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DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
OAKHAVEN TOWNHOMES

FRANK BURISKIE
County Clerk, Brazos County, Bryan, Texas
By Sally Thompson Deputy

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF BRAZOS §

THIS DECLARATION made on the date hereinafter set forth by
GWX Corporation, hereinafter referred to as "Declarant."

W I T N E S S E T H :

WHEREAS, Declarant is the owner of the real property in Brazos
County, Texas, which is more particularly described in Article III of
this Declaration and desires to create thereon a residential community
with designated "Lots," "Common Area" and "Common Facilities" (as
those terms are defined herein) for the benefit of the present and
future owners of said Lots; and

WHEREAS, Declarant desires to provide for the preservation of
the values and amenities in said community and for the maintenance of
said Common Area and Common Facilities, and, to this end, desires to
subject the real property described in Article III, together with
such additions as may hereafter be made thereto (as provided in
Article III), to the covenants, restrictions, easements, charges and
liens hereinafter set forth, each and all of which is and are for the
benefit of said property and each owner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient
preservation of the values and amenities in said community, to create
an agency to which will be delegated and assigned the powers of main-
taining and administering the Common Area and Common Facilities and
administering and enforcing the covenants and restrictions and collect-
ing and disbursing the assessments and charges hereinafter created;
and

WHEREAS, Declarant shall cause a non-profit corporation to be
incorporated under the laws of the State of Texas, for the purpose of
exercising the functions aforesaid;

NOW, THEREFORE, Declarant hereby declares that all of the properties described in Article III shall be held, transferred, sold, conveyed, occupied, and enjoyed subject to the following easements, restrictions, covenants, conditions, charges, and liens which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties 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 (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to Oakhaven Community Association, Inc., a non-profit corporation duly incorporated in the State of Texas, its successors and assigns.

(b) "Board" shall mean and refer to Board of Directors of Oakhaven Community Association, Inc.

(c) "Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot, unless otherwise retained as provided herein, is described as follows:

See Exhibit "A"

Exhibit "A" is the final plat of Oakhaven, a subdivision to the city of Bryan, located in the Richard Carter League, abstract No. 8 Bryan, Brazos County, Texas, recorded in the deed records of Brazos County volume 433, page 319, September 7, 1979, being a part of this declaration by reference.

(d) "Common Expense Charge" shall mean and refer to assessment made and levied by the Board against each Owner for administration, management and operation of the Association and for repairs, alterations, reconstruction and operation of all or any portion of the Common Area (including reserves for replacements), in accordance with the provisions hereof.

(e) "Common Expenses" shall mean and refer to accumulated Common Expense Charges collected of received by the Association for use in administration and operation of the Association

properties and the maintenance, repair, additions, alterations or reconstructions of all or any portion of the Common Area.

(f) "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Area, except those as may be expressly excluded herein. Also, in some instances, Common Facilities may consist of improvements for the use and benefit of all Owners constructed on portions of one or more Lots or on acreage owned by Declarant (or Declarant and others) which is not a part of the Properties. By way of illustration, Common Facilities may include, but not necessarily be limited to, the following: structures for recreation, storage or protection of equipment; private streets and drives; sidewalks; swimming pools; lakes; landscaping; and other similar and appurtenant improvements. References herein to "the Common Facilities (any Common Facility) in The Subdivision" shall mean and refer to Common Facilities as defined respectively in this Declaration and all Supplemental Declarations.

(g) "Covenant" shall mean and refer to the rules and regulations, use restrictions and any policies that may be established from time to time by the Board of Directors.

(h) "Declarant" shall mean and refer to GWX Corporation, a Texas corporation, its successors and assigns.

(i) "Lot" shall mean and refer to any of the thirty-one (31) lots of land shown upon the recorded subdivision plat of the Property.

(j) "Managing Agent" shall mean and refer to the person, firm or entity which may be selected by the Board in accordance with the provisions hereof for the purposes of performing any duties, powers or functions of the Board in connection with the administration, management and operation of the Association.

(k) "Member" and/or "Members" shall mean and refer to all those Owners who are members of the Association as provided in Article IV hereof, together with all the Owners in The Subdivision who are members of the Association as provided in all Supplemental Declarations.

(l) "Owner" shall mean and refer to the record owner (including a purchaser at a foreclosure sale or any proceeding in lieu of foreclosure, so long as that purchaser has fee simple title), whether one or more persons or entities, of a fee simple title to any lot which is situated upon the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

(m) "Properties" shall mean and refer to that certain real property hereinafter described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

(n) "Property Documents" shall mean and refer to the Declaration, By-Laws, Articles of Incorporation, and community Rules and Regulations.

(o) "Reserve Fund" shall mean and refer to the reserve fund established pursuant to Article V hereof for maintenance, repairs, and replacements to the Association's Properties.

(p) "Subdivision Plats" shall mean and refer to the respective plat of Oakhaven and all subsequent Sections of Oakhaven expressly brought within the plan of the Declaration, recorded in the Map Records of Brazos County, Texas.

(q) "Supplemental Declaration" shall mean and refer to any Supplemental Declaration of Covenants and Restrictions bringing additional property within the scheme of this Declaration under the authority provided in Article III hereof. References herein (whether specific or general) to provisions set forth in "all (any) Supplemental Declarations" shall be deemed to relate to the respective properties covered by such Supplemental Declarations.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Each Owner shall have the right of ingress to and egress from such Owner's townhouse, and such right shall be perpetual and appurtenant to the Lot Ownership. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area, and to make, publish, and enforce reasonable rules and regulations governing the use and enjoyment of the Common Area and Facilities or any part thereof, all of which reasonable rules and regulations shall be binding upon, complied with, and observed by each Owner. These rules and regulations may include provisions to govern and control the use of such Common Area and Common Facilities by guests or invitees of the Members, including, without limitation, the number of guests or invitees who may use such Common Area and Common Facilities or any part thereof at the same time;

(b) The right of the Association to suspend the voting rights and right to use of the recreational or other facilities

owned or operated by the Association, excluding domestic water, by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations; and the aforesaid rights of the Association shall not be exclusive, but shall be cumulative of and in addition to all other rights and remedies which the Association may have in this Declaration and Supplemental Declarations or in its Bylaws or at law or in equity on account of any such default or infraction;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded;

(d) The right of individual owners to the use of guest parking spaces as provided herein, including the assignment of areas where boats, boat trailers, etc., may or may not be parked or stored;

(e) The right of the Association to convey or dedicate such portions of such Common Area as its Board of Directors may deem appropriate to governmental authorities, political subdivisions or other persons or entities for use, or for other purposes related to the health, safety, and welfare of the Owners; and

(f) The right of the Association to enter management and/or operating contracts or agreements relative to the maintenance and operation of such Common Area and Common Facilities in such instances and on such terms as its Board of Directors may deem appropriate; the right of the Association to operate recreational facilities located on such Common Area; the right of the Association to enter lease agreements granting leasehold, or other operating rights relative to Common Facilities in such instances and on such terms as its Board of Directors may deem appropriate.

ARTICLE III

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Description. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration consists of the following:

(a) Oakhaven, a 3.32 acre subdivided tract of land consisting of thirty-one (31) single-family residential lots and all improvements thereon, and approximately 0.55 acres of Common Area which has been or will be improved with paved private

drives and guest parking spaces; public underground sanitary and storm sewers and waterlines; public fire hydrants; utility-company owned electrical and telephone service, together with such surface mounted equipment as is necessary for a complete system and landscaping. Said subdivision plat is recorded in the Official Public Records for Real Estate for Brazos County, Texas, under County Clerk's File Number Vol. 433, Page 319.

all of which real property is sometimes hereinafter referred to as the "Existing Property."

Section 2. Mineral Exception. There is hereby excepted from the Properties and Declarant will hereafter except from all its sales and conveyances of the Properties, or any part thereof, including the Lots and Common Area, all oil, gas, sulphur, and other minerals in, on, and under the Properties, without, however, any rights of ingress or egress to or upon the surface of the hereinabove described property. Declarant covenants and agrees that any exploration for, drilling, producing, treating, transporting or any other activity relating to the oil, gas, sulphur or other minerals shall be conducted by either unitized operations or by means of directional drilling with, in either event, all surface facilities located on lands other than the hereinabove described property.

Section 3. Additions to Existing Property. Additional lands may become subject to the scheme of this Declaration in the following manner:

(a) Additions by Declarant. The Declarant, its successors and assigns, shall have the right to bring within the scheme of this Declaration additional properties upon the approval of the Board of Directors of the Association, in its sole discretion. Any additions authorized under this and the succeeding subsection, shall be made by filing of record a Supplemental Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property and the execution thereof by members of the Board of Directors of the Association shall constitute all requisite evidence of the required approval thereof by such Board of Directors. Such Supplemental Declaration must impose an annual maintenance charge assessment on the property covered thereby, on a uniform, per lot basis, substantially equivalent to the maintenance charge and assessment imposed by this Declaration, and may contain such complementary additions and/or modifications of the covenants and restrictions contained in this Declaration as may be applicable to the additional lands.

(b) Other Additions. Upon the approval of the Board of Directors of the Association, in its sole discretion, the owner of any property who desires to add it to the scheme of this

Declaration and to subject it to the jurisdiction of the Association may file of record a Supplemental Declaration of Covenants and Restrictions upon the satisfaction of the conditions specified in subsection (a) above.

(c) Mergers. Upon a merger or consolidation of the Association with another association, the Association's properties, rights, and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, rights, and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions applicable to the properties of the other association as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration or any Supplemental Declaration.

(d) Borrowing Money. The right of the Association, in accordance with its Articles of Incorporation or Bylaws, to borrow money for the purpose of improving the Common Area and Common Facilities and in aid thereof to mortgage said property. The rights of any such mortgagee in said properties shall be subordinate to the rights of the Owners hereunder.

(e) Rights and Easements. The rights and easements existing, herein created or hereafter created in favor of others, as provided for in Article II of this Declaration and the Supplemental Declarations; and

(f) Use Restrictions. The restrictions as to use of the Common Area provided for in Article XI hereof.

However, no additional real property may be added to the Existing Property without the prior written consent of any of HUD, VA, or FNMA which may hold, insure or guarantee any mortgage in any existing townhouse at the time such property is to be added. In addition, all improvements on that real property to be added shall be substantially completed before such property is added to the Existing Property.

Section 4. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and Common Facilities to members of his family, his tenants, or contract purchasers who reside on the property. The term "Owner" is further defined to include and refer to the executors, personal representatives and administrators of any Owner, and all other persons, firms, or corporations acquiring or succeeding to the title of the Owner by sale, grant, will, foreclosure, execution, or by any legal process, or by operation of law, or in any other legal manner.

Section 5. Title to Common Area. The Declarant may retain the legal title to the Common Area and Common Facilities in The Subdivision until such time as it has completed improvements thereon and until such time as, in the sole opinion of Declarant, the Association is able to operate and maintain the same. Until title to such Common Area has been conveyed to the Association by Declarant, Declarant shall be entitled to exercise all rights and privileges relating to such Common Area and Common Facilities granted to the Association in this Declaration and all Supplemental Declarations.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Members. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Regardless of the number of persons who may own a Lot (such as husband and wife or joint tenants, etc.) there shall be but one vote for each Lot except as stated below. When more than one person holds an interest in any Lot all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but, in no event, shall more than one vote be cast with respect to each Lot. Membership shall be appurtenant and may not be separated from ownership of any Lot.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and Class A members shall be entitled to one vote for each Lot owned. The vote for such Lot shall be exercised as the Owners among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

Class B. Class B members shall be the Declarant and Declarant shall be entitled to three (3) votes for each Lot owned by it--improved or unimproved. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earliest:

(a) When the total votes outstanding in the Class A member equal the total votes outstanding in the Class B membership, or

(b) When the Declarant shall voluntarily relinquish its Class B membership; or

(c) On August 31, 1984.

Provided, the Class B membership may cease and be converted to class A membership, upon the vote of two-thirds (2/3) of the members

of the Board of Directors, after twenty Lots have been sold and conveyed.

Section 3. Assumption of Membership Status. The purchaser of any lot or Lots of a foreclosure sale shall assume the membership status of the previous owner.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay the Association: (1) annual assessments or charges, to be collected on a monthly basis and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interests, costs, and reasonable attorney's fees, shall be a charge on the land, and shall constitute and be secured by a separate and valid and subsisting lien, hereby created and fixed and shall be a continuing lien upon and against the property and all improvements thereon against which each such assessment is made for the benefit of the Association and all Members. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due; however, the personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and Common Facilities, and any other areas provided by this Declaration or any Supplemental Declaration to be developed or maintained by the Association, such as streets, lawns, lakes, recreation facilities shrubbery, trees, walkways, street lights, and the construction, maintenance, repair and replacement of properties, services, improvements and facilities devoted to such purposes and related to the use and enjoyment of the Subdivision by the Owners. The Association shall establish and maintain an adequate Reserve Fund for the above specified purposes. The fund shall be maintained out of the monthly assessments.

In the event Declarant shall designate Common Facilities for the use and benefit of all the Owners in the Subdivision which are situated on property owned by Declarant (or affiliated or subsidiary entities) but which then has not been brought within the scheme of

this Declaration under the authority provided in Article III hereof, the Association shall have the right and authority to allocate and expend such amounts from the maintenance assessments for construction, repair, maintenance, upkeep, beautification, improvement or replacement of such Common Facilities as its Board of Directors shall determine, in its sole discretion. Further, if all or any such Common Facilities situated on the property then not subject to the scheme of this Declaration also are for the use and benefit of persons or entities other than the Owners in The Subdivision, the Association shall have the right and authority to enter agreements with other persons or entities enjoying the use and benefit of such Common Facilities (or their designee), in such instances and on such terms as its Board of Directors may deem appropriate and acceptable, obligating the Association to contribute, from the maintenance assessments, a ratable portion of the amounts necessary from time to time to provide for the construction, repair, maintenance, upkeep, beautification, improvement or replacement of such Common Facilities, and providing for other agreements relative to the use and enjoyment of such Common Facilities (including limitations on the extent of the use and enjoyment thereof) by the various persons and entities entitled thereto.

Section 3. Maximum Monthly Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment shall be \$ 75.00 per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Board of Directors may increase the monthly assessment each year by no more than fifteen percent (15%) (such percentage increase may be cumulative from year to year) above the maximum monthly assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment may be increased above fifteen percent (15%) by the vote or written assent of fifty-one percent (51%) of each class of members.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Properties, including fixtures and personal property related thereto, and for repair and maintenance of structures maintained by the Association, provided that any such assessment shall have the vote or written assent of fifty-one (51%) percent of each class of members.

Section 5. Notice and Quorum For Any Action Authorized Under Section 3 and 4. Any action authorized under Section 3 (b) or 4 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all members not less than twenty (20) days nor more than fifty (50) days in advance of the meeting. If the proposed action is favored by a majority of the votes cast at such meeting, but such vote is less than the requisite fifty-one percent (51%) of each class of members, members who were not present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate officers of the Association not later than thirty (30) days from the date of such meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected in advance on January 1st of each year or on a monthly basis, at the sole discretion of the Board of Directors. Annual and special assessments shall be made for Lots with completed townhouses not owned by the Declarant. Notwithstanding anything to the contrary herein, all Lots owned by the Declarant shall be exempt from the payment of annual and special assessments until September 1, 1985. At such time Declarant shall be liable for annual and special assessment at the same rate as all other Owners. However that all successors and assigns of the Declarant shall not be entitled to such exemption.

Section 7. Date of Commencement of Annual Assessment Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month after thirty (30) days following the purchase by the Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, provided, however, that the Board of Directors shall have the right to adjust the annual assessment as long as any such adjustment does not exceed the maximum permitted hereunder with thirty (30) days written notice given to each Owner. Written notice of the annual assessment shall be sent to every Owner subject thereto. Each monthly assessment shall be due on the first day of the month and unless otherwise provided, the Association shall collect each month from the owners of each Lot one-twelfth (1/12) of the annual assessment for such Lot. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid within five (5) days from the date when due shall be delinquent. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) or the highest rate

available by law, per annum. If any assessment is not paid within five (5) days after the due date, the Association may assess a late charge of Twenty-five (\$25.00) dollars for each month the assessment remains in arrears as an expense incurred for special handling. The Board of Directors, in its discretion, may increase the late charge each year by no more than fifteen percent (15%) above the late charge established for the previous year. The Board of Directors may assess a Lot owner additional costs incurred for non-sufficient funds checks received from said owner.

The Association may file an affidavit of lien with the County Clerk of Brazos County, Texas evidencing the lien against the property. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. All interest, costs, collection costs and reasonable attorney's fees of any action taken by the Association to collect such assessment shall be added to the amount of such assessments, and shall be the obligation of the Owner. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the rights and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property pursuant to Article 3810 of the Revised Civil Statutes of Texas, and such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Lot Owners. The Association acting on behalf of the Lot Owners shall have the power to bid in an interest at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same, and to subrogate so much of its right to such liens as may be necessary. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or Common Facilities or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to:

(a) All liens for taxes or special assessments levied by the City, County, and State governments, or any political subdivision or special district thereof, and

(b) all liens securing amounts due or to become due under any term Contract of Sale dated, or any mortgage, vendor's lien, or deed of trust filed for record, prior to the date payment of any such charges or assessments become due and payable, and

(c) all liens, including, but not limited to, vendor's liens, deeds of trust, and other security instruments which secure any loan made by any lender to an Owner for any part of the purchase price of any Lot when the same is purchased from a builder or for any part of the cost of constructing, repairing, adding to, or remodeling the residence and appurtenances situated on any Lot to be utilized for residential purposes.

Any foreclosure of any such superior lien under the power of sale of any mortgage, deed of trust, or other security instrument, or through Court proceedings in which the Association has been made a party, shall cut off and extinguish the liens securing maintenance charges or assessments which became due and payable prior to such foreclosure date, but no such foreclosures shall free any Lot from the liens securing assessments thereafter becoming due and payable, nor shall the liability of any Owner personally obligated to pay maintenance charges or assessments which become due prior to such foreclosure, be extinguished by any foreclosure.

Section 10. Exempt Property. The Declarant is hereby exempt until September 1, 1985 from payment of Maintenance Assessments, both annual and special, for all properties and Lots held in the name of the Declarant. The Association shall not be responsible for the maintenance and upkeep of such exempt properties. Successors and assigns of the Declarant shall not be entitled to such exemption. All properties dedicated to, and accepted by, a local public authority and all Properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Texas, and the Common Area shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments. In the event any mortgagee of the Common Area forecloses against any Lot or Lots within the Properties, such Lot or Lots shall be exempt from any assessment for so long as such Lot or Lots are not used as residences or until the same are reconveyed.

Section 11. Insurance.

(a) The Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for all buildings and structures as well as any improvements in the Common Area against risk of loss or damage by fire or other hazards in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any insured hazard, and shall also obtain a broad form public liability policy covering the Common Area, and all damages or injuries caused by the negligence of the Association or any of its agents. Premiums for all such insurance shall be a part of the maintenance assessments, and shall be written in the name of the Association as Trustee. In the event of damage or destruction by fire or other casualty to any property covered by such insurance, the Board of Directors shall, with concurrence of the mortgagee, if any, upon receipt of the insurance pro-

ceeds, contract to rebuild or repair such damages or destroyed portions of the property to as good condition as formerly. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a Federal governmental agency, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature of at least one-third (1/3) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. In the event the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding to the same condition as formerly, the Board of Directors shall levy a special assessment against all Owners, in accordance with the procedure in Section 1 of this Article to make up any deficiency for repair or rebuilding of the Common Area not a physical part of a townhouse unit. In the event of damage or destruction by fire or other casualty to any garage, storage area or other property of an individual owner, said owner shall, with concurrence of the mortgagee, if any, rebuild such damaged or destroyed portions of property involved in a good workmanlike manner in conformity with the original plans and specifications.

(b) Each Owner shall be responsible at his own expense and cost for his personal insurance on the interior of the building and contents of his own residence, and his additions and improvements thereto, including decorations, furnishings and personal property therein, and his personal property stored elsewhere on the Properties; and for his personal liability not covered by liability insurance for all Owners as part of the common expense.

(c) The Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain blanket fidelity bonds for all officers, directors and employees of the Association and all other persons handling, or responsible for, funds of or administered by the Association. If a managing agent is responsible for handling or administering funds of the Association, the managing agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. Such fidelity bonds shall name the Association as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the managing agent, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than a sum equal to three (3) months' aggregate assessments on all townhouses plus reserve funds. The premiums on all bonds required herein, except those maintained by the managing agent, shall be paid by the Association as a common expense.

(d) Notwithstanding the foregoing provisions, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee ("Insurance Trustee") with whom the Association may enter into any Insurance Trust Agreement or any successor to such trustee, who may have exclusive authority

to negotiate losses under any policy providing property or liability insurance, and to perform such other functions as are necessary to accomplish this purpose.

(e) Each Owner hereby appoints the association, or any Insurance Trustee or substitute Insurance Trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose.

(f) Each Owner hereby appoints the Association as attorney-in-fact to represent the Owner in condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Area, or part thereof, by the condemning authority. In the event of a taking or acquisition of part or all of the Common Area by a condemning authority, the award or proceeds of settlement shall be payable to the Association, to be held in trust for Owners and their first mortgage holders as their interest may appear.

ARTICLE VI

ARCHITECTURAL CONTROL

The Architectural Committee shall be initially composed of the following two (2) people, to-wit:

John C. Mayfield, Jr.
Mary Lind Bryan

Any vacancy which shall occur shall be filled by the remaining member or members of the Architectural Committee as then constituted, or, if no members remain, by the GWX Corporation. The Architectural Committee may appoint advisory members or committees from time to time to advise it on matters pertaining to Oakhaven.

Duties of Architectural Committee

The Architectural Committee shall perform and discharge or shall cause to be performed and discharged all those matters which are set forth in this instrument to be performed by the Architectural Committee.

No building shall be erected, placed or altered on any parcel in Oakhaven until all plans and specifications have been presented to the Architectural Committee and approved by the Architectural Committee within forty-five (45) days from the receipt thereof. Should

no action have been taken by the Architectural Committee within such forty-five (45) days, then and in such event all such plans and specifications presented to the Architectural Committee shall be deemed to have been approved, unless the Architectural Committee shall give written notice prior to the expiration of such forty-five (45) days to the party presenting such plans and specifications that more than forty-five (45) days are required to review such plans and specifications, whereupon approval or disapproval of such plans and specifications shall be evidenced solely by written notice communicating approval or disapproval to the party presenting such plans and specifications. Upon approval or disapproval of such plans and specifications by the Architectural Committee, two sets of said plans and specifications showing the approval or disapproval of the Architectural Committee thereon, shall be returned to the person submitting them and the other copy thereof shall be retained by the Architectural Committee.

The Architectural Committee shall have the right to disapprove any plans and specifications submitted to it in the event such plans and specifications are not in accordance with all of the provisions of this instrument, if the design or color schemes of the proposed building or other structure are not in harmony with the general surroundings of such lot, tract, or parcel, or with the adjacent building or structures, if the plans and specifications are incomplete, or in the event the Architectural Committee deems the plans, specifications or details of the building or structure depicted thereon, to be contrary to the interest, welfare or rights of all or any part of the Owners of the lots, tracts or parcels adjacent thereto, all in the sole discretion of the Architectural Committee whose decision shall be final.

Notwithstanding any of the foregoing, neither the Declarant, the Architectural Committee nor any architect or agent thereof or of the Declarant shall ever be in any way responsible for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing, nor for any structural or other defects in any work done according to such plans and specifications.

The Architectural Committee shall have power to and may allow reasonable variances and adjustments to the restrictions set forth herein in order to overcome practical difficulties and to prevent unnecessary hardships in the application of the restrictions contained herein; provided, however, that such is done in conformity with the intent and purposes hereof; and provided further, that in every instance such variance or adjustment will not be materially detrimental or injurious to other property, improvements or the Owners thereof and such variances and adjustments as may be granted hereunder may include without limitation the height and size restrictions as set forth herein.

In the event there shall be governmental regulations which conflict with or prevent work of construction or improvements in the manner required by this instrument, such circumstance shall be deemed and constitute a practical difficulty justifying the allowance of variances and adjustments of these restrictions in order to prevent unnecessary hardships; provided, however, that in every instance the variance or adjustment shall not be materially detrimental or injurious to the property or improvements.

ARTICLE VII

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder as follows: repair, replace (but not in the event of fire, or other casualty loss normally covered by insurance on the premises) and care of roofs, gutters, and downspouts (if any), exterior building surfaces, fences, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces, atriums, enclosed patio area (if any), window and door fixtures and hardware, including weatherstripping, door knobs, handles, knockers, peep holes, locks, landscaping installed by Owner (if any), exterior light fixtures operated from a residence, air conditioning equipment, utility company meters, circuit breakers and switch panels, sanitary sewer, gas and electric power service lines, nor any work or thing specifically defined as Owner's maintenance in Article IX., Section 30.

No Owner shall have any right to modify, alter, repair, decorate, redecorate, or improve the exterior of any townhouse, or to take any such action with respect to the interior or exterior of any of the Common Area or the Common Facilities without prior written approval from the Architectural Committee.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, or guests, or invitees, the cost of such maintenance for repairs shall be added to and become a part of the assessment to which such Lot is subject.

In the event an Owner is responsible for certain exterior maintenance as set forth herein or in the Rules and Regulations of the Association and such Owner shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, and Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and any improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

ARTICLE VIII

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall is built as a part of the original construction upon the Properties and placed near the dividing line between the Lots with air space being on said dividing line. Said walls are attached and shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. The Owner shall not cut through or make any penetration through a party wall for any purpose whatsoever.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligence or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators. Should any party refuse to choose an arbitrator within ten (10) days after written request therefor, the Board of Directors of the Association shall select an arbitrator for the refusing party.

ARTICLE IX

FIRST LIEN HOLDERS' RIGHTS

Section 1. Notices of Action. A holder, insurer or guarantor of a first mortgage, upon written request to the Association, (such

request to state the name and address of such holder, insurer or grantor and the townhouse number), will be entitled to timely written notice of:

(a) Any proposed amendment of the Association's instruments effecting a change in (i) the boundaries of any townhouse or the exclusive easement rights appertaining thereto, (ii) the interests in the general or limited common elements appertaining to any townhouse or the liability for common expenses appertaining thereto, (iii) the number of votes in the Association appertaining to any townhouse or (iv) the purposes to which any townhouse or the Common Area are restricted;

(b) Any proposed termination of the Association;

(c) Any condemnation loss or any casualty loss which affects a material portion of the townhouses or which affects any townhouse on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(d) Any delinquency in the payment of assessments or charges owed by an Owner of a townhouse subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days;

(e) Any lapse, cancellation or material modification of any insurance policy maintained by the Association pursuant to Article V, Section 11.

Section 2. Other Provisions.

(a) Any restoration or repair of the townhouses after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages to which at least fifty-one percent (51%) of the votes subject to mortgages held by such eligible holders are allocated, is obtained.

(b) Any election to terminate the Association after substantial destruction or a substantial taking in condemnation of the townhouses property must require the approval of the eligible holders of first mortgages to which at least fifty-one percent (51%) of the votes subject to mortgages held by such eligible holders are allocated.

(c) No reallocation of interests in the Common Area resulting from a partial condemnation or partial destruction of the project may be effected without the approval of the eligible

holders of first mortgages to which at least fifty-one percent (51%) of the votes subject to mortgages held by such eligible holders are allocated.

ARTICLE XI

USE RESTRICTIONS

Section 1. Residence Buildings. All buildings and structures on the Properties shall be of new construction. No townhouse may contain less than 1,000 square feet of living area, exclusive of open porches, patios or garages. Each townhouse must include a detached or attached one-car carport or garage. No townhouse may exceed three (3) stories in height. No townhouse may occupy more than a single platted lot.

Section 2. Freehold Estate. Each Lot conveyed shall be designated by a separate description and shall constitute a freehold estate subject to the terms, conditions, and provisions hereof. Further, not more than one family shall reside in each townhouse.

Section 3. Single Family Residence Use. The Lots shall be used for residential purposes only, as a private residence, and the Owner's use of such Lot shall not endanger the health or disturb the reasonable enjoyment of any other Owner or resident. The term "residential", as used herein, shall be held and construed to exclude hospitals, clinics, two-family residences, mobile homes, hotels, motels, boarding houses, commercial and professional uses, including personal service shops, whether in the townhouses or otherwise, and all such uses are expressly prohibited. Though no part or portion of the Property may be used for the operation of a general realty office, the Declarant, its successors and assigns, may construct, furnish, and staff with a sales force a model for the purpose of selling townhomes.

Section 4. Obstruction of Common Area. There shall be no obstruction of the Common Area. Nothing shall be stored in the Common Area without the prior written consent of the Board of Directors. In the event an obstruction exists, the Association shall have the right to remove said obstruction peaceably, in its discretion.

Section 5. Insurance. Nothing shall be done or kept in the Common Area which will increase the rate of insurance on the Common Area, without the prior written consent of the Board of Directors.

No Owner shall permit anything to be done or kept in the Common Area which will result in the cancellation of insurance on any part of the Common Area, or which would be in violation of any law. No waste will be permitted in the Common Area.

Section 6. Limitation of Structure. No structures other than townhouses and carports shall be constructed upon the Lots. In the event a structure has been improperly constructed, in the sole opinion of the Board of Directors, the Association shall have the right to remove said structure peaceably, in its discretion.

Section 7. Moving of Structures. No building or structure shall be moved on to any Lot.

Section 8. Temporary Structures. No structures of a temporary character, trailer, basement, tent, shack, barn, servants quarters or other out buildings shall be used on any Lot at any time as a residence or other used structure be moved onto any Lot. During the construction and sales period of the initial dwelling units, the builder may erect and maintain such structures as is customary in connection with such construction and sale of such property, including, but without limitation, a business office, storage areas, construction yards, signs, model units and sales offices.

Section 9. Signs. No advertising signs billboards, unsightly objects, or nuisances shall be erected, placed, or permitted to remain on any Lot; provided, however, that one "For Rent" or "For Sale" signs of not more than five square feet per lot may be placed in a window in the interior of a townhouse.

Section 10. Application. The foregoing sections of this Article shall not apply to the activities of the Association. Further, the Declarant may maintain, during the construction and sales periods, in or upon such portions of the property as Declarant may determine, such facilities as in its sole discretion may be necessary or convenient, including, but not limited to, office, storage areas, model units, and signs.

Section 11. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, or the Common Area, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the other Owners. No repair work, dismantling or assembling of motor vehicles or any other machinery or equipment shall be permitted in any street, driveway or yard adjacent to a street, or in the Common Area. Further, no "For Sale" sign may be placed on any such vehicle on streets or parking spaces in the subdivision. No inoperative vehicle shall be permitted to remain on any location within the Properties. Any such inoperative vehicle is subject to removal by the Board of Directors in its sole discretion.

Section 12. Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot, except dogs, cats, or other household pets (not to exceed a total of two pets per Lot) may be kept, provided that they are not kept, bred, or maintained for any commercial purpose. Any dog or cat must be kept within the property of the Owner, and may be walked in the Common Area only when leashed

and only to go to and from the project. Dogs and cats are prohibited from the recreational facilities and buildings. Any pet that is not leashed will be reported to the proper animal control authorities. All dogs, cats or other household pets shall be registered with the Association, and shall be vaccinated annually.

Section 13. Oil and Mining Operations. No gas or oil drilling, gas or oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot, except as mentioned herein.

Section 14. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Rubbish, trash, garbage, or other waste shall be kept in secure sanitary containers which shall be stored inside garages. Such containers shall be emptied regularly, and shall not be permitted to remain on streets or drives. There is reserved in favor of the Association the determination of the method of garbage disposal, that is, whether it shall be through public authority or through private garbage disposal contractor(s).

Section 15. Sewage Treatment. No sewage treatment system shall be permitted on any Lot. All townhouses must be connected to public underground sanitary sewers.

Section 16. Illegal Acts. No spiritous, vinous, or malt liquors, or medicated bitters capable of producing intoxication, shall be sold or offered for sale on any Lot within the Subdivision. Further, no Lot, or any part thereof, shall be used for vicious, illegal, or immoral purposes, nor for any purpose in violation of the laws of the State of Texas, the United States of America, or of police, health, sanitary, building or fire code regulations relating to or affecting the use or occupancy or possession of any of the said Lots.

Section 17. Appliances. No freezer, refrigerator, washer, dryer, or other household appliance shall be permitted on patios, driveways, or any portion of a Lot in such a position as to be visible from the street.

Section 18. Windows and Doors. No window or door of any townhouse shall be covered with metal foil or similar material.

Section 19. Air Conditioners. The use of window air conditioning units within the properties is specifically prohibited.

Section 20. Gardening. Except in the individual patio area, no planting or gardening shall be done, and no fences, hedges, or walls shall be erected or maintained upon the property, except as installed in accordance with the initial construction of the building. Maintenance, upkeep and repairs of any patio shall be the responsibility

of the individual Lot Owner and not in any manner the responsibility of the Association. Within easements established for installation and maintenance of utilities and drainage facilities, as shown on the Plat, no structure or planting shall be placed or allowed to remain which may damage or interfere with the maintenance of such utilities or drainage facilities.

Section 21. Commercial Vehicles and Equipment. No construction machinery, dump truck, tractor, mower, dozer, van, tractor-trailer, or other commercial vehicles or equipment shall be permitted to be parked on any lot, street, drive, guest parking space, or driveway. Light commercial trucks and vans (under one ton capacity) may be parked in the carports.

Section 22. Boats and Trailers. No boats, boat trailers, motorized homes, recreational vehicles, utility trailers, campers, or similar vehicles or equipment shall be parked on any Lot with in the Properties.

Section 23. Maximum number of vehicles and equipments. Notwithstanding the foregoing provisions of Subsections 21 and 22 above, no more than three (3) authorized vehicles and/or equipments may be permanently parked at any residence. No vehicle may be parked for more than a day in a guest parking space, without written approval of the Board of Directors. All motor vehicles shall be registered with the Association. No maintenance or repair work to any motor vehicle shall be permitted upon the Common Area or driveway areas.

Section 24. Parking. No automobiles or other operable motor vehicles shall be parked on or near the Properties at locations other than those specifically marked for such purposes. Any vehicle improperly parked shall be subject to removal by the Board of Directors in its sole discretion.

Section 25. Removal of Dirt. Digging of dirt or sand and its removal from any site or Lot is prohibited, except when necessary in conjunction with the landscaping of a Lot. No trees on any Lot shall be cut, except in connection with the construction of improvements, or to remove dead or unsightly trees.

Section 26. Weapons. The use of guns, including air rifles, bows and arrows, or other dangerous devices or weapons is specifically prohibited.

Section 27. Lot Maintenance. The premises of all Lots shall be maintained in a clean and sightly condition at all times. If not so maintained, the Association shall have the right to take whatever action is deemed necessary in its sole discretion to bring such Lot or part thereof to a satisfactory condition, and the cost of such action shall be paid by the Owner of said Lot.

Section 28. Walkways. No motor driven vehicles may be operated on the walkways within the Common Area. No motorcycles or motorbikes of any type may be operated on the streets or alleyways within the Subdivision.

Section 29. Use of Common Area. Except in the individual courtyard and atrium areas appurtenant to a residence, no planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon said Property except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Association's Board of Directors or their designated architectural committee. Except for the right of ingress or egress and the right and easement of enjoyment as defined herein, the Owners are hereby prohibited and restricted from using any of said property outside the exterior Property lines of each Lot, except as may be allowed by the Association's Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners of the Properties, and any additions thereto as is necessary for the protection of said Owners. Maintenance, upkeep and repairs of any rear yard shall be the sole responsibility of the individual Owner and not in any manner the responsibility of the Association, except as provided in Article VI. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of the Common Area, including but not limited to, recreation and parking areas and walks, shall be taken by the Board of Directors or by its duly delegated representative.

Section 30. Owner's Maintenance. The Owner shall maintain and keep in repair the following equipment and lines located outside the residence: air conditioning compressor condenser, including pipes and electrical lines connecting same to the residence, water service lines from the water main, sanitary sewer line connecting the residence to the sanitary sewer collection system, electric power service conductors, house electrical panels; exterior light fixtures operated from the residence; landscaping installed by the owners; and any portion of natural gas, cable television and/or telephone service serving the Lot but not maintained by the gas, cable television, and/or telephone companies.

Section 31. Outside Antennas. No exterior television or radio antennas of any sort shall be placed, allowed or maintained upon any portion of the improvements to be located upon the Property, nor upon any structure situated upon the Property. No owner shall operate any "short-wave" or other long-distance radio communication device without prior written consent of the Board of Directors.

Section 32. Non-Discrimination. No action shall at any time be taken by the Association or its Board of Directors which in any manner would discriminate against any Owner or Owners in favor of the other Owners.

Section 33. Annoyance. No activity shall be carried on upon any Lot or the Common Area which might reasonably be considered as giving annoyance to neighbors of ordinary sensibilities and which might be calculated to reduce the desirability of the Property as a residential neighborhood, even though such activity be in the nature of a hobby and not carried on for profit.

ARTICLE X

EASEMENTS

Section 1. Encroachments. Each townhouse and the property included in the Common Area shall be subject to an easement for encroachments created by construction, settling and overhang of the structures built by Declarant. A valid easement for said encroachments and for the maintenance of same, so long as they stand, shall and does exist. Said easement shall not be considered an unlimited easement and the final decision as to the reasonableness of such easement shall rest with the Architectural Committee. In the event a multi-family building containing two or more townhouses is partially or totally destroyed and then rebuilt, the Owners of the townhouses agree that valid easements shall exist for any encroachment resulting therefrom.

Section 2. Utility Easement. There is hereby created a blanket easement upon, across, over and under all of said property for ingress and egress, installation, replacing, repairing and maintaining utilities, including, but not limited to, water, sewer, telephones, electricity, gas and television cables and antenna system. By virtue of this easement, it shall be expressly permissible for the utility companies to affix and maintain wires, conduits, or other service lines on, above, across and under the roofs and exterior walls.

An easement is further granted to all police, fire protection, ambulance, garbage and trash collector pick-up vehicles and all similar persons to enter upon the Common Area in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and to any management company selected by the Association to enter in or to cross over the Common Area and any Lot to perform the duties of maintenance and repair of the residence or Common Area provided for herein. Notwithstanding anything to the contrary contained in this paragraph, no sewer, electrical lines, water lines, or other utilities may be installed or relocated on the property until approved by the Association's Board of Directors.

In the event that any utility company furnished a service covered by the general easement herein provided requests a specific easement by separate recordable instrument, the Association shall have the right to grant such easement on said property without conflicting with the

terms hereof. The easements provided for in this Article shall in no way affect any other recorded easement on said premises.

Section 3. Underground Utility Services.

(a) Underground Electric Service. An underground electric distribution system will be installed to Lots. The Owner of each Lot, at his own cost, shall furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the electric company's metering on customer's 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 shall make the necessary connections at said point of attachment and at the meter. In addition, the Owner of each Lot shall, at his own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on such Owner's Lot. For so long as the underground system is maintained, the electric service to each Lot shall be underground, uniform in character and exclusively of the type known as single phase, 120/240 volt, three wire, 60 cycles, alternating current.

(b) Telephone and Cable Television Service. Telephone and Cable television service may be available to each Lot and the Common Areas. Service between the Cable television companies' main lines and an individual residence shall be by way of underground conduit. Such systems shall be owned and maintained by the Owner, but all service lines therein shall be installed, owned, and maintained by the telephone and Cable television companies.

(c) Sanitary Sewer and Water Service. Water distribution and sanitary collection service shall be provided to each Lot by means of service lines connected to public mains. Service lines connected to the mains shall be owned and maintained by the Owner.

(d) Pipes. The Owners of the respective Lots shall not be deemed to separately own pipes, wires, conduits, or other service lines running through their property which are utilized for or serve other Lots, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance, and enjoyment of his Lot.

(e) Use of Easements. Easements for underground utility services may be crossed by driveways and walkways provided the Declarant or Builder makes prior arrangements with the utility furnishing service. Such easements for underground services shall be kept clear of all other improvements, including buildings, patios, or other pavings, other than crossing walkways or driveways and neither Declarant nor any utility company using the easements shall be liable for any damage done by either of them or their assigns, their agents, employees, or servants, to shrubbery, trees, flowers, or other improvements of the Owner located on the land covered by said easements.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. The Association is expressly granted the power to levy fines against any Owner violating a rule or regulation imposed by the Board of Directors, at the discretion of the Board of Directors. Such fine shall be considered an assessment and the Association shall have the same rights of collection as possessed for the collection of assessments. Further, the Association shall possess the right to peaceably remove tangible personal property which exists in violation of this Declaration, in the sole discretion of the Board of Directors of the Association. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions by this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90%) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Lot Owners. Any amendment must be additionally approved by at least fifty-one (51%) percent of the holders of first mortgages. Any amendment must be recorded in the Deed Records of Brazos County, Texas. The Declarant shall have and reserves the right at any time and from time to time, without the joinder or consent of any other

party to amend this Declaration by any instrument in writing duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not impair or affect the vested property or other rights of any Owner or his mortgagee.

Section 4. Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 5. Annexation.

(a) Additional residential property and Common Area excluding that property referred to in Article III, Section 3 hereof, may be annexed to the Properties with the consent of two-thirds (2/3) of each class of Members.

(b) Additional land may be annexed by the Declarant without the consent of other Members within five (5) years of the date of recording this instrument.

Section 6. Interpretation. If this Declaration or any word, clause, sentence, paragraph, or other part thereof shall be susceptible of more than one or conflicting interpretations, then the interpretation which is most nearly in accordance with the general purposes and objectives of this Declaration shall govern.

Section 7. Omissions. If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity, or effect to any other word, clause, sentence, or provision appearing in this Declaration shall be omitted herefrom, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence or provision shall be supplied by inference.

Section 8. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 9. Inspection of Records. The Declaration of Covenants, Conditions and Restrictions, Bylaws, Articles of Incorporation, Rules and Regulations, records and financial statements of the Association shall be available for inspection upon written request, during normal business hours at the business office of the Association by Owners, and lenders and the holders of the first mortgage on any townhouse.

Current copies of the Declaration of Covenants, Conditions and Restrictions, Bylaws, Rules and Regulations and the most recent annual audited financial statement of the Association, if any, shall be made available by the Association upon request by any prospective purchaser of a townhouse.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has hereunto set its hand and seal this 2nd day of August, 1982.

ATTEST:

Mary A. Taylor
Asst. Sect.

John C. Mayfield, Jr.

John C. Mayfield, Jr.
President
GWX Corporation

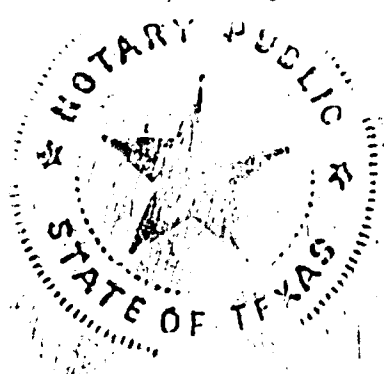
ATTEST:

ATTEST:

THE STATE OF TEXAS §
 §
COUNTY OF Brazos §

BEFORE ME, the undersigned authority, on this day personally appeared John C. Mayfield, Jr. of _____ GWX Corporation, a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2 day of August, 1982.



Ann Maria Wood
Notary Public in and for the
S T A T E O F T E X A S
Printed Name: ANNAMARIA WOOD
My Commission Expires: 2-23-85

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____ of the _____, a corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 1982.

Notary Public in and for the
S T A T E O F T E X A S
Printed Name: _____
My Commission Expires: _____