The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the first Lot to an Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year and pre-paid to January 1 of the following year. This pre-payment is due at the time title is transferred to the Owner or Builder. From that point on, annual assessments shall be due and payable in advance of January 1 of each succeeding year. The Board of Directors shall fix the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; however, the failure by the Board of Directors to fix an annual assessment for any year shall not be deemed a waiver with respect to any of the provisions of this Declarations or release of the liability of any member to pay assessments, or any install men thereof, for that or any subsequent year. In the event of such failure, each Owner shall continue to pay the annual assessment established for the previous year until new annual assessments is established. The new annual assessment established by the Board of Directors shall be applied retroactively to the commencement of the then current assessment year and the deficit shall be paid within thirty (30) days after receipt of a statement therefore. Written notice of the annual assessment shall be sent to every Owner subject thereto.

SECTION 6.10. EFFECT OF NONPAYEMNT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum contractual rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Property, and interest costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including non-judicial foreclosure, as described in Section 6.01 hereof. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

SECTION 6.11. EXEMPT PROPERTY. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all properties dedicated to and accepted by a local public authority; (b) the Common Area, including Reserves A, B, C, and D shown on the Plat; and (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the Laws of the State of Texas; however, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VII
ANNEXATION OF ADDITONAL PROPERTY

SECTION 7.01. ANNEXATION. Additional residential property and Common Area outside of the Property may be annexed into the Subdivision covered by this Declaration, and become subject to the jurisdiction and benefit of the Association, with the consent of two-thirds (2/3rds) of each class of membership of the Association; provided, however, additional residential property outside of the Property may be annexed into the subdivision by the Declarant, without the consent of the members, provided that the Federal Housing Administration and Veterans Administration determine that the annexation is in accordance with general plan theretofore approved by them, and the Federal Housing Administration and Veterans Administration approve each additional stage or section of the Subdivision. The Owners of Lots in such annexed property, as well as all other Owners subject to the jurisdiction of the Association, shall be entitled to the use and benefit of all Common Areas that may become subject to the jurisdiction of the Association, provided that such annexed property shall be impressed with and the subject to at least the annual maintenance assessment imposed hereby.

ARTICLE VIII
INSURANCE AND CASUALTY LOSSES

SECTION 8.01. INSURANCE. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction of the Common Area in the event of damage or destruction from any such hazard. The Board shall also obtain a public liability policy covering the Common Area, the Association, and its members for all damage or injury caused by the negligence of the discretion of the Board of Directors, obtain directors' and officers' liability insurance. The public liability policy shall have at least Five Hundred Thousand ($500,000.00) Dollar per person limit, as respect bodily injury, a One Million ($1,000,000.00) Dollar limit per occurrence and a Two Hundred Fifty Thousand ($250,000.00) Dollar minimum property damage limit. Premiums for all insurance on the Common Area Shall be at the expense of the Association. The policy may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

SECTION 8.02. DISBURSEMENT OF PROCEEDS. Proceeds of insurance policies shall be disbursed as follows: if the damage of destruction for which the proceeds are paid is to

be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction, as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Common Area, or in the event no repair or reconstruction is made after making such settlement, shall be retained by and for the benefit of the Association. This is a covenant for the benefit of any mortgagee of a Lot and may be enforced by such mortgagee.

SECTION 8.03. DAMAGE AND DESTRUCTION. Immediately after the damage or destruction by fire or other casualty to all or any part of the Property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section 8.03, means repairing or restoring the damaged or destroyed property to substantially the same condition in which it existed prior to the fire or other casualty.

SECTION 8.04. REPAIR AND RECONSTRUCTION. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Association's members, levy a special assessment against all Owners in proportion to the number of Lots owned by such Owners. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the cost of repair, such excess shall be deposited to the benefit of the Association.

ARTICLE IX
GAS AND ELECTRICAL SERVICE

SECTION 9.01. GAS SERVICE. Entex, Inc. has agreed to provide natural gas service to all Lots in the Subdivision, provided certain minimum usage is made of the service. Pursuant to the contract providing such service, all homes shall have a minimum of gas water heating, and gas central comfort heating, or pay a non-utilization fee. If, however, any home completed in the Subdivision does not utilize both gas water heating and gas central comfort heating appliances, then the Owner of such home at the time of constructing such improvements shall pay to Entex, Inc. the non-utilization of gas facilities charge set by Entex, Inc. for such home. This non-utilization charge shall be due thirty (30) days from completion of such home. In the event this non-utilizing charge is not timely paid by the Owner of the non-utilizing home, after demand is made for such payment, the Declarant or the Association may, at their option, pay such charge and the payment so made, if any, shall be secured by the lien described in Article VI hereof.

SECTION 9.02. ELECTRICAL SERVICE. An electric distribution system will be installed in the Subdivision. The Owner of each Lot in the Subdivision shall, at his 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 on the Owner's home to the point of attachment at such company's installed transformers or energized secondary junction boxes, such

point of attachment to be made available by the electric company at a point designated by such company at the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition, the Owner of each Lot shall, at his own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on such Owner's Lot. For so long as underground service is maintained in the Subdivision, the electric service to each Lot 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 Subdivision at no cost to the Declarant (except for certain conduits, where applicable) upon the Declarant's representation that the Subdivision is being developed for single-family dwellings and/or patio homes of the usual and customary type, constructed upon the property, designed to be permanently located upon the Lot where originally constructed and built for sale to bona fide purchaser (such category of dwellings and/or patio homes expressly excludes, without limitation, mobile homes and duplexes). Therefore, should the plans of Owners in the Subdivision be changed so that dwellings of a different type will be permitted in such Subdivision, the electric company shall not be obligated to provide electric service to a Lot where a dwelling of a different type is located unless (a) the Declarant has paid to the electric company an amount representing the excess in cost for the entire Subdivision, of the underground distribution system over the cost of equivalent overhead facilities to service such Subdivision (the Declarant having no obligation to pay such cost and any contribution made by Declarant being subject to a right of reimbursement from the Owners), or (b) the Owner of such Lot, or the applicant for service, shall pay to the electric company the sum of (1) $2.50 per front Lot foot, it having been agreed that such amount reasonably represents the excess in cost of equivalent over head facilities to serve such lot, plus (2) the cost of rearranging adding any electric facilities serving such Lot, which rearrangement and/or addition is determined by the electric company to be necessary.

ARTICLE X
GENERAL PROVISIONS

SECTION 10.01. TERM. The provisions hereof shall run with the Property and shall be binding upon all parties and all persons claiming under them for a period of forty (40) years from the date this Declaration is recorded, after which time said Declaration shall be automatically extended for successive periods of ten (10) years each, unless an instrument, signed by a majority of the then Owners of the Lots has been recorded agreeing to change or terminate said Declaration in whole or in part.

SECTION 10.02. AMENDMENTS. This Declaration may be amended or terminated at any time by the written agreement, or signed ballot, of those members entitled to cast not less than sixty percent (60%) of the aggregate of the votes of both classes of membership of the Association, as defined in Article V hereof, with members of both classes having one (l) vote for each Lot owned. Members may vote, in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days and not

more than sixty (60) days in advance and shall set forth the purpose of such meeting, provided that the Declarant

SECTION 10.02. AMENDMENTS BY THE DECLARANT. This Declaration may be amended or terminated at any time by the written agreement, or signed ballot, of those members entitled to cast not less than seventy-five percent (75%) of the aggregate of the votes of both classes of membership of the Association, as defined in article V hereof, with members of both classes having one (1) vote for each lot owned. Members may vote, in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days and not more than sixty (60) days in advance and shall set forth the purpose of such meeting. Any such amendment or termination shall become effective when an instrument is filed for record in the Real Property Records of Fort Bend County, Texas, accompanied by a certificate, signed by the majority of the Board of Directors, stating that the required number of members cast a written vote, in person or by proxy, in favor of said amendment or termination at the meeting called for such purpose. Copies of the written ballot containing hereto shall be retained by the Association of a period not less than five (5) years after the date of filing the amendment or termination.

SECTION 10.03. AMENDMENTS BY THE DECLARANT. The Declarant shall have and reserves the right at any time and from time to time prior to January 1, 1990, without joinder or consent of any other party, to amend this Declaration by an instrument in writing duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, oversight, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidence by this Declaration and shall not impair or affect the vested property or other rights of any owner or his mortgagee.

SECTION 10.04. ENFORCEMENT. In addition to the remedies for enforcement provided for elsewhere in this Declaration, the violation or attempted violation of the provision of the governing documents or the Rules and Regulations by an Owner, his family, guests, lessees or licenses shall authorize the Board or any Owner to avail itself of one or more of the following remedies:

(a) The imposition of a special change not to exceed Fifty ($50.00) Dollars per violation, or

(b) The suspension of Owner's rights to use any Association property for a period not to exceed thirty (30) days per violation, or

(c) The right to cure or abate such violations and to charge the expense thereof, if any, to such owner,

(d) The right to seek injunctive or any other relief provided or allowed by law against such violation and to recover from such Owner all its expenses and costs in connection therewith, including, but not limited to attorney's fees and court costs. Before the Board may invoke the remedies provided above, it shall give registered

notice of such alleged violation to Owner, and shall afford the Owner a hearing. If, after the hearing, a violation is found to exist, the Board's right to proceed with the listed remedies shall become absolute. Each day a violation continues shall be deemed a separate violation. Failure of the Association, the Declarant, or of any Owner to take any action upon any breach or default with respect and any of the foregoing violations shall not be deemed a waiver of their right to take enforcement action thereafter or upon a subsequent breach or default.