DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

RIVERWALK

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RIVERWALK

THE STATE OF TEXAS \$
\$
COUNTY OF MONTGOMERY \$

This Declaration is made on the date hereafter set forth by CC SOCA III, LP, a Texas limited partnership ("Declarant").

WHEREAS, Declarant is the owner of the real property in Montgomery County, Texas described by metes and bounds in <u>Exhibit "A"</u> attached hereto and incorporated herein; and

WHEREAS, Declarant desires to establish and preserve a general and uniform plan for the improvement, development, sale and use of such real property (and any other real property that may be annexed and subjected to the provisions of this Declaration) for the benefit of the present and future owners of lots therein;

NOW, THEREFORE, Declarant does hereby declare that the "Community", as defined herein, will be held, transferred, sold, conveyed, occupied, used and enjoyed subject to the covenants, conditions, restrictions, easements, liens and charges set forth in this Declaration, as such Declaration may hereafter be amended or supplemented.

ARTICLE I DEFINITIONS

As used in this Declaration, the terms set forth below have the following meanings:

- A. ANNUAL MAINTENANCE CHARGE The annual assessment made and levied by the Association against each Owner and the Owner's Lot in accordance with the provisions of this Declaration.
- **B. ARCHITECTURAL REVIEW COMMITTEE** The Architectural Review Committee established and empowered in accordance with Article IV of this Declaration.
- C. ASSOCIATION Riverwalk Community Association, Inc., a Texas non-profit corporation, its successors and assigns.
 - D. BOARD or BOARD OF DIRECTORS The Board of Directors of the Association.
- E. BUILDER A person or entity other than Declarant who is regularly engaged in the construction of homes for sale to individuals and who either purchases a Lot within the Community for the purpose of constructing a Residential Dwelling thereon or is engaged by the Owner of a Lot within the Community for the purpose of constructing a Residential Dwelling on the Owner's Lot. The Architectural Review Committee has the authority to approve or disapprove a Builder prior to the commencement of construction on the basis of the experience and reputation of the Builder and

the ability of the Builder to obtain (and maintain throughout the entire construction period) all insurance required to be maintained by the Builder. The intent of the requirement that a Builder be approved by the Architectural Review Committee prior to the commencement of construction is to attempt to ensure that the Builder has sufficient experience and financial responsibility to complete the work in accordance with the approved Plans and in a timely manner. THE APPROVAL OF A BUILDER WILL NOT BE CONSTRUED IN ANY RESPECT AS A REPRESENTATION OR WARRANTY BY THE ARCHITECTURAL REVIEW COMMITTEE, DECLARANT, THE ASSOCIATION, OR ANY OF THEIR REPRESENTATIVES, TO ANY PERSON OR ENTITY THAT THE BUILDER HAS ANY PARTICULAR LEVEL OF KNOWLEDGE OR EXPERTISE OR THAT ANY RESIDENTIAL DWELLING CONSTRUCTED BY THE BUILDER WILL BE A PARTICULAR QUALITY. ALTHOUGH ALL OWNERS ARE REQUIRED TO COMPLY WITH THE PROVISIONS OF THIS DECLARATION RELATING TO ARCHITECTURAL REVIEW, IT IS THE RESPONSIBILITY OF EACH PERSON OR ENTITY THAT EITHER PURCHASES A LOT AND RESIDENTIAL DWELLING FROM A BUILDER OR ENGAGES A BUILDER TO CONSTRUCT A RESIDENTIAL DWELLING OR OTHER IMPROVEMENT ON THE OWNER'S LOT TO DETERMINE THE QUALITY OF THAT BUILDER'S WORKMANSHIP AND THE SUITABILITY OF THE BUILDER TO CONSTRUCT A RESIDENTIAL DWELLING OR OTHER IMPROVEMENT OF THE TYPE AND DESIGN CONSTRUCTED OR TO BE CONSTRUCTED ON THE LOT.

- F. BYLAWS The Bylaws of the Association, as may be amended.
- G. CERTIFICATE OF FORMATION The Certificate of Formation of the Association, as may be amended.
- H. COMMON AREA Any real property and Improvements thereon owned or maintained by the Association for the common use and benefit of the Owners, including Private Streets.
- I. COMMUNITY The real property described in Exhibit "A" attached hereto and incorporated herein and all land hereafter annexed and subjected to the provisions of this Declaration by a Supplemental Declaration duly executed and recorded in the Official Public Records of Real Property of Montgomery County, Texas. Declarant reserves the right to facilitate the development, construction, and marketing of the Community and the right to direct the size, shape, and composition of the Community as long as the Development Period exists.
- J. DECLARANT CC SOCA III, LP, a Texas limited partnership, its successors and assigns that have been designated as such by Declarant pursuant to a written instrument duly executed by Declarant and recorded in the Official Public Records of Real Property of Montgomery County, Texas.
- K. DECLARATION This Declaration of Covenants, Conditions and Restrictions for Riverwalk.
- L. DEVELOPMENT PERIOD The period during which Declarant reserves the authority to facilitate the development, construction and marketing of the Community. The Development Period will exist for a period of forty (40) years from the date this Declaration is recorded or so long as Declarant or a Builder in the business of constructing homes who purchased Lots from the Declarant for the purpose of selling completed Residential Dwellings constructed thereon owns a Lot subject to the provisions of this Declaration, whichever period is longer. Provided that, Declarant reserves the authority to terminate the Development Period on an earlier

date by an instrument duly executed by Declarant and recorded in the Official Public Records of Real Property of Montgomery County, Texas.

- M. GOLF COURSE LOT Each Lot in the Community that is adjacent to any portion of the golf course within the Community or any Common Area between the Lot and the golf course. NOTICE IS GIVEN THAT THERE MAY BE MORE STRINGENT RESTRICTIONS RELATING TO FENCES AND LANDSCAPING ON GOLF COURSE LOTS.
- N. IMPROVEMENT A Residential Dwelling, building, structure, fixture, or fence constructed or to be constructed on a Lot; a transportable structure placed or to be placed on a Lot, whether or not affixed to the land; and an addition to or modification of an existing Residential Dwelling, building, structure, fixture or fence.
- O. LOT or LOTS Each of the Lots shown on the Plat for any property subject to the provisions of this Declaration and the jurisdiction of the Association.
- **P. MAINTENANCE FUND** Any accumulation of the Annual Maintenance Charges collected by the Association in accordance with the provisions of this Declaration and interest, penalties, assessments and other sums and revenues collected by the Association pursuant to the provisions of this Declaration.
- Q. MEMBER or MEMBERS All Lot Owners who are members of the Association as provided in Article V hereof.
- **R.** MORTGAGE A security interest, mortgage, deed of trust, or lien instrument granted by an Owner of a Lot to secure the payment of a loan made to such Owner, duly recorded in the Official Public Records of Real Property of Montgomery County, Texas, and creating a lien or security interest encumbering a Lot and some or all Improvements thereon.
- S. OWNER or OWNERS Any person or persons, firm, corporation or other entity or any combination thereof that is the record owner of fee simple title to a Lot, including contract sellers, but excluding those having an interest merely as a security for the performance of an obligation.
- T. PLAT The plat for any portion of the real property described in <u>Exhibit "A"</u> attached hereto and incorporated herein and recorded in the Map Records of Montgomery County, Texas; the plat for any subdivision annexed and made a part of the Community; and any amending plat, replat or partial replat of any such plat.
- U. PLANS The final construction plans and specifications (including a related site plan) of any Residential Dwelling or other Improvement of any kind to be erected, placed, constructed, maintained or altered on a Lot.
- V. PRIVATE STREET Each street within the Community that is initially owned by Declarant and thereafter conveyed to the Association, as opposed to being dedicated to Montgomery County, Texas as a public right-of-way. Private Streets will be maintained by the Association.
- W. RESERVE ASSESSMENT The Reserve Assessment as provided in Article VI, Section 6.8, of this Declaration.
- X. RESIDENTIAL DESIGN GUIDELINES Guidelines promulgated by Declarant which set forth minimum development standards for the Community and primarily relate the initial construction of a Residential Dwelling and related Improvements on a Lot.
 - Y. RESIDENTIAL DWELLING The single family residence constructed on a Lot.

- **Z. RESIDENTIAL MODIFICATION GUIDELINES** Guidelines promulgated by the Association which primarily relate to modifications and additions that may be proposed by an Owner after initial construction of the Residential Dwelling and related Improvements on the Owner's Lot and which set forth minimum requirements and standards for various types of modifications and additions.
- AA. RULES AND REGULATIONS Rules and regulations adopted from time to time by the Board concerning the management and administration of the Community for the use, benefit and enjoyment of the Owners, including without limitation, rules and regulations governing the use of Common Area. ALL REMEDIES AVAILABLE TO THE ASSOCIATION FOR THE ENFORCEMENT OF THIS DECLARATION ARE AVAILABLE TO THE ASSOCIATION FOR THE ENFORCEMENT OF ALL DULY RECORDED RULES AND REGULATIONS.
- **BB.** SPECIAL ASSESSMENT Any Special Assessment as provided in Article VI, Section 6.5, of this Declaration.
- CC. SUPPLEMENTAL DECLARATION An instrument by which additional land is annexed and subjected to the provisions of this Declaration and the jurisdiction of the Association. A Supplemental Declaration may include provisions which differ from or are in addition to the provisions in this Declaration to be applicable to the real property made the subject of the Supplemental Declaration so long as the different or additional provisions are consistent with the overall plan and scheme of development for the Community as set forth in this Declaration.
- **DD. UTILITY COMPANY or UTILITY COMPANIES** Any public entity, utility district, governmental entity (including without limitation, districts created under Article III, Section 52, or Article XVI, Section 59, of the Texas Constitution) or one or more private entities that regulate, provide or maintain utilities and drainage.

ARTICLE II USE AND OCCUPANCY

SECTION 2.1. USE RESTRICTIONS.

A. SINGLE FAMILY RESIDENTIAL USE. Each Owner must use his Lot and the Residential Dwelling on his Lot for single family residential purposes only. As used herein, the term "single family residential purposes" is deemed to specifically prohibit, without limitation, the use of a Lot for a duplex apartment, a garage apartment or any other apartment or for any multi-family use or for any business, professional or other commercial activity of any type, unless such business, professional or commercial activity is unobtrusive and merely incidental to the primary use of the Lot and the Residential Dwelling for residential purposes. As used herein, the term "unobtrusive" means, without limitation, that there is no business, professional, or commercial related sign, logo or symbol displayed on the Lot; there is no business, professional, or commercial related sign, logo or symbol displayed on any vehicle on the Lot; there are no clients, customers, employees or the like who go to the Lot for any business, professional, or commercial related purpose on any regular basis; and the conduct of the business, professional, or commercial activity is not otherwise apparent by reason of noise, odor, vehicle and/or pedestrian traffic and the like.

No Owner may use or permit the Owner's Lot or Residential Dwelling to be used for any purpose that would (i) void any insurance in force with respect to the Community; (ii) make it impossible to obtain any insurance required by this Declaration; (iii) constitute a public or private

nuisance, which determination may be made by the Board; (iv) constitute a violation of the provisions of this Declaration, any applicable law, or any published Rules and Regulations of the Association or (v) unreasonably interfere with the use and occupancy of any Lot in the Community or Common Area by other Owners.

No Owner is permitted to lease a room or rooms in the Residential Dwelling on the Owner's Lot or any other portion of the Residential Dwelling or other Improvement on the Owner's Lot. An Owner may only lease the entirety of the Lot, together with the Residential Dwelling and other Improvements on the Lot. No Owner is permitted to lease his Lot for a period of less than six (6) months. Every lease must provide that the lessee is bound by and subject to all the obligations under this Declaration and a failure to comply with the provisions of this Declaration will be a default under the lease. The Owner making such lease is not relieved from any obligation to comply with the provisions of this Declaration. The use of a Residential Dwelling or other Improvement on a Lot for short-term leasing, vacation rentals or a bed and breakfast is strictly prohibited.

No garage sale, rummage sale, estate sale, moving sale or similar type of activity is permitted on a Lot.

B. PASSENGER VEHICLES. No Owner or occupant of a Lot, including all persons who reside with such Owner or occupant of the Lot, may park, keep or store a vehicle on the Lot which is visible from a public street in the Community, a Private Street or other Common Area in the Community or a neighboring Lot other than a passenger vehicle or pick-up truck and then only if parked on the driveway for a period not exceeding forty-eight (48) consecutive hours. For purposes of this Declaration, the term "passenger vehicle" is limited to (i) a vehicle which displays a passenger vehicle license plate issued by the State of Texas or which, if displaying a license plate issued by another state, would be eligible to obtain a passenger vehicle license plate from the State of Texas, and (ii) a sport utility vehicle used as a family vehicle (whether or not the sport utility vehicle displays a passenger or truck vehicle license plate). The term "pick-up truck" is limited to a three-quarter (3/4) ton capacity pick-up truck which has not been adapted or modified in any manner for commercial use.

NO PASSENGER VEHICLE OR PICK-UP TRUCK OWNED OR USED BY THE OWNERS OR OCCUPANTS OF A LOT MAY BE PARKED OVERNIGHT ON A PUBLIC STREET OR PRIVATE STREET IN THE COMMUNITY. EACH OWNER OR OCCUPANT OF A LOT ACKNOWLEDGES BY ACCEPTING A DEED TO THE OWNER'S LOT OR TAKING OCCUPANCY OF THE LOT THAT A VEHICLE PARKED ON A PUBLIC STREET OR PRIVATE STREET WITHIN THE COMMUNITY IS RESTRICTED FOR THE PURPOSES OF PRESERVING THE APPEARANCE OF THE COMMUNITY AND PREVENTING SIGHT AND VEHICLE OBSTRUCTIONS AND AGREES THAT THIS RESTRICTION ON PARKING ON PUBLIC AND PRIVATE STREETS IS FOR THE BENEFIT OF ALL OWNERS AND OCCUPANTS OF LOTS IN THE COMMUNITY.

No guest of an Owner or occupant of a Lot may park his/her vehicle either on a public street in the Community or a Private Street or other Common Area in the Community overnight or on the driveway of a Lot for a period longer than forty-eight (48) consecutive hours. No vehicle of any kind may be parked on an unpaved portion of a Lot for any length of time. The Association has the right to cause a vehicle parked on Common Area or a Private Street in violation of the provisions of this Declaration or the Rules and Regulations to be towed in the manner provided in the Texas Occupations Code. No vehicle may be parked on a public street or Private Street (during a permitted period) in a manner that obstructs or impairs traffic flow on the public street or Private

Street or obstructs or impairs vehicle access to another Lot. No vehicle may be parked on a driveway in a manner that obstructs or impairs pedestrian travel on a sidewalk.

No inoperable vehicle may be parked, kept or stored on a Lot if visible from a public street in the Community, a Private Street or other Common Area in the Community or a neighboring Lot. For purposes of this Section, a vehicle is be deemed to be inoperable if (a) it does not display all current and necessary licenses and permits, (b) it does not have fully inflated tires, (c) it is on a jack, blocks or the like, (d) it is covered with a tarp, plastic or other type of covering, or (e) it is otherwise not capable of being legally operated on a public street or right-of-way.

- C. OTHER VEHICLES. No mobile home trailer, utility trailer, recreational vehicle, boat or the like may be parked, kept or stored on a public street or Private Street in the Community or on any portion of a Lot if visible from a public street in the Community, Private Street or other Common Area in the Community or a neighboring Lot. A mobile home trailer, utility trailer, recreational vehicle, boat or the like may be parked in the garage on a Lot or in some other structure approved by the Architectural Review Committee, but only if fully concealed from view from all public streets in the Community and all Private Streets and other Common Areas in the Community.
- D. VEHICLE REPAIR. No passenger vehicle, pick-up truck, mobile home trailer, utility trailer, recreational vehicle, boat or other vehicle of any kind may be constructed, reconstructed, or repaired on a Lot if visible from a public street in the Community, a Private Street or other Common Area in the Community or a neighboring Lot. No vehicle repair work performed within a garage may be offensive to persons of ordinary sensitivities by reason of noise or odor. Under no circumstances may an Owner or occupant cause or allow oil or any other automotive fluid to be deposited into a Private Street or storm sewer or to migrate into a public street or Private Street or storm sewer.

Washing a vehicle on a Lot is permitted but only with the use of a non-phosphate soap.

- E. NUISANCES. No Lot or Residential Dwelling or other Improvement on a Lot may have any conspicuous infestation of pests, rodents, insects or other vermin or accumulation of trash, debris or other waste which the Board of Directors, acting reasonably and in good faith, determines to be offensive to surrounding residents or detrimental to the health or well-being of surrounding residents. No condition or activity is permitted on a Lot which is offensive to surrounding residents of ordinary sensibilities by reason of noise, odor, dust, fumes or the like or which adversely affects the desirability of the Lot or surrounding Lots. No nuisance is permitted to exist or operate on a Lot. The Board of Directors has the authority to determine whether an activity or condition on a Lot is offensive or an annoyance to surrounding residents of ordinary sensibilities, or is a nuisance, or adversely affects the desirability of the Lot or surrounding Lots, and its reasonable good faith determination will be conclusive and binding on all parties.
- F. TRASH; TRASH CONTAINERS. No garbage or trash or garbage or trash container may be maintained on a Lot so as to be visible from a public street in the Community, a Private Street or other Common Area in the Community or a neighboring Lot at ground level except to make the same available for collection and then only on the day for collection. Garbage and trash made available for collection must be placed in tied trash bags or covered containers, or as otherwise provided in any trash disposal contract entered into by the Association.
- G. CLOTHES DRYING. No outside clothesline or other outside facilities for drying or airing clothes may be erected, placed or maintained on a Lot if visible from a public street in the Community, a Private Street or other Common Area in the Community or a neighboring Lot at

ground level. No clothes may be dried or aired outside if visible from a public street in the Community, a Private Street or other Common Area in the Community or a neighboring Lot at ground level.

- H. RIGHT TO INSPECT. During reasonable hours, Declarant, any member of the Architectural Review Committee, any member of the Board, or any authorized representative of any of them, has the right to enter upon and inspect a Lot, and the exterior of the Improvements thereon, for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and such persons will not be deemed guilty of trespass by reason of such entry.
- I. ANIMALS. No animals, other than a reasonable number (in the aggregate) of generally recognized house or yard pets, may be maintained on a Lot and then only if they are kept thereon solely as domestic pets and not for commercial purposes. Provided that, in no event may more than two (2) dogs two and (2) cats be kept on a particular Lot. Provided further that, no waterfowl or poultry of any kind may be kept on a Lot. A Vietnamese potbelly pig is hereby declared not to be a generally recognized house or yard pet and is prohibited. No exotic animal or breed of animal that is commonly recognized to be inherently aggressive or vicious toward other animals and/or humans is permitted in the Community. ALL TYPES OF TERRIERS THAT ARE COMMONLY RECOGNIZED AS BEING "PIT BULLS", DOBERMAN PINSCHERS AND ROTTWEILERS ARE BREEDS OF DOGS THAT ARE INHERENTLY AGGRESSIVE OR VICIOUS AND, THEREFORE, ARE PROHIBITED IN THE COMMUNITY. No unleashed dog is permitted on a public street in the Community or a Private Street or other Common Area in the Community. Each dog must be kept either in the Residential Dwelling or other Improvement on the Lot or in a yard fully enclosed by a fence. An "invisible" fence that controls dogs through underground electrical wiring is an acceptable method of maintaining a dog in the yard of a Lot but only if the invisible fence effectively confines the dog(s) of the Owner or occupant of the Lot within the yard of the Lot. One instance in which a dog leaves a Lot despite the existence of an invisible fence constitutes a determination that the invisible fence does not effectively confine the dog, in which event the invisible fence is deemed to no longer be an acceptable method of confining the dog. No animal is allowed to make an unreasonable amount of noise or to become a nuisance. No structure for the care, housing or confinement of an animal may be constructed or placed on a Lot if visible from a public street in the Community, a Private Street or other Common Area in the Community or a neighboring Lot at ground level without the prior written consent of the Architectural Review Committee. The Board has the authority to determine, in its sole and absolute discretion, whether, for the purposes of this Section, a particular animal is a generally recognized house or yard pet (with the exception of a Vietnamese potbelly pig which is declared in this Section not to be a generally recognized house or yard pet and waterfowl and poultry which are prohibited), an exotic animal, an inherently aggressive or vicious animal, (with the exception of the breeds that are prohibited per this Section) or a nuisance, or whether the aggregate number of animals kept on a Lot is reasonable, and its reasonable, good faith determination will be conclusive and binding on all parties.
- J. DISEASES AND INSECTS. No Owner or occupant may cause or permit any thing or condition to exist on a Lot which induces, breeds or harbors infectious plant diseases or noxious insects.
- K. RESTRICTION ON FURTHER SUBDIVISION. The further subdivision of a Lot is prohibited. The conveyance of a portion of a Lot less than the entirety of the Lot as shown on the applicable Plat by an Owner to another party is prohibited.

- L. CONSOLIDATION OF LOTS. Subject to the provisions in this Section, the Owner of one or more adjoining Lots may consolidate such Lots into one (1) building site, with the privilege of constructing a Residential Dwelling on the resulting site, in which event setback lines will be measured from the resulting side property lines rather than from the lot lines indicated on the Plat. Provided that, the Owner of the Lots to be consolidated must comply with replatting requirements, if any, imposed by any governmental entity having jurisdiction (as determined by the governmental entity having jurisdiction). Provided further that, during the Development Period, the consolidation of Lots requires the written approval of Declarant (which written approval may be declined by Declarant for any reason and as Declarant deems appropriate). Any such consolidated building site must have a frontage at the building setback line of not less than the minimum frontage shown on the Plat. Despite the consolidation of one or more adjoining Lots and the substantial completion of a Residential Dwelling on the consolidated building site, the Lots (as originally platted) comprising the consolidated building site will continue to be considered as individual Lots for purposes of membership in the Association, voting rights, Annual Maintenance Charges and other types of assessments. As an example, and not in limitation, each Lot (as originally platted) will be subject to an Annual Maintenance Charge and a Reserve Assessment. The provisions in this Section relating to the Lots comprising a consolidated building site being individual Lots for purposes of voting rights, Annual Maintenance Charges and other types of assessments are applicable whether or not the Lots are replatted as a consolidated building site or single Lot.
 - M. SIGNS. No sign may be erected or maintained on a Lot except:
 - (i) Street signs and such other signs as may be required by law;
 - (ii) During the time of marketing a Builder-owned Lot (such time being from the date of acquisition by the Builder until the date title is conveyed by the Builder), one (1) ground-mounted Builder identification sign having a face area not larger than six (6) square feet and located in the front yard of the Lot;
 - (iii) One (1) ground-mounted "for sale" or "for lease" sign not larger than six (6) square feet and not extending more than four (4) feet above the ground;
 - (iv) Ground mounted political signs as permitted by law; provided that, only one (1) sign for each candidate or ballot item may be displayed on a Lot earlier than the 90th day before the date of the election to which the sign relates or longer than the 10th day after the election date; and
 - (v) Home security signs, if approved by the Architectural Review Committee, but then only in strict accordance with the Residential Modification Guidelines.

Declarant, during the Development Period, and, thereafter, the Association, has the authority to go upon a Lot and remove and dispose of any sign displayed on the Lot in violation of this Section without liability in trespass or otherwise.

Monument signs have and/or may be constructed by Declarant on Common Area within the Community. Monument signs constructed by Declarant are a critical part of the development plan for the Community in that they not only identify the Community, but they also brand the Community as a community developed by Declarant, distinguish the Community from other residential neighborhoods, and promote the desirability of owning a Residential Dwelling in the Community. The Association has or will, by separate instruments, grant to Declarant perpetual easements upon and across designated Common Area for the purpose of constructing and

replacing, if necessary, monument signs thereon. As provided in each easement, the Association does not have the authority to replace or modify a monument sign constructed by Declarant without the prior written consent of Declarant. However, the Association is responsible for maintaining and repairing the monument signs. Monument signs constructed by Declarant are not subject to review and approval by the Architectural Review Committee.

N. EXEMPTIONS. So long as the Development Period exists, Declarant has the authority to erect and maintain structures or signs necessary for or convenient to the development, marketing, sale, operation or other disposition of property within the Community and to allow Builders to erect and maintain structures or signs necessary for or convenient to the development, marketing, sale, operation or other disposition of property within the Community. Moreover, any bank or other lender providing financing to Declarant in connection with the development of the Community or Improvements thereon may erect signs on Lots owned by Declarant to identify such lender and the fact that it is providing such financing.

SECTION 2.2. DECORATION, MAINTENANCE, ALTERATION AND REPAIRS.

A. LOT MAINTENANCE. The Owner or occupant of a Lot must at all times keep all landscaping and landscape areas in an attractive and vibrant condition. In no event may an Owner or occupant store materials or equipment on a Lot in view from a public street or a Private Street or other Common Area in the Community or permit the accumulation of garbage, trash or rubbish of any kind thereon. An Owner or occupant may not burn any leaves, trash, debris or the like on a Lot or in a public street or a Private Street. The Owner or occupant of a Lot at the intersection of streets, where the rear yard or portion of the Lot is visible to full public view, must construct and maintain a suitable enclosure approved in writing by the Architectural Review Committee to screen yard equipment, wood piles and storage piles that are incident to the normal residential requirements of a typical family; provided that, yard equipment, wood piles and storage piles are not permitted on Golf Course Lots, if visible from the golf course. During the Development Period, Declarant has the exclusive authority to determine whether an Owner is maintaining his Lot in a reasonable manner and in accordance with the standards of the Community, and Declarant's determination will be conclusive and binding on all parties; thereafter, the Board of Directors has the exclusive authority to determine whether an Owner is maintaining his Lot in a reasonable manner and in accordance with the standards of the Community and the Board of Directors' determination will be conclusive and binding on all parties. In the event the Owner or occupant of any Lot fails to maintain the Lot in a reasonable manner as required by this Section and such failure continues after not less than ten (10) days written notice from the Association, the Association may, at its option, without liability to the Owner or occupant in trespass or otherwise, enter upon said Lot and cause the Lot to be mowed, edged and cleaned, cause the landscaping beds to be weeded and cleaned, cause shrubs and trees to be trimmed or pruned, and do every other thing necessary to secure compliance with the provisions of this Declaration, and may charge the Owner of such Lot for the cost of such work. The Owner agrees by the purchase of such Lot to pay such charge, plus fifty percent (50%) of such costs for overhead and supervision, immediately upon receipt of the corresponding statement. Payment of such charges is secured by the lien created in Article VI of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum or the maximum non-usurious rate, whichever is less, will begin to accrue on such sum on the thirty-first (31st) day after a written invoice is delivered to the Owner.

- В. **REPAIR OF BUILDINGS.** No Residential Dwelling or other Improvement on a Lot is permitted to fall into disrepair. Each Residential Dwelling or other Improvement on a Lot must at all times be kept in good condition and repair and adequately painted or otherwise finished by the Owner of the Lot at such Owner's sole cost and expense. During the Development Period, Declarant has the exclusive authority to determine whether an Owner is maintaining his Lot and the Residential Dwelling and other Improvements on the Lot in a reasonable manner and in accordance with the standards of the Community and Declarant's determination will be conclusive and binding on all parties. Thereafter, the Board of Directors has the exclusive authority to determine whether an Owner is maintaining his Lot and the Residential Dwelling and other Improvements on the Lot in a reasonable manner and in accordance with the standards of the Community and the Board of Director's determination will be conclusive and binding on all parties. In the event the Owner of a Lot fails to keep the exterior of the Residential Dwelling or other Improvement on the Lot in good condition and repair, and such failure continues after not less than ten (10) days written notice from the Association, the Association may, at its option, without liability to the Owner or occupant in trespass or otherwise, enter upon the Lot and repair and/or paint the exterior of the Residential Dwelling or other Improvement on the Lot and otherwise cause the Residential Dwelling or other Improvement on the Lot to be placed in good condition and repair, and do every other thing necessary to secure compliance with this Declaration, and may charge the Owner of the Lot for the cost of such work. The Owner agrees by the purchase of such Lot to pay such charge, plus fifty percent (50%) of such costs for overhead and supervision, immediately upon receipt of the corresponding statement. Payment of such charges is secured by the lien created in Article VI of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, will begin to accrue on such sum on the thirtyfirst (31st) day after a written invoice is delivered to the Owner.
- C. DECORATIONS. Subject to the provisions of this Declaration, the Rules and Regulations, the Residential Design Guidelines, and the Residential Modification Guidelines, each Owner has the right to modify, alter, repair, decorate, redecorate or improve the Residential Dwelling and other Improvements on such Owner's Lot, provided that all such action is performed with a minimum inconvenience to other Owners and does not constitute a nuisance. Notwithstanding the foregoing, the Board of Directors has the authority to require an Owner to remove or eliminate any object situated on such Owner's Lot or the Residential Dwelling or other Improvement on the Lot that is visible from a public street, a Private Street or other Common Area in the Community or another Lot if, in the Board of Directors' sole judgment, such object detracts from the visual attractiveness or desirability of the Community.

ARTICLE III GENERAL PROVISIONS RELATING TO DESIGN, CONSTRUCTION AND MATERIALS

SECTION 3.1. BUILDINGS AND OTHER EXTERIOR IMPROVEMENTS.

A. TYPES OF BUILDINGS. No building may be erected, altered, placed or permitted to remain on a Lot other than (i) one detached Residential Dwelling not to exceed the height limitations set forth in Section 3.2, paragraph B, together with an attached or detached private garage for not less than two (2) nor more than three (3) vehicles (subject to the provisions of Section 3.1D), (ii) one (1) permitted accessory building, and (iii) one (1) permitted play structure, all of which are subject to prior written approval by the Architectural Review Committee. A living area

on the second level of a garage may be permitted with the prior written approval of the Architectural Review Committee; provided that, the living area on the second level of a garage must be within the volume of the second story space of the garage as originally designed and constructed.

- В. Without the prior written consent of the Architectural Review STORAGE. Committee, no building materials of any kind or character may be placed or stored on a Lot more than fifteen (15) days before the construction of a Residential Dwelling or other Improvement is commenced. All materials permitted to be placed on a Lot must be placed within the property lines of the Lot. After the commencement of construction of any Residential Dwelling or Improvement on a Lot, the work thereon must be prosecuted diligently, to the end that the Residential Dwelling or Improvement does not remain in a partly finished condition any longer than reasonably necessary for completion thereof. In any event, substantial completion of a Residential Dwelling on a Lot must be achieved within two hundred seventy (270) days of the date of commencement of construction of the Residential Dwelling, unless a longer period is approved in writing by the Architectural Review Committee; substantial completion of any other Improvement must be achieved within the time period specified in the approval issued by the Architectural Review Committee or, if no time is specified in the approval, one hundred eighty (180) days of the date of commencement of construction of the Improvement. For purposes hereof, construction of a Residential Dwelling or other Improvement is deemed to have commenced on the date that any equipment or building material relating to such construction is moved onto the Lot. Also for purposes hereof, a Residential Dwelling is deemed to be substantially completed on the date an occupancy permit is issued by any governmental authority having jurisdiction or, if no such occupancy permit is required, the date the Residential Dwelling is ready to be occupied; any other Improvement is deemed to be substantially completed on the date the Improvement is capable of being used for its intended purpose. Upon the completion of the construction, any unused materials must promptly be removed from the Lot.
- C. TEMPORARY STRUCTURES; ACCESSORY BUILDINGS. No building or structure of a temporary character, trailer (with or without wheels and whether or not attached to a foundation), mobile or manufactured home (with or without wheels and whether or not attached to a foundation), modular or prefabricated home, barn or other building, other than the permanent Residential Dwelling, an attached or detached garage, one (1) permitted accessory building and one (1) permitted play structure, all of which require the prior written approval of the Architectural Review Committee, may be placed on a Lot, either temporarily or permanently; provided that, an accessory building in the rear yard of a Golf Course Lot is prohibited. No residence house, garage or other structure appurtenant thereto may be moved onto a Lot from another location.

Notwithstanding the foregoing, Declarant reserves the exclusive right during the Development Period to erect, place and maintain, and to permit Builders to erect, place and maintain, such facilities in and on a Lot owned by Declarant or the Builder as may be necessary or convenient during the period of and in connection with the sale of the Lot, and the construction and sale of Residential Dwellings and construction of other Improvements in the Community.

No permitted accessory building may exceed eight (8) feet in height, measured from the ground to the highest point of the accessory building, or have a ground floor area that exceeds one hundred (100) square feet. An accessory building must be located in the rear yard of the Lot (excepting a Golf Course Lot) and within the applicable building setbacks and the rear yard of the Lot must be fully enclosed by a fence. A tree house is not permitted on a Lot.

- D. GARAGES/ CARPORTS. A carport on a Lot is prohibited. A porte cochere may be permitted on a Lot if included in the original Plans for the Residential Dwelling and approved in writing by the Architectural Review Committee. A porte cochere must extend from, and be an integral part of, the Residential Dwelling or garage from the standpoints of both appearance and construction. Garages must be provided for all Residential Dwellings and in no case may a porte cochere act as or be substituted for a garage. No garage may be placed or maintained on an easement. Placement requirements for front loaded garages, swing in garages and side loaded garages are set forth in the Residential Design Guidelines and must be adhered to. All garages must be enclosed by metal or wood garage doors with a paneled design that are harmonious in quality and color with the exterior of the appurtenant Residential Dwelling. Other requirements for garage doors may vary depending upon the type of garage; in all instances, a garage door must comply with the Residential Design Guidelines. Each garage on a Lot is required to be used for housing vehicles used or kept by the persons who reside on the Lot. Garage doors are required to be in a closed (down) position except as necessary for vehicle ingress or egress.
- E. AIR CONDITIONERS. No window, roof or wall type air conditioner that is visible from a public street, a Private Street or other Common Area in the Community, the golf course, or a neighboring Lot at ground level may be used, placed or maintained on or in a Residential Dwelling, garage or other Improvement.
- F. ANTENNAS. Satellite dish antennas which are forty inches (40") or smaller in diameter and antennas designed to receive television broadcast signals may be installed, provided they are installed in the least obtrusive location that allows reception of an acceptable quality signal. All other antennas are prohibited, unless expressly authorized in recorded Residential Modification Guidelines and then only in strict accordance with such recorded Residential Modification Guidelines. As used herein, "least obtrusive location" primarily means a location that is not readily visible from the public street or Private Street in front of the Lot or, in the case of a Golf Course Lot, the golf course, and secondarily means, in the case of a corner Lot, a location that is not readily visible from the side public street or Private Street. The provisions of this Section are intended to be consistent with the Telecommunications Act of 1996 (the "Act") and FCC regulations promulgated under the Act, as the same currently exist or may hereafter be amended; the provisions of this Section will be construed to be as restrictive as possible without violating the provisions of the Act or applicable FCC regulations.
- G. EXTERIOR FINISH. With respect to the initial construction of a Residential Dwelling and related Improvements on a Lot, the types, quantities and repetition of exterior materials used in the construction of the Residential Dwelling and Improvements must be compliance with the Residential Design Guidelines. With respect to any modification or addition to a Residential Dwelling or Improvement on a Lot after initial construction, the exterior materials used in the construction of the modification or addition must be in compliance with the Residential Modification Guidelines.
- H. OUTDOOR LIGHTING AND ADDRESS MARKERS. With respect to the initial construction of a Residential Dwelling and related Improvements on a Lot, outdoor lighting on the Lot is required to be in compliance with the Residential Design Guidelines. Thereafter, outdoor lighting must comply with the Residential Modification Guidelines.

An address marker that complies with Residential Design Guidelines is required on the front elevation of each Residential Dwelling. A plaque that does not strictly comply with the standard design adopted by the Architectural Review Committee requires the written approval of the Architectural Review Committee.

- I. MAILBOXES. Cluster mailboxes will be used in the Community; therefore, an individual mailbox on a Lot is prohibited.
- J. ROOFS. With respect to the initial construction of a Residential Dwelling and related Improvements on a Lot, the materials used for the roof of the Residential Dwelling and each Improvement, the roof pitch, and the type and location of roof top accessories must be in compliance with the Residential Design Guidelines. With respect to any modification or addition to a Residential Dwelling or other Improvement on a Lot after initial construction, the roof materials, the roof pitch, and the type and location of roof top accessories must be in compliance with the Residential Modification Guidelines.
- K. CHIMNEYS. With respect to the initial construction of a Residential Dwelling and related Improvements on a Lot, the materials used for a chimney in the Residential Dwelling or other Improvement must be in compliance with the Residential Design Guidelines. With respect to any modification to a chimney or new chimney in an addition to or modification of the Residential Dwelling or other Improvement on a Lot after initial construction, the materials used for the chimney must be in compliance with the Residential Modification Guidelines. Chimney caps must be in compliance with the Residential Design Guidelines.
- L. WINDOW TREATMENTS AND DOORS. Windows initially installed in a Residential Dwelling or other Improvement must be in compliance with the Residential Design Guidelines. Replacement windows and windows installed in an addition to or modification of a Residential Dwelling or other Improvement after initial construction of the Residential Dwelling must be approved in writing by the Architectural Review Committee and comply with the Residential Modification Guidelines. Bronze reflective glass and mirrored glazing or tinting are not permitted on the exterior of a Residential Dwelling or other Improvement on a Lot. No foil or other reflective materials may be installed on any windows or used for sunscreens, blinds, shades or other purposes except as approved in writing by the Architectural Review Committee. Security bars and awnings are not permitted on the exterior of windows or doors. Screen doors may not be used on the front or side of a Residential Dwelling. An aluminum or metal door with a glass front (e.g., storm door) is permitted on the front of a Residential Dwelling or on the rear of a Residential Dwelling, so long as the door is approved in writing by the Architectural Review Committee prior to installation and the door does not have a screen or bars.
- M. MECHANICAL EQUIPMENT. All mechanical equipment, including, without limitation, air conditioning units, utility pedestals, meters, transformers, and pool equipment, must be located, to the extent possible, at the side or rear of each Residential Dwelling, out of view, or screened from view with evergreen shrubs in a manner approved by the Architectural Review Committee.
- N. LANDSCAPING. The Residential Design Guidelines set forth the requirements for landscaping upon initial construction of a Residential Dwelling on a Lot, including, without limitation, requirements for sod, planting beds, trees, and irrigation. The Residential Design Guidelines include preferred plant lists for trees, shrubs, grasses, and ground covers. The landscaping installed on a Lot at the time of initial construction of a Residential Dwelling on a Lot must comply with all of the requirements set forth in the Residential Design Guidelines. The landscape design for a Lot and replacement plants are generally required to conform to the original design and plant materials installed at the time of initial construction of a Residential Dwelling on a Lot. However, modifications to planting beds or plant materials and additional landscaping after the initial landscaping must be in compliance with the Residential Modification Guidelines.

The installation of drought-resistant landscaping and water-conserving natural turf requires the prior written approval of the Architectural Review Committee and will be reviewed by the Architectural Review Committee to ensure, to the extent practicable, maximum aesthetic compatibility with other landscaping in the Community. Full green lawns (turf) are, as a general rule, required in the front yard space and the space along the side of the Residential Dwelling on a Lot not enclosed by a fence. Rock or similar hardscape may be incorporated into the landscaping if approved in writing by the Architectural Review Committee; provided that, a solid rock yard or similar type of hardscape is not permitted in the front yard of a Lot or in a side yard not enclosed by a fence. Cacti and cactus gardens that are visible (in whole or in part) from a Private Street or other Common Area in the Community are prohibited.

A principal factor in the overall design, appearance and desirability of the Community is the installation, maintenance and preservation of landscaping in the reserves throughout the Community restricted to open space and landscape uses. Landscaping installed by Declarant is a critical part of the development plan for the Community aimed at distinguishing the Community from other residential neighborhoods and constituting an important factor in the decision to purchase a Lot in the Community. The preservation of landscaping in the various reserves throughout the Community and, therefore, the preservation of the overall design and appearance of the Community, are of utmost importance to the Declarant, not only during the Development Period, but also after the Development Period. Consequently, for a period of five (5) years after the expiration of the Development Period, the Association, acting through its Board of Directors, does not have the authority to change landscaping contractors or reduce the type or scope of landscaping services in effect as of the date all Lots in the Community have been conveyed by Declarant, without the written approval of Declarant. Provided that, the expense for landscaping services during this five (5) year period may not unreasonably increase above the then current market rate for the type and scope of landscaping services in effect as of the date all Lots in the Community have been conveyed by Declarant. As used herein, "market rate" does not necessarily mean the lowest rate at which a landscaping contractor may be willing to perform the services. Rather, it means the median rate provided by established landscape contractors who have good reputations in the industry and are able to comply with all of the Association's insurance requirements.

- O. SEASONAL DECORATIONS. Seasonal or holiday decorations must be reasonable in quantity and scope and may be displayed on a Lot or Residential Dwelling or other Improvement on a Lot only for a reasonable period of time before and after the holiday to which the holiday decorations relate. In the event of a dispute as to either the quantity or scope of decorations displayed on a Lot or the duration of the display, the reasonable, good faith decision of the Board of Directors concerning whether the quantity or scope of the decorations is reasonable or whether the duration of the display of the decorations is reasonable will be conclusive and binding on all parties.
- P. SWIMMING POOLS AND OTHER WATER AMENITIES. No swimming pool, outdoor hot tub, reflecting pond, sauna, whirlpool, lap pool or other water amenity may be constructed, installed, and maintained on a Lot without the prior written approval of Architectural Review Committee. A waterfall or similar amenity on a Lot may not extend more than six (6) feet above grade. Further, the construction of swimming pools, outdoor water features and other amenities on Lots within the Community must be in compliance with the Residential Modification Guidelines. A permanent, above-ground swimming pool on a Lot is prohibited. A fountain in the front yard of a Lot or, in the case of a corner Lot, the side yard adjacent to the side public street or Private Street, is prohibited.

- Q. DRIVEWAYS, WALKWAYS AND SIDEWALKS. Upon the initial construction of a Residential Dwelling on a Lot, a driveway, a walkway leading from the front door of the Residential Dwelling to the public street or Private Street in front of the Lot or to the driveway on the Lot, and, in specified instances, a sidewalk, are required to be constructed on the Lot, all of which must comply with the Residential Design Guidelines. After the initial construction of a Residential Dwelling on a Lot, no driveway, walkway or sidewalk may be constructed on a Lot and no driveway, walkway or sidewalk may be modified except with the prior written approval of the Architectural Review Committee and compliance with the Residential Modification Guidelines.
- R. EXTERIOR COLORS. The color(s) of paint and color impregnation proposed to be used on the exterior of a Residential Dwelling or other Improvement on a Lot must be approved in writing by the Architectural Review Committee prior to application. The Residential Design Guidelines address colors for a Residential Dwelling initially constructed on a Lot. The color scheme for the Residential Dwelling and other Improvements initially constructed on a Lot must be in compliance with the Residential Design Guidelines. Any change in the color scheme of the Residential Dwelling and related Improvements after initial construction, any repainting, and the color scheme for any new Improvement or addition to the Residential Dwelling or other Improvement on a Lot must be in compliance with the Residential Modification Guidelines.
- S. BASKETBALL GOALS, BASKETBALL COURTS AND SPORT COURTS. No basketball goal or basketball court may be placed or installed on a Lot without the prior written approval of the Architectural Review Committee. A basketball goal or basketball court is permitted on a Lot only if it complies with the Residential Modification Guidelines. Sport courts are prohibited.
- T. BALCONIES. As used herein, the term "balcony" means a second story platform which projects from the wall of a Residential Dwelling. A balcony on a Residential Dwelling requires the prior written approval of the Architectural Review Committee and compliance with the Residential Design Guidelines; provided that, a balcony on an interior Lot and a balcony which faces the rear or side yard of an adjacent Lot are prohibited. In no event is a balcony permitted to project from the wall of the Residential Dwelling a distance greater than six (6) feet.

SECTION 3,2. SIZE AND LOCATION OF RESIDENCES: PARTICULAR FEATURES.

- A. MINIMUM ALLOWABLE AREA OF INTERIOR LIVING SPACE. The minimum allowable area of interior living space in a Residential Dwelling on a Lot varies depending on the size of the Lot. Requirements for minimum square footage and minimum plan width are set forth in the Residential Design Guidelines and must be adhered to. For purposes of this Declaration, the term "interior living space" means the air-conditioned area and excludes steps, porches, exterior balconies, and garages.
- B. MAXIMUM ALLOWABLE HEIGHT OF BUILDING. No Residential Dwelling may exceed a reasonable height required for two (2) stories of living space (above finished grade) plus a pitched roof. No Residential Dwelling may have more than two (2) stories of living space above finished grade, except in a case where a third (3rd) story of living space is contained within the volume of the space above the second story living area of the Residential Dwelling as originally designed and constructed.
- C. LOCATION OF IMPROVEMENT SETBACKS. Unless otherwise set forth on the applicable Plat, a Residential Dwelling and all Improvements on a Lot, other than approved landscaping and approved fencing on side and rear property lines, must be located on a Lot in accordance with the setbacks set forth in the Residential Design Guidelines. The same setbacks are

also set forth in the Residential Modification Guidelines. Accordingly, a modification or addition constructed on a Lot after initial construction of the Residential Dwelling and related Improvements must comply with the setbacks set forth in the Residential Modification Guidelines. Notwithstanding the foregoing, the Architectural Review Committee may grant a variance from an applicable setback in the manner provided in Article IV, Section 4.7, when, in its sole discretion, a variance is deemed to be necessary or appropriate.

D. COMPLIANCE WITH BUILDING REQUIREMENTS. Builders are obligated to strictly comply with all provisions of this Declaration and the Residential Design Guidelines. Only Declarant has the authority to allow deviations by Builders from provisions of this Declaration unless Declarant voluntarily assigns or delegates such authority to the Architectural Review Committee by a written instrument recorded in the Official Public Records of Real Property of Montgomery County, Texas. In the event that a Builder fails to comply with the provisions of this Declaration or the Residential Design Guidelines and does not correct the violation within seven (7) days of the date of receipt of written notice of the violation from Declarant, or such longer period that may, in the sole discretion of Declarant, be stipulated in the notice, or that may be required by law, Declarant has the authority to impose a fine against the Builder and the Lot in question, if owned by the Builder, in the amount of \$100.00 each day that the violation continues to exist after the period specified in the notice to correct the violation. Any fines imposed against a Builder in accordance with this Section will be payable to the Association. Payment of such fines are the personal obligation of the Builder; provided that, payment of such fines are also secured by the lien referred to and established in Article VI of this Declaration against the Lot on which the violation exists.

SECTION 3.3. WALLS, FENCES AND GATES.

- A. FENCES. No fence or wall may be constructed on a Lot without the prior written approval of the Architectural Review Committee. No fence or wall that faces the public street or Private Street in front of a Lot may be nearer to the closest corner of the Residential Dwelling on the Lot than ten (10) feet or farther than the closest corner of the Residential Dwelling on the Lot than twenty (20) feet. No fence or wall may be located nearer to the side public street or Private Street adjacent to a corner Lot than the side building setback. In all instances, a fence or wall initially constructed on a Lot must comply with the Residential Design Guidelines. A replacement fence or new fence constructed on a Lot after the fencing installed at the time of substantial completion of the Residential Dwelling on the Lot must be in compliance with the Residential Modification Guidelines. Wood fences are required to be stained in accordance with the Residential Design Guidelines and the Residential Modification Guidelines. IN NO EVENT MAY ANY FENCE OR PORTION THEREOF THAT IS CHAIN LINK OR WIRE BE CONSTRUCTED OR ERECTED ON A LOT.
- B. MAINTENANCE OF FENCES. Except as otherwise expressly provided in this Declaration, ownership of any wall or fence erected on a Lot will pass with title to such Lot and it is the Lot Owner's responsibility to maintain, repair or replace, as necessary, such wall or fence. Maintenance of a wood fence includes the obligation to re-stain the fence as frequently as may be necessary so that the appearance of the fence complies with the standards of the Community. If a fence is located on the property line separating two (2) Lots, the Owners of the two (2) Lots have equal responsibility to maintain, repair and/or replace the fence. In the event the Owner or occupant of any Lot fails to maintain or repair a wall or fence on the Lot in a reasonable manner as required by this Section or, if necessary, replace the wall or fence, and such failure continues after

- ten (10) days written notice from the Association, the Association may, at its option, without liability to the Owner or occupant in trespass or otherwise, go onto the Lot and cause the wall or fence to be maintained, repaired or replaced and to do every other thing necessary to secure compliance with this Declaration, and may charge the Owner of such Lot for the cost of such work. The Board of Directors has the exclusive authority to determine whether an Owner is maintaining a fence or wall on his Lot in a reasonable manner and in accordance with the standards of the Community, and whether a fence or wall requires maintenance, repair or replacement, and the Board of Directors' determination will be conclusive and binding on all parties. The Owner agrees by the purchase of such Lot to pay such charge, plus fifty percent (50%) of such costs for overhead and supervision, immediately upon receipt of the corresponding statement. Payment of such charges is secured by the lien created in Article VI of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, will begin to accrue on such sum on the thirty-first (31st) day after a written invoice is delivered to the Owner.
- C. FENCES ERECTED BY DECLARANT. Declarant will erect perimeter fencing which may be located on Common Area or along the rear property lines of particular Lots. Declarant has the exclusive authority to determine the design of the perimeter fencing and the type(s) of materials(s) to be used in the construction of the perimeter fencing. The perimeter fencing will be maintained, repaired and replaced, as necessary, by the Association. By separate instruments or an amendment to this Declaration, Declarant will reserve for itself and the Association a perpetual easement upon and across each Lot which has a perimeter fence along its rear property line for the purpose of erecting, maintaining, repairing and replacing the fencing erected along the designated property line of such Lot. The area subject to the easement will be five (5) feet in width and will extend across the entire width of the designated property line of the Lot. No Owner of any one (1) of these Lots has the authority to remove or in any way alter any portion of the fence on the Lot erected by Declarant.
- D. MAINTENANCE OF OTHER FENCING BY THE ASSOCIATION. Certain fencing may be constructed by Declarant that abuts Common Area. The Association is responsible for maintaining and repairing all fencing abutting Common Area. An Owner is responsible for any damage to a fence constructed by or at the direction of the Declarant and maintained by the Association which is caused by such owner or his family members, or the negligent, or intentional, acts of his guests, agents or invitees. The obligation to maintain and repair any fence constructed by Declarant on any Common Area within the Community will pass with title to the Common Area to the Association.
- E. GATES. Pedestrian and driveway gates and the permitted materials for gates are addressed in the Residential Design Guidelines and the Residential Modification Guidelines. All gates constructed or installed on a Lot at the time of initial construction of the Residential Dwelling and related Improvements must comply with the Residential Design Guidelines. A gate proposed to be constructed or installed on a Lot after initial construction of the Residential Dwelling and related Improvements on the Lot or a modification of an existing gate requires the prior written approval of the Architectural Review Committee and must comply with the Residential Modification Guidelines.

SECTION 3.4. GENERAL CONSTRUCTION PROCEDURES.

A. VEHICLE PARKING. Parking of construction vehicles is restricted to the side of the public or Private Street where the construction is taking place to allow for emergency vehicle access.

Under no circumstances may vehicles be parked in the driveway of another Lot or in a manner that impedes or prevents access to other driveways.

- **B. DEBRIS.** All construction debris and other trash must be removed from the Lot at least once per week. No trash may be left exposed that could be windblown onto adjacent Lots. Under no circumstances may storm sewer inlets be used to discard any trash or debris. Private Streets must be kept clean of mud, excess concrete (including spillage from concrete trucks) and other materials generated from construction. No debris, trash or liquids including, without limitation, paints or cleansers, will be deposited on the Common Area.
- C. PORT-A-CANS. Port-a-cans must be kept neat and maintained in proper working order. A port-a-can must be located as far back from the public street or Private Street as possible while still enabling the port-a-can to be regularly serviced.
- D. PLACEMENT OF MATERIALS. No building materials or equipment may be placed or kept in a Private Street.
- E. HOURS OF CONSTRUCTION. Construction work may take place only between the hours of 7:00 a.m. and 7:00 p.m., Monday through Saturday; 8:00 a.m. to 6:00 p.m. on Saturdays; and 9:00 a.m. to 6:00 p.m. on Sundays and designated holidays. Provided that, special permission to proceed with construction at other times may be given in writing by the Architectural Review Committee. As used herein, "construction work" includes staging activities, clean-up, and loading equipment.
- F. PROTECTION OF TREES. Trees on a Lot, as well as trees on any adjacent Lot that may be affected by construction work, must be protected from damage by the erection of temporary wood fence or plastic barricades around the drip line of each tree.
- **G. WASH-OUT AREA.** Declarant will designate a concrete wash-out area. No washing of concrete trucks on a Lot or in a Private Street in the Community is allowed. Each Builder is responsible for assuring that the Builder's workmen, suppliers and subcontractors comply with this provision.
- H. CONTOURED AND SPECIALLY GRADED LOTS. To promote a natural appearance, Declarant may contour or grade Lots throughout the Community to provide varied elevations. Except as necessary for drainage, a Builder may not alter the contouring or grading performed by Declarant. With regard to contoured and specially-graded Lots, it is the responsibility of the Builder to provide for proper drainage of the Lot and, if necessary, to engage a third-party professional for that purpose. DEPOSITING OR DISCARDING SOIL, DIRT OR OTHER MATTER ON COMMON AREA IS STRICTLY PROHIBITED.
- I. SILT CONTROL. It is the responsibility of the Builder to control sediment erosion and to maintain a sediment control system on a Lot until the construction of a Residential Dwelling and the related Improvements on the Lot, including landscaping, is completed. Under no circumstances may silt be allowed to migrate into public streets, Private Streets, storm sewers or drainage channels.

SECTION 3.5. RESERVATIONS, EASEMENTS AND NOTICES.

A. UTILITY EASEMENTS. Declarant reserves the utility easements, roads and rights-of-way shown on the Plat for the construction, addition, maintenance and operation of all necessary utility systems including systems of electric light and power supply, telephone service,

cable television service, gas supply, water supply and sewer service, including systems for utilization of services resulting from advances in science and technology. There is hereby created an easement upon, across, over and under all of the Community for ingress and egress for the purpose of installing, replacing, repairing and maintaining all utilities. By virtue of this easement, it is expressly permissible for the Utility Companies and other entities supplying services to install and maintain pipes, wires, conduits, service lines, or other utility facilities or appurtenances thereto, under the land within the utility easements now or from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this Section, no utilities or appurtenances thereto may be installed or relocated on the Community until approved by Declarant or the Board.

- **B. ADDITIONAL EASEMENTS.** Declarant reserves the right to impose further restrictions and dedicate additional easements and roadway rights of way by instrument recorded in the Official Public Records of Real Property of Montgomery County, Texas or by express provisions in conveyances, with respect to Lots that have not been sold by Declarant.
- C. CHANGES TO EASEMENTS. Declarant reserves the right to make changes in and additions to all easements for the purpose of aiding in the most efficient and economic installation of utility systems.
- D. MINERAL RIGHTS. It is expressly agreed and understood that the title conveyed by Declarant to a Lot or parcel of land in the Community by contract, deed or other conveyance will not in any event be held or construed to include the title to any oil, gas, coal, lignite, uranium, iron ore, or any other minerals, water (surface or underground), gas, sewer, storm sewer, electric light, electric power, telegraph or telephone lines, poles or conduits or any utility or appurtenances thereto constructed by or under authority of Declarant or its agents or Utility Companies through, along or upon said easements or any part thereof to serve said Lot or parcel of land or any other portions of the Community. Declarant hereby expressly reserves the right to maintain, repair, sell or lease such lines, utilities, drainage facilities and appurtenances to any public service corporation or other governmental agency or to any other party. Notwithstanding the fact that the title conveyed by Declarant to a Lot or parcel of land in the Community by contract, deed, or other conveyances will not be held or construed to include the title to oil, gas, coal, lignite, uranium, iron ore or any other minerals, Declarant will have no surface access to the Community for mineral purposes.
- E. DRAINAGE. Except as shown on the drainage plan for the Community, if any, no Owner of a Lot is permitted to construct improvements on such Lot or to grade such Lot or permit such Lot to remain in or be placed in such condition that rain water falling on such Lot drains to any other Lot. It is the intent of this provision to preserve natural drainage; provided that, the provisions of this Section are not applicable to Declarant or Lots contoured or specially graded by Declarant, as provided in Section 3.5H of this Declaration. The Declarant may, but is not required to, install drainage inlets or underground drains within the utility easement on one or more Lots. If so, no Owner may in any manner obstruct or interfere with such drainage system. If drains are not installed by Declarant, an underground drainage system may be required on each Lot by the Architectural Review Committee to assure proper drainage on the Lot. This Section will not be construed to impose an obligation upon Declarant to adopt or implement a drainage plan.
- F. ELECTRIC DISTRIBUTION SYSTEM. An electric distribution system will be installed in the Community, which service area embraces all of the Lots which are platted in the Community. This electrical distribution system will consist of overhead primary feeder circuits constructed on wood or steel poles, single or three phase, as well as underground primary and

secondary circuits, pad mounted or other types of transformers, junction boxes, and such other appurtenances as may be necessary to make underground service available. In the event that there are constructed within the underground residential subdivision structures containing multiple dwelling units such as townhouses, duplexes or apartments, then the underground service area embraces all of the dwelling units involved. The Owner of each Lot containing a single dwelling unit, must, at his or 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 electric company's metering at the structure 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 will make the necessary connections at said point of attachment and at the meter. Declarant has either by designation on the plat of the Community 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 homeowner's 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, must, at his or 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 service is maintained, the electric service to each dwelling unit therein must be 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 at no cost to Declarant (except for certain conduits, where applicable, and except as hereinafter provided) upon Declarant's representation that the Community is being developed for residential dwelling units, consisting solely of homes, all of which are designed to be permanently located where originally constructed which are built for sale or rent.

The provisions of the two preceding paragraphs also apply to any future residential development in Riverwalk.

- G. COMMON AREA. The Common Area is reserved for the common use, benefit and enjoyment of the Owners, subject to such reasonable Rules and Regulations governing the use thereof as may be promulgated by the Association, including, without limitation, Rules and Regulations governing the use of the lakes within the Community and the trail system within the Community. An Owner's right to use the Common Area (as limited by any Rules and Regulations) is appurtenant to title to a Lot. The Association has the right to charge a reasonable fee for the use of any facility situated on Common Area. Each Owner must observe and comply with any reasonable Rules and Regulations promulgated and published by the Association relating to the Common Area and is deemed to acknowledge and agree that all such Rules and Regulations, if any, are for the mutual and common benefit of all Owners. Declarant has the right to add property to the Common Area, provided that such additional property is free and clear of all encumbrances. All Common Area must be maintained by the Association.
- H. ERRANT GOLF BALLS. By acceptance of a deed to a Lot, each Owner acknowledges the understanding that there is a golf course in the Community and that not only the occupants of Golf Course Lots but also the occupants of other Lots in proximity to the golf course may expect

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that golf balls will be projected into Lots from the golf course and may strike Improvements on a Lot and cause both property damage and injury to persons. By acceptance of a deed to a Lot, each Owner thereof, on behalf of himself or herself and all occupants of the Lot and all guest and invitees:

- (i) acknowledges the potential for such damage and injury and has considered the same and agreed to accept the risks thereof in exchange for the benefits of owning a Lot in proximity to the golf course;
- (ii) assumes all risk of such damage and injury and releases Declarant, the Association, and their respective officers, directors, employees, agents and contractors (collectively, the "Golf Course Indemnities") of and from any and all claims for damage to property or injury to person arising therefrom or associated with errant golf balls; and
- (iii) agrees to indemnify, defend, and hold harmless the Golf Course Indemnitees of, from, and against any and all claims, demands, liabilities, suits, damages, costs and expenses (including attorney's fees and costs of investigation and court) suffered or incurred by all or any of the Golf Course Indemnitees arising out of, or related to, directly or indirectly, golf balls flying into, landing upon or otherwise striking any persons or other property on or about the Owner's Lot. The obligation of an Owner to indemnify the Golf Course Indemnitees will survive the transfer of title of such Owner's Lot but only as to instances or events occurring on or about such Lot during the Owner's period of ownership.

ARTICLE IV ARCHITECTURAL APPROVAL

SECTION 4.1. ARCHITECTURAL REVIEW COMMITTEE. The Architectural Review Committee will consist of three (3) members. During the Development Period, Declarant has the exclusive right to appoint all three (3) members of the Architectural Review Committee. Thereafter, the Board has the right to appoint all members. As long as Declarant has the authority to appoint members of the Architectural Review Committee, members of the Architectural Review Committee may, but need not be, Members of the Association. After Declarant's authority to appoint members of the Architectural Review Committee must be Members of the Association. Members of the Architectural Review Committee appointed by Declarant may be removed at any time and will serve until resignation or removal by Declarant. Members of the Architectural Review Committee appointed by the Board, and will serve for such term as may be designated by the Board or until resignation or removal by the Board.

SECTION 4.2. APPROVAL OF IMPROVEMENTS REQUIRED. Plans for the Residential Dwelling and other Improvements to be initially constructed on a Lot must be submitted to and approved by the Architectural Review Committee in accordance with the submittal process set forth in the Residential Design Guidelines. Plans for any Improvements to be placed or constructed on a Lot after the initial construction of the Residential Dwelling, as well as Plans for an addition to or modification of the Residential Dwelling or other Improvement on a Lot, must be submitted to and approved by the Architectural Review Committee in accordance with the submittal process set forth in the Residential Modification Guidelines.

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The Architectural Review Committee has the right to disapprove any Plans upon any ground which is consistent with the objectives and purposes of this Declaration, including purely aesthetic considerations; failure to comply with any of the provisions of this Declaration; failure to provide requested information; objection to exterior design, appearance or materials; objection on the ground of incompatibility of any such proposed Improvement with the general plan and scheme of development for the Community; objection to the location of any proposed Improvement; objection to the landscaping plan for such Lot; objection to the color scheme, finish, proportions, style of architecture, height, bulk or appropriateness of the Residential Dwelling or other Improvement; or any other matter which, in the sole judgment of the Architectural Review Committee, would render the proposed Residential Dwelling or other Improvement inharmonious with the general plan and scheme of development for the Community. The Architectural Review Committee has the right to approve any submitted Plans with conditions or stipulations by which the Owner of such Lot is obligated to comply and must be incorporated into the Plans for such Residential Dwelling or other Improvement. Approval of Plans by the Architectural Review Committee for Improvements on a particular Lot will not be deemed an approval or otherwise obligate the Architectural Review Committee to approve similar Plans for proposed Improvements for another Lot.

The Association is authorized to charge fees for the review of Plans; the fees may vary depending upon the required scope of the review.

Any revisions, modifications or changes in Plans previously approved by the Architectural Review Committee must be approved by the Architectural Review Committee in the same manner specified above.

If construction a Residential Dwelling or other Improvement has not substantially commenced (e.g., by clearing and grading, pouring of footing and otherwise commencing related construction work) within ninety (90) days of approval by the Architectural Review Committee of the Plans for such Residential Dwelling or other Improvement, then no construction may be commenced (or continued) on such Lot and the Owner of such Lot is required to resubmit all Plans for any Residential Dwelling or other Improvement to be constructed on the Lot to the Architectural Review Committee for approval in the same manner specified above.

SECTION 4.3. FAILURE OF COMMITTEE TO ACT ON PLANS. The ARC will strive to act on applications as quickly as possible. If a request for approval of a proposed Improvement on a Lot is not acted on by the Architectural Review Committee within forty-five (45) days of its receipt, the application is deemed to be disapproved by the Architectural Review Committee. Notwithstanding the written approval of the Architectural Review Committee of Plans for a proposed Improvement, an Owner or Builder may not construct or maintain an Improvement on a Lot that violates any express provision in this Declaration or the Residential Design Guidelines or Residential Modification Guidelines, as applicable, the Architectural Review Committee at all times retaining the right to object to an Improvement on a Lot that violates any express provision of this Declaration or such Guidelines. After the date that the Board of Directors obtains the authority to appoint the members of the Architectural Review Committee, an applicant has the right to appeal an adverse decision of the Architectural Review Committee to the Board of Directors. The Board of Directors has the authority to adopt procedures for appeals of decisions of the Architectural Review Committee. In the event of an appeal, the decision of the Architectural Review Committee will remain in effect during the pendency of the appeal. The decision of the Board of Directors will be conclusive and binding on all parties.

SECTION 4.4. PROSECUTION OF WORK AFTER APPROVAL. After approval of a proposed Improvement on a Lot, the proposed Improvement must be prosecuted diligently and continuously and completed within the time frame approved by the Architectural Review Committee and in strict conformity with the description of the proposed Improvement in the Plans submitted to and approved by the Architectural Review Committee.

SECTION 4.5. INSPECTION OF WORK. The Architectural Review Committee or its duly authorized representative has the right, but not the obligation, to inspect an Improvement on a Lot before or after completion, provided that the right of inspection will terminate sixty (60) days after the Architectural Review Committee has received a notice of completion from the applicant.

SECTION 4.6. NO IMPLIED WAIVER OR ESTOPPEL. No action or failure to act by the Architectural Review Committee or by the Board of Directors will constitute a waiver or estoppel with respect to future action by the Architectural Review Committee or the Board of Directors. Specifically, the approval by the Architectural Review Committee of an Improvement on a Lot will not be deemed a waiver of any right or an estoppel against withholding approval or consent for any similar Improvement on another Lot or any similar Plans, submitted with respect to any other Improvement on a Lot.

SECTION 4.7. POWER TO GRANT VARIANCES. The Architectural Review Committee may authorize variances from compliance with any of the provisions of Article II of this Declaration (except for the provisions relating to single family residential construction and use), including restrictions upon placement of structures, the time for completion of construction of Improvements on a Lot, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic, environmental, or other relevant considerations may require. Such variances must be evidenced in writing and will become effective when signed by at least a majority of the members of the Architectural Review Committee. If any such variance is granted, no violation of the provisions of this Declaration will be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of a variance will not (a) operate to waive any of the provisions of this Declaration or the Residential Design Guidelines or the Residential Modification Guidelines for any purpose except as to the particular Lot and the particular provision covered by the variance, (b) affect the jurisdiction of the Architectural Review Committee other than with respect to the subject matter of the variance, or (c) affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned.

SECTION 4.8. COMPENSATION OF ARCHITECTURAL REVIEW COMMITTEE MEMBERS. The members of the Architectural Review Committee are entitled to reimbursement for reasonable expenses incurred by them in the performance of their duties hereunder as the Board from time to time may authorize or approve, but they may not otherwise be compensated by the Association. The Board of Directors is authorized to engage the Association's managing agent, an architect or another third party to assist in the review of Plans for proposed Improvements and to compensate such person(s) for their services, as deemed appropriate by the Board of Directors.

SECTION 4.9. ESTOPPEL CERTIFICATES. The Board of Directors, upon the reasonable request of an interested party and after confirming any necessary facts with the Architectural Review Committee, may furnish a certificate with respect to the approval or disapproval of an Improvement on a Lot or with respect to whether an Improvement on a Lot was constructed in compliance with the provisions of this Declaration and the Residential Design Guidelines and Residential Modification Guidelines. Any person, without actual notice of any falsity or inaccuracy of such a certificate, is entitled to rely on such certificate with respect to all matters set forth therein.

SECTION 4.10. NONLIABILITY FOR ARCHITECTURAL REVIEW COMMITTEE ACTION. None of the members of the Architectural Review Committee, the Association, any member of the Board of Directors, or Declarant are liable for any loss, damage, or injury arising out of or in any way connected with the performance of the duties of the Architectural Review Committee, except to the extent caused by the willful misconduct or bad faith of the party to be held liable. In reviewing a matter, the Architectural Review Committee does not inspect, guarantee or warrant the workmanship of the Improvement, including its design, construction, safety, whether structural or otherwise, conformance with building codes, or other governmental laws or regulations or whether the Improvement is suitable or fit for its intended purpose.

SECTION 4.11. CONSTRUCTION PERIOD EXCEPTION. During the course of actual construction of a permitted Improvement on a Lot, and provided construction is proceeding with due diligence, the Architectural Review Committee may temporarily suspend the provisions of Article II contained in this Declaration as to the Lot upon which the construction is taking place to the extent necessary to permit such construction; provided, however, that during the course of any such construction, nothing may be done that will result in a violation of any of the provisions of this Declaration upon completion of construction or that will constitute a nuisance or unreasonable interference with the use and enjoyment of other property within the Community.

SECTION 4.12. SUBSURFACE CONDITIONS. The approval of Plans by the Architectural Review Committee for a Residential Dwelling or other Improvement on a Lot will not be construed in any respect as a representation or warranty by the Architectural Review Committee or Declarant to the Owner submitting such Plans or to any of the successors or assigns of such Owner that the surface or subsurface conditions of such Lot are suitable for the construction of the Improvement contemplated by such Plans. It is the sole responsibility of each Owner to determine the suitability and adequacy of the surface and subsurface conditions of a Lot for the construction of any contemplated Improvement thereon.

ARTICLE V MANAGEMENT AND OPERATION OF COMMUNITY

SECTION 5.1. MANAGEMENT BY ASSOCIATION. The affairs of the Community will be administered by the Association. The Association has the right, power and obligation to provide for the management, administration, and operation of the Community as herein provided for and as provided for in the Certificate of Formation, the Bylaws and the Rules and Regulations. The business and affairs of the Association will be managed by its Board of Directors. During the Development Period, Declarant will determine the number of Directors and appoint, dismiss and reappoint all of the members of the Board. The Association, acting through the Board, is entitled to enter into such contracts and agreements concerning the Community as the Board deems reasonably necessary or appropriate to maintain and operate the Community in accordance with the provisions of this Declaration, including without limitation, the right to grant utility and other easements for uses the Board deems appropriate and the right to enter into agreements for maintenance, trash pick-up, repair, administration, patrol services, traffic, operation of recreational facilities, or other matters affecting the Community.

The Association, during the Development Period and thereafter, is permitted to enter into a contract or agreement with an entity in which Declarant or an officer, director or member of Declarant has a financial interest or a managerial position so long as the material facts of the interest or relationship are disclosed to or known by the Board of Directors of the Association, the contract

or agreement is fair to the Association when approved, and the contract or agreement is approved in good faith and with ordinary care by not less than a majority of the Board of Directors of the Association.

SECTION 5.2. MEMBERSHIP IN ASSOCIATION. Each Owner of a Lot, whether one or more persons or entities, will upon and by virtue of becoming such Owner, automatically become and remain a Member of the Association until his ownership ceases for any reason, at which time his membership in the Association will automatically cease. Membership in the Association is mandatory and appurtenant to and will automatically follow the ownership of each Lot and may not be separated from such ownership.

SECTION 5.3. VOTING OF MEMBERS. Subject to any limitations set forth in this Declaration or the Bylaws, each Member other than Declarant is a Class A Member entitled to one (1) vote per Lot owned on each matter submitted to a vote of the Members. Declarant is a Class B Member having ten (10) votes for each Lot owned. No Owner other than Declarant is entitled to vote at any meeting of the Association until such Owner has presented evidence of ownership of a Lot in the Community to the Secretary of the Association. In the event that ownership interests in a Lot are owned by more than one Class A Member of the Association, such Class A Members may exercise their right to vote in such manner as they may among themselves determine, but in no event may more than one (1) vote be cast for each Lot. Such Class A Members must appoint one of them as the Member who is entitled to exercise the vote of that Lot at any meeting of the Association. Such designation must be made in writing to the Board of Directors and will be revocable at any time by actual written notice to the Board. The Board is entitled to rely on any such designation until written notice revoking such designation is received by the Board. In the event that a Lot is owned by more than one Class A Member of the Association, and no single Class A Member is designated to vote on behalf of the Class A Members having an ownership interest in such Lot, then the Class A Member exercising the vote for the Lot will be deemed to be designated to vote on behalf of the Class A Members having an ownership interest in the Lot. All Members of the Association may attend meetings of the Association and all Members may exercise their vote at such meetings either in person or proxy. Any person who occupies a Residential Dwelling on a Lot in the Community but is not an Owner may attend meetings of the Association and serve on committees (other than the Architectural Review Committee after the Development Period expires). Fractional votes and split votes are not permitted. Cumulative voting is not permitted.

Class B membership in the Association will cease and be converted to Class A membership when the Development Period expires, or on any earlier date selected by Declarant and evidenced by a written notice recorded in the Official Public Records of Real Property of Montgomery County, Texas.

SECTION 5.4. MEETINGS OF THE MEMBERS. Annual and special meetings of the Members of the Association will be held at such place and time and on such dates as specified or provided in the Bylaws.

SECTION 5.5. PROFESSIONAL MANAGEMENT. The Board has the authority to retain, hire, employ or contract with such professional management companies or personnel as the Board deems appropriate to perform the day to day functions of the Association and to provide for the management, administration and operation of the Community as provided for in this Declaration and in the Bylaws.

SECTION 5.6. BOARD ACTIONS IN GOOD FAITH. Any action, inaction or omission by the Board made or taken in good faith will not subject the Board or any individual member of the Board to any liability to the Association, its Members or any other party.

SECTION 5.7. IMPLIED RIGHTS; BOARD AUTHORITY. The Association may exercise any right or privilege given to it expressly by the provisions of this Declaration or its Certificate of Formation or Bylaws, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. All rights and powers of the Association may be exercised by the Board of Directors without a vote of the membership except where any provision in this Declaration, the Certificate of Formation, the Bylaws or applicable law specifically requires a vote of the membership.

The Board may institute, defend, settle or intervene on behalf of the Association in litigation, administrative proceedings, binding or non-binding arbitration or mediation in matters pertaining to (a) Common Areas or other areas in which the Association has or assumes responsibility pursuant to the provisions of this Declaration, (b) enforcement of this Declaration, the Rules and Regulations, the Residential Design Guidelines, and Residential Modification Guidelines or (c) any other civil claim or action. However, no provision in this Declaration or the Certificate of Formation or Bylaws will be construed to create any independent legal duty to institute litigation on behalf of or in the name of the Association.

SECTION 5.8. STANDARD OF CONDUCT. The Board of Directors, the officers of the Association, and the Association have a duty to represent the interests of the Owners in a fair and just manner. Any act or thing done by any Director, officer or committee member taken in furtherance of the purposes of the Association, and accomplished in conformity with the Declaration, Certificate of Formation, Bylaws and the laws of the State of Texas, will be reviewed under the standard of the Business Judgment Rule as established by the common law of Texas, and such act or thing will not be a breach of duty on the part of the Director, officer or committee member if taken or done within the exercise of their discretion and judgment. The Business Judgment Rule means that a court may not substitute its judgment for that of the Director, officer or committee member. A court may not re-examine the decisions made by a Director, officer or committee member by determining the reasonableness of the decision as long as the decision is made in good faith and in what the Director, officer, or committee member believed to be in the best interest of the Association.

ARTICLE VI MAINTENANCE EXPENSE CHARGE AND MAINTENANCE FUND

SECTION 6.1. MAINTENANCE FUND. All Annual Maintenance Charges collected by the Association and all interest, penalties, assessments and other sums and revenues collected by the Association constitute the Maintenance Fund. The Maintenance Fund will be held, managed, invested and expended by the Board, at its discretion, for the benefit of the Community and the Owners and occupants of Lots therein. The Board may, by way of illustration and not by way of limitation, expend the Maintenance Fund for the administration, management, and operation of the Community; for the maintenance, repair and improvement of the Common Area; for the maintenance of any easements granted to the Association; for the enforcement of the provisions of this Declaration by action at law or in equity, or otherwise, and the payment of court costs as well as reasonable and necessary legal fees; and for all other purposes that are, in the discretion of the Board, desirable in order to maintain the character and value of the Community and the Lots

therein. The Board and its individual members are not liable to any person as a result of actions taken by the Board with respect to the Maintenance Fund, except for willful neglect or intentional wrongdoings.

SECTION 6.2. COVENANTS FOR ANNUAL MAINTENANCE CHARGES AND ASSESSMENTS. Subject to Article VI, Section 6.7, below, each and every Lot in the Community is hereby severally subjected to and impressed with an Annual Maintenance Charge in an amount to be determined annually by the Board, which Annual Maintenance Charge will run with the land. Each Owner of a Lot, by accepting a deed to any such Lot, whether or not it is so expressed in such deed, is hereby conclusively deemed to covenant and agree, as a covenant running with the land, to pay to the Association, its successors or assigns, each and all of the Annual Maintenance Charges and other assessments levied against his Lot and/or assessed against him by virtue of his ownership thereof, as the same becomes due and payable, without demand. The Annual Maintenance Charges and other assessments herein provided for are a charge and a continuing lien upon each Lot, together with all Improvements thereon, as hereinafter more particularly stated. Each Annual Maintenance Charge or other assessment, together with interest, late charges, costs, and reasonable attorney's fees, is also the personal obligation of the person who was the Owner of the Lot at the time the obligation to pay such Annual Maintenance Charge or assessment accrued, but no Member is personally liable for the payment of any Annual Maintenance Charge or assessment made or becoming due and payable after his ownership ceases. No Member is exempt or excused from paying any such Annual Maintenance Charge or assessment by waiver of the use or enjoyment of the Common Area, or any part thereof, or by abandonment of his Lot or his interest therein.

SECTION 6.3. BASIS AND MAXIMUM ANNUAL MAINTENANCE CHARGE. The maximum Annual Maintenance Charge for the year in which it is anticipated that a Lot with a completed Residential Dwelling thereon is first conveyed to a party will be established by Declarant and set forth either in an amendment or supplement to this Declaration or in a notice recorded in the Official Public Records of Real Property of Montgomery County, Texas. From and after January 1 of the year next following the year in which the initial maximum Annual Maintenance Charge is established, the maximum Annual Maintenance Charge may be automatically increased, effective January 1 of each year, by an amount equal to a fifteen percent (15%) increase over the prior year's maximum Annual Maintenance Charge without a vote of the Members of the Association. From and after January 1 of the year next following the year in which the initial maximum Annual Maintenance Charge is established, the maximum Annual Maintenance Charge may be increased above fifteen percent (15%) only if (a) approved in writing by a majority of the Members or (b) by the vote of not less than two-thirds (2/3) of the Members present and voting, in person or by proxy, at a meeting of the Members called for that purpose at which a quorum is present. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the Annual Maintenance Charge at an amount not in excess of the maximum amount established pursuant to this Section. Except as provided in Section 6.7, the Annual Maintenance Charge levied against each Lot must be uniform.

SECTION 6.4. DATE OF COMMENCEMENT AND DETERMINATION OF ANNUAL MAINTENANCE CHARGE. The Annual Maintenance Charge will commence as to each Lot on the date of the conveyance of the Lot by the Declarant and will be prorated according to the number of days remaining in the calendar year. On or before the 30th day of November in each year, the Board of Directors of the Association is required to fix the amount of the Annual Maintenance Charge to be levied against each Lot in the next calendar year. Written notice of the figure at which

the Board of Directors of the Association has set the Annual Maintenance Charge must be sent to every Owner. Provided that, the failure to fix the amount of an Annual Maintenance Charge or to send written notice thereof to all Owners will not affect the authority of the Association to levy Annual Maintenance Charges or to increase Annual Maintenance Charges as provided in this Declaration.

SECTION 6.5. SPECIAL ASSESSMENTS. If the Board at any time, or from time to time, determines that the Annual Maintenance Charges assessed for any period are insufficient to provide for the continued operation of the Community or any other purposes contemplated by this Declaration, then the Board has the authority to levy a Special Assessment as it deems necessary to provide for such continued maintenance and operation of the Community. No Special Assessment will be effective until the same is approved either (a) in writing by at least a majority of the Members, or (b) by the vote of not less than two-thirds (2/3) of the Members present and voting, in person or by proxy, at meeting of the Members called for that purpose at which a quorum is present. Special Assessment will be payable in the manner determined by the Board and the payment thereof is subject to interest, late charges, costs and attorney's fees, secured by the continuing lien established in this Article, and enforceable in the manner herein specified for the payment of the Annual Maintenance Charges.

SECTION 6.6. ENFORCEMENT OF ANNUAL MAINTENANCE CHARGE/ SUBORDINATION OF LIEN. The Annual Maintenance Charge assessed against each Lot are due and payable, in advance, on the date of the sale of such Lot by Declarant for that portion of the calendar year remaining, and on the first (1st) day of each January. Any Annual Maintenance Charge which is not paid and received by the Association by the thirty-first (31st) day of each January thereafter is deemed to be delinquent, and, without notice, bear interest at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, from the date originally due until paid. Further, the Board of Directors of the Association has the authority to impose a monthly late charge on any delinquent Annual Maintenance Charge. The monthly late charge, if imposed, will be in addition to interest. To secure the payment of the Annual Maintenance Charge, Special Assessments and Reserve Assessments (as provided in Section 6.8) levied hereunder and any other sums due hereunder (including, without limitation, interest, costs, late charges, attorney's fees), there is hereby created and fixed a separate and valid and subsisting lien upon and against each Lot and all Improvements thereon for the benefit of the Association, and superior title to each Lot is hereby reserved in and to the Association. The lien described in this Section and the superior title herein reserved is deemed subordinate to any Mortgage for the purchase of the Lot and any renewal, extension, rearrangements or refinancing of such purchase money Mortgage. The collection of such Annual Maintenance Charge and other sums due hereunder may, in addition to any other applicable method at law or in equity, be enforced by suit for a money judgment and in the event of such suit, the expense incurred in collecting such delinquent amounts, including interest, costs and attorney's fees will be chargeable to and be a personal obligation of the defaulting Owner. Notice of the lien referred to in the preceding paragraph may, but is not required to, be given by recording in the Official Public Records of Real Property of Montgomery County, Texas an affidavit, duly executed, and acknowledged by a duly authorized representative of the Association, setting forth the amount owed, the name of the Owner or Owners of the affected Lot according to the books and records of the Association, and the legal description of such Lot. Each Owner, by acceptance of a deed to his Lot, hereby expressly recognizes the existence of such lien as being prior to his ownership of such Lot and hereby vests in the Association the right and power to bring all actions against such Owner or Owners personally for the collection of such unpaid Annual Maintenance Charge and other sums due hereunder as a debt,

and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including both judicial and non-judicial foreclosure pursuant to Chapter 51 of the Texas Property Code (as same may be amended or revised from time to time hereafter) and in addition to and in connection therewith, by acceptance of the deed to his Lot, each Owner expressly grants, bargains, sells and conveys to the President of the Association from time to time serving, as trustee (and to any substitute or successor trustee as hereinafter provided for) such Owner's Lot, and all rights appurtenant thereto, in trust, for the purpose of securing the aforesaid Annual Maintenance Charge, Special Assessments, Reserve Assessments and other sums due hereunder remaining unpaid hereunder by such Owner from time to time and grants to such trustee a power of sale. The trustee herein designated may be changed any time and from time to time by execution of an instrument in writing signed by the President or Vice President of the Association and filed in the Official Public Records of Real Property of Montgomery County, Texas. In the event of the election by the Board to foreclose the lien herein provided for nonpayment of sums secured by such lien, then it is the duty of the trustee, or his successor, as hereinabove provided, to enforce the lien and to sell such Lot, and all rights appurtenant thereto, in accordance with the provisions of Chapter 51 of the Texas Property Code as same may hereafter be amended. At any foreclosure, judicial or non-judicial, the Association is entitled to bid up to the amount of the sum secured by its lien, together with costs and attorney's fees, and to apply as a cash credit against its bid all sums due to the Association covered by the lien foreclosed. From and after any such foreclosure the occupants of such Lot is required to pay a reasonable rent for the use of such Lot and such occupancy will constitute a tenancy-at-sufferance, and the purchaser at such foreclosure sale is entitled to the appointment of a receiver to collect such rents and, further, is entitled to sue for recovery of possession of such Lot by forcible detainer.

SECTION 6.7. PAYMENT OF ASSESSMENTS BY DECLARANT AND BUILDERS. Lots owned by Declarant are exempt from Annual Maintenance Charges and Special Assessments during the Development Period. Provided that, during the Development Period, Declarant must pay any deficiency in the operating budget, less any portion of the Annual Maintenance Charges deposited in any reserve account established by the Association or otherwise set aside for reserves. A Lot owned by a Builder is subject to Annual Maintenance Charges and Special Assessments at the same rate applicable to Lots other than Lots owned by Declarant.

SECTION 6.8. RESERVE ASSESSMENT. Upon the first sale of a Lot subsequent to the completion of a Residential Dwelling thereon, and upon each subsequent sale of the Lot, the purchaser of the Lot must pay to the Association a Reserve Assessment in a sum equal to the Annual Maintenance Charge in effect as of the date of closing on the sale of such Lot. The Reserve Assessment is due and payable on the date of closing on the sale of the Lot. Payment of the Reserve Assessment will be in default if the Reserve Assessment is not paid on or before the due date for such payment. Reserve Assessments in default will bear interest at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, from the due date until paid. During the Development Period, Reserve Assessments collected by the Association may be used for the administration, management, and operation of the Association or deposited into a reserve account established and maintained by the Association for capital improvements and/or the repair or refurbishment of the Common Area or both. After the Development Period expires, only fifty percent (50%) of the Reserve Assessments received by the Association in a calendar year may be used for the administration, management and operation of the Association; the remainder of the Reserve Assessments received by the Association in a calendar year must be deposited into a reserve account for capital improvements and/or repairs. No Reserve Assessment paid by an Owner will be refunded to the Owner by the Association. The Association may enforce payment of

the Reserve Assessment in the same manner which the Association may enforce payment of Annual Maintenance Charges and Special Assessments pursuant to this Article VI.

SECTION 6.9. NOTICE OF SUMS OWING. Upon the written request of an Owner, the Association may provide to such Owner a written statement setting out the then current total of all Annual Maintenance Charges, Special Assessments, and other sums, if any, owing by such Owner with respect to his Lot. In addition to such Owner, the written statement from the Association so advising the Owner may also be addressed to and be for the benefit of a prospective lender or purchaser of the Lot, as same may be identified by said Owner to the Association in the written request for such information. The Association is entitled to charge the Owner a reasonable fee for such statement.

SECTION 6.10. FORECLOSURE OF MORTGAGE. In the event of a foreclosure of a Mortgage on a Lot that is superior to the continuing lien created for the benefit of the Association pursuant to this Article, the purchaser at the foreclosure sale is not responsible for Annual Maintenance Charges, Special Assessments, or other sums, if any, which accrued and were payable to the Association by the prior Owner of the Lot, but said purchaser and its successors is responsible for Annual Maintenance Charges, Special Assessments, and other sums, if any, becoming due and owing to the Association with respect to said Lot after the date of foreclosure.

SECTION 6.11. ADMINISTRATIVE FEES AND RESALE CERTIFICATES. The Board of Directors of the Association may establish and change from time to time, if deemed appropriate, a fee sufficient to cover the expense associated with providing information in connection with the sale of a Lot in the Community and changing the ownership records of the Association ("Administrative Fee"). An Administrative Fee must be paid to the Association or the managing agent of the Association, if agreed to by the Association, upon each transfer of title to a Lot. The Administrative Fee must be paid by the purchaser of the Lot, unless otherwise agreed by the seller and purchaser of the Lot. The Association also has the authority to establish and change from time to time, if deemed appropriate, a fee sufficient to cover the expense associated with providing a Resale Certificate in connection with the sale of a Lot. The fee for a Resale Certificate must be paid to the Association or the managing agent of the Association, if agreed to by the Association. The fee for a Resale Certificate is in addition to, not in lieu of, the Administrative Fee.

ARTICLE VII INSURANCE; SECURITY

SECTION 7.1. GENERAL PROVISIONS. The Board has the authority to determine whether or not to obtain insurance for the Association and, if insurance is obtained, the amounts thereof. In the event that insurance is obtained, the premiums for such insurance will be an expense of the Association which is paid out of the Maintenance Fund.

SECTION 7.2. INDIVIDUAL INSURANCE. Each Owner, tenant or other person occupying a Residential Dwelling is responsible for insuring his Lot and Residential Dwelling, its contents and furnishings. Each Owner, tenant or other person occupying a Residential Dwelling is, at his own cost and expense, responsible for insuring against the liability of such Owner, tenant or occupant.

SECTION 7.3. INDEMNITY OF ASSOCIATION. Each Owner is responsible for any costs incurred as a result of such Owner's negligence or misuse or the negligence or misuse of his family, tenants, guests, invitees, agents, employees, or any resident or occupant of his Residential Dwelling,

and by acceptance of a deed to a Lot does hereby indemnify the Association, its officers, directors and agents, and all other Owners against any such costs.

SECTION 7.4. SECURITY. THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, EMPLOYEES, AGENTS AND ATTORNEYS, ("ASSOCIATION AND RELATED PARTIES") WILL NOT IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE COMMUNITY. THE ASSOCIATION AND RELATED PARTIES WILL NOT BE LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR THE INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. OWNERS, LESSEE AND OCCUPANTS OF ALL LOTS, ON BEHALF OF THEMSELVES, AND THEIR GUESTS AND INVITEES, ACKNOWLEDGE THAT THE ASSOCIATION AND RELATED PARTIES DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVISES, OR OTHER SECURITY SYSTEMS (IF ANY ARE PRESENT) WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP OR OTHERWISE, NOR THAT FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS **CONTROL** SYSTEMS, **PATROL** SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVISES OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. OWNERS, LESSES, AND OCCUPANTS OF LOTS ON BEHALF OF THEMSELVES, AND THEIR GUESTS AND INVITEES, ACKNOWLEDGE AND UNDERSTAND THAT THE ASSOCIATION AND RELATED PARTIES ARE NOT AN INSURER AND THAT EACH OWNER, LESSEE AND OCCUPANT OF ANY LOT AND ON BEHALF OF THEMSELVES AND THEIR GUESTS AND INVITEES ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO RESIDENTIAL DWELLINGS AND TO THE CONTENTS OF THEIR RESIDENTIAL DWELLING AND FURTHER ACKNOWLEDGES THE ASSOCIATION THAT AND RELATED **PARTIES** HAVE **MADE** REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER OR LESSEE ON BEHALF OF THEMSELVES AND THEIR GUESTS OR INVITEES RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, **PATROL** SERVICES, **SURVEILLANCE** EQUIPMENT, MONITORING DEVISES OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE COMMUNITY.

ARTICLE VIII FIRE OR CASUALTY: REBUILDING

SECTION 8.1. REBUILDING. In the event of a fire or other casualty causing damage or destruction to the Residential Dwelling or other Improvement on a Lot, the Owner of such damaged or destroyed Residential Dwelling or Improvement must, within ninety (90) days after such fire or casualty (or such longer period if agreed to in writing by the Board of Directors), contract to repair or reconstruct the damaged portion of Residential Dwelling or Improvement and cause the Residential Dwelling or Improvement to be fully repaired or reconstructed in accordance with the original Plans therefor, or in accordance with new Plans presented to and approved by the Architectural Review Committee, and must promptly commence repairing or

reconstructing such Residential Dwelling or Improvement, to the end that the Residential Dwelling or Improvement does not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Alternatively, such damaged or destroyed Residential Dwelling or Improvement must be razed and the Lot restored as nearly as possible to its original condition within ninety (90) days of its damage or destruction (or such longer period if agreed to in writing by the Board of Directors). In the event that the repair and reconstruction of the Residential Dwelling or Improvement has not been commenced within ninety (90) days after such fire or casualty (or such longer period if agreed to in writing by the Board of Directors), and the damaged or destroyed Residential Dwelling or Improvement has not been razed and the Lot restored to its original condition, the Association and/or any contractor engaged by the Association, upon thirty (30) days written notice to the Owner at the Owner's last known mailing address according to the records of the Association, has the authority, but not the obligation, to enter upon the Lot, raze the Residential Dwelling or Improvement and restore the Lot as nearly as possible to its original condition. Any costs incurred by the Association to raze the Residential Dwelling or Improvement and to restore the Lot to its original condition, plus fifty percent (50%) of such costs for overhead and supervision, will be charged to the Owner's assessment account, secured by the lien created in Article VI of this Declaration and collected in the manner provided in Article VI of this Declaration. Interest thereon at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, will begin to accrue on such sum on the thirty-first (31st) day after a written invoice is delivered to the Owner.

ARTICLE IX FOUNDATION FEE

Declarant may create a foundation as a Texas non-profit corporation (the "Foundation"), with the mission and authority to initiate programs, activities, and services to facilitate and enhance community life in Riverwalk and the surrounding area. At the same time, a community covenant for the foundation (the "Community Covenant") will be recorded in the Official Public Records of Real Property of Montgomery County, Texas. The Community Covenant will address the Foundation's mission and organization, its activities and funding, and its duration.

Upon the transfer of title to a Lot after the creation of the Foundation (unless an exempted transfer as provided in the Community Covenant), a fee is payable to the Foundation (such fee being called the "Foundation Fee"). The maximum amount of the Foundation Fee will be set forth in the Community Covenant. The Foundation Fee is payable by the purchaser of the Lot and is due at the time of closing on the transfer of title to the Lot. Notice is given to all persons of the intent to create the Foundation, the obligation of a purchaser of a Lot to pay a Foundation Fee, and the provisions of the Community Covenant.

ARTICLE X DURATION, AMENDMENT, ANNEXATION AND MERGER

SECTION 10.1. DURATION. The provisions of this Declaration will remain in full force and effect until January 1, 2050, and will be extended automatically for successive ten (10) year periods; provided however, that the provisions of this Declaration may be terminated on January 1, 2050, or on the commencement of any successive ten (10) year period by filing for record in the

Declaration for Riverwalk

Official Public Records of Real Property of Montgomery County, Texas, an instrument in writing signed by Owners representing not less than ninety percent (90%) of the Lots in the Community.

SECTION 10.2. AMENDMENT. For a period of twenty (20) years after the date this Declaration is recorded, Declarant has the authority to amend this Declaration, without the joinder or consent of any other party, so long as an amendment does not materially and adversely affect any substantive rights of the Lot Owners. After the expiration of the twenty (20) year period, Declarant has the right to amend this Declaration, without the joinder or consent of any other party, for the purpose of clarifying or resolving any ambiguities or conflicts herein, or correcting any inadvertent misstatements, errors, or omissions; provided, however, any such amendment must be consistent with and in furtherance of the general plan and scheme of development for the Community. In addition, this Declaration may be amended at any time by an instrument in writing signed by the Secretary of the Association certifying that Owners representing not less than two-thirds (2/3) of the Lots have approved such amendment, in writing, setting forth the amendments, and duly recorded in the Official Public Records of Real Property of Montgomery County, Texas; provided that, during the Development Period, an amendment of this Declaration must also be approved in writing by Declarant. Provided further that, without the joinder of Declarant, no amendment may diminish the rights of or increase the liability of Declarant under this Declaration. In the event that there are multiple Owners of a Lot, the written approval of an amendment to this Declaration may be reflected by the signature of a single co-Owner. Any legal challenge to the validity of an amendment to this Declaration must be initiated by filing a suit not later than one (1) year after the date the amendment document is recorded in the Official Public Records of Real Property of Montgomery County, Texas.

SECTION 10.3. ANNEXATION. Additional land may be annexed and subjected to the provisions of this Declaration by Declarant, without the consent of the Members, so long as the Development Period exists. Thereafter, additional land may be annexed and subjected to the provisions of this Declaration only with the consent of not less than two-thirds (2/3) of the Members of the Association present and voting, in person or by proxy, at a meeting of the Members called for that purpose at which a quorum is present. The annexation of additional land will be effective upon filing of record a Supplemental Declaration in the Official Public Records of Real Property of Montgomery County, Texas. Provided that, in no event is the annexation of additional land permitted if the annexation will result in the Community failing to qualify for, maintain or meet the requirements for being an age restricted community in compliance with state and federal law.

Upon annexing additional land, Declarant has the authority, in the Supplemental Declaration, to impose additional restrictions upon the land being annexed and to modify provisions in this Declaration as such provisions apply to the annexed land so long as the modifications are substantially consistent with the general plan and scheme of development for the Community as established by this Declaration. Further, Declarant has the authority to amend the provisions of a Supplemental Declaration until the expiration of the Development Period without the joinder or consent of any other party, so long as an amendment does not adversely affect any substantive rights of the Lot Owners.

SECTION 10.4. DEANNEXATION OF LAND. Land made subject to this Declaration may be deannexed by an instrument signed by Owners representing not less than two-thirds (2/3) of the Lots in the Community and filed of record in the Official Public Records of Real Property of Montgomery County, Texas. Provided that, no land made subject to this Declaration may be deannexed during the Development Period without the written consent of Declarant.

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ARTICLE XI MISCELLANEOUS

SECTION 11.1. SEVERABILITY. In the event of the invalidity or partial invalidity or partial unenforceability of any provision in this Declaration, the remainder of the Declaration will remain in full force and effect.

SECTION 11.2. NUMBER AND GENDER. Pronouns, whenever used herein, and of whatever gender, include natural persons and corporations, entities and associations of every kind and character, and the singular includes the plural, and vice versa, whenever and as often as may be appropriate.

SECTION 11.3. ARTICLES AND SECTIONS. Article and section headings in this Declaration are for convenience of reference and will not affect the construction or interpretation of this Declaration. Unless the context otherwise requires references herein to articles and sections are to articles and sections of this Declaration.

SECTION 11.4. DELAY IN ENFORCEMENT. No delay in enforcing the provisions of this Declaration with respect to any breach or violation thereof will impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time.

SECTION 11.5. LIMITATION OF LIABILITY. Notwithstanding anything provided herein to the contrary, neither the Declarant, the Architectural Review Committee, the Association, nor any agent, employee, representative, member, shareholder, partner, officer or director thereof, has any liability of any nature whatsoever for any damage, loss or prejudice suffered, claimed, paid or incurred by any Owner on account of (a) any defects in any Plans submitted, reviewed, or approved in accordance with the provisions of Article IV above, (b) any defects, structural or otherwise, in any work done according to such Plans, (c) the failure to approve or the disapproval of any Plans, or other data submitted by an Owner for approval pursuant to the provisions of Article IV, (d) the construction or performance of any work related to such Plans, (e) bodily injuries (including death) to any Owner, occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of any such Owner or occupant, or other damage to any Residential Dwelling, Improvements or the personal property of any Owner, occupant or the respective family members, guests, employees, servants, agents, invitees or licensees of such Owner or occupant, which may be caused by, or arise as result of, any defect, structural or otherwise, in a Residential Dwelling or Improvements or the Plans thereof or any past, present or future soil and/or subsurface conditions, known or unknown and (f) any other loss, claim, damage, liability or expense, including court costs and attorney's fees suffered, paid or incurred by any Owner arising out of or in connection with the use and occupancy of a Lot, Residential Dwelling, or any other Improvements situated thereon.

SECTION 11.6. ENFORCEABILITY. The provisions of this Declaration run with the Community and are binding upon and inure to the benefit of and be enforceable by Declarant, the Association, each Owner and occupant of a Lot in the Community, or any portion thereof, and their respective heirs, legal representatives, successors and assigns. Provided that, only the Association has the authority to enforce the Association's lien for non-payment of Annual Maintenance Charges and other sums. If notice and an opportunity to be heard are given, the Association is entitled to impose reasonable fines for violations of the provisions of this Declaration, the recorded Rules and Regulations of the Association, the Residential Design Guidelines and the Residential Modification Guidelines and to collect reimbursement of actual attorney's fees and other reasonable costs

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incurred by it relating to violations of the provisions of this Declaration, the recorded Rules and Regulations, the Residential Design Guidelines and the Residential Modification Guidelines. Such fines, fees and costs will be added to the Owner's assessment account and collected in the manner provided in Article VI of this Declaration. In the event any one or more persons, firms, corporations or other entities violates or attempts to violate any of the provisions of this Declaration, the Rules and Regulations or the Residential Design Guidelines or the Residential Modification Guidelines, Declarant, the Association, each Owner or occupant of a Lot within the Community, may institute and prosecute any proceeding at law or in equity to abate, preempt or enjoin any such violation or attempted violation or to recover monetary damages caused by such violation or attempted violation.

SECTION 11.7. INTERPRETATION. The provisions of this Declaration will be liberally construed to give effect to their purposes and intent.

SECTION 11.8. CERTIFICATES OF COMPLIANCE AND NON-COMPLIANCE. The Association has the authority to adopt and enforce policies and procedures relating to the inspection of Lots prior to sale or conveyance and the issuance of a certification that the Lot is or is not in compliance with the provisions of this Declaration, the Rules and Regulations, the Residential Design Guidelines and the Residential Modification Guidelines. The Association also has the authority to charge a reasonable fee to the Owner of the Lot for the inspection of the Lot and the issuance of a Certificate of Compliance or Non-Compliance. Provided that, any policies and procedures adopted by the Association will not be effective until recorded in the Official Public Records of Real Property of Montgomery County, Texas. Provided further that, policies and procedures relating to the inspection of Lots prior to sale or conveyance and the issuance of a certification are not applicable to Lots owned and to be sold and conveyed by Declarant or Lots on which there are no Improvements.

(This space intentionally left blank.)

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Declaration on the date of the acknowledgment, to become effective upon recording in the Official Public Records of Real Property of Montgomery County, Texas.

CC SOCA III, LP a Texas limited partnership, Declarant

By: CC SCOA III GP, L.L.C.
its general partner
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By: //ED/MS
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Print Name: Print Name: DOCKLY
Its: VF

THE STATE OF TEXAS

COUNTY OF MONTGOMERY

BEFORE ME, the undersigned Notary Public, on this day personally appeared when the control of CC SCOA III GP, L.L.C., general partner of CC SOCA III, LP, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity stated.

§ § §

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 3rd day of CLIDE, 2019.

KATHY C. COUNCE
Notary Public, State of Texas
Comm. Expires 10-03-2020
Notary ID 12123579

Notary Public in and for the State of Texas

Return to: Rick S. Butler Roberts Markel Weinberg Butler Hailey, P.C. 2800 Post Oak Blvd., Suite 5777 Houston, TX 77056



METES AND BOUNDS DESCRIPTION 500.0709 ACRES (21,783,089 SQUARE FEET) LYING IN THE WILLIAM VINCE SURVEY, A-581, AND THE B.B.B. & C. R.R. COMPANY SURVEY, A-112 MONTGOMERY COUNTY, TEXAS

All of that certain tract of land being 500.0709 acres (21,783,089 square feet) being out of a 1,576,1910 acre (68,658,880 square feet) tract of land (known as South Tract) comprised of all of that certain called 250 acre tract described in deed to Dennis J. Wilkerson, Trustee as recorded in Montgomery County Clerks File (M.C.C.F.) No. 2011090931, being all of that certain called 104.42 acre tract described in deed to Landcraft Inc., a Texas Corporation as recorded in M.C.C.F. No. 2015066481, being a residue of that certain called 1,207.52 acre tract described in deed to Dennis J. Wilkerson, Trustee as recorded in M.C.C.F. No. 2006147630 and being a residue of that certain residual called 1,656.829 acre tract described in deed to Landcraft, Inc., a Texas corporation as recorded in M.C.C.F. No. 9521239 and lying in the William Vince Survey, A-581 and the B.B.B. & C. R.R. Company Survey, A-112, Montgomery County, Texas, said 500.0709 acre tract being more particularly by metes and bounds as follows: (Bearings and Coordinates are based on the Texas State Plane Coordinate System, South Central Zone, NAD83, 2011 Adjustment)

COMMENCING at a found 5/8 inch iron rod being the Northwest corner and the ending point for the right-of-way of Cumberland Boulevard (120 feet wide) as shown on the Replat of Cumberland Phase I as recorded in Cabinet E. Sheet 90, Montgomery County Map Records (M.C.M.R.), same being the Easterly Interior corner said South Tract;

THENCE South 02°32'32" East, along a West line of said Cumberland Phase 1 and of said right-of-way line, in common with an Easterly line of said South Tract a distance of 13.88 feet a point being the Northeast corner and the **POINT OF BEGINNING** of the herein described tract:

THENCE South 02°32'32" East, continuing along a West line of said Cumberland Phase 1 and of said right-of-way line, in common with an Easterly line of said South Tract and of the herein described tract a distance of 101.32 feet to a point being the Southwest corner of said right-of-way and the Northwest corner of a called 3.0493 acre tract known as Restricted Reserve "C" in said Cumberland, same being an Easterly corner of said South Tract and of the herein described tract:

THENCE South 02°41'20" East, along the West line of said Cumberland Phase I, in common with an Easterly line of said South Tract and of the herein described tract a distance of 1,504.06 feet to a found 5/8 inch iron rod being the Southwest corner of said Cumberland Phase I, same being an Easterly corner of said South tract and of the herein described tract and the beginning of a curve to the right:

THENCE, over and across said South Tract and along a Southerly line of the herein described tract and along said curve to the right having a radius of 774.88 feet, an arc length of 298.66 feet, a chord bearing of South 21°30'24" West and a chord distance of 296.81 feet to a point being a Southerly corner of the herein described tract:

THENCE, continuing over and across said South Tract and along a Southerly line of the herein described tract and along said curve to the right having a radius of 702.45 feet, an arc length of 434.61 feet, a chord bearing of South 55°31'51" West and a chord distance of 427.71 feet to a point being a Southerly corner of the herein described tract;

THENCE South 75°02'54" West, continuing over and across said South Tract and along a Southerly line of the herein described tract a distance of 736.92 feet to a point being a Southerly corner of the herein described tract and the beginning of a curve to the left;

THENCE, continuing over and across said South Tract and along a Southerly line of the herein described tract and along said curve to the left having a radius of 816.42 feet, an arc length of 614.62 feet, a chord bearing of South 51°27'42" West and a chord distance of 600.21 feet to a point being a Southerly corner of the herein described tract and a point of reverse curvature to the right:

THENCE, continuing over and across said South Tract and along a Southerly line of the herein described tract and along said curve to the right having a radius of 1.687.21 feet, an arc length of 84.29 feet, a chord bearing of South 31°19'34" West and a chord distance of 84.28 feet to a point being a Southerly corner of the herein described tract and a point of compound curvature to the right:

THENCE, continuing over and across said South Tract and along a Southerly line of the herein described tract and along said curve to the right having a radius of 610.74 feet, an arc length of 330.98 feet, a chord bearing of South 48°16'57" West and a chord distance of 326.95 feet to a point being a Southerly corner of the herein described tract and a point of compound curvature to the right;

THENCE, continuing over and across said South Tract and along a Southerly line of the herein described tract and along said curve to the right having a radius of 1,181.38 feet, an arc length of 173.79 feet, a chord bearing of South 68°01'20" West and a chord distance of 173.64 feet to a point being a Southerly corner of the herein described tract and a point of compound curvature to the right:

THENCE, continuing over and across said South Tract and along a Southerly line of the herein described tract and along said curve to the right having a radius of 721.73 feet, an arc length of 867.56 feet, a chord bearing of North 73°19'36" West and a chord distance of 816.27 feet to a point being a Southerly corner of the herein described tract and a point of reverse curvature to the left:

THENCE, continuing over and across said South Tract and along a Southerly line of the herein described tract and along said curve to the left having a radius of 510.25 feet, an arc length of 818.53 feet, a chord bearing of North 84°50'46" West and a chord distance of 733.55 feet to a point being a Southerly corner of the herein described tract;

THENCE. South 49°11'54" West, continuing over and across said South Tract and along a Southerly line of the herein described tract a distance of 699.51 feet to a point being a Southerly corner of the herein described tract and a point of curvature to the left;

THENCE, continuing over and across said South Tract and along a Southerly line of the herein described tract and along said curve to the left having a radius of 1,357.22 feet, an arc length of 535.06 feet, a chord bearing of South 37°45'46" West and a chord distance of 531.60 feet to a point being a Southerly corner of the herein described tract:

THENCE. South 26°28'07" West, continuing over and across said South Tract and along a Southerly line of the herein described tract a distance of 304.23 feet to a point being a Southerly corner of the herein described tract;

THENCE, South 63°35'15" East, continuing over and across said South Tract and along a Southerly line of the herein described tract a distance of 275.36 feet to a point being a Southerly corner of the herein described tract:

THENCE, South 02°32'53" East, continuing over and across said South Tract and along a Southerly line of the herein described tract a distance of 470.84 feet to a point lying on a Northerly line of a called 30.591 acre tract described in deed to Michael P. Sullivan as recorded in M.C.C.F. No. 2007076078 and a Southerly line of said South Tract and being the Southeasterly corner of the herein described tract, from which a point being the Northeast corner of said called 30.591 acre tract, the Southwest corner of a called 4.281 acre tract, being the Northerly residue of a called 5.879 acre tract and described in deed to Konstantin Nikolaidis as recorded in M.C.C.F. No(s) 9656447 and 2007053776, same being the Northwest corner of a called 1.598 acre tract, being the Southerly residue of said called 5.879 acre tract and described in deed to Deerbrook Construction, Inc. as recorded in M.C.C.F. No. 9656447 and a Southerly corner of said South Tract bears North 87°27'07" East a distance of 3,207.84 feet;

THENCE, South 87°27'07" East, along a Northerly line of said called 30.591 acre tract, in common with a Southerly line of said South Tract and the South line of the herein described tract a distance of 1,058.70 feet to a point being the Southwest corner of the herein described tract, from which a point lying on the Gradient Boundary line of the West Fork of the San Jacinto River and being the Northwest corner of said called 30.591acre tract, same being the Southwest corner of said South Tract bears South 87°27'07" East a distance of 3.372.99 feet:

THENCE, North 05°31'57" East, leaving the Northerly line of said called 30.591 acre tract and a Southerly line of said South Tract, over and across said South Tract and along a Westerly line of the herein described tract a distance of 249.17 feet to a point being a Westerly corner of the herein described tract;

THENCE, North 00°47'04" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 161.91 feet to a point being a Westerly corner of the herein described tract;

THENCE, North 05°33'45" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 209.44 feet to a point being a Westerly corner of the herein described tract;

THENCE, North 22°24'39" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 176.19 feet to a point being a Westerly corner of the herein described tract:

THENCE. North 00°46'10" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 115.65 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 60°09'42" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 238.12 feet to a point being a Westerly corner of the herein described tract:

THENCE. North 12°27'14" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 276.60 feet to a point being a Westerly corner of the herein described tract;

THENCE, North 39°20'57" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 761.09 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the left:

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the left having a radius of 75.00 feet, an arc length of 112.16 feet, a chord bearing of North 03°43'54" East and a chord distance of 102.00 feet to a point being a Westerly corner of the herein described tract;

THENCE, North 38°22'17" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 58.11 feet to a point being a Westerly corner of the herein described tract:

THENCE. North 51°37'43" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 69.12 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the left;

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the left having a radius of 187.50 feet, an arc length of 69.57 feet, a chord bearing of North 40°59'55" East and a chord distance of 69.18 feet to a point being a Westerly corner of the herein described tract;

THENCE. North 30°22'07" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 850.95 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 81°17'29" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 72.49 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the right:

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the right having a radius of 900.00 feet, an arc length of 138.20 feet, a chord bearing of North 04°18'34" West and a chord distance of 138.07 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 00°05'23" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 182.64 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the left:

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the right having a radius of 50.00 feet, an arc length of 75.90 feet, a chord bearing of North 43°23'52" West and a chord distance of 68.82 feet to a point being a Westerly corner of the herein described tract and the beginning of a reverse curve to the left;

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the left having a radius of 1,845,00 feet, an arc length of 139.58 feet, a chord bearing of North 84°43'05" West and a chord distance of 139.55 feet to a point being a Westerly corner of the herein described tract;

THENCE. North 74°06'24" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 270.92 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the right:

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the right having a radius of 1,825.00 feet, an arc length of 886.49 feet, a chord bearing of North 60°11'27" West and a chord distance of 877.81 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 46°16'31" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 121.09 feet to a point being a Westerly corner of the herein described tract:

THENCE. South 43°43'29" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 187.11 feet to a point being a Westerly corner of the herein described tract:

THENCE, South 42°49'01" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 969.06 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the left;

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the left having a radius of 187.50 feet, an arc length of 141.12 feet, a chord bearing of South 64°22'43" East and a chord distance of 137.81 feet to a point being a Westerly corner of the herein described tract;

THENCE, South 85°56'25" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 304.05 feet to a point being a Westerly corner of the herein described tract:

THENCE, South 20°49'45" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 91.28 feet to a point being a Westerly corner of the herein described tract:

THENCE. South 44°48'23" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 681.01 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the left:

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the left having a radius of 187.50 feet, an arc length of 24.54 feet, a chord bearing of South 41°03'27" West and a chord distance of 24.52 feet to a point being a Westerly corner of the herein described tract:

THENCE, South 37°18'32" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 289.14 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the left;

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the left having a radius of 150.00 feet, an arc length of 143.95 feet, a chord bearing of South 16°58'37" West and a chord distance of 138.49 feet to a point being a Westerly corner of the herein described tract;

THENCE, South 10°25'43" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 112.50 feet to a point being a Westerly corner of the herein described tract:

THENCE, South 67°42°05" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 347.70 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 55°32'01" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 197.53 feet to a point being a Westerly corner of the herein described tract;

THENCE, North 64°09'29" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 457.91 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 45°24'32" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 15.83 feet to a point being a Westerly corner of the herein described tract:

THENCE. North 83°11'43" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 57.03 feet to a point being a Westerly corner of the herein described tract:

THENCE. North 03°02'13" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 59.04 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 67°57'11" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 54.58 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 61°12'43" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 22.16 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 63°56'44" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 43.58 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 42°06'31" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 29.74 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 89°00'24" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 89.99 feet to a point being a Westerly corner of the herein described tract:

THENCE, South 43°34'37" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 15.19 feet to a point being a Westerly corner of the herein described tract:

THENCE, South 74°58'43" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 31.19 feet to a point being a Westerly corner of the herein described tract;

THENCE, North 48°03'54" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 37.36 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 63°55'33" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 52.94 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 03°09'52" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 11.63 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 46°30'12" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 27.88 feet to a point being a Westerly corner of the herein described tract:

THENCE. North 03°10'00" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 10.40 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 71°42'03" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 51.98 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 65°29'48" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 39.81 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 73°12'28" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 63.64 feet to a point being a Westerly corner of the herein described tract;

THENCE, South 89°54'58" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 117.92 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 03°01'58" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 8.37 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the left;

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the left having a radius of 612.92 feet, an arc length of 731.42 feet, a chord bearing of North 29°41'55" East and a chord distance of 688.79 feet to a point being a Westerly corner of the herein described tract and a point of reverse curvature to the right;

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the right having a radius of 134.45 feet, an arc length of 234.99 feet, a chord bearing of North 45°34'55" East and a chord distance of 206.21 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 03°17'47" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 648.65 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 40°31'00" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 469.36 feet to a point being a Westerly corner of the herein described tract;

THENCE, North 46°25'50" West, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 760.97 feet to a point being a Westerly corner of the herein described tract and the beginning of a curve to the left;

THENCE, continuing over and across said South Tract and along a Westerly line of the herein described tract and along said curve to the left having a radius of 1,300.52 feet, an arc length of 303.25 feet, a chord bearing of North 56°21'43" West and a chord distance of 302.57 feet to a point being a Westerly corner of the herein described tract;

THENCE, North 26°57'24" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 100.01 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 42°29'13" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 1,186.94 feet to a point being a Westerly corner of the herein described tract:

THENCE, North 15°30'41" East, continuing over and across said South Tract and along a Westerly line of the herein described tract a distance of 319.74 feet to a point lying on the South right-of-way line of State Highway 99 (Grand Parkway) (400 feet width) and a Northerly line of said South Tract and being the Northwest corner of the herein described tract. from which a found TXDOT Monument being a Northerly corner of said South Tract and the beginning of a curve to the left of said right-of-way bears North 74°29'19" West a distance of 3.425.74 feet;

THENCE, South 74°29'19" East, along said right-of-way line, in common with a Northerly line of said South Tract and of the herein described tract a distance of 716.41 feet to a found TXDOT monument being a Southerly right-of-way corner and a Northerly corner of said South Tract and of the herein described tract and the beginning of a curve to the left:

THENCE, continuing along said common lines and along said curve to the left having a radius of 7.839.00 feet, an arc length of 1.926.90 feet, a chord bearing of South 81°31'50" East and a chord distance of 1,922.05 feet to a point being a Northerly corner of the herein described tract:

THENCE, South 18°59'31" East, leaving said right-of-way line and a Northerly line of said South Tract, over and across said South Tract and along a Northerly line of the herein described tract a distance of 1.244.07 feet to a point being a Northerly corner of the herein described tract and the beginning of a curve to the left:

THENCE, continuing over and across said South Tract and along a Northerly line of the herein described tract and along said curve to the left having a radius of 1,725.00 feet, an arc length of 802.86 feet, a chord bearing of North 10°40'26" East and a chord distance of 795.63 feet to a point being a Northerly corner of the herein described tract;

THENCE, North 02°39'35" West, continuing over and across said South Tract and along a Northerly line of the herein described tract a distance of 238.09 feet to a point being a Northerly corner of the herein described tract and the beginning of a curve to the right:

THENCE, continuing over and across said South Tract and along a Northerly line of the herein described tract and along said curve to the right having a radius of 170.00 feet, an arc length of 216.81 feet, a chord bearing of North 39°01'07" West and a chord distance of 202.41 feet to a point lying on a curve to the left of said right-of-way line and a Northerly line of said South Tract and being a Northerly corner of the herein described tract;

THENCE, along said right-of-way line, in common with a Northerly line of said South Tract and of the herein described tract and along said curve to the left having a radius of 7.839.00 feet, an arc length of 71.55 feet, a chord bearing of North 88°08'30" East and a chord distance of 71.55 feet to a found TXDOT monument being a Southerly corner of said right-of-way, same being a Northerly corner of said South Tract and of the herein described tract:

THENCE, South 47°37'45" East, continuing along said common lines a distance of 35.06 feet to a found TXDOT monument being a Southerly corner of said right-of-way, same being a Northerly corner of said South Tract and of the herein described tract:

THENCE, North 87°09'50" East, continuing along said common lines a distance of 149.99 feet to a found TXDOT monument being a Southerly corner of said right-of-way, same being a Northerly corner of said South Tract and of the herein described tract;

THENCE, North 43°02'27" East, continuing along said common lines a distance of 34.25 feet to a found TXDOT monument being a Southerly corner of said right-of-way, same being a Northerly corner of said South Tract and of the herein described tract;

THENCE, North 87°22'15" East, continuing along said common lines a distance of 69.17 feet to a point being a Northerly corner of the herein described tract and the beginning of a curve to the right, from which a found TXDOT monument lying on said right-of-way line and being the Northwest corner of a called 21.75 acre runoff easement (Parcel 641E, Part 1) described to the State of Texas as recorded in M.C.C.F. No. 2015020587 and a called 21.75 acre right-of-way easement (Parcel 641E, Part 1) described to the State of Texas as recorded in M.C.C.F. No. 2015020430 bears North 87°22'15" East a distance of 1.722.60 feet, from which a found TXDOT monument being a Southerly corner of said right-of-way, same being a Northeasterly corner of said easements and a Northerly corner of said South Tract bears North 87°22'15" East a distance of 1.413.40 feet;

THENCE, leaving said right-of-way line and a Northerly line of said South Tract, over and across said South Tract and along a Northerly line of the herein described tract and along said curve to the right having a radius of 170.00 feet, an arc length of 215.35 feet, a chord bearing of South 33°56'44" West and a chord distance of 201.24 feet to a point being a Northerly corner and of the herein described tract:

THENCE, South 02°39'35" East, continuing over and across said South Tract and along a Northerly line of the herein described tract a distance of 238.09 feet to a point being a Northerly corner of the herein described tract and the beginning of a curve to the right:

THENCE, continuing over and across said South Tract and along a Northerly line of the herein described tract and along said curve to the right having a radius of 1,825.00 feet, an arc length of 915.01 feet, a chord bearing of South 11°42`13" West and a chord distance of 905.45 feet to a point being a Northerly corner and of the herein described tract:

THENCE, South 62°21'47" East, continuing over and across said South Tract and along a Northerly line of the herein described tract a distance of 236.12 feet to a point being a Northerly corner of the herein described tract and the beginning of a curve to the left:

THENCE, continuing over and across said South Tract and along a Northerly line of the herein described tract and along said curve to the left having a radius of 1,300.00 feet, an arc length of 1,370.89 feet, a chord bearing of North 87°25'37" East and a chord distance of 1,308.25 feet to a point being a Northerly corner and of the herein described tract and a point of reverse curvature to the right:

THENCE, continuing over and across said South Tract and along a Northerly line of the herein described tract and along said curve to the right having a radius of 2,050,00 feet, an arc length of 1,413.55 feet, a chord bearing of North 76°58'14" East and a chord distance of 1,385.71 feet to a point being a Northerly corner of the herein described tract;

THENCE. South 83°16'33" East, continuing over and across said South Tract and along a Northerly line of the herein described tract a distance of 33.17 feet to the **POINT OF BEGINNING** and containing 500.0709 acres (21.783.089 square feet) of land.

This legal description is based on the Land Title Survey and plat made by Chris J. Broussard, Registered Professional Land Surveyor #6107 on August 4, 2017 and revised on September 1, 2018.

Chris J. Broussard R.P.L.S. #6107 Broussard Land Surveying, LLC 17527 Hawkin Lane Tomball TX 77377

Job Number: BLS-4647_CALDWELL PROPERTIES_CUT OUT 500.0709 ACRE TRACT



JOINDER OF LIENHOLDER

The undersigned, being the owner and holder of an existing mortgage and lien upon and against all or a portion of the real property described in the foregoing Declaration of Covenants, Conditions and Restrictions for Riverwalk and defined as the "Community" in said Declaration, as such mortgagee and lienholder, does hereby consent to and join in said Declaration of Covenants, Conditions and Restrictions for Riverwalk.

This consent and joinder is not to be construed or operate as a release of said mortgage or lien owned and held by the undersigned, or any part thereof, but the undersigned agrees that its said mortgage and lien will hereafter be upon and against the Community and all appurtenances thereto, subject to the provisions of the Declaration hereby agreed to.

thereto, subject to the provisions of the Deck	aration hereby agreed to.
IST SIGNED AND ATTESTED by the day of 00to but 2019.	undersigned officers heretofore authorized, this the
	Community Bank of Texas, N.A
	Community Bank of Texas, N.A. By: Wristin Straip
	Print Name: Kristin Gray Title: Vice President
	Title: Vice President
ATTEST:	·
THE STATE OF TEXAS § §	
COUNTY OF HARRIS §	
me to be the person whose name is subscribed me that he/she executed the same for the capacity therein stated and as the act and decomposity.	authority, on this day personally appeared of community Bank, known to bed to the foregoing instrument, and acknowledged to purposes and consideration therein expressed, in the ed of said corporation. Tice on this
	-0-
SHAMERA SONNIER My Notary ID # 129576840	Notary Public in and for the State of Texas

Doc #: 2019093509

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E-FILED FOR RECORD 10/07/2019 10:54AM

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS, COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

10/07/2019

County Clerk
Montgomery County, Texas

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE HIGHLANDS

[FORMERLY CALLED RIVERWALK]

THE STATE OF TEXAS \$

S

COUNTY OF MONTGOMERY \$

WHEREAS, CC SOCA III, LP, a Texas limited partnership ("Declarant"), caused the instrument entitled "Declaration of Covenants, Conditions and Restrictions for Riverwalk" (the "Declaration") to be recorded in the Official Public Records of Real property of Montgomery County, Texas on October 7, 2019 under Clerk's File No. 2019093509, which instrument imposes various covenants, conditions, restrictions, liens and charges upon the real property described in Exhibit "A" attached thereto; and

WHEREAS, the Declaration grants to Declarant for a period of twenty (20) years after the date the Declaration is recorded the authority to amend the Declaration, without the joinder or consent of any other party, so long as an amendment does not materially and adversely affect any substantive rights of the Lot Owners; and

WHEREAS, Declarant desires to amend the Declaration in a manner that does not materially and adversely affect any substantive rights of the Lot Owners;

NOW, THEREFORE, CC SOCA III, LP, as Declarant, hereby amends the Declaration as follows:

- 1. Article I, Section C, the definition of "Association", is hereby amended to read as follows:
 - C. ASSOCIATION The Highlands Community Association, Inc., a Texas non-profit corporation (formerly called Riverwalk Community Association, Inc.), its successors and assigns.
- 2. Article I, Section K, the definition of "Declaration", is hereby amended to read as follows:
 - K. **DECLARATION** This Declaration of Covenants, Conditions and Restrictions for The Highlands (formerly called Riverwalk).
- 3. Section 11.9, entitled "Community Name and Logo", is added to Article XI of the Declaration to read as follows:

SECTION 11.9. COMMUNITY NAME AND LOGO. The brand of the Community has been established through the consistent use of the name of the Community, the logo and tagline for The Highlands, and the color scheme for the logo. The name, logo and tagline, and color scheme identify the Community and the unique amenities within the Community and distinguish the Community from other residential neighborhoods. The preservation of the name, logo and tagline, and color scheme is critical to promote the Community and the desirability of living in the Community. The name "The Highlands", the logo and the tagline are or will be registered service marks. The name of the Community, the logo, the tagline and the color scheme for the logo are not permitted to be changed in any respect without the prior written consent of Declarant. Further, the name of the Association is not permitted to be changed without the prior written consent of Declarant. This section of the Declarant, as evidenced by its execution of the amendment is approved by Declarant, as evidenced by its execution of the amendment document.

Capitalized terms used herein have the same meanings as that ascribed to them in the Declaration, unless otherwise indicated.

Except as amended herein, all provisions in the Declaration remain in full force and effect.

Executed on the date of the acknowledgment, to become effective upon recording in the Official Public Records of Real Property of Montgomery County, Texas.

DECLARANT:

CC SOCA III, LP

a Texas limited partnership, Declarant

By: CC SCOA III GP, L.L.C.

its General Partner

Printed:

te.

BEFORE ME, a notary public, on this day personally appeared Peter Bankart Vice President of CC SCOA III GP, L.L.C., General Partner of CC SOCA III, LP, a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing document and, acknowledged to me that he executed this document for the purposes and in the capacity herein expressed.

Given under my hand and seal of office this 23 day of 2020.

Notary Public in and for the State of Texas

KATHY C. COUNCE Notary Public, State of Texas Comm. Expires 10-03-2020 Notary ID 12123579

Doc #: 2020038759

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E-FILED FOR RECORD 04/23/2020 04:13PM

COUNTY CLERK MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS, COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

04/23/2020

County Clerk
Montgomery County, Texas

SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR

THE HIGHLANDS

[FORMERLY CALLED RIVERWALK]

THE STATE OF TEXAS

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COUNTY OF MONTGOMERY

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WHEREAS, CC SOCA III, LP, a Texas limited partnership ("Declarant"), caused the instrument entitled "Declaration of Covenants, Conditions and Restrictions for Riverwalk" (the "Declaration") to be recorded in the Official Public Records of Real property of Montgomery County, Texas on October 7, 2019 under Document No. 2019093509, which instrument imposes various covenants, conditions, restrictions, liens and charges upon the real property described in Exhibit "A" attached thereto; and

WHEREAS, the Declaration grants to Declarant for a period of twenty (20) years after the date the Declaration is recorded the authority to amend the Declaration, without the joinder or consent of any other party, so long as an amendment does not materially and adversely affect any substantive rights of the Lot Owners; and

WHEREAS, the Declaration was previously amended by instrument entitled "First Amendment to Declaration of Covenants, Conditions and Restrictions for The Highlands [formerly called Riverwalk]" recorded in the Official Public Records of Real Property of Montgomery County, Texas on April 23, 2020 under Document No. 2020038759; and

WHEREAS, Declarant desires to further amend the Declaration in a manner that does not materially and adversely affect any substantive rights of the Lot Owners;

NOW, THEREFORE, CC SOCA III, LP, as Declarant, hereby amends the Declaration as follows:

1. Article I, Section W, of the Declaration, the definition of "Reserve Assessment", is amended for the purpose of renaming the term as follows:

W. CAPITAL ASSESSMENT – The Capital Assessment as provided in Article VI, Section 6.8, of this Declaration.

Further, all references in the Declaration to "Reserve Assessment" are amended to read "Capital Assessment".

2. Article I, Section EE, is added to the Declaration to read as follows:

EE. RESERVE – Each Reserve shown on a recorded Plat for any part of the Community. A Reserve will not be subject to assessment by the Association until such time that Declarant amends this Declaration to set forth the method of calculating Annual Maintenance Charges on Reserves and designating whether Reserves are subject to any other types of assessments specified in this Declaration. Provided that, in no event will the following Reserves be subject to Annual Maintenance Charges or any other types of assessments:

- 1. a Reserve owned by a public school or public school district;
- 2. a Reserve owned by a church or religious organization that is exempt from ad valorem taxation pursuant to Article VIII, Section 2, of the Texas Constitution;
- 3. a Reserve owned by The Highlands Community Association, Inc.;
- 4. a Reserve owned by Declarant on which there exist improvements for the use and benefit of the Members of The Highlands Community Association, Inc.; and
- 5. a Reserve owned by Declarant on which no improvements for the use and benefit of the Members of The Highlands Community Association, Inc. exist but which Reserve Declarant reasonably intends to convey to The Highlands Community Association, Inc. in the future.
- 3. Article IX of the Declaration, entitled "Foundation Fee", is amended to read as follows:

Declarant has created a foundation as a Texas non-profit corporation (the "Foundation"), with the mission and authority to initiate programs, activities, and services to facilitate and enhance community life in The Highlands and the surrounding area. A community covenant for the Foundation (the "Community Covenant") has been recorded in the Official Public Records of Real Property of Montgomery County, Texas under Document No. 2020021692. The Community Covenant addresses the Foundation's mission and organization, its activities and funding, and its duration.

Upon the transfer of title to a Lot or a Reserve (unless an exempted transfer as provided in the Community Covenant), a fee is payable to the Foundation (such fee being called the "Foundation Fee"). The maximum amounts of the Foundation Fee for Lots and Reserves are set forth in the Community Covenant. The Foundation Fee is payable by the purchaser of the Lot or Reserve and is due at the time of closing on the transfer of title to the Lot or Reserve. Notice is given to all persons of the creation of the Foundation, the obligation of purchasers of Lots and Reserves to pay a Foundation Fee (unless an exempted transfer) and the provisions of the Community Covenant.

Capitalized terms used herein have the same meanings as that ascribed to them in the Declaration, unless otherwise indicated.

Except as amended herein, all provisions in the Declaration, as previously amended, remain in full force and effect.

Executed on the date of the acknowledgment, to become effective upon recording in the Official Public Records of Real Property of Montgomery County, Texas.

DECLARANT:

CC SOCA III, LP

a Texas limited partnership, Declarant

By:

CC SCOA III GP, L.L.C.

its General Partner

Print Name: ___

STATE OF TEXAS

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COUNTY OF MONTGOMERY

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BEFORE ME, a notary public, on this day personally appeared _ of CC SCOA III GP, L.L.C., General Partner of CC SOCA III, LP, a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing document and, acknowledged to me that he executed this document for the purposes and in the capacity herein expressed.

KATHY C. COUNCE Notary Public, State of Texas Comm. Expires 10-03-2020 Notary ID 12123579

Notary Public in and for the State of Texas

Doc #: 2020067157

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E-FILED FOR RECORD 07/02/2020 02:45PM

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS, COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

07/02/2020

County Clerk
Montgomery County, Texas

THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR

THE HIGHLANDS

[FORMERLY CALLED RIVERWALK]

THE STATE OF TEXAS §

\$
COUNTY OF MONTGOMERY §

WHEREAS, CC SCOA III, L.P., a Texas limited partnership ("Declarant"), caused the instrument entitled "Declaration of Covenants, Conditions and Restrictions for Riverwalk" (the "Declaration") to be recorded in the Official Public Records of Real Property of Montgomery County, Texas on October 7, 2019 under Document No. 2019093509, which instrument imposes various covenants, conditions, restrictions, liens and charges upon the real property described in Exhibit "A" attached thereto; and

WHEREAS, the Declaration grants to Declarant for a period of twenty (20) years after the date the Declaration is recorded the authority to amend the Declaration, without the joinder or consent of any other party, so long as an amendment does not materially and adversely affect any substantive rights of the Lot Owners; and

WHEREAS, the Declaration was previously amended by instrument entitled "First Amendment to Declaration of Covenants, Conditions and Restrictions for The Highlands [formerly called Riverwalk]" recorded in the Official Public Records of Real Property of Montgomery County, Texas on April 23, 2020 under Document No. 2020038759; and

WHEREAS, the Declaration was previously amended by instrument entitled "Second Amendment to Declaration of Covenants, Conditions and Restrictions for The Highlands [formerly called Riverwalk]" recorded in the Official Public Records of Real Property of Montgomery County, Texas on July 2, 2020 under Document No. 2020067157; and

WHEREAS, Declarant desires to further amend the Declaration in a manner that does not materially and adversely affect any substantive rights of the Lot Owners;

NOW, THEREFORE, CC SCOA III, L.P., as Declarant, hereby amends the Declaration as follows:

- 1. Article I, Section M, of the Declaration, the definition of "Golf Course Lot", is hereby deleted.
- 2. Article I, Section O, of the Declaration, the definition of "Lot or Lots", is amended to read as follows:
 - O. Lot or Lots Each of the Lots shown on a Plat for any property subject to the provisions of this Declaration and the jurisdiction of the

Association. There are different types of Lots within the Community, as follows:

- i. Corner Lots;
- ii. Cul de sac Lots;
- iii. Duet Lots;
- iv. Golf Course Lots:
- v. Lake Lots:
- vi. Patio Home Lots:
- vii. Reserve Lots; and
- viii. Typical Lots.

References in this Declaration to a Lot or Lots includes all types of Lots. NOTICE IS HEREBY GIVEN THAT PROVISIONS IN THIS DECLARATION, THE RESIDENTIAL DESIGN GUIDELINES AND/OR AN APPLICABLE SUPPLEMENTAL DECLARATION MAY FORTH DIFFERENT AND/OR MORE STRINGENT RESTRICTIONS ON LOTS DEPENDING UPON THE TYPE OF LOT, PARTICULARLY WITH REGARD TO **DESIGN** ARCHITECTURAL REQUIREMENTS.

- 3. Section FF., the **definition of "Community Standards** Manager", is added to Article I of the Declaration to read as follows:
 - FF. COMMUNITY STANDARDS MANAGER The person performing specified duties and functions on behalf of the Association as more particularly described in Article V, Section 5.9, of this Declaration.
- 4. Section GG., the definition of "Lifestyle Director", is added to Article I of the Declaration to read as follows:
 - **GG. LIFESTYLE DIRECTOR** The person performing specified duties and functions on behalf of the Association as more particularly described in Article V, Section 5.9, of this Declaration.
- 5. Paragraph I, entitled "Internet Service", is added to Article III, Section 3.5, of the Declaration to read as follows:
 - I. INTERNET SERVICE Declarant will cause Internet services to be provided to each Lot. The cost of the basic service will be billed by the Internet service provider to the Association. The basic Internet service is not optional; the cost of the Internet service will be included in the Annual Maintenance Charge. The Owner of a Lot may obtain additional services from the Internet service provider, if so desired; however, if additional services are obtained by the Owner of a Lot, the Owner is required to pay the cost of such additional services directly to the Internet service provider. Internet services provided to a Lot will commence on the date of closing on the sale of a Lot with a Residential Dwelling thereon by a Builder. Although Declarant will cause Internet services to be provided to each Lot, neither Declarant nor the Association is an Internet service provider. The

Internet services will be provided by a third party entity. Owners may obtain the same or similar services from another provider; however, that will not entitle an Owner to a credit against the amount included in the Annual Maintenance Charge for Internet services.

6. Article V, Section 5.5, of the Declaration, entitled "Professional Management", is amended to read as follows:

SECTION 5.5. PROFESSIONAL MANAGEMENT. The Board has the authority to retain, hire, employ or contract with such professional management companies or personnel as the Board deems appropriate to perform the day to day functions of the Association and to provide for the management, administration and operation of the Community as provided for in this Declaration and in the Bylaws. Provided that, no professional management company and no personnel may be retained, hired, employed or contracted with to perform duties and functions that are within the express and implied duties, functions and responsibilities of the Community Standards Manager or the Lifestyle Director, as provided in Section 5.9 of this Declaration.

7. Article V, Section 5.9, of the Declaration, entitled "Community Standards Manager and Lifestyle Director", is added to the Declaration to read as follows:

SECTION 5.9. COMMUNITY STANDARDS MANAGER AND LIFESTYLE DIRECTOR

A. COMMUNITY STANDARDS MANAGER. The Community Standards Manager will formulate, implement and enforce standards for the maintenance of property within the Community to promote an environment that enriches the lives of all persons who live, work and play in and around the Community. The Community Standards Manager will strive to preserve natural resources, aesthetic harmony of design elements, and overall appearance of lakes, parks and open space consistent with the original development and architectural standards. The Community Standards Manager may modify the standards for the maintenance of the Community as the Community Standards Manager deems necessary or appropriate. The specific job functions of the Community Standards Manager will be determined by Administrator (as identified below). However, Administrator will seek input from the Association as to job functions that will enhance the role of the Community Standards Manager and thereby benefit the Community. If the Association considers there to be deficiencies in the role of the Community Standards Manager or in the performance of particular job functions, it may so advise Administrator, but the Association has no authority to direct the Community Standards Manager as to how to accomplish his/her job functions. The Community Standards Manager may not exclusively serve the Community. Rather, the Community Standards Manager and his/her support staff may perform the same or substantially similar services on behalf of other communities. In that event, the Administrator will reasonably determine, as a percentage, the amount of time

in a normal work schedule that the Community Standards Manager and his/her support staff devote to the Community for purposes of costs reimbursement, as provided in Section 5.9.C.

B. LIFESTYLE DIRECTOR. The Lifestyle Director will formulate, implement and administer programs, classes, clubs and events for all ages and interest groups for the purpose of promoting social interaction within the Community. The Lifestyle Director will promote a recreational lifestyle within the Community to the end that neighbors know one another and there is a true sense of "community" within the Community. The Lifestyle Director will make decisions as to the programs, classes, clubs and events to be held, the scheduling of programs, classes, clubs and events, the frequency of events, and the fee, if any, to be paid for participation in a program, class, club or event. The specific job functions of the Lifestyle Director will be determined by Administrator. However, Administrator will seek input from the Association as to job functions that will enhance the role of the Lifestyle Director and thereby benefit the Community. If the Association considers there to be deficiencies in the role of the Lifestyle Director or in the performance of particular job functions, it may so advise Administrator, but the Association has no authority to direct the Lifestyle Director as to how to accomplish his/her job functions. The Lifestyle Director may not exclusively serve the Community. Rather, the Lifestyle Director and his/her support staff may perform the same or substantially similar services on behalf of other communities. In that event, the Administrator will reasonably determine, as a percentage, the amount of time in a normal work schedule that the Lifestyle Director and his/her support staff devote to the Community for purposes of costs reimbursement, as provided in Section 5.9.C.

C. COST REIMBURSEMENT. The Community Standards Manager and the Lifestyle Director, as well as administrative support staff deemed to be necessary to enable to Community Standards Manager and the Lifestyle Director to fulfill their respective duties and responsibilities, will at all times be employees of Declarant or an affiliated entity designated by Declarant (Declarant or the designated entity, as applicable, being referred to herein as "Administrator"). Accordingly, Administrator will select and hire the Community Standards Manager, the Lifestyle Director, and all administrative support staff and be responsible for all matters typically involved in an employer/employee relationship, including, without limitation, withholding and paying payroll taxes, providing form W-2 wage and tax statements, and disciplining and/or terminating, if necessary, an employee. On or before December 1st of each year, Administrator must provide to the Association an estimate of the cost of providing the Community Standards Manager, the Lifestyle Director and the administrative support staff for the ensuing calendar year. The cost will include the base pay of all of the employees, commissions, if any, bonuses and benefits. The estimate provided to the Association must include reasonable detail of the cost items but it is not required to disclose the salary and bonus, if any, of any employee. The estimate will be based upon the percentage of time devoted by the Community Standards Manager, the Lifestyle Director and the staff to the

Community, as reasonably determined by the Administrator. However, the percentage determined by Administrator, when preparing the estimate for a particular year, may change (increase or decrease) during the year as the needs of the Community may require. If the percentage changes, Administrator must notify the Association in writing and provide a revised estimate. Payments to be made by the Association during the remainder of the applicable year will be based upon the revised estimate. The Association is required to pay the estimated cost of providing the Community Standards Manager, the Lifestyle Director, and the administrative support staff on a quarterly basis (i.e., March 31st, June 30th, September 30th and December 31st). Not later than January 15th of each year, Administrator must provide to the Association a summary of the actual cost of providing the Community Standards Manager, the Lifestyle Director and the administrative support staff for the prior calendar year. If the actual cost of providing the Community Standards Manager, the Lifestyle Director and the administrative support staff in the prior calendar year was less than the estimate, the amount paid by the Association in excess of the estimate will be applied as a credit against the amount to be paid by the Association in the succeeding year. If the actual cost of providing the Community Standards Manager, the Lifestyle Director and the administrative support staff in the prior calendar year was greater than the estimate, the Association must pay to Administrator the amount by which the actual cost exceeded the estimate within thirty (30) days of the date of receipt of the summary.

8. Article VI, Section 6.1, of the Declaration, entitled "Maintenance Fund", is amended to read as follows:

SECTION 6.1. MAINTENANCE FUND. All Annual Maintenance Charges collected by the Association and all interest, penalties, late charges, assessments and other sums and revenues collected by the Association constitute the Maintenance Fund. The Maintenance Fund will be held, managed, invested and expended by the Board, at its discretion, for the benefit of the Community and the Owners of Lots therein. The Board may, by way of illustration and not in limitation, expend the Maintenance Fund for the administration, management, and operation of the Community; for the maintenance, repair and improvement of the Common Area; for the maintenance of any easements granted to the Association; for the enforcement of the provisions of this Declaration by action at law or in equity, or otherwise, and the payment of court costs as well as reasonable and necessary legal fees; and for all other purposes that are, in the discretion of the Board, desirable in order to maintain the character and value of the Community and the Lots therein. In addition to the other purposes for which the Maintenance Fund may be expended, the Maintenance Fund will be used for the cost of the Community Standards Manager, the Lifestyle Director and the administrative support staff as provided in Section 5.9 of this Declaration. The Board and its individual members are not liable to any person as a result of actions taken by the Board with respect to the Maintenance Fund, except for willful neglect or intentional wrongdoings.

9. Article VI, Section 6.3, of the Declaration, entitled "Basis and Maximum Annual Maintenance Charge", is amended to read as follows:

SECTION 6.3. BASIS AND MAXIMUM ANNUAL MAINTENANCE CHARGE. The maximum Annual Maintenance Charge for the year in which this instrument is recorded in the Official Public Records of Real Property of Montgomery County, Texas is \$1,400.00. From and after January 1 of the year next following the year in which this instrument is recorded, the maximum Annual Maintenance Charge may be automatically increased, effective January 1 of each year, by an amount equal to a twenty percent (20%) increase over the prior year's maximum Annual Maintenance Charge without a vote of the Members of the Association. From and after January 1 of the year next following the year in which this instrument is recorded, the maximum Annual Maintenance Charge may be increased above twenty percent (20%) only if approved either (i) in writing by a majority of the Members or (ii) by the vote of not less than two-thirds (2/3) of the Members present and voting, in person or by proxy, at a meeting of the Members called for that purpose at which a quorum is present. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the Annual Maintenance Charge at an amount not in excess of the maximum amount established pursuant to this Section. Except as provided in Section 6.7., the Annual Maintenance Charge levied against each Lot must be uniform.

Recognizing that amenities intended to be constructed by Declarant for the use and benefit of the Owners and occupants of Lots in the Community will be completed and available for use at an uncertain time in the future (but anticipated to be in the latter part of 2022), there will be a credit against Annual Maintenance Charges which become payable in 2021, if any, and Annual Maintenance Charges which become payable in 2022 in the amount of \$360.00 (the "Amenity Credit"). The Amenity Credit will not be applicable in 2023 or any subsequent year.

10. Article VI, Section 6.7, of the Declaration, entitled "Payment of Assessments by Declarant and Builders", is amended to read as follows:

BUILDERS. Lots owned by Declarant are exempt from Annual Maintenance Charges and Special Assessments during the Development Period. Provided that, during the Development Period, Declarant must pay any deficiency in the operating budget, less any portion of the Annual Maintenance Charges deposited in any reserve account established by the Association or otherwise set aside for reserves. A Lot owned by a Builder is subject to an Annual Maintenance Charge in an amount equal to one-half (½) the full rate of the Annual Maintenance Charge applicable to the other Lots (i.e., the full amount of the Annual Maintenance Charge, not the amount after deducting the Amenity Credit as addressed in Section 6.3, above). A Lot owned by a Builder is also subject to Special Assessments at one-half (½) the rate applicable to other Lots.

11. Article VI, Section 6.8, of the Declaration, entitled "Reserve Assessment", is amended to read as follows:

SECTION 6.8. CAPITAL ASSESSMENT. Upon the first sale of a Lot subsequent to the completion of a Residential Dwelling thereon, and upon each subsequent sale of the Lot, the purchaser of the Lot must pay to the Association a Capital Assessment in a sum equal to the full Annual Maintenance Charge in effect as of the date of closing on the sale of such Lot (i.e., without deducting the Amenity Credit as addressed in Section 6.3, above). The Capital Assessment is due and payable on the date of closing on the sale of the Lot. Payment of the Capital Assessment will be in default if the Capital Assessment is not paid on or before the due date for such payment. Capital Assessments in default will bear interest at the rate of eighteen percent (18%) per annum or the maximum, non-usurious rate, whichever is less, from the due date until paid. During the Development Period, Capital Assessments collected by the Association may be used for the administration, management, and operation of the Association or deposited into a reserve account established and maintained by the Association for capital improvements and/or the repair or refurbishment of the Common Area or both. After the Development Period expires, only fifty percent (50%) of the Capital Assessments received by the Association in a calendar year may be used for the administration, management and operation of the Association; the remainder of the Capital Assessments received by the Association in a calendar year must be deposited into a reserve account for capital improvements and/or repairs. No Capital Assessment paid by an Owner will be refunded to the Owner by the Association. The Association may enforce payment of the Capital Assessment in the same manner which the Association may enforce payment of Annual Maintenance Charges and Special Assessments pursuant to this Article VI.

12. Article X, Section 10.2, of the Declaration, entitled "Amendment", is amended to read as follows:

SECTION 10.2. AMENDMENT. This Declaration may be amended as follows:

A. BY DECLARANT. For a period of twenty (20) years after the date this Declaration is recorded, Declarant has the authority to amend this Declaration, without the joinder or consent of any other party, so long as an amendment does not materially and adversely affect any substantive rights of the Lot Owners. After the expiration of the twenty (20) year period, Declarant has the right to amend this Declaration, without the joinder or consent of any other party, for the purpose of clarifying or resolving any ambiguities or conflicts herein, correcting any inadvertent misstatements, errors, or omissions, or complying with a change in applicable law; provided, however, any such amendment must be consistent with and in furtherance of the general plan and scheme of development for the Community.

B. BY THE OWNERS. A meeting of the Owners must be held to amend the Declaration and any such meeting may only be called by the Board of Directors of the Association or by the Board upon receiving a written proposal to amend this Declaration signed by Owners of not less than ten percent (10%) of the Lots in the Community. Written notice of the meeting called for the purpose of considering an amendment to this Declaration must be mailed to each Owner at the last known mailing address of each Owner according to the records of the Association not less than fifteen (15) days prior to the date of the meeting. The notice must include the date, time and location of the meeting, specify the provision(s) in the Declaration proposed to be amended, and set forth the exact wording of the proposed amendment(s). The signature of Owners representing not less than two-thirds (2/3) of the Lots in the Community agreeing to amend this Declaration must be obtained within ninety (90) days of the date of the meeting called and held to consider the amendment(s). The use of a proxy for voting on an amendment to this Declaration is prohibited. An amendment of this Declaration by the Owners must be signed by the Secretary of the Association certifying compliance with all of the requirements set forth in this paragraph. If an amendment to this Declaration is submitted to the Owners but the amendment is not approved by the requisite number of Owners within ninety (90) days of the date of the required meeting, the same or substantially the same amendment to this Declaration may not be resubmitted to the Owners for approval for a period of two (2) years after the termination of the ninety (90) day period. In the event there are multiple Owners of a Lot, the written approval of an amendment to this Declaration may be reflected by the signature of a single co-Owner. Notwithstanding anything in this paragraph to the contrary, (i) during the Development Period, an amendment to this Declaration must be approved in writing by the Declarant and (ii) without the joinder and consent of Declarant, no amendment may diminish the right or increase the liability of Declarant under this Declaration.

No amendment effected by Declarant or the Owners will be effective until recorded in the Official Public Records of Real Property of Harris County, Texas.

13. Article XI, Section 11.10, of the Declaration, entitled "Highland Pines Golf Club", is added to the Declaration to read as follows:

SECTION 11.10. HIGHLAND PINES GOLF CLUB. Highland Pines Golf Club (the "Golf Course") is adjacent to and, in many instances, within the Community. The Golf Course is separately owned; in other words, it is not an amenity owned by Declarant or the Association. Notwithstanding that the Golf Course is separately owned, each Owner who acquires a Lot with a Residential Dwelling thereon from a Builder is required to be, and will be, a social member of the Golf Course, thereby entitled to use the facilities of the Golf Course to the extent of being a social member. The base social membership fee is included in

the Annual Maintenance Charge; thus, the Association will pay to the owner of the Golf Course the annual social membership fees for all Owners. Any sums incurred by an Owner for use of the Golf Course that are not included in the base social membership fee are the responsibility of the Owner and must be paid by the Owner directly to the owner of the Golf Course. Neither Declarant nor the Association will be involved in the adoption of rules and/or policies relating to social membership in the Golf Course including, without limitation, sanctions or penalties for non-compliance within any rules and/or policies adopted by the owner of the Golf Course. If an Owner's social membership privileges are suspended by the owner of the Golf Course as a result of non-compliance with applicable rules and/or policies, the Owner will not be entitled to any refund or credit against the amount included in the Annual Maintenance Charge for the social membership in the Golf Course.

Capitalized terms used herein have the same meanings as that ascribed to them in the Declaration, unless otherwise indicated.

Except as amended herein, all provisions in the Declaration, as previously amended, remain in full force and effect.

Executed on the date of the acknowledgment, to become effective upon recording in the Official Public Records of Real Property of Montgomery County, Texas.

[Signature page follows.]

DECLARANT:

CC SCOA III, L.P.

a Texas limited partnership

By: CC

CC SCOA III GP, L.L.C.

its General Partner

By

Evin Wilkerson, Vice President

STATE OF TEXAS

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COUNTY OF LOT S

BEFORE ME, the undersigned Notary Public, on this day personally appeared Evin Wilkerson, Vice President of CC SCOA III GP, L.L.C., General Partner of CC SCOA III, L.P., a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing document and acknowledged to me that she executed this document for the purposes and in the capacity herein expressed.

Given under my hand and seal of office this 12 day of 000 2001

KATHY C. COUNCE
Notary Public, State of Texas
Comm. Expires 10-03-2024
Notary ID 12123579

Notary Public in and for the State of Texas

Doc #: 2021095252

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E-FILED FOR RECORD 07/12/2021 01:32PM

COUNTY CLERK MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS, COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

07/12/2021

County Clerk Montgomery County, Texas

FOURTH AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR

THE HIGHLANDS [FORMERLY CALLED RIVERWALK]

THE STATE OF TEXAS

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COUNTY OF MONTGOMERY

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WHEREAS, CC SCOA III, L.P., a Texas limited partnership ("Declarant"), caused the instrument entitled "Declaration of Covenants, Conditions and Restrictions for Riverwalk" (the "Declaration") to be recorded in the Official Public Records of Real Property of Montgomery County, Texas on October 7, 2019 under Document No. 2019093509, which instrument imposes various covenants, conditions, restrictions, liens and charges upon the real property described in Exhibit "A" attached thereto; and

WHEREAS, the Declaration was previously amended by instrument entitled "First Amendment to Declaration of Covenants, Conditions and Restrictions for The Highlands [formerly called Riverwalk]", recorded in the Official Public Records of Real Property of Montgomery County, Texas on April 23, 2020 under Document No. 2020038759; and

WHEREAS, the Declaration was further amended by instrument entitled "Second Amendment to Declaration of Covenants, Conditions and Restrictions for The Highlands [formerly called Riverwalk]", recorded in the Official Public Records of Real Property of Montgomery County, Texas on July 2, 2020 under Document No. 2020067157; and

WHEREAS, the Declaration was further amended by instrument entitled "Third Amendment to Declaration of Covenants, Conditions and Restrictions for The Highlands [formerly called Riverwalk]", recorded in the Official Public Records of Real Property of Montgomery County, Texas on July 12, 2021 under Document No. 2021095252; and

WHEREAS, the Declaration grants to Declarant for a period of 20 years after the date the Declaration was recorded the authority to amend the Declaration, without the joinder or consent of any other party, so long as the amendment does not materially and adversely affect any substantive rights of the Lot Owners; and

WHEREAS, Declarant desires to amend the Declaration in a manner that does not materially and adversely affect any substantive rights of the Lot Owners;

NOW, THEREFORE, CC SCOA III, L.P., as Declarant, hereby amends the Declaration as follows:

- 1. Article II, Section 2.1.A., of the Declaration, entitled "Single Family Residential Use", is amended to read as follows:
 - A. SINGLE FAMILY RESIDENTIAL USE. Each Owner must use his Lot and the Residential Dwelling on his Lot for single family residential purposes only. As used herein, the term "single family residential purposes" is deemed to specifically prohibit, without limitation, the use of a Lot for a duplex apartment, a garage apartment or any other apartment or for any multi-family use or for any business, professional or other commercial activity of any type, unless such business, professional or commercial activity is unobtrusive and merely incidental to the primary use of the Lot and the Residential Dwelling for residential purposes. As used herein, the term "unobtrusive" means, without limitation, that there is no business, professional, or commercial related sign, logo or symbol displayed on the Lot; there is no business, professional or commercial related sign, logo, or symbol displayed on any vehicle on the Lot; there are no clients, customers, employees or the like who go to the Lot for any business, professional, or commercial related purpose on any regular basis; and the conduct of the business, professional or commercial activity is not otherwise apparent by reason of noise, odor, vehicle and/or pedestrian traffic and the like.

No Owner may use or permit the Owner's Lot or Residential Dwelling to be used for any purpose that would (i) void any insurance in force with respect to the Community; (ii) either significantly impair the ability of the Association to obtain insurance required by this Declaration or significantly increase the cost of any such insurance; (iii) constitute a public or private nuisance, which determination may be made by the Board; (iv) constitute a violation of the provisions of this Declaration, any applicable law, or any published Rules and Regulations of the Association; or (v) unreasonably interfere with the use and occupancy of any Lot in the Community or Common Area by other Owners.

No Owner is permitted to lease a room in the Residential Dwelling on the Owner's Lot or any other portion of the Residential Dwelling or other Improvement on the Owner's Lot. An Owner may only lease the entirety of the Lot, together with the Residential Dwelling and other Improvements on the Lot. No Owner is permitted to lease his Lot for a period of less than one (1) year. Every lease must provide that the lessee is bound by and subject to all the obligations under this Declaration and a failure to comply with the provisions of this Declaration will be a default under the lease. The Owner making such lease is not relieved from any obligation to comply with the provisions of this Declaration. The use of a Residential Dwelling or other Improvement on a Lot for short-term leasing, vacation rentals or a bed and breakfast is strictly prohibited.

- 2. Article II, Section 2.1.O., of the Declaration, entitled "Ownership of Multiple Lots", is added to the Declaration to read as follows:
 - O. OWNERSHIP OF MULTIPLE LOTS. Not more than three (3) Lots may be owned by a person (as defined herein) at any given time. As used herein, "person" means a natural person, any business entity in which the natural person has an ownership interest, and/or any trust in which the natural person has a beneficial interest. This restriction is applicable regardless of the name in which title to a Lot is conveyed. This restriction is also applicable regardless of the percentage of ownership interest in a Lot. In addition:
 - (i) If a natural person has an ownership interest in three (3) Lots, one (1) of the Lots must be occupied by that natural person;
 - (ii) If a natural person has an ownership interest in one (1) or more Lots and either an ownership interest in a business entity or a beneficial interest in a trust that owns one (1) or more Lots, one (1) of the Lots must be occupied by that natural person;
 - (iii) If a natural person has (a) an ownership interest in a business entity that owns three (3) Lots or (b) a beneficial interest in a trust that owns three (3) Lots, or (c) an ownership interest in a business entity that owns one (1) or more Lots, as well as a beneficial interest in a trust that owns one (1) or more Lots, one (1) of the Lots must be occupied by that natural person.
 - (iv) In the event that a person, as defined herein, acquires title to more than three (3) Lots at any given time, that person is required to immediately initiate good faith efforts to sell a Lot or Lots at fair market value to comply with this Section.

The provisions of this Section are effective upon recording; provided that, the requirement that one (1) Lot be occupied is not applicable to a person, as defined herein, who owns three (3) or more Lots as of the effective date of this instrument if none of the Lots are then occupied by the person. Provided further that, if more than three (3) Lots are owned by a person, as defined herein, as of the effective date of this instrument, that person is not required to sell one (1) or more of those Lots to comply with the provisions of this Section. However, a person owning more than three (3) Lots as of the effective date of this instrument may not acquire additional Lots. Further, if a person who owns more than three (3) Lots as of the effective date of this instrument thereafter sells all or some of such Lots, with the result that such person owns fewer than three (3) Lots, that person is not authorized to thereafter acquire more than three (3) Lots.

Capitalized terms used herein have the same meanings as that ascribed to them in the Declaration, unless otherwise indicated.

Except as amended herein, all provisions in the Declaration remain in full force and effect.

Executed on the date set forth below, to become effective upon recording in the Official Public Records of Real Property of Montgomery County, Texas.

DECLARANT:

CC SCOA III, L.P., a Texas limited

partnership

By: CC SCOA III GP, L.L.C.,

its General/Partner

Printed: EVIN WIKESAN
Its: VP

STATE OF TEXAS

§

COUNTY OF MONTGOMERY

§ 8

BEFORE ME, a notary public, on this day personally appeared LVIN Williams of CC SCOA III, L.P., a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing document and, acknowledged to me that s/he executed this document for the purposes and in the capacity herein expressed.

Given under my hand and seal of office this 3 day of 0 cho ber , 2022.

KATHY C. COUNCE

Notary Public, State of Texas

Comm. Expires 10-03-2024

Notary ID 12123579

Notary Public in and for the State of Texas

Doc #: 2022121089

Pages 5

E-FILED FOR RECORD 10/03/2022 12:59PM

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS, COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

10/03/2022

County Clerk Montgomery County, Texas

NOTICE OF DEDICATORY INSTRUMENTS FOR RIVERWALK COMMUNITY ASSOCIATION, INC.

THE STATE OF TEXAS

§

§

COUNTY OF MONTGOMERY

as follows:

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The undersigned, being the authorized representative of Riverwalk Community Association, Inc., a property owners' association as defined in Section 202.001 of the Texas Property Code (the "Association"), hereby certifies as follows:

- 1. <u>Property</u>: The Property to which the Notice applies is described as follows: The real property described by metes and bounds in Exhibit "A" attached to the Declaration of Covenants, Conditions and Restrictions for Riverwalk.
- 2. <u>Restrictive Covenants</u>. The description of the document(s) imposing restrictive covenants on the Property, and the recording information for such document(s) are
 - The Declaration of Covenants, Conditions and Restrictions for Riverwalk recorded with in the Official Public Records of Montgomery County, Texas on October 7, 2019 under County Clerk's File No. 2019093509.
- 3. <u>Dedicatory Instrument(s).</u> In addition to the Restrictive Covenants identified in paragraph 2, above, the following documents are Dedicatory Instruments governing the Association:
 - Certificate of Formation of Riverwalk Community Association, Inc.
 - Bylaws of Riverwalk Community Association, Inc.

This Notice is being recorded in the Official Public Records of Real Property Records of Montgomery County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Notice is true and correct and that the Dedicatory Instruments attached to this Notice are either the originals or a true and correct copies of the originals.

RIVERWALK COMMUNITY ASSOCIATION, INC.

By: DUW Shotten

Rick S. Butler, authorized representative

THE STATE OF TEXAS §

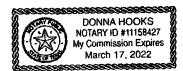
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COUNTY OF HARRIS §

BEFORE ME, the undersigned notary public, on this day personally appeared Rick S. Butler, authorized representative of Riverwalk Community Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this the ______day of October, 2019 to certify which witness my hand and official seal.

Notary Public in and for the State of Texas



Return to: Rick S. Butler Roberts Markel Weinberg Butler Hailey, P.C. 2800 Post Oak Blvd., Suite 5777 Houston, TX 77056

FILED In the Office of the Secretary of State of Texas

CERTIFICATE OF FORMATION ωf

MAY 1 3 2019

RIVERWALK COMMUNITY ASSOCIATION, INC. Corporations Section

(a Texas Nonprofit Corporation)

I, the undersigned natural person of the age of eighteen (18) years or more, acting as organizer of a corporation under the Texas Business Organizations Code, do hereby adopt the following Certificate of Formation for such corporation.

ARTICLE ONE NAME

The name of the corporation is RIVERWALK COMMUNITY ASSOCIATION, INC.

ARTICLE TWO NON-PROFIT CORPORATION

The corporation is a nonprofit corporation.

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ARTICLE THREE PURPOSES

The purposes for which the corporation is organized are as follows:

- (1) The specific and primary purpose for which this corporation is organized is to govern the affairs of the real property within a development in Montgomery County, Texas, comprised of approximately 2,319 acres (which development has not yet been named) according to the Declaration of Covenants, Conditions and Restrictions for such development and any subsequent Supplemental Declarations thereto (collectively the "Declaration") to be recorded in the Official Public Records of Real Property of Montgomery County, Texas. IT IS NOT ONE OF THE PURPOSES OF THE CORPORATION TO PROVIDE SECURITY TO THE RESIDENTS OF DEVELOPMENT OR THEIR GUESTS AND INVITEES. NEITHER THE DECLARANT, CC SOCA III, LP, A TEXAS LIMITED PARTNERSHIP, ITS SUCCESSORS, ASSIGNS, BENEFICIARIES OR PARTNERS NOR THE CORPORATION, ITS BOARD, ITS OFFICERS, DIRECTORS OR AGENTS, WILL EVER IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE DEVELOPMENT NOR WILL THEY BE LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF ALLEGED FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN, IF ANY.
- (2) The general powers of the corporation are:
 - (a) exercise all of the powers and privileges and to perform all of the duties and obligations of the corporation as set forth in the Declaration, as may be amended or supplemented from time to time as well as the restrictive covenants applicable to any other subdivisions brought within the jurisdiction of the corporation;

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- (b) fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the corporation;
- (c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the corporation;
- (d) borrow money, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (e) dedicate, sell or transfer all or any part of the common area, if any, (as identified and defined in the Declaration), to any public agency, authority, or utility;
- (f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area;
- (g) have and exercise any and all powers, rights and privileges which a corporation organized under the Texas Business Organizations Code or any successor statute by law may now or hereafter have or exercise; and
- (h) have and exercise any and all powers, rights and privileges which a property owners' association may now or hereafter have or exercise per the Texas Property Code.
- (3) Notwithstanding any of the foregoing statements of purposes and powers, this corporation may not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purpose of this corporation as set forth in paragraph (1) of this Article Three, and nothing set forth in the foregoing statement of purposes will be construed to authorize this corporation to carry on any activity for the profit of its members, or to distribute any gains, profits, or dividends to its members as such.

ARTICLE FOUR **MEMBERSHIP**

Initially, the corporation will have no members. Upon recording the Declaration in the Official Public Records of Real Property of Montgomery County, Texas, each owner, whether one person or more, of a lot in the development will, upon and by virtue of becoming such owner, automatically become a member of the corporation and remain a member of the corporation until ownership of the lot ceases for any reason, at which time the membership in the corporation will also automatically cease. Membership in the corporation is mandatory and appurtenant to the ownership of a lot in the development. Membership in the corporation may not be separated from ownership of a lot in the development.

ARTICLE FIVE **VOTING RIGHTS**

The corporation will have two (2) classes of voting membership:

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- Class A. Class A members will be all owners with the exception of Declarant and will be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in a lot, all such persons will be members. The vote for such lot may be exercised as they determine, but in no event may more than one (1) vote be cast with respect to any lot. Holders of future interests not entitled to present possession are not owners for the purposes of voting hereunder.
- Class B. The Class B member will be Declarant, or its successors or assigns so designated in writing by Declarant, and will be entitled to seven (7) votes for each lot owned. The Class B membership will cease and be converted to Class A membership at the end of the Development Period, as set forth in the Declaration.

ARTICLE SIX INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the corporation is 2800 Post Oak Blvd., Suite 5777, Houston, Texas 77056 and the name of its initial registered agent at such address is Rick S. Butler.

ARTICLE SEVEN MANAGEMENT

The affairs of the corporation will be managed by its Board of Directors, which will initially consist of three (3) Directors who need not be members of the corporation until the expiration date of the Development Period, as set forth in the Declaration. The Directors will be appointed and elected as set forth in the Bylaws of the corporation. The number of Directors may be increased as provided in the Bylaws of the corporation. The names and addresses of the initial Directors of the corporation are:

NAME	ADDRESS

9935 Barker Cypress, Suite 250 Tim Fitzpatrick

Cypress, Texas 77433

9935 Barker Cypress, Suite 250 Peter Barnhart

Cypress, Texas 77433

9935 Barker Cypress, Suite 250 Jarrod Payne

Cypress, Texas 77433

ARTICLE EIGHT ORGANIZER

The name and street address of the organizer is:

NAME

ADDRESS

Rick S. Butler

2800 Post Oak Blvd., Suite 5777 Houston, Texas 77056

ARTICLE NINE DISSOLUTION

Until the corporation has members, the corporation may be dissolved by a vote of the Board of Directors. When the corporation has members, the corporation may be dissolved by the vote of the members representing not less than two-thirds (2/3rds) of the votes of both classes of the members (as long as there are Class B members) in the corporation, which vote will be taken at a meeting of the members. Upon dissolution of the corporation, other than incident to a merger or consolidation, the assets of the corporation must be dedicated to an appropriate public agency to be used for purposes similar to those for which this corporation was created. In the event that such dedication is refused acceptance, such assets will be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE TEN **AMENDMENTS**

Until the corporation has members, the Certificate of Formation may be amended by a vote of the Board of Directors. When the corporation has members, amendment of this Certificate of Formation requires the assent of members representing two thirds (2/3rds) of the votes of both classes of the members of the corporation (as long as there are Class B members) that are in attendance, either in person or by proxy, and vote at a meeting of the members called for such purpose.

ARTICLE ELEVEN INDEMNIFICATION

The corporation must indemnify each director or former director and each officer or former officer of the corporation to the fullest extent allowed by the Texas Business Organizations Code.

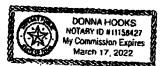
IN WITNESS WHEREOF, I have hereunto set my hand, on this 1214 day of

THE STATE OF TEXAS 999 **COUNTY OF HARRIS**

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This instrument was executed before me on this \(\frac{3}{15} \) day of Butler for the purposes expressed therein.

Notary Public in and for the State of Texas



 $\label{eq:bylaws} \textit{of}$ RIVERWALK COMMUNITY ASSOCIATION, INC.

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BYLAWS of RIVERWALK COMMUNITY ASSOCIATION, INC.

Article I. Name, Membership, and <u>Definitions</u>

- Section 1. Name. The name of the Association is Riverwalk Community Association, Inc. (the "Association").
- Section 2. <u>Membership</u>. The Association has two (2) classes of membership, Class A and Class B, as set forth in the Declaration of Covenants, Conditions and Restrictions for Riverwalk (the "Declaration") recorded in the Official Public Records of Real Property of Montgomery County, Texas.
- Section 3. <u>Definitions/Gender</u>. All capitalized terms used in these Bylaws have the same meanings as that set forth in the Declaration, unless otherwise provided. Pronouns, wherever used in these Bylaws, include all persons regardless of gender.

Article II. Association: Meetings, Quorum, Voting, Proxies

- Section 1. <u>Place of Meetings</u>. Meetings of the Association are to be held at the principal office of the Association or at such other suitable place as may be designated by the Board of Directors either in the Community or as convenient to the Members as possible and practical.
- Section 2. <u>Annual Meetings</u>. An annual meeting of the Association must be held each year, on a date and at a time designated by the Board of Directors.
- Section 3. Special Meetings. The President may call special meetings. In addition, it is the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition setting forth a proper purpose for a meeting and signed by Members representing at least a twenty percent (20%) of the total votes of the Association. The notice of any special meeting must state the date, time, and place of such meeting and the purpose thereof. No business may be transacted at a special meeting except as stated in the notice.
- Section 4. <u>Notice of Meetings</u>. Written notice of each annual or special meeting of the Association must be sent to each Member at the Member's address according to the records of the Association, stating the purpose of the meeting, as well as the time and place where it is to be held. Such notice may be delivered personally, by mail, by facsimile, and to the extent expressly authorized by statute, by electronic message. If a Member desires that notice be given at an address other than the Member's Lot, the Member must provide the alternative address for the purpose of receiving notice in writing to the Association at its mailing or e-mail address set forth in its current recorded management certificate. Notice must be served not less than ten (10) nor more than sixty (60) days before a meeting. If mailed, the notice of a meeting is deemed to be delivered when deposited in the United States mail, first class postage pre-paid, addressed to the Member. If faxed,

the notice is deemed to be delivered as of the date and time shown on a written confirmation that the facsimile was successfully transmitted. If sent by electronic message, the notice is deemed to be delivered as provided by applicable statute. The Board of Directors may use any other means to deliver a notice of a meeting that may become available with advancements in technology, provided that notice by such means is authorized by statute.

Section 5. <u>Waiver of Notice</u>. Waiver of notice of meeting of the Members is deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in person or by proxy, is deemed to be a waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting is also deemed to be a waiver of notice of all business transacted at such meeting unless objection to the calling or convening of the meeting is raised before the business (of which proper notice was not given) is put to a vote.

Section 6. <u>Adjournment of Meetings</u>. Except as provided in Article III, Section 5, of these Bylaws relating to the election of Directors, if any meeting of the Association cannot be held because a quorum is not present, either in person or by proxy, the presiding officer may adjourn the meeting and reconvene at a time not less than five (5) days and not more than thirty (30) days from the time the original meeting was called. If a time and place for reconvening the meeting is fixed by those in attendance at such adjourned meeting, no further notice of the time and place for reconvening the meeting is required. If a time and place for reconvening the meeting is not fixed by those in attendance at such an adjourned meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting must be given to Members in the manner prescribed herein for a first called meeting.

Section 7. <u>Voting</u>. The voting rights of the Members are set forth in the Declaration; provided that, with the exception of Directors elected or appointed by Declarant, all Members have the right to vote in the election of Directors and on any matter concerning the rights or responsibilities of Members. Members may vote in person or by proxy or, if implemented by the Association, by absentee ballot or by electronic ballot. Votes cast by Members must be in writing signed by the Member if the vote is cast (i) outside of a meeting, (ii) in an election to fill a position on the Board (unless the race is uncontested), (iii) on a proposed adoption or amendment of a dedicatory instrument, (iv) on a proposed increase in the amount of the Annual Maintenance Charge or proposed adoption of a special assessment, or (v) on the proposed removal of a Board member.

Section 8. Proxies. All proxies must be in writing and filed with the Association before or at the appointed time of each meeting. Every proxy is revocable and will automatically cease upon (i) conveyance by the Member of the Member's interest in a Lot; (ii) receipt of notice by the Secretary of the death or judicially declared incompetence of a Member; (iii) receipt of written revocation; or, (iv) expiration of eleven (11) months from the day of the proxy. In the event a Member executes more than one (1) proxy, the proxy with the most current date will be valid. Proxies not delivered prior to the start of a meeting are not valid and will not be counted for quorum or any other purpose.

Section 9. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person, by proxy, absentee or electronic ballot (as approved by the Board) of ten percent (10%) or more of the total votes of the Members as of the time of the meeting constitutes a quorum at all meetings of the Association.

- Section 10. <u>Conduct of Meetings</u>. The President will preside over all meetings of the Association and the Secretary, or another person designated by the Board of Directors, must keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.
- Section 11. Action Without a Meeting of the Members of the Association. To the extent allowed by applicable law, any action which may be taken or is required to be taken at a meeting of the Association may be taken without a meeting if written consent is signed by Members holding the number of votes necessary to approve the action at a meeting. The written consent must (a) set forth the action to be taken and (b) be executed by the required number of Members as of the effective date set forth in the written consent. Any written consent adopted in accordance with this Section will have the same force and effect as a unanimous vote of the Members.

Article III. Board of Directors: Number. Powers. Meetings

- Section 1. <u>Governing Body: Composition</u>. The affairs of the Association will be governed by a Board of Directors. Prior to the end of the Development Period, Directors need not be Members of the Association. After the end of the Development Period, (i) Directors must be Members of the Association, and (ii) not more than one (1) representative of a particular corporation or other entity that is a Member may serve on the Board at any given time. A person is not eligible to serve on the Board of Directors (including Directors appointed by Declarant) if the person has been convicted of a felony or crime involving moral turpitude not more than twenty (20) years before the date the Board is presented with written, documented evidence of such a conviction from a database or other record maintained by a governmental law enforcement authority.
- Section 2. Number and Term of Directors. The Board of Directors will be comprised of three (3) persons, unless the number of positions on the Board is increased by amendment to these Bylaws. Prior to the end of the Development Period, Directors will be appointed and removed by Declarant. Provided, however, not later than the 120th day after the date that seventy-five percent (75%) of the Lots that may be created and made subject to the Declaration (as provided in the Declaration) are conveyed to Owners other than Declarant or a Builder, one-third (1/3rd) of the Directors must be elected by Members other than Declarant. The term of each Director elected by Members other than Declarant will be two (2) years or until the Development Period expires and the entire Board is to be elected by the Members other than Declarant, whichever term is shorter.
- Section 3. <u>Candidates for Election to the Board</u>. With respect to any position on the Board of Directors to be filled by a vote of the Members, all Members have the right to run for such position on the Board of Directors. Each year, at least thirty (30) days prior to the date of the annual meeting of the Members, the Association must send notice to all Members of the number of positions on the Board to be filled by election at the upcoming annual meeting and the right of all Members to run for a position on the Board. The notice must specify a date by which a Member must submit his/her name as a candidate for election to the Board; the date may not be earlier than the tenth (10th) day after the date the Association sends the notice.

The notice required by this provision must be:

- a. mailed to each Member; or
- b. provided by:
 - i. posting the notice in a conspicuous manner reasonably designed to provide notice to the Members:
 - (1) in a place located on the Common Area or, with an Owner's consent, in a conspicuous manner on privately owned property within the Community; or
 - (2) on any Internet website maintained by the Association or other Internet media; and
 - ii. sending by e-mail to each Member who has registered an e-mail address with the Association.

The Association must be notified by the Member who desires to run for a position on the Board, not by another Member, to confirm the Member's desire to run for election and to serve on the Board, if elected. All Members who notify the Association by the stipulated deadline will be candidates whose names must be included in the notice of annual meeting sent to all Members and on the absentee or other ballot. A Member who does not submit his/her name by the deadline set forth in the Association's notice may thereafter notify the Association of his/her desire to run for election to the Board and, in that event, the Member will be a candidate for election to the Board. However, the Association is not obligated to send a supplemental notice to all Members advising of the names of any candidates who submit their names after the deadline in the Association's notice. Provided that, if any notice is thereafter sent or published by the Association which includes a list of candidates for election to the Board, the list must include the names of all candidates. Nominations for election to the Board will not be made by a nominating or other committee of the Association. A Member may notify the Association of the Member's desire to run for election to the Board of Directors at any time prior to the date that voting in the election ceases. Nomination for election to the Board is not permitted from the floor at the annual meeting unless the person to be nominated is present at the meeting in person and confirms his/her desire to be a candidate for election to the Board.

Section 4. <u>Election and Term of Office After Development Period</u>. Upon the expiration of the Development Period, all of Directors will be elected by the Members. If the Board then consists of three (3) positions, one (1) Director will be elected for a term of two (2) years and two (2) Directors will be elected for a term of three (3) years each. If the Board then consists of five (5) positions, one (1) Director will be elected for a term of one (1) year, two (2) Directors will be elected for a term of two (2) years each, and two (2) Directors will be elected for a term of three (3) years each. Thereafter, at each annual meeting, the Members will elect the number of Directors necessary to fill the position on the Board that expire as of such annual meeting, each to serve a term of three (3) years. If the number of positions on the Board of Directors is increased above five (5), the terms of the additional positions must be staggered in a consistent manner. The candidates receiving the highest number of votes will be elected to fill such positions, regardless of the number of votes cast. In the first election after the expiration of the Development Period, the candidates receiving the highest number of votes will fill the positions with the longest terms.

Section 5. No Quorum at Annual Meeting. If an election of Directors by Members other than Declarant cannot be conducted at an annual meeting because a quorum is not established, the Board of Directors may adjourn the meeting without any notice being required other than an announcement at the meeting and reconvene five (5) minutes after adjournment. At the reconvened meeting, the quorum requirement will be one-half (½) the quorum requirement for the first meeting. If a quorum is not present at the reconvened meeting, the Board of Directors may adjourn the reconvened meeting without any notice being required other than an announcement at the meeting and again reconvene five (5) minutes after adjournment of the reconvened meeting. At the second reconvened meeting, the quorum requirement will be one-half (½) the quorum requirement for the first reconvened meeting. This procedure will be repeated, as necessary, with the quorum requirement being reduced, until a quorum is present and the election of the appropriate number of Directors may then be conducted.

Removal of Directors. Any Director elected by the Members (i.e., not Directors Section 6. appointed by Declarant) may be removed from the Board, with or without cause, by the affirmative vote of a majority of the Members at a special meeting called for that purpose or at an annual meeting at which a quorum is present; provided that, notice of the proposed removal must be given in the notice of the meeting. In the event of the removal of a Director, a successor for the removed Director must be elected by a majority vote of the Members who are present and voting (either in person or by proxy) at the meeting at which the Director was removed. The Director whose removal is proposed must be given the opportunity to be heard at the meeting. Provided that, if the Board is presented with written documented evidence from a database or other record maintained by a governmental law enforcement authority that a Board member has been convicted of a felony or crime involving moral turpitude not more than twenty (20) years before the date the Board is presented with the evidence, the Board member is immediately ineligible to serve on the Board and will, therefore, be immediately removed. Any Director may also be removed by a vote of a majority of the remaining Directors as the result of the Director's failure, without just cause, to attend three (3) consecutive, regularly scheduled meetings of the Board of Directors. "Just cause" means an event that, in the reasonable, good faith judgment of the Board, prevents a Director from attending a meeting and includes, without limitation, death or serious injury to a member of the Director's family or other person with whom the Director has a long-term relationship, a mental or physical ailment or impairment that prevents the Director from attending a meeting, and any mandatory business engagement related to the Director's livelihood and/or employment. Vacancies on the Board caused by reasons other than removal by a vote the member will be filled by the remaining Directors. A Director elected or appointed to fill a vacancy on the Board will serve the unexpired term of his predecessor.

Section 7. <u>Voting Procedure for Directors</u>. Except as otherwise provided in these Bylaws, the election of the Board of Directors will be conducted at the annual meeting of the Association. At such election, the Members may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Voting for Directors must be in writing and signed by the Member, except in the case of an uncontested race, in which event the candidate may be elected by acclamation.

Section 8. Recount of Votes. Any Member may demand a recount of the votes of an election. A request for a recount must be submitted not later than the 15th day after the date of the meeting at which the election was held. A demand for a recount must be in writing and submitted in writing either:

- (1) by verified mail or by delivery by the United States Postal Service with signature confirmation to the Association's mailing address as reflected on the last recorded management certificate; or
- (2) in person to the Association's managing agent as reflected on the last recorded management certificate or to the address to which absentee ballots and proxy ballots were mailed.

The Association must estimate the costs for performing a recount by a person qualified to tabulate votes as set forth below and must send an invoice for the estimated costs to the Member requesting a recount to the Member's last known address according to the Association records not later than the 20th day after the date on which the Association received notice of the request for a recount. The Member demanding a recount must pay such invoice in full on or before the 30th day after the date the invoice is sent to the Member. If the Member does not timely pay the invoice, the demand for recount is considered withdrawn and a recount is not required. If the actual costs are different than the estimate, the Association must send a final invoice to the Member on or before the 30th business day after the date the results of the recount are provided. If the final invoice includes additional amounts owed by the Member, any additional amounts not paid to the Association before the 30th business day after the date the invoice is sent to the Member may be added to the Member's account as an assessment. If the estimated costs exceed the final invoice amount, the Member is entitled to a refund. The Association must issue a refund to the Member not later than the 30th business day after the date the invoice is sent to the Member.

Only after payment is received, the Association must, at the expense of the Member requesting the recount, retain the services of a qualified person to perform the recount. The Association must enter into a contract for the services of a person who is not a Member of the Association or related to a member of the Board of Directors of the Association within the third degree by blood or marriage and is a:

- (a) current or former county judge;
- (b) current or former county elections administrator;
- (c) current or former justice of the peace;
- (d) current or former county voter registrar; or
- (e) person agreed on by the Association and the Member requesting the recount.

A recount must be performed on or before the 30th day after the date of receipt of the request and payment for the recount. If (but only if) the recount changes the results of the election, the Association must reimburse the Member for the cost of the recount. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by the recount.

Section 9. <u>Meetings</u>. Regular meetings of the Board of Directors may be held at such time, date, and place as determined from time to time by a majority of the Directors, but, after the expiration of the Development Period, at least four (4) such meetings must be held during each fiscal year with at least one (1) per quarter.

Special meetings of the Board of Directors must be held when called by the President of the Association or by any two (2) Directors. The notice must specify the date, time, and place of the meeting and the nature of any special business to be considered. The notice must be given to each Director by any one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by facsimile, or (d) by email. All such notices must be given or sent to the Director's address, email, or facsimile number as shown on the records of the Association. Notices sent by first class mail must be deposited into a United States mailbox, at least four (4) days before the time set for the meeting. Notices given by personal delivery, email, or facsimile must be delivered or given at least four (4) days before the time set for the meeting.

In addition to in-person Board meetings, the Board of Directors may also participate in and hold regular or special meetings by means of:

- (1) conference telephone or similar communication equipment by which all persons participating in the meeting can hear each other; or
- (2) another suitable electronic communications system, including video conferencing technology or the Internet, only if:
 - (a) each Director entitled to participate in the meeting consents to the meeting being held by means of that system; and
 - (b) the system provides access to the meeting in a manner or using a method by which each Director participating in the meeting can communicate concurrently with each other participant.

Participation in a meeting by conference telephone or similar communication or video conferencing technology or the Internet will constitute presence in person at such meeting except where a Director participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

Section 10. <u>Notice of Board Meetings</u>. Upon the expiration of the Development Period, the Board of Directors must give Members notice of Board meetings (regular and special), including the date, hour, place, and general subject of the Board meeting, plus a general description of any matter to be brought up for deliberation in closed executive session. During the Development Period, Members must also be given notice of Board meetings when the following matters will be voted on:

- adopting or amending the governing documents, including the Declaration, Bylaws, and Rules and Regulations of the Association;
- (2) increasing the amount of Annual Maintenance Charge or adopting or increasing a special assessment;
- (3) electing Directors by the Members other than Declarant or establishing a process by which Directors are elected by Members other than Declarant; or
- (4) changing the voting rights of Members of the Association.

A notice of a Board meeting, as required above, must be:

- (a) mailed to all Members at least ten (10) days before the date of the meeting, or;
- (b) provided at least 72 hours before meeting by:
 - being posted in a conspicuous location, either in a Common Area, on the Association's website or (with the Owner's consent) on other conspicuously located privately owned property in the Community; and
 - ii. being emailed to all Members who have registered their email addresses with the Association.

Without prior notice to the Members, during or after the Development Period, the Board may also take action on routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate Board action and such other items as may be allowed by law; any action taken without notice to the Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting.

It is a Member's duty to register and keep an updated email address with the Association for the purpose of notice to the Members under this Section.

Section 11. <u>Waiver of Notice</u>. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, will be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting will also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice thereof.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors will constitute a quorum for the transaction of business, and the vote of a majority of the Directors present at a meeting at which a quorum is present will constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue and business may be transacted, notwithstanding the withdrawal of one or more Directors during the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, either in person or by proxy, the President may adjourn the meeting and reconvene at a time not less than five (5) days and not more than thirty (30) days from the time the original meeting was called. If a time and place for reconvening the meeting is fixed by those in attendance at the original meeting, no further notice of the time and place for reconvening the meeting is required. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting must be given to the Directors in the manner prescribed for the original meeting. At such reconvened meeting, whether or not a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice, provided that any action taken is approved, in writing, by at least a majority of the Directors required to constitute a quorum at the original meeting.

- Section 13. <u>Compensation</u>. No Director may receive any compensation from the Association for acting in such capacity. However, Directors may be reimbursed for out-of-pocket expenses incurred in connection with Association business. Directors may receive compensation from the Association when taking action at the request of the Association other than in the capacity of Director.
- Section 14. <u>Conduct of Meetings</u>. A chairperson will preside over all meetings of the Board of Directors and the Secretary or other person designated by the Board must keep a minute book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.
- Section 15. Open Meetings. After the Development Period, all meetings of the Board of Directors must be open to all Members, but Members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board of Directors. Provided that, if a Member unreasonably disrupts a meeting of the Board of Directors or repeatedly interrupts the discussion between Directors, the Board of Directors has the authority, after an initial warning, to cause that Member to be removed from the meeting.

An open meeting may be held by electronic or telephonic means provided that (i) each Director may hear and be heard by every other Director, (ii) all Members in attendance at the meeting may hear all Directors (except if adjourned to executive session), and (iii) all Members are allowed to listen using any electronic or telephonic communication method used or expected to be used by a Director to participate.

- Section 16. <u>Executive Session</u>. The Board of Directors may adjourn a regular or special meeting and reconvene in a closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of individual Members, and matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made in executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, violating any privilege, or disclosing any information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.
- Section 17. Action Without a Formal Meeting. The Board of Directors may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to Members, if each Board member is given a reasonable opportunity to express the Board member's opinion to all other Board members and to vote. The reasonable opportunity for a Board member to express an opinion and vote may not be less than twenty-four (24) hours or more than seventy-two (72) hours. Any action taken without notice to Members under this Section must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting. However, after the Development Period, the Board may not, unless done in an open meeting for which prior notice was given to all Members in accordance with Section 10 of this Article, consider or vote on:
 - (a) fines;
 - (b) damage assessments;
 - (c) initiation of foreclosure actions;

- initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
- (e) increases in the Annual Maintenance Charge;
- (f) levying special assessments;
- (g) appeals from a denial of architectural control approval;
- (h) a suspension of a right of a particular Owner before the Owner has an opportunity to attend a Board meeting to present the Owner's position, including any defense, on the issue;
- (i) lending or borrowing money;
- (j) the adoption or amendment of a dedicatory instrument;
- (k) the approval of an annual budget or the approval of an amendment of an annual budget that increases the budget by more than ten percent (10%);
- (l) the sale or purchase of real property;
- (m) the filling of a vacancy on the Board;
- (n) the construction of capital improvements other than the repair, replacement or enhancement of existing capital improvements; or
- (o) the election of an officer.

Section 18. <u>Powers</u>. The Board of Directors is responsible for the affairs of the Association and has all of the powers necessary for the administration of the Association's affairs. The Board of Directors may take all actions and do all things on behalf of the Association unless otherwise provided in the Declaration, the Certificate of Formation of the Association, or these Bylaws.

The Board of Directors has the authority to do the following:

- (a) Prepare and adopt an annual budget;
- (b) Levy Annual Maintenance Charges to defray the common expenses, establish the means and methods of collecting such Annual Maintenance Charges, and establish the period of the installment payments, if any, of the Annual Maintenance Charges. Unless otherwise determined by the Board of Directors, the Annual Maintenance Charges will be collected annually in advance.
- (c) Provide for the operation, care, upkeep, and maintenance of all of any Common Areas.
- (d) Designate, hire, and dismiss personnel necessary for the maintenance, operation, repair, and replacement of the Association, its property, and the Common Area and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties.
- (e) Collect Annual Maintenance Charges, special assessments, other types of assessments and fees provided in the Declaration, and other sums, deposit the proceeds thereof in a bank depository, which it approves, and use the proceeds to administer the Association.
- (f) Make and amend Rules and Regulations for the Association, including Rules relating to the imposition of fines for violations.

- (g) Open bank accounts on behalf of the Association and designate the signatories required.
- (h) Make or contract for the making of, repairs, additions, and improvements to, or alterations of the Common Area in accordance with the other provisions of the Declaration and these Bylaws, after damage or destruction by fire or other casualty.
- (i) Enforce, by legal means, the provisions of the Declaration, the Residential Architectural Guidelines, the Residential Modification Guidelines, these Bylaws, and the Rules and Regulations adopted by the Board, and bring any proceedings which may be instituted on behalf of or against the Members concerning the Association.
- (j) Obtain and carry insurance against casualties and liabilities, including directors' and officers' liability insurance, as provided in the Declaration, and pay the premium cost thereof.
- (k) Pay the cost of all services rendered to the Association or its Members and not directly chargeable to Members.
- (1) Keep books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred. All books and records must be kept in accordance with generally accepted accounting practices, and made available for review as required by Texas law.
- (m) Provide, upon request, information to Members, mortgagees and prospective purchasers of Lots concerning, by way of example and not in limitation, the status of the Association, the status of payment of Annual Maintenance Charges and other assessments and charges on a Lot and the status of compliance with the provisions of the Declaration, and charge a reasonable fee sufficient to cover the expense associated with providing such information.
- (n) Charge a reasonable fee sufficient to cover the expense associated with changing the records of the Association upon the transfer of title to a Lot.
- (o) Adopt policies and procedures deemed necessary and appropriate for the administration of the Association and the conduct of the Directors and officers of the Association, the employees of the Association, if any, and persons serving on behalf of the Association in volunteer capacities.

Article IV. Officers

Section 1. Officers. The officers of the Association will be the President, Vice-President, Secretary and Treasurer. The Board of Directors may select, appoint and/or remove such other officers, as it deems appropriate, such officers to have the authority and to perform the duties prescribed from time to time by the Board of Directors.

- Section 2. <u>Election Term of Office and Vacancies</u>. The officers of the Association will be elected annually from within and by the Board of Directors at the first meeting of the Board of Directors held after the annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.
- Section 3. Removal. Any officer may be removed by a majority vote of the Board of Directors, at a duly called meeting of the Board, at which a quorum is present, whenever in its judgment the best interests of the Association will be served thereby.
- Section 4. <u>Powers and Duties</u>. The officers of the Association each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The Chief Executive Officer of the Association is the President. The Treasurer has primary responsibility for the preparation of the budget, as provided for in the Declaration, and, with the approval of the Board of Directors, may delegate all or part of the preparation and notification duties to a finance committee or a managing agent.
- Section 5. <u>Resignation</u>. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation will be effective on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation is not necessary to make it effective.
- Section 6. <u>Agreements, Contracts, Deeds, Leases, Etc.</u> All agreements, contracts, deeds, leases, and other instruments of the Association must be executed by at least one (1) officer or by such other person or persons as may be designated by resolution of the Board of Directors.
- Section 7. <u>Compensation</u>. No officer may receive any compensation from the Association for acting in such capacity.

Article V. Committees

Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Such committees may perform such duties and have such powers as may be provided in the resolution creating same. Each committee will be composed and operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Article VI. Miscellaneous

Section 1. <u>Fiscal Year</u>. The fiscal year of the Association will be the calendar year.

- Section 2. <u>Conflicts</u>. If there are conflicts or inconsistencies among the provisions of Texas law, the Declaration, the Certificate of Formation, these Bylaws, and/or any Rules and Regulations of the Association, the provisions of Texas law, the Declaration, the Certificate of Formation, the Bylaws, and the Rules and Regulations of the Association (in that order) will prevail.
- Section 3. <u>Books and Records</u>. Books and records of the Association must be retained by the Association in accordance with the Association's Records Retention Policy. Books and records of the Association are available to Members for review in accordance with the Association's Open Records Policy.
- Section 4. <u>Indemnification</u>. The Association must indemnify a Director, officer or committee member who was, is or is threatened to be named as a defendant or respondent in a proceeding to the extent indemnification is consistent with the Texas Business Organizations Code, as it now exists or may hereafter be amended.
- Section 5. <u>Amendment</u>. These Bylaws may be amended by the affirmative vote of a majority of the members of the Board of Directors of the Association at a meeting of the Board of Directors duly called for that purpose at which a quorum is present, subject to any notice requirements imposed by law.

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CERTIFICATE OF SECRETARY of RIVERWALK COMMUNITY ASSOCIATION, INC.

STATE OF TEXAS	
	8
COUNTY OF HARRIS	

TO CERTIFY WHICH WITNESS MY HAND on this 4th day of October , 2019.

RIVERWALK COMMUNITY ASSOCIATION, INC.

By: Tim Eitzpatrick, Secretary

STATE OF TEXAS

S

COUNTY OF HARRIS

S

This instrument was acknowledged before me on the 14th day of 10ct 2019 by Tim Fitzpatrick, Secretary of Riverwalk Community Association, Inc., on behalf of said corporation.

KATHY C. COUNCE

Notary Public, State of Texas

Comm. Expires 10-03-2020

Netary ID 12123579

Notary Public in and for the State of Texas

Doc #: 2019096904

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E-FILED FOR RECORD 10/16/2019 04:03PM

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS, COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

10/16/2019

County Clerk
Montgomery County, Texas

SIXTH SUPPLEMENTAL NOTICE OF DEDICATORY INSTRUMENTS FOR THE HIGHLANDS COMMUNITY ASSOCIATION, INC.

STATE OF TEXAS §
COUNTY OF MONTGOMERY §

The undersigned, being the authorized representative of The Highlands Community Association, Inc., a property owner's association as defined in Section 202.001 of the Texas Property Code (the "Association"), hereby supplements the "Notice of Dedicatory Instruments for Riverwalk Community Association, Inc." ("Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on October 16, 2019 under Clerk's File No. 2019096904, the "First Supplemental Notice of Dedicatory Instruments for The Highlands Community Association, Inc." ("First Supplemental Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on April 14, 2021 under Clerk's File No. 2021049280, the "Second Supplemental Notice of Dedicatory Instruments for The Highlands Community Association, Inc." ("Second Supplemental Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on October 12, 2021 under Clerk's File No. 2021141709, the "Third Supplemental Notice of Dedicatory Instruments for The Highlands Community Association, Inc." ("Third Supplemental Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on November 12, 2021 under Clerk's File No. 2021156587, the "Fourth Supplemental Notice of Dedicatory Instruments for The Highlands Community Association, Inc." ("Fourth Supplemental Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on March 9, 2022 under Clerk's File No. 2022029768, and the "Fifth Supplemental Notice of Dedicatory Instruments for The Highlands Community Association, Inc." ("Fifth Supplemental Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on March 24, 2022 under Clerk's File No. 2022037133, which documents were filed for record for the purpose of complying with Section 202.006 of the Texas Property Code.

Additional Dedicatory Instrument(s). In addition to the Dedicatory Instruments identified in the Notice, the First Supplemental Notice, the Second Supplemental Notice, the Third Supplemental Notice, the Fourth Supplemental Notice, and the Fifth Supplemental Notice, the following document is a Dedicatory Instrument governing the Association:

• First Amendment to the Bylaws of The Highlands Community Association, Inc.

This Sixth Supplemental Notice is being recorded in the Official Public Records of Real Property of Montgomery County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Sixth Supplemental Notice is true and correct and the document attached to this Sixth Supplemental Notice is a true and correct copy of the original.

Pull Stattle

Rick S. Butler, authorized representative of The Highlands Community Association, Inc.

THE STATE OF TEXAS §

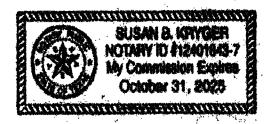
§ §

COUNTY OF HARRIS

BEFORE ME, the undersigned notary public, on this day personally appeared Rick S. Butler, authorized representative of The Highlands Community Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this the $31^{\rm st}$ day of August, 2022, to certify which witness my hand and official seal.

Notary Public in and for the State of Texas



FIRST AMENDMENT TO THE BYLAWS

of

THE HIGHLANDS COMMUNITY ASSOCIATION, INC.

[FORMERLY CALLED RIVERWALK COMMUNITY ASSOCIATION, INC.]

THE STATE OF TEXAS §

\$
COUNTY OF MONTGOMERY \$

I, Matt Salazar, Secretary of The Highlands Community Association, Inc., a Texas nonprofit corporation (the "Association"), certify that, at a meeting of the Board of Directors (the "Board") of the Association, duly called and held on the 30 day of ________, 2022 with all the Board members being present and remaining throughout and being duly authorized to transact business, the following First Amendment to the Bylaws of The Highlands Community Association, Inc. (the "First Amendment") was unanimously approved by the members of the Board:

RECITALS:

- 1. CC SCOA III, LP, a Texas limited partnership ("Declarant"), caused that instrument entitled "Declaration of Covenants, Conditions and Restrictions for Riverwalk" (as amended, the "Declaration") to be recorded in the Official Public Records of Real Property of Montgomery County, Texas on October 7, 2019 under Clerk's File No. 2019093509, which Declaration provides that the management, administration, and operation of The Highlands will be as provided for in the Bylaws of the Association.
- 2. The Board caused that instrument entitled "Bylaws of Riverwalk Community Association, Inc." (the "*Bylaws*") to be recorded in the Official Public Records of Real Property of Montgomery County, Texas on October 16, 2019 under Clerk's File No. 2019096904.
- 3. Article VI, Section 5, of the Bylaws, entitled "Amendment", provides that the Bylaws may be amended by the affirmative vote of a majority of the members of the Board of Directors of the Association at a meeting of the Board of Directors duly called for that purpose at which a quorum is present.
- 4. The Board desires to amend the Bylaws in a manner consistent with Article VI, Section 5 of the Bylaws and as set forth below.

WITNESSETH:

Article I, Section 1 of the Bylaws, entitled "Name", is amended to read as follows:

Section 1. <u>Name</u>. The name of the Association is The Highlands Community Association, Inc. (the "**Association**).

Article III, Section 2 of the Bylaws, entitled "Number and Term of Directors", is amended to read as follows:

Section 2. Number and Term of Directors. The Board of Directors will be comprised of not less than three (3) nor more than seven (7) persons, unless the number of positions on the Board is increased or decreased by amendment to these Bylaws. Prior to the end of the Development Period, Directors will be appointed and may be removed by Declarant. Provided, however, not later than the 120th day after the date that seventy-five percent (75%) of the Lots that may be created and made subject to the Declaration (as provided in the Declaration) are conveyed to Owners other than Declarant or a Builder, one-third (1/3) of the Directors must be elected by Members other than Declarant. The term of each Director elected by Members other than Declarant will be two (2) years or until the Development Period expires and the entire Board is to be elected by the Members other than Declarant, whichever term is shorter.

Article IV, Section 2 of the Bylaws, entitled "Election Term of Office and Vacancies", is amended to read as follows:

Section 2. <u>Election, Term of Office and Vacancies</u>. The officers of the Association will be elected annually by the Board of Directors at the first meeting of the Board of Directors held after the first meeting of the Members. Prior to the end of the Development Period, the officers of the Association need not be members of the Board of Directors; provided, however, upon the termination of the Development Period, officers must be elected from within the Board of Directors. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Capitalized terms used in this First Amendment have the same meanings as ascribed to them in the Bylaws, unless otherwise indicated in this First Amendment.

Except as amended by this First Amendment, all provisions of the Bylaws remain in full force and effect.

TO CERTIFY which witness my hand this the 30th day of 2022.

THE HIGHLANDS COMMUNITY ASSOCIATION, INC.

By: ///

THE STATE OF TEXAS

§

COUNTY OF MONTGOMERY

BEFORE ME, the undersigned notary public, on this 30 day of http://www.community.com/day of the Highlands Community Association, Inc., a Texas nonprofit corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

KATHY C. COUNCE
Notary Public, State of Texas
Comm. Expires 10-03-2024
Notary ID 12123579

Notary Public - State of Texas

Doc #: 2022109409

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COUNTY CLERK MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS, COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

09/01/2022

County Clerk Montgomery County, Texas