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AMENDED AND RESTATED DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CAMPBELL COURT

ER 003 - 74 - 0457

TABLE OF CONTENTS

ARTICLE I

DEFINITIONS

Section 1.	Association.....	2
Section 2.	Builder.....	2
Section 3.	Common Area.....	2
Section 4.	Declarant.....	2
Section 5.	Lot.....	2
Section 6.	Member.....	2
Section 7.	Owner.....	2
Section 8.	Plans.....	2
Section 9.	Property.....	3
Section 10.	Street.....	3

ARTICLE II

ARCHITECTURAL REVIEW COMMITTEE

Section 1.	Creation.....	3
Section 2.	Number; Appointment of Members.....	3
Section 3.	Powers of the Committee.....	4
Section 4.	Right to Inspect.....	4
Section 5.	No Waiver of Future Approvals.....	5
Section 6.	Meetings of the Committee.....	5
Section 7.	Limitation of Liability.....	5

ARTICLE III

CAMPBELL COURT HOMEOWNERS ASSOCIATION, INC.

Section 1.	Organization.....	5
Section 2.	Board of Directors.....	5
Section 3.	Membership.....	6
Section 4.	Voting Rights.....	6
Section 5.	Conversion Date.....	6
Section 6.	Termination of Membership.....	6
Section 7.	Security.....	6

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation
for Assessments7
Section 2. Purpose of Annual Assessments8
Section 3. Special Assessments for Capital Improvements9
Section 4. Notice and Quorum.....9
Section 5. Rates of Assessments.....9
Section 6. Date of Commencement and Determination of
Annual Assessment.....10
Section 7. Effect of Nonpayment of Assessments; Remedies10
Section 8. Subordination of the Lien to Mortgages11

ARTICLE V

RIGHTS IN THE COMMON AREA

Section 1. Owner's Right of Enjoyment.....11
Section 2. Delegation of Use12

ARTICLE VI

USE RESTRICTIONS

Section 1. Residential Use12
Section 2. Animals and Pets.....12
Section 3. Nuisances13
Section 4. Vehicles and Parking13
Section 5. Permitted Hours for Construction Activity.....13
Section 6. Disposal of Trash13
Section 7. Disposal of Hazardous Substances14
Section 8. Building Materials14
Section 9. Mineral Production14
Section 10. Drainage.....14

ARTICLE VII

ARCHITECTURAL RESTRICTIONS

Section 1. Type of Residence.....14
Section 2. Living Area Requirements.....14
Section 3. Location of Residence on Lot.....15
Section 4. Type of Construction15
Section 5. Temporary Buildings15
Section 6. Driveways15

Section 7.	Roof Pitch; Roof Material/Roof Stacks	15
Section 8.	Fences	15
Section 9.	Grass and Shrubbery	16
Section 10.	Signs.....	16
Section 11.	Traffic Sight Areas.....	16
Section 12.	Exterior Antennae	16
Section 13.	Playground and Sports Equipment.....	16
Section 14.	Outside Lighting	17
Section 15.	Air Conditioning	17
Section 16.	Private Utility Lines.....	17
Section 17.	Decorations	17
Section 18.	Window Coverings	17
Section 19.	Mailboxes and Address Markers	17
Section 20.	Enforcement of Lot Maintenance	17
Section 21.	Damage and Destruction of Improvements	18

ARTICLE VIII

EASEMENTS

Section 1.	General.....	18
Section 2.	Easements for Association.....	18
Section 3.	Maintenance Easement	18
Section 4.	Owners' Easement for Access.....	19
Section 5.	Association's Easement for Utilities	19
Section 6.	Easements for Encroachments.....	19
Section 7.	Easements for Public Services and Utilities	19
Section 8.	Underground Electrical Distribution System.....	20

ARTICLE IX

ENFORCEMENT	21
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ARTICLE X

GENERAL PROVISIONS

Section 1.	Term.....	21
Section 2.	Amendment.....	21
Section 3.	Severability	22
Section 4.	Gender and Grammar.....	22
Section 5.	Titles	22
Section 6.	Merger; Dissolution	22
Section 7.	Original Declaration.....	22

**AMENDED AND RESTATED
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR CAMPBELL COURT**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CAMPBELL COURT (this "Declaration"), made as of the date hereinafter set forth by MHI PARTNERSHIP, LTD., a Texas limited partnership (hereinafter referred to as the "Declarant").

WITNESSETH:

WHEREAS, Stiffel-Schwab Builders, LLC ("SSB") executed that certain Declaration of Covenants, Conditions and Restrictions dated August 31, 2005 (the "Original Declaration") which is filed under Clerk's File No. Y731617 and recorded in the Official Public Records of Real Property of Harris County, Texas (the "Official Records") and by such instrument imposed the restrictions set forth therein on that certain 1.1269 acre tract of land in Harris County, Texas which was subdivided and platted as Campbell Court, a subdivision in Harris County, Texas according to the plat thereof recorded in Volume 571, Page 62 of the Map Records of Harris County, Texas (the "Property"); and

WHEREAS, Declarant acquired ownership of the Property and, as successor in interest to the rights of SSB under the Original Declaration, Declarant amended the Original Declaration in accordance with the provisions thereof by that certain First Amendment dated April 26, 2007 which was filed under Clerk's File No. 20070272307 and recorded in the Official Records; and

WHEREAS, the Property was replatted by that certain plat of Campbell Court Amending Plat No. 1, a subdivision in Harris County, Texas according to the plat thereof filed under Film Code No. _____ in the Map Records of Harris County, Texas; and

WHEREAS, as the owner of all of the Property, Declarant wishes to amend and restate the Original Declaration, as amended by the First Amendment.

NOW, THEREFORE, Declarant hereby declares that the Original Declaration (as amended by the First Amendment) shall be amended and restated and superceded in its entirety by this Declaration and that the Lots (as hereinafter defined) within the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which shall run with said Lots and shall be binding upon all parties having any right, title or interest in said Lots or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

**ARTICLE I
DEFINITIONS**

The following words, when used in this Declaration, shall have the following meanings:

SECTION 1. "Association" shall mean and refer to Campbell Court Homeowners Association, Inc., a Texas non-profit corporation, its successors and assigns.

SECTION 2. "Builder" shall mean and refer to any person or entity undertaking the construction of a residence on a Lot.

SECTION 3. "Common Area" shall mean and refer to all property, real or personal, owned, leased or used by the Association for the common use and enjoyment of the Members (hereinafter defined) of the Association. The private Street named Campbell Court which provides access between each Lot and Campbell Road is a portion of the Common Area.

SECTION 4. "Declarant" shall mean and refer to MHI Partnership, Ltd., its successors or assigns, provided that an assign is designated in writing by the Declarant as an assign of all, or part, of its rights under this Declaration.

SECTION 5. "Lot" shall mean and refer to any of the numbered lots shown on a recorded plat of the Property intended for the construction of a residence, excluding all reserve tracts.

SECTION 6. "Member" shall refer to every person or entity which holds a membership in the Association.

SECTION 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation or those owning an easement right, a mineral interest, or a royalty interest.

SECTION 8. "Plans" shall mean and refer to any or all of the following, as the same shall be submitted, revised, and/or resubmitted to the Architectural Review Committee (hereinafter defined) for approval:

- (a) a "Homestead Plan", which shall include:
 - (i) a site plan showing the location, dimensions, and orientations of the proposed residence in relation to the Lot boundaries and setback lines, and also depicting the driveway, fencing and location of any and all other proposed improvements, including swimming pools and patios;
 - (ii) design elevations, together with the height and size of the residence and proposed gross building area;
 - (iii) a description and sample of the proposed exterior materials of the residence; and

(iv) a drainage plan and a diagram showing the location of all proposed utility connections;

(b) an "Exterior Plan", which shall include drawings and detail of all building exterior elevations, including the roof (showing elevations) and describing the color, quality, and type of all proposed exterior construction materials;

(c) a "Landscaping Plan" depicting the type, quantity, size, and placement of all exterior plant materials; and

(d) a "Lighting Plan", which shall include the type, style, size, and candle power of all proposed exterior lighting fixtures.

SECTION 9. "Property" shall mean and refer to the real property within the jurisdiction of the Association being the Lots within the Campbell Court Amending Plat No. 1 subdivision.

SECTION 10. "Street" shall refer to any street, drive, boulevard, road, alley, lane, avenue, or thoroughfare within or adjacent to the Property, whether public or private.

ARTICLE II ARCHITECTURAL REVIEW COMMITTEE

SECTION 1. CREATION. There is hereby created a Campbell Court Architectural Review Committee (herein referred to as the "Architectural Review Committee" or the "Committee") which shall have exclusive jurisdiction over all original construction on the Lots in the Property and over all modifications, additions or alterations made on or to the residences and other improvements on the Lots within the Property. No person serving on the Committee shall be entitled to compensation from the Association for services performed in such capacity, however, the Committee may employ, at the expense of the Association, one or more architects, engineers, attorneys, or other consultants to assist the Committee in carrying its duties hereunder.

SECTION 2. NUMBER AND APPOINTMENT OF MEMBERS. The Committee shall consist of three (3) members. Declarant shall have the right to appoint all members of the Committee as well as the right to remove any member until the Declarant has sold and conveyed all of its Lots in the Property and is no longer a Member of the Association. Prior to such date, in the event of the death, or removal or resignation of any person serving on such Committee, the Declarant, by recorded written instrument, shall designate a successor, or successors, who shall have all of the authority and power of his or their predecessor(s). Until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to exercise the powers herein granted to the Committee. After the date on which the Declarant has sold and conveyed all of its Lots within the Property, the Board of Directors of the Association may, at its option, either perform the functions of the Committee or appoint and remove the members of such Committee.

SECTION 3. POWERS OF THE COMMITTEE. The Architectural Review Committee may (i) adopt such standards and guidelines for the construction or alteration of improvements on Lots in the Property and (ii) establish application procedures for its review of Plans. The Architectural Review Committee shall make such guidelines available to Owners and Builders who seek to engage in construction or modification of improvements upon a Lot and who shall conduct their operations strictly in accordance therewith. No building, structure or other improvements shall be constructed on any Lot, and no exterior alteration therein shall be made until the Plans therefor have been submitted to and approved by the Committee as to conformity with the restrictions herein contained, its guidelines, and harmony of external design and location in relation to existing structures and topography.

The Committee shall have the right to specify architectural and aesthetic requirements for Lots, minimum setback lines, the location, height, and extent of fences, walls, or other screening devices, the orientation of structures with respect to Streets, walks, paths and structures on adjacent property and shall have the right to limit the number of acceptable exterior materials and finishes that may be utilized in construction or repair of improvements. The Committee shall have full power and authority to disapprove Plans that do not comply with their guidelines or the restrictions herein contained, or that, in the sole and uncontrolled discretion and opinion of the applicable Committee, will not be compatible with the overall character and aesthetics of the Property.

The Committee shall have the right, exercisable at their sole discretion, to grant variances to the restrictions of this Declaration or its guidelines in specific instances where the Committee in good faith deems that such variance does not adversely affect the architectural and environmental integrity of the Property. The Committee may require the submission of such documents and items as it shall deem appropriate in connection with its consideration of a request for a variance. If the Committee shall approve such request for a variance, it shall evidence such approval, and grant its permission for such variance, only by written instrument addressed to the Owner of the property relative to which such variance has been requested, describing the applicable restriction(s) and the particular variance requested, expressing the decision of the Committee to permit the variance, and describing (when applicable) the conditions on which the variance has been approved. Any request for a variance shall be deemed to have been disapproved in the event of either (a) written notice of disapproval from the Committee or (b) failure by the Committee to respond to the request for variance.

SECTION 4. RIGHT TO INSPECT. Any member of the Board of Directors or the Architectural Review Committee and their representatives shall have the right, but not the obligation during reasonable hours to enter upon and inspect any Lot with respect to which construction is underway to determine whether or not the Plans therefor have been approved and are being complied with. Such person or persons shall not be deemed guilty of trespass by reason of such entry. In the event the Architectural Review Committee shall determine that such Plans have not been approved or are not being complied with, the Architectural Review Committee shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved Plans. In addition to any other remedies available to the Association, the Board may record in the appropriate land records a notice of violation naming the violating Owner.

SECTION 5. NO WAIVER OF FUTURE APPROVALS. The approval by the Architectural Review Committee of any Plans for any work done or proposed, or in connection with any other matter requiring the approval and consent of such committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

SECTION 6. MEETINGS OF THE COMMITTEE. The Architectural Review Committee shall meet from time to time as necessary to perform its duties, and may from time to time, by resolution unanimously adopted in writing, designate a representative to take an action or perform any duties for and on behalf of the Architectural Review Committee. In the absence of such designation of a representative, the vote of the majority of the members of the Architectural Review Committee, or the written consent of the majority of the members of the Architectural Review Committee taken without a meeting, shall constitute and act of the Architectural Review Committee.

SECTION 7. LIMITATION OF LIABILITY. The Committee have no liability or obligation whatsoever in connection with any plans and/or specifications and no responsibility for the adequacy thereof or for the construction of any improvements contemplated by any such plans and/or specifications. The Committee has no duty to inspect any improvements; and, if the Committee should inspect any improvements, it shall have no liability or obligation to any party arising out of such inspection. The Committee expressly shall have no liability or responsibility for defects in or omissions from any plans and/or specifications or for defects in or omissions from the construction of any improvements. Notwithstanding any covenant, condition or term contained in this Declaration or provision of the By-Laws of the Association to the contrary, no member of the Committee shall have any liability to any Owner arising or resulting from any act or omission of the Committee taken or omitted pursuant to this Declaration or the By-Laws of the Association. Each Owner by accepting a conveyance of any Lot or of any portion of the Property conclusively shall be deemed to have unconditionally and irrevocably waived all claims against the Committee arising or resulting from acts or omissions pursuant to this Declaration or the By-Laws of the Association.

ARTICLE III
CAMPBELL COURT HOMEOWNERS ASSOCIATION, INC.

SECTION 1. ORGANIZATION. The Declarant has caused the Association to be organized and formed as a non-profit corporation under the laws of the State of Texas. The principal purposes of the Association are the collection, expenditure, and management of the maintenance funds, enforcement of the restrictive covenants contained herein, and architectural control of the Lots in the Property.

SECTION 2. BOARD OF DIRECTORS. The Association shall act through a Board of Directors (the "Board") consisting of three (3) members. The Board shall manage the affairs of the Association as specified in this Declaration and the By-Laws of the Association.

SECTION 3. MEMBERSHIP. Every Owner of a Lot in the Property shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

SECTION 4. VOTING RIGHTS. The Association shall initially have two (2) classes of membership as follows:

Class A. Class A Members shall be all persons or entities who own a Lot in the Property with the exception of the Declarant. After the Conversion Date (as hereinafter defined), the Declarant shall become a Class A Member with respect to the Lots it owns.

Class B. The Class B Member shall be the Declarant. The Class B membership shall cease and become converted to Class A membership on the Conversion Date.

Class A Members shall be entitled to one (1) vote for each Lot owned within the Property and the Class B Member shall be entitled to five (5) votes for each Lot owned within the Property. When two or more persons or entities hold undivided interests in any Lot, all such persons or entities shall be Members, and the vote for the Lot owned by such Members shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to each Lot in which such Members own undivided interests.

SECTION 5. CONVERSION DATE. The Conversion Date shall occur on the earlier of:

- (i) The date the total number of votes of the Class A Members equals the number of votes of the Class B Member; or
- (ii) December 31, 2010 or such earlier date as may be established by Declarant in a written instrument recorded by Declarant in the Official Public Records of Real Property of Harris County, Texas.

SECTION 6. TERMINATION OF MEMBERSHIP. The membership of a person or entity in the Association shall terminate automatically whenever such person or entity ceases to be an Owner, except that such termination shall not release or relieve any such person or entity from any liability or obligation incurred under or in any way connected with the Association or this Declaration during the period of ownership, nor impair any rights or remedies which the Association or any other Owner has with regard to such former Owner.

SECTION 7. SECURITY. THE ASSOCIATION MAY, BUT SHALL NOT BE OBLIGATED TO, IMPLEMENT, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTY DESIGNED TO MAKE THE PROPERTY SAFER THAN THEY OTHERWISE MIGHT BE. NEITHER THE ASSOCIATION, THE MANAGING AGENT, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SAFETY OR SECURITY WITHIN THE PROPERTY, HOWEVER, AND NEITHER THE ASSOCIATION, THE MANAGING AGENT, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD

LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS, THE MANAGING AGENT, DECLARANT, ANY SUCCESSOR DECLARANT AND THE ARCHITECTURAL REVIEW COMMITTEE DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM, ACCESS CONTROL SYSTEM, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEM MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY SUCH SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY LOT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE MANAGING AGENT, THE ARCHITECTURAL REVIEW COMMITTEE, THE DECLARANT, AND ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS AND TO THE CONTENTS OF LOTS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE MANAGING AGENT, THE ARCHITECTURAL REVIEW COMMITTEE, THE DECLARANT, AND ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

ARTICLE IV
COVENANT FOR MAINTENANCE ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS. The Declarant, for each Lot within the Property, hereby covenants and each Owner of any Lot within the Property, by acceptance of a deed therefor, whether or not it shall be expressed in the deed or other evidence of the conveyance, is deemed to covenant and agree to pay the Association (i) annual assessments or charges and (ii) special assessments for capital improvements, such assessments or charges to be fixed, established and collected as hereinafter provided. These assessments and charges, together with interest thereon as hereinafter provided, costs of collection, and reasonable attorney's fees, shall be a charge on the land and shall be secured by a continuing lien upon the property against which such assessments or charges are made. Each such assessment or charge, together with such interest, late charges, costs of

collection, and reasonable attorney's fees shall also be and remain the personal obligation of the Owner of the particular Lot at the time the assessment or charge fell due notwithstanding any subsequent transfer of title of such property. The personal obligation for delinquent assessments and charges shall not pass to successors in title unless expressly assumed by them. However, successors in title shall nonetheless acquire title to the land subject to the lien securing the assessments and charges.

SECTION 2. PURPOSE OF ANNUAL ASSESSMENTS. The annual assessments levied by the Association shall be used for carrying out the purposes of the Association as stated in its certificate of Formation, this Declaration and all other restrictive covenants instruments administered by the Association. The judgment of the Board of Directors of the Association in determining the functions to be performed by the Association, in determining the amount of annual assessments, and in the expenditure of funds shall be final and conclusive so long as its judgment is exercised in good faith. Such funds may be used to pay costs incurred with respect to all or any of the following:

- i. Operation, maintenance, repair, and improvement of the Common Area including fences, walls, entry monuments, entry gates, road esplanades, cul de' sacs and easement areas within, adjacent to or in the vicinity of the Property;
- ii. Payment of taxes and premiums for insurance coverage in connection with the Common Area and for directors and officers liability insurance;
- iii. Paying the cost of labor, equipment (including expense of leasing any equipment), material, and any associated management or supervisory services and fees required for management and supervision of the Common Area;
- iv. Maintenance, repair and reconstruction of Common Utilities Facilities (hereinafter defined);
- v. Maintaining or replacing landscaping in the Common Area and in the portion of each Lot in front of the residence ("Front Yard");
- vi. Designing, purchasing and installing any improvements to the Common Area;
- vii. Mowing, routine maintenance and removal of debris from the Common Area and the Front Yards;
- viii. Maintenance of amenities within the Common Area;
- ix. Contracting for street lights in the Property;
- x. Collecting and disposing of trash, garbage, ashes, rubbish and other similar materials;

- xi. Payment of legal fees and expenses incurred to collect assessments and enforce this Declaration;
- xii. Employing policemen or watchmen and/or a security service;
- xiii. Contracting for insect and pest control such as mosquito fogging;
- xiv. Carrying out the duties of the Board of Directors of the Association;
- xv. Paying the cost and fees of a manager or firm retained to carry out the duties of the Association or to manage the affairs and property of the Association
- xvi. Creation and funding of such reserve funds as the Board of Directors of the Association deems necessary; and
- xvii. Carrying out such purposes of the Association as generally benefit the Members of the Association.

As stated hereinabove, the Association shall not be obligated to perform all of the foregoing functions or any particular function. The judgment of the Board of Directors of the Association in establishing annual assessments and in the expenditure of said funds shall be final and conclusive so long as said judgment is exercised in good faith.

SECTION 3. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the Association may levy, in any year, a special assessment against the Lots applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, or repair or replacement of a capital improvement located upon the Common Area, including fixtures and personal property related thereto; provided, however, any special assessment must be approved by a two-thirds (2/3rds) vote of each class of the Members who are voting in person or by proxy at a meeting duly called for this purpose. Special assessments may be collected on a monthly basis at the Board's election.

SECTION 4. NOTICE AND QUORUM. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 above shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast thirty percent (30%) of the votes of the Association's membership shall constitute a quorum. If the required quorum is not present or represented, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meetings. No subsequent meeting shall be held more than 60 days following the preceding meeting.

SECTION 5. RATES OF ASSESSMENT. Both annual and special assessments on all Lots shall be fixed at uniform rates and all Lots in the Property shall commence to bear their assessment simultaneously; provided, however, Lots owned by the Declarant shall not be

assessed. The assessment for an individual Lot, within a calendar year, shall change as the ownership of such Lot passes from a Declarant, and the assessment for such Lot shall be prorated according to the applicable rate during each type of ownership.

SECTION 6. DATE OF COMMENCEMENT AND DETERMINATION OF ANNUAL ASSESSMENT. The annual assessment provided for herein shall commence as to all Lots in the Property not owned by the Declarant on the first day of the month following the conveyance of the first Lot in the Property to an individual Owner, or on such later date as the Board determines. The assessment for such year shall be adjusted according to the number of months remaining in the calendar year and shall be due and payable thirty (30) days after notice of the assessment is sent to every Owner whose Lot is subject to assessment. On or before the 30th day of November in each year, the Board of Directors of the Association shall fix the amount of the annual assessment 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 assessment shall be sent to every Owner whose Lot is subject to the payment thereof. Each annual assessment shall be due and payable in advance on the first day of January of each calendar year or, at the option of the Board of Directors, in monthly payments on the first day of each month during the year; provided, however, annual assessments on Lots owned by Builders may be accrued and paid upon conveyance of the applicable Lot to an individual Owner. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer or authorized representative of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a particular Lot is binding upon the Association as of the date of its issuance.

SECTION 7. EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES. Any assessments or charges which are not paid when due shall be delinquent. If an assessment or charge is not paid within thirty (30) days after the due date, it shall bear interest at the rate of eighteen percent (18%) per annum or such other rate as the Board may establish from the due date until the date paid. The Association may bring an action at law against the Owner personally obligated to pay the assessment, or to foreclose the lien herein retained against the property. Interest as above specified, costs and reasonable attorney's fees incurred in any such action shall be added to the amount of such assessment or charge.

The lien in favor of the Association is created by the recordation of this Declaration, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien shall be or is required. By acquiring a Lot, an Owner grants to the Association a power of sale in connection with the Association's lien. By written resolution, the Board of Directors of the Association may appoint, from time to time, an officer, agent, trustee, or attorney of the Association to exercise the power of sale on behalf of the Association. The Association shall exercise its power of sale pursuant to Section 51.002 of the Texas Property Code, and any applicable revision(s), amendment(s), or recodifications thereof in effect at the time of the exercise of such power of sale. The Association has the right to foreclose its lien judicially or by nonjudicial foreclosure pursuant to the power of sale created hereby. Costs of foreclosure may be added to the amount owed by the Owner to the Association. An Owner may not petition a court to set aside a sale solely because the purchase price at the foreclosure sale was insufficient to fully satisfy the Owner's debt. The Association may bid for and purchase the

Lot at the foreclosure sale utilizing funds of the Association. The Association may own, lease, encumber, exchange, sell, or convey a Lot. The purchaser at any such foreclosure sale shall be entitled to sue for recovery of possession of the Lot by an action of forcible detainer without the necessity of giving any notice to the former owner or owners of the Lot sold at foreclosure. Nothing herein shall prohibit the Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien. At any time before a nonjudicial foreclosure sale, an Owner of a Lot may avoid foreclosure by paying all amounts due the Association. Foreclosure of a tax lien attaching against a Lot under Chapter 32, Tax Code, shall not discharge the Association's lien under this paragraph for amounts becoming due to the Association after the date of foreclosure of the tax lien. No Owner may waive or otherwise escape liability for the assessments provided for in this Declaration by non-use of the Common Area or abandonment of his Lot.

SECTION 8. SUBORDINATION OF THE LIEN TO MORTGAGES. As hereinabove provided, the title to each Lot shall be subject to a lien securing the payment of all assessments and charges due the Association, but the lien shall be subordinate to the lien of any deed of trust or mortgage. Sale or transfer of any Lot shall not affect the lien in favor of the Association provided, however, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien securing such assessment or charge as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot or the Owner thereof from liability for any charges or assessments thereafter becoming due or from the lien thereof. In addition to the automatic subordination provided for hereinabove, the Association, in the sole discretion of its Board of Directors, may subordinate the lien securing any assessment provided for herein to any other lien or encumbrance, subject to such limitations, if any, as the Board of Directors may determine.

ARTICLE V
RIGHTS IN THE COMMON AREA

SECTION 1. OWNER'S RIGHT OF ENJOYMENT. Subject to the provisions herein stated, every Member shall have a right of enjoyment in the Common Area, and such right shall be appurtenant to and shall pass with the title to every Lot, subject the following rights of the Association:

- (a) The Association shall have the right to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area, if any.
- (b) The Association shall have the right, with the approval by a two-thirds (2/3rds) vote of each class of the Members who are voting in person or by proxy at a meeting duly called for this purpose, to borrow money and to mortgage, pledge, deed in trust, or hypothecate any or all of the Common Area as security for money borrowed or debts incurred.
- (c) The Association shall have the right to take such steps as are reasonably necessary to protect the Common Area against foreclosure of any such mortgage.