

AMENDMENT  
TO  
DECLARATION OF CONDOMINIUM  
FOR  
RAVENSWAY TOWNHOME CONDOMINIUM II

FILED  
12/18/2007 12:39 PM  
County Clerk  
HARRIS COUNTY

This amendment to the Declaration of Condominium is made and executed this 5th of December, 2007, by Ravensway Townhomes 1, L, Ltd, a Texas limited partnership ("Declarant") pursuant to and in accordance with the provisions of the Texas Uniform Condominium Act, as now existing or hereafter amended, the same being Chapter 82 of the Property Code, Vernon's Texas Code Ann. (the "ACT"), for the purpose of submitting the hereinafter described real property and the improvements located or to be located thereon to a condominium regime. Property Recordation #20060268349 dated 12/18/2006 RP2.

WITNESSETH  
THE CHANGES AS FOLLOWS

WHEREAS, Declarant is the owners of certain real property known as Ravensway Townhome Apartments, in addition in Harris County, Texas according to the map or plat thereof recorded in Film Code 593191 of the Map Records of Harris County, and declaration of Condominium for Ravensway Townhome condominium I recorded in Film Code No. 197248 of the condominium records of Harris County, Texas, (the "Land") and the improvements to be constructed thereon (collectively, "Ravensway Townhome Condominium I" or the "Condominium"), situated in the County of Harris State of Texas, consisting of or to consist of eight buildings containing twenty-six (26) individual residential units therein and certain other improvements located thereon more particularly described in the Condominium Plan (hereinafter defined); and

**Section 1. Definitions.**

E. Buildings. The eight (8) buildings situated or to be situated on the Land containing or which will contain twenty-six (26) residential Units as shown on the amended Condominium Plan.

N. (iii) Part III - Plat is amended on building 6.

(iv) Part IV - Percentage of Common Interest Ownership allocated to each Condominium Unit and the initial Regular Assessments. Exhibit "B" amended as shown.

EXHIBIT "B"  
(to the Declaration)

CONDOMINIUM PLAN

Part II: Plat of the Condominium

12623	Building 1	Units 110, 111 and 112
12603	Building 2	Units 220, 221, 222, 223, 230 and 231
12523	Building 3	Units 320, 321, 322, 323, 324, 330, 331 and 332
12503	Building 4	Units 410, 411 and 412
12622	Building 5	Units 510, 511 and 512
12602	Building 6	Units 610, 611, 612, and 613 (REVISED)
12522	Building 7	Units 710, 711 and 712
12502	Building 8	Units 810, 811 and 812

(SEE GRAPHICS AT END)

AFTER RECORDING RETURN TO:

STEWART TITLE HOUSTON DIVISION  
GF#07125987 SB 43

RETURN TO:  
STEWART TITLE COMPANY  
12777 Jones Road, Suite 300  
Houston, TX 77070

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RAVENSWAY TOWNHOME CONDOMINIUM II  
AMENDMENT TO DECLARATION

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SCANNER KM-4850w

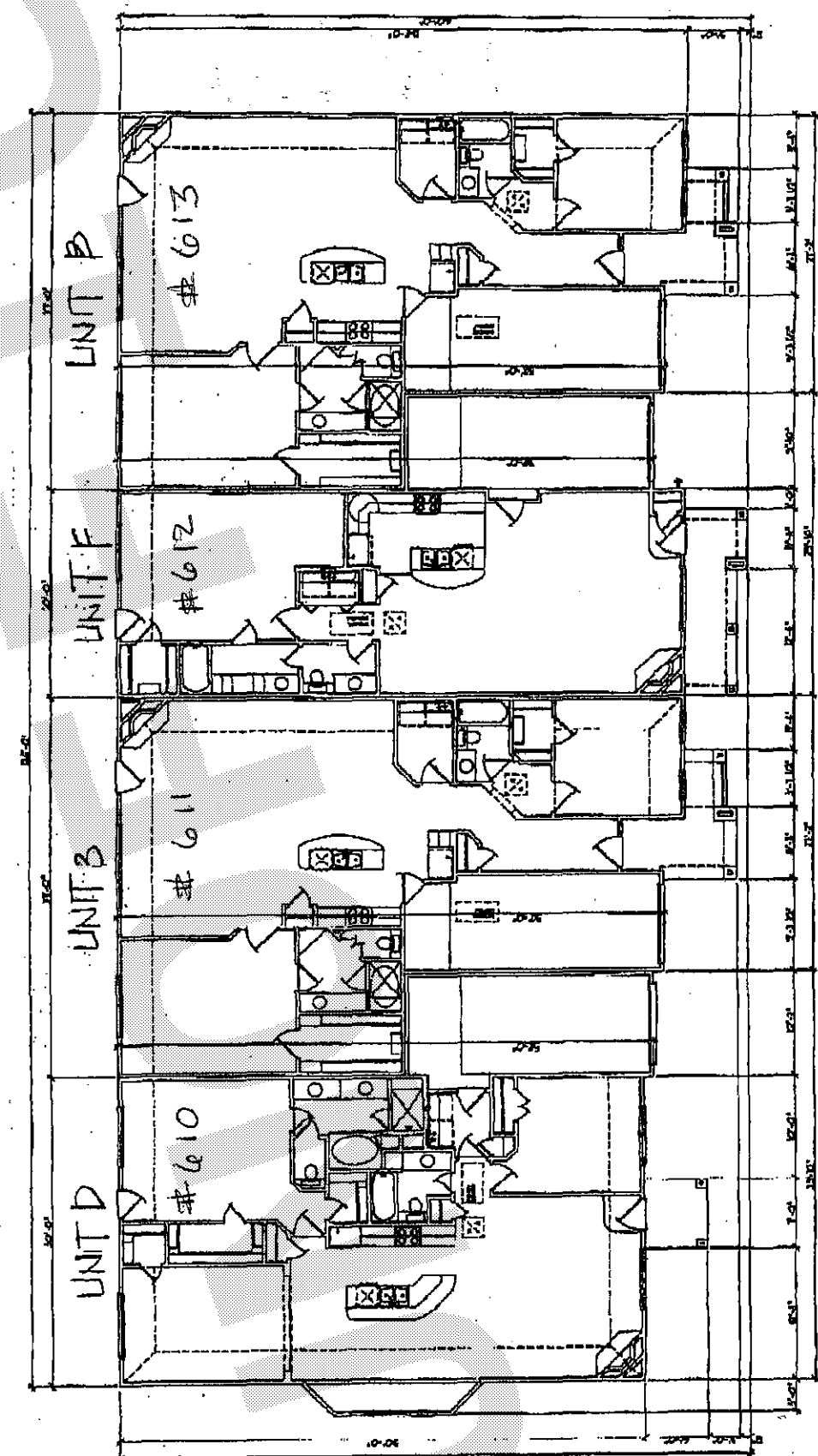
EXHIBIT "B"  
(to the Declaration)

CONDOMINIUM PLAN

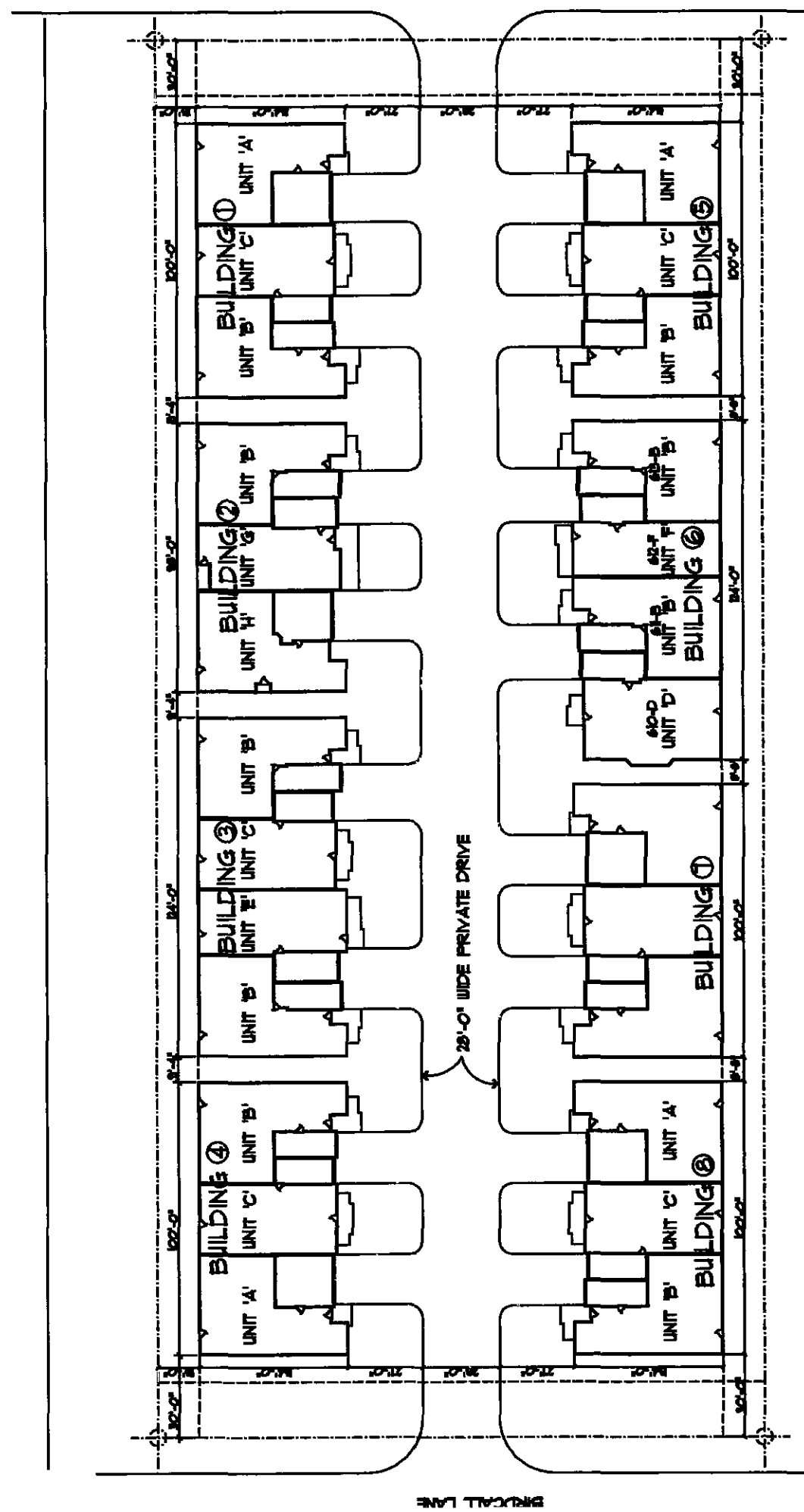
Part III: Plats of each floor of the Buildings

(SEE GRAPHICS AT END)

RAVENSWAY - BLDG #6



12602 Ravensway Center Dr.  
Cypress, TX 77429

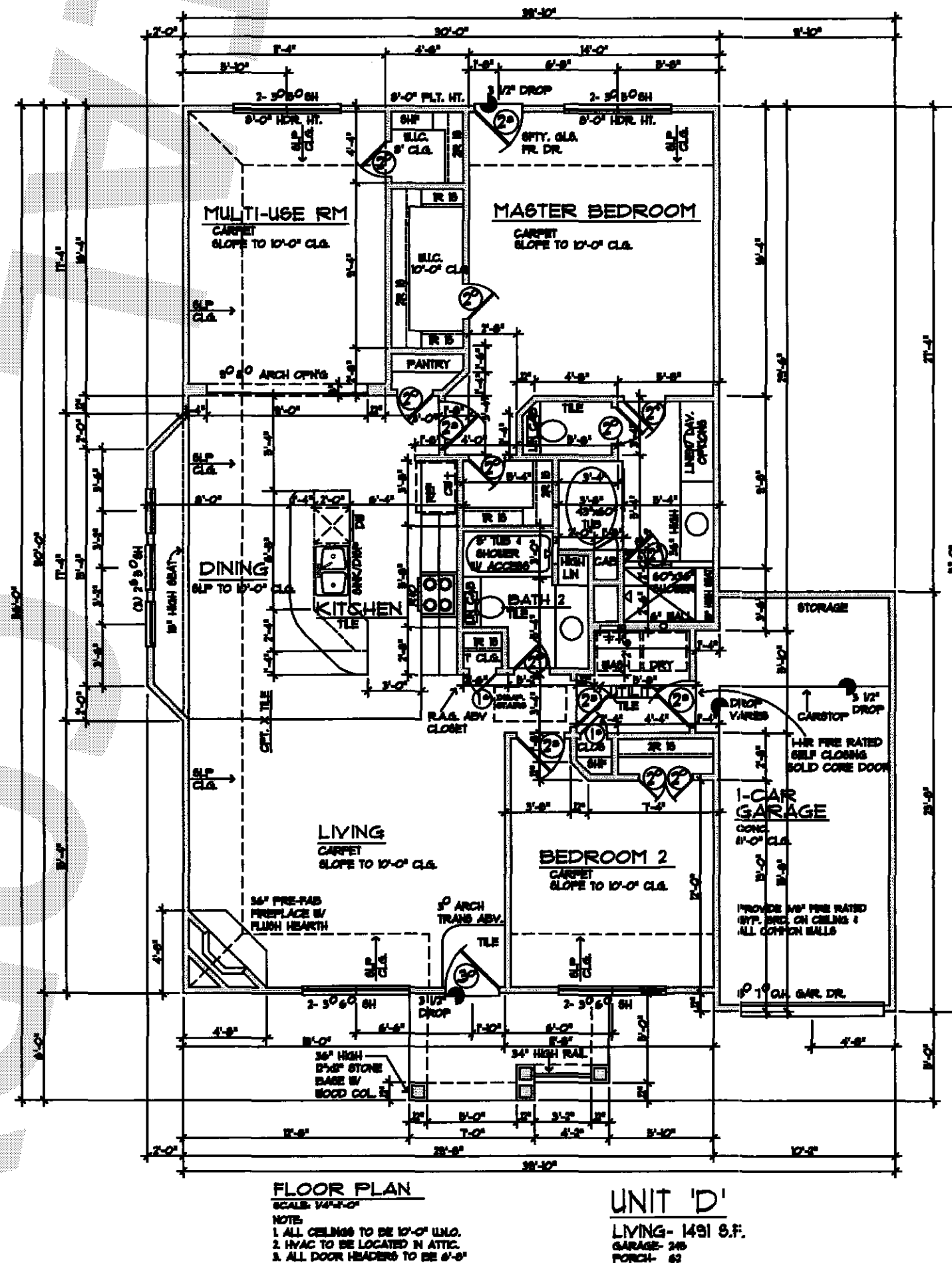


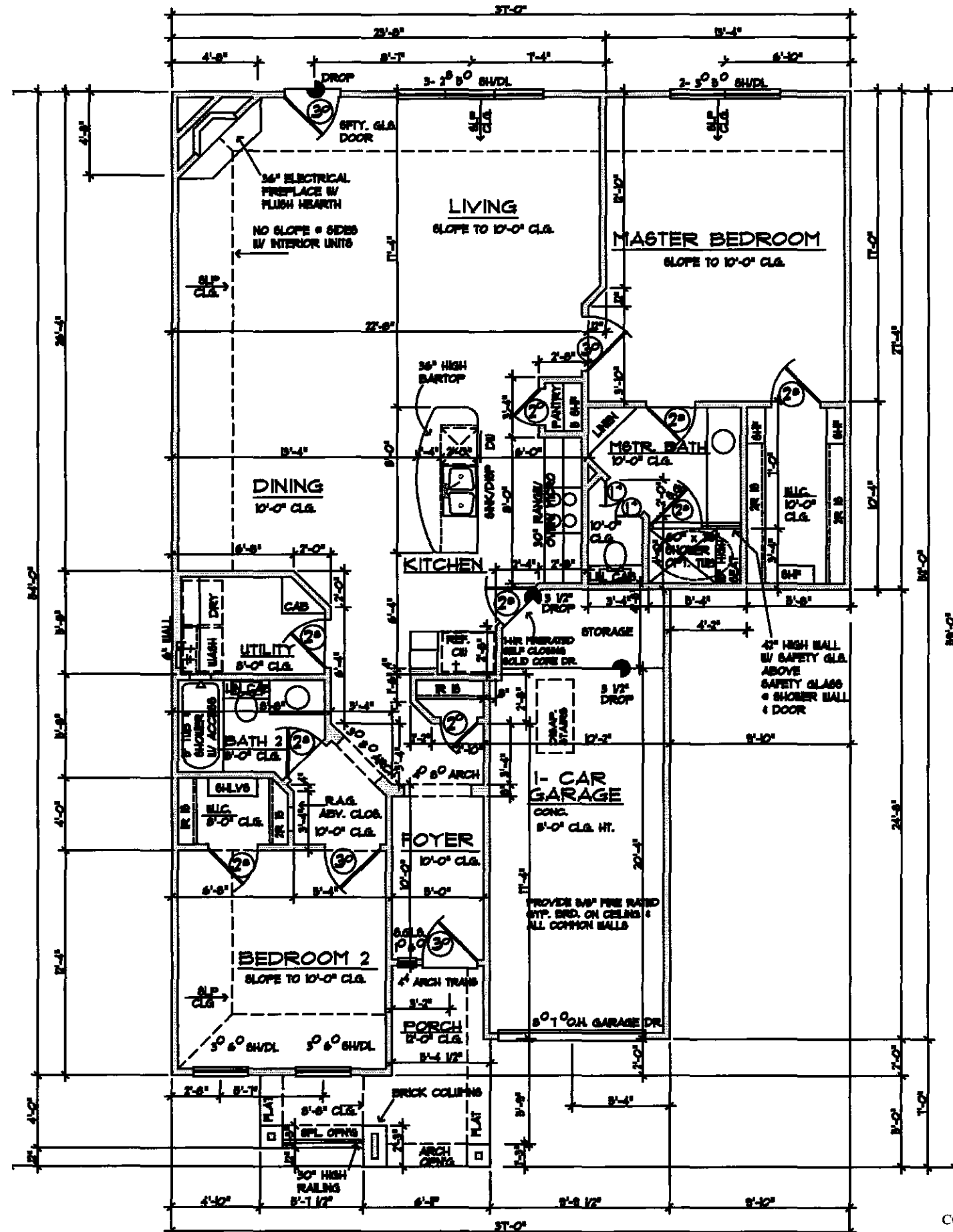
# RAVENSWAY TOWNHOMES & LOFTS BUDGET 1-Jan-07

Vendor Account	January	February	March	April	May	June
Utilities	\$593	\$593	\$593	\$593	\$593	\$593
Insurance	\$506	\$506	\$506	\$506	\$506	\$506
Administrative	\$175	\$175	\$175	\$175	\$175	\$175
Legal/Accounting	\$33	\$33	\$33	\$33	\$33	\$33
Landscaping	\$300	\$300	\$300	\$300	\$300	\$300
Reserves	\$1,607	\$798	\$798	\$798	\$798	\$798
<b>INCOME</b>						
Maintenance Fees	\$2,405.26	\$2,405.26	\$2,405.26	\$2,405.26	\$2,405.26	\$2,405.26

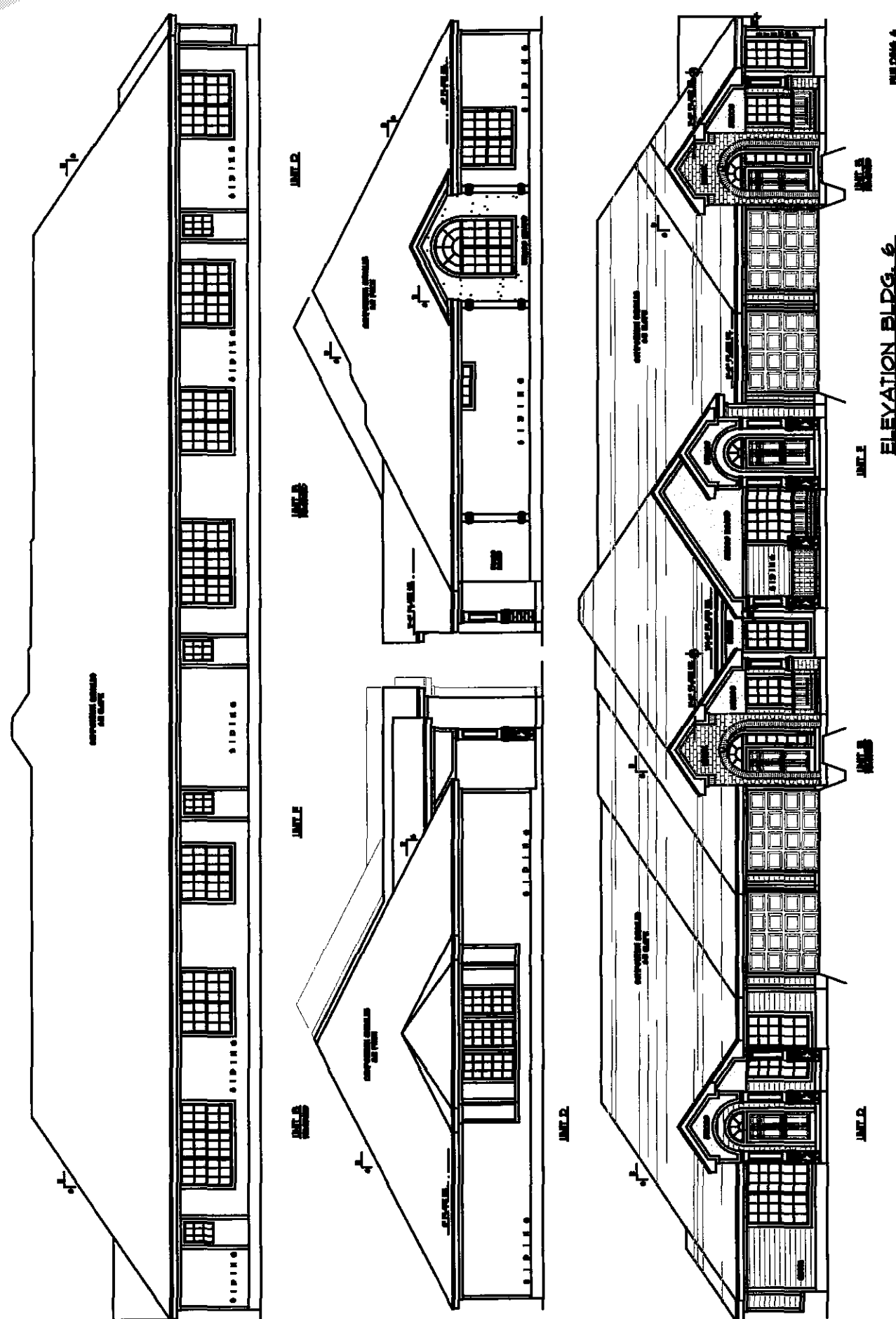
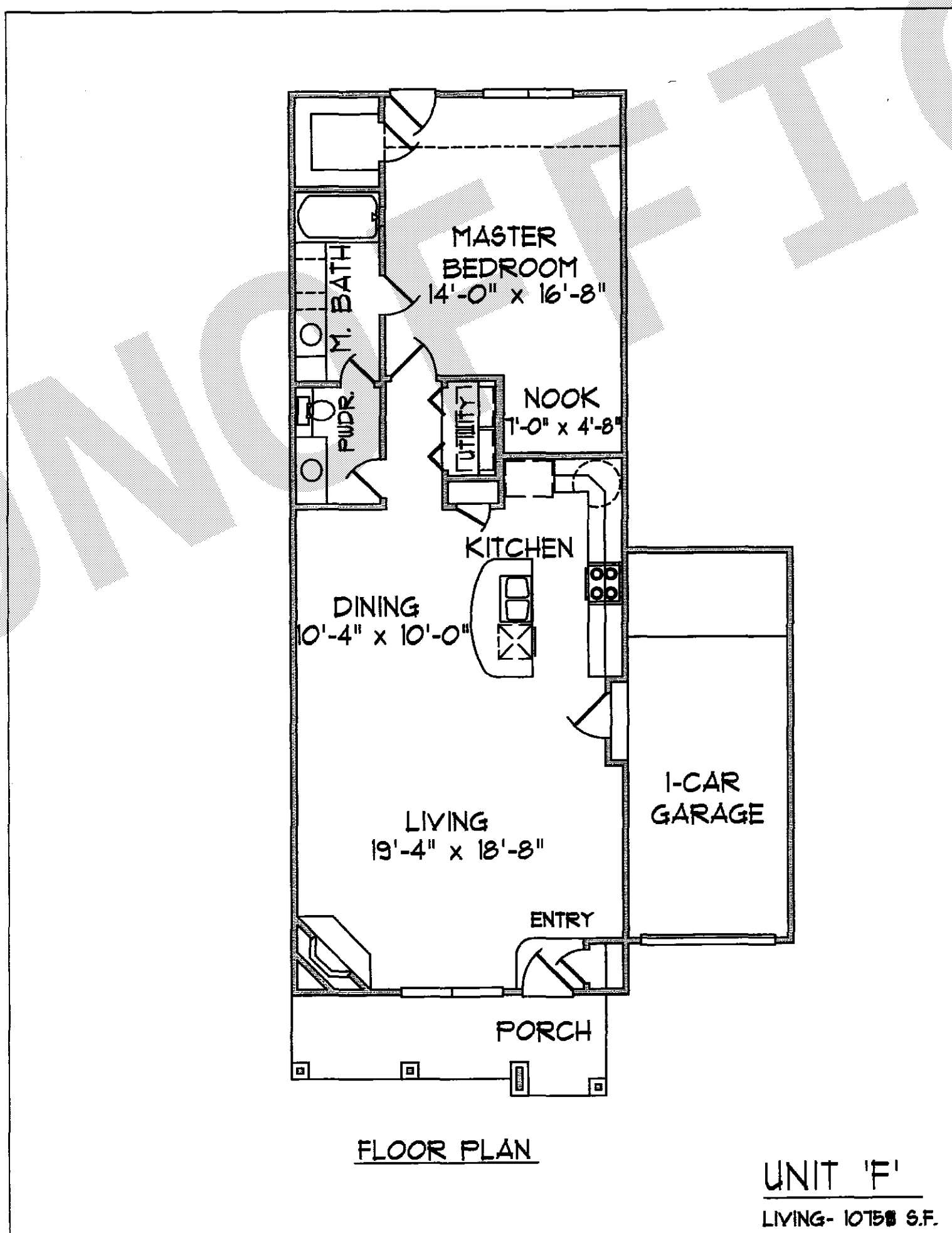
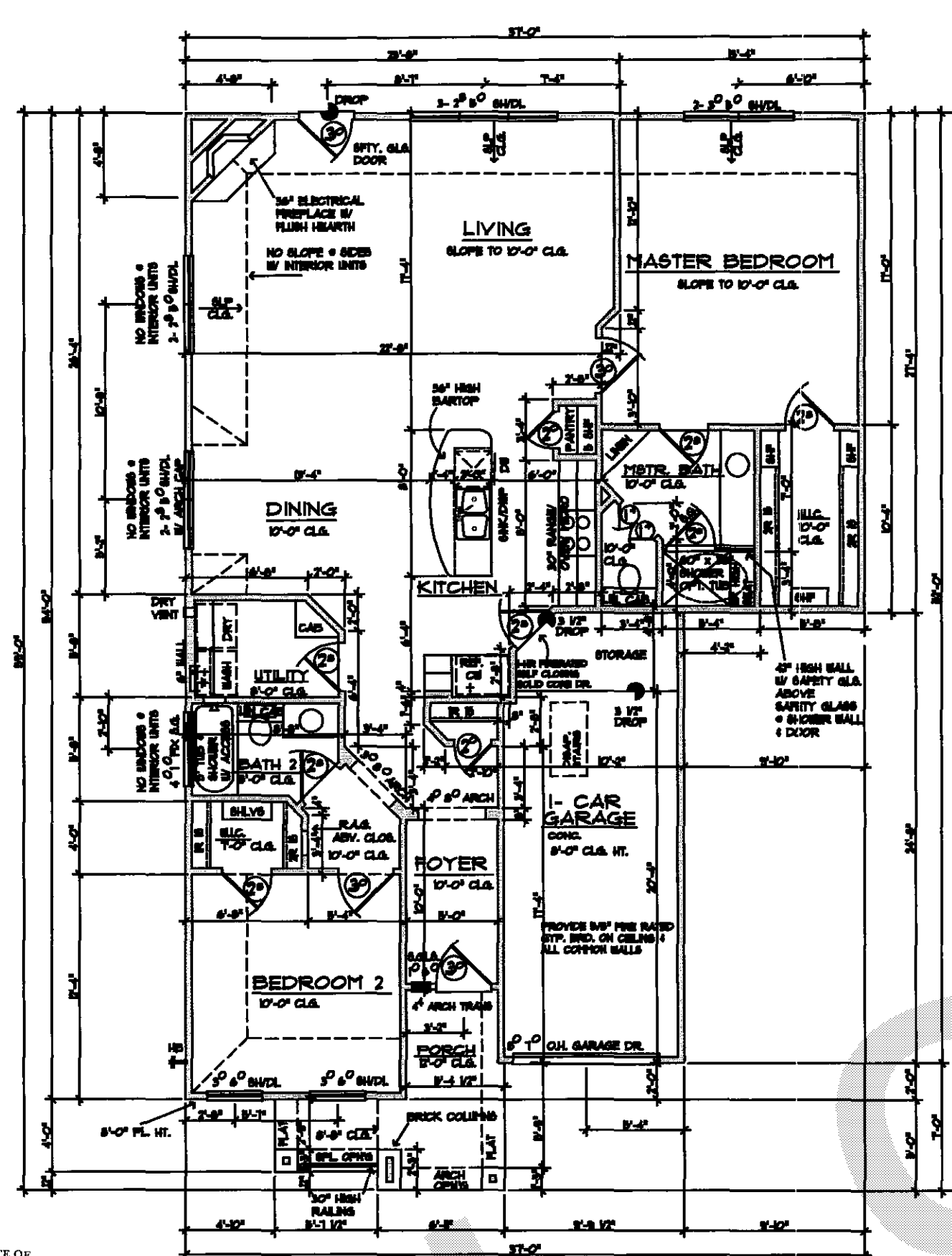
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EXHIBIT "B" (to the Declaration) CONDOMINIUM PLAN Part IV: Percentage Ownership					
Based on Monthly Budget		\$5,195			
Units	Square Feet	Common Interest Ownership	Initial Regular Assessment		
<b>A UNITS</b>	<b>1,847</b>	<b>3.6524 % each</b>	<b>\$189.74 per month</b>	Income	
Building	1, Unit 110		occupied		
Building	4, Unit 412				
Building	5, Unit 510		occupied		
Building	7, Unit 710		occupied		
Building	8, Unit 812		occupied		\$758.96
<b>B UNITS</b>	<b>1,658</b>	<b>3.2786 % each</b>	<b>\$170.32 per month</b>	Income	
Building	1, Unit 112		occupied		
Building	4, Unit 410		occupied		
Building	5, Unit 512		occupied		
Building	7, Unit 712		occupied		
Building	8, Unit 810		occupied		\$851.60
<b>B-2 Units</b>	<b>1,693</b>	<b>3.3479 % each</b>	<b>\$173.92 per month</b>	Income	
Building	6, Unit 613				0
Building	6, Unit 611				
<b>C UNITS</b>	<b>1,500</b>	<b>2.9662 % each</b>	<b>\$154.09 per month</b>	Income	
Building	1, Unit 111				
Building	4, Unit 411		occupied		
Building	5, Unit 511		occupied		
Building	7, Unit 711		occupied		
Building	8, Unit 811		occupied		\$616.36
<b>D UNITS</b>	<b>1,736</b>	<b>3.4329 % each</b>	<b>\$178.34 per month</b>	Income	
Building	6, Unit 610		occupied		\$178.34
<b>F UNITS</b>	<b>1,300</b>	<b>2.5707 % each</b>	<b>\$133.54 per month</b>	Income	
Building	6, Unit 612				0
<b>TBD UNITS</b>	<b>2, 8,206 Square Feet</b>				
Building	3 Two Story TH				
Approx.	2,735.33 each psf	<b>5.4091 % each</b>	<b>\$280.95 per month</b>	Income	0
<b>TBD UNITS</b>	<b>3, 10,916 Square Feet</b>				
Building	4 Two Story TH				
Approx.	2,729 each pst	<b>5.3965 % each</b>	<b>\$280.35 per month</b>	Income	0
<b>Total Monthly Income as of December 31, 2007</b>					<b>\$2,405.26</b>





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- (ii) Part II – Plat of the Condominium showing the location of the Buildings and related improvements;
- (iii) Part III – Plat of each floor of the Buildings showing, among other matters, each Unit, its boundaries (horizontal and vertical), area, floor and Unit number; and
- (iv) Part IV – Percentage of Common Interest Ownership allocated to each Condominium Unit and the initial Regular Assessments.

O. Condominium. Ravensway Townhome Condominium I, as a Condominium established in conformance with the provisions of the Act, including the Land, and improvements, Building, structures, facilities, fixtures and equipment constructed, placed or erected therein or thereon and to be renovated, and all easements, rights, hereditaments and appurtenances thereto in any wise belonging or appertaining thereto, subject to the reservations herein contained.

P. Condominium Unit. A Unit together with the undivided share of or ownership interest in the Common Elements appurtenant thereto which interest in General Common Elements corresponds to its percentage of Common Interest Ownership as more particularly described in Section 6.E hereof and Exhibit B, Part IV hereto, together with the rights of that Unit in any Limited Common Elements designated for that Unit, whether exclusively or in conjunction with one or more of the Units.

Q.(1). Declarant. Ravensway Townhomes 1.1, Ltd., a Texas limited partnership, its successors and assigns (insofar as any rights or obligations of Declarant are expressly assigned by it in whole, in part or by operation of law), including but not limited to, a person, firm, corporation, limited liability company, partnership, association, trust or other legal entity, or any combination thereof, who or which acquires all or substantially all the Units then owned by the Declarant, together with its rights hereunder, by conveyance or assignment from Declarant, or by judicial or non-judicial foreclosure, for the purpose of selling such Units to the public.

Q.(2). Individual Declarant. Allison Labbe, who shall have the same rights and obligations as other Owners of Units. but not those of Declarant.

R. Declaration. This Declaration of Condominium.

S. Deed. Each Deed by which Units are conveyed by Declarant to Owners other than Declarant.

T. Director. A member of the Board.

U. Eligible Mortgagee. A Mortgagee holding a mortgage on a Unit, which has submitted a written request that the Association notify it on any proposed action requiring the consent of a specified percentage of Eligible Mortgagees.

V. First Mortgage shall mean a mortgage, deed of trust, or other security interest on a Condominium Unit which has priority over all mortgages, deeds of trust, or security interests on the Condominium Unit.

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II. Person. A natural individual, corporation, limited liability company, partnership, trustee, association, personal representative or other legal entity capable of holding title to real estate.

JJ. President. The President of the Board

KK. Record of Mortgages shall have the meaning set forth in Section 20.A.

LL. Regular Assessments. Assessments which are described in Section 12, Part 3, with the initial Regular Assessments payable on a monthly basis set out in Exhibit B, Part IV hereto.

MM. Rules and Regulations. The Rules and Regulations of the Association, the initial version of which are attached to the Bylaws, concerning the use by Owners of Units and the Common Elements and the administration of the Condominium.

NN. Secretary. The Secretary of the Board.

OO. Special Assessments. Assessments other than those defined as Regular Assessments.

PP. Unit. One of the separate and individual residential Units into which the Building is divided for individual and separate use and ownership, as provided for in the Act and described in this Declaration and the plats attached hereto, including the air space encompassed by the boundaries of the Units, and interior surfaces contained within the demising walls, closed doors and closed windows of the Unit and the structural floor and ceiling of such Unit as shown on the Condominium Plan, also including all fixtures and improvements therein contained, but not any of the structural components of the Building, and certain other construction and elements thereof or therein which are to be individually and separately owned, as hereinafter defined, described and established in this Declaration, encompassing the enclosed air space and appurtenant Balcony (if any).

**Section 2. The Condominium Units.** The individual Units, more particularly described in Section 7 hereof, are to be used only for the purposes permitted in Section 17 hereof. Each owner shall own title fee simple to his or her or its Unit and shall have the exclusive right to the use and occupancy of his or her or its Unit, subject to the provisions of this Declaration. There shall be appurtenant to each Unit:

- (i) An undivided share of the General Common Elements corresponding to its Percentage of Common Interest Ownership and the exclusive right to use such Limited Common Elements as are appurtenant to such Unit; and
- (ii) Membership of the Owner in the Association

**Section 3. Common Elements.** The Common Elements of the Condominium are as follows:

A. General Common Elements of the Condominium are as follows:

- (i) The Land, including all roads, sidewalks, outside walkways, controlled access facilities, landscaping and parking areas;

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W. First Mortgagee shall mean and refer to any person named as a mortgagee or beneficiary under First Mortgage, or any successor to the interest of any such person under such First Mortgage.

X. Ravensway Townhome Condominium I. The Condominium.

Y. General Common Elements shall mean the Land and the Building and other improvements thereon except the Units and Limited Common Elements, and shall include, without limiting the generality of the foregoing, all of those items described or referenced in Section 3 hereof.

Z. Land. All that certain tract or parcel of real property situated in Harris County, Texas, said real property being more particularly described in Exhibit B, Part I.

AA. Limited Common Elements shall mean those Common Elements which are either limited to and reserved for the exclusive use of one Owner, or limited to and reserved for the common use of more than one, but fewer than all, of the Owners, and shall include, but not be limited to, those items described or referenced in Section 3.B hereof.

BB. Maintenance Manual shall mean the Maintenance Manual prepared by Declarant with respect to the Condominium.

CC. Majority of Unit Owners means the Owner or Owners whose aggregate undivided Percentages of Common Interest Ownership in the Common Elements is in excess of fifty percent (50%).

DD. Managing Agent shall mean any professional manager (whether person or firm) who contracts with the Board to manage the Condominium for an agreed compensation.

EE. Master Policy. The master policy of insurance maintained by the Association pursuant to Section 15 hereof.

FF. Mortgagee. A bank, savings and loan association, insurance company, mortgage company, real estate investment trust, recognized institutional-type lender or its loan correspondent, agency of the United States government, person, corporation, limited liability company, partnership, association, trust corporation or other legal entity (including, without limitation, Declarant) which owns, holds, is the beneficiary of or collateral assignee of the beneficiary of a mortgage, deed of trust or security interest encumbering a Unit.

GG. Owner. A person or persons (or their estate(s), firm, corporation, limited liability company, partnership, association, trust or other legal entity, or any combination thereof) who or which jointly or collectively own aggregate fee simple record title to one (1) or more Units including, without limitation, Declarant, but does not include a person or entity having an interest in a Unit solely as security for an obligation, or a person or entity having an equitable interest in a Unit by virtue of, without limitation, an installment land contract, a contract for deed, a lease with an option to purchase, or purchase option.

HH. Percentage of Common Interest Ownership. The percentage of common interest ownership assigned to each Unit pursuant to Section 7.E. hereof, as reflected in Exhibit B, part IV.

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(ii) The foundations, main common and bearing walls, girders, slabs, beams and columns (including any windows and doors therein), exterior walls to interior of studs, structural and supporting parts of the Buildings, the roofs, ceilings, floors, and any other portion of the Buildings not included within any Unit or designated hereby as a Limited Common Element;

(iii) The utilities and, in general, all devices or installations existing for common use by the owners;

(iv) The premises, facilities and tangible personal property, if any, used for the common storage, maintenance, operation or repair of the Condominium;

(v) The fire protection system, controlled access system, and other mechanical or other systems, and components relating thereto;

(vi) To the extent that they serve more than one Unit, cable or satellite receivers, other telephone, cable, video and fiber optic facilities and all equipment appurtenant thereto (if any);

(vii) The components or installation of equipment and materials compromising central services such as electrical power, gas, water, waste collection, and all similar devices and installations which serve more than one Unit.

(viii) All other elements necessary to the existence, upkeep and safety of the Condominium including any portion of the Buildings and the Land not specifically a Unit, appurtenant to a Unit or a Limited Common Element.

(ix) All other structures, facilities and equipment not part of or serving the Unit(s) and located in the Condominium (but specifically excluding all heating, ventilation and air conditioning equipment); and

(x) All replacements and additions to any foregoing.

B. Limited Common Elements. The Limited Common Elements, being those Common Elements which are hereby designated as reserved for the use by specified Owners to the exclusion of others, consist of the following:

Each Owner owning a Unit which has a foundation at ground level will have the exclusive right to use of the Common Elements under such Owner's Unit, the garage which is part of such Unit, the garage door, and that portion of the driveway leading to the garage of such Unit.

If any air handlers, pipes, ducts, electrical wiring, communication equipment, conduits, chutes, flues, ducts, wires, plumbing fixtures, bearing walls, bearing columns or other fixtures are partially within and/or partially outside the designated boundaries of a Unit, that portion serving only that Unit is a Limited Common Element; however, that portion serving more than one Unit or the Common Elements is a part of the General Common Elements.

C. Use of the Common Elements. Each Owner shall have the right and nonexclusive easement to use and enjoy the General Common Elements, in common with all

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other Owners, for the purposes for which they are intended and as may be required for the purposes of access and ingress and egress to and the use and occupancy and enjoyment of the respective Units owned by such Owners with hindering or encroaching upon the lawful rights of other Owners; provided, however, that the Association may temporarily suspend an Owner's rights under the easement granted herein, other than for ingress and egress, for the failure to pay Assessments or to abide by the Rules and Regulations for use of the Common Elements. Such right to use and enjoy Common Elements shall extend to each Owner, the members of his and/or her immediate family, the tenants or other lawful occupants of each Unit and their guests, visitors, invitees or permittees, and all such other persons as may be invited or permitted by the Board or its representative to use or enjoy the Common Elements or any part thereof. Such right to use the Common Elements shall be subject to and governed by the provisions of the Act and the Condominium Documents. Each Owner shall be deemed to have an easement in the interest of all other Owners in the Common Elements for the installation, maintenance, repair or replacement of all individually owned fixtures, equipment and appliances which are in any way affixed to, supported by or located in any space or structure constituting part of the Common Elements, and the cost of such installation, maintenance, repair, upkeep, operation and replacement of the Common Elements shall be a common expense of all Owners in proportion to their respective Percentages of Common Interest Ownership.

D. Transfer of Interest in Common Elements. Any conveyance or encumbrances of a Unit shall be deemed to convey or encumber such Unit and all Common Elements appurtenant thereto without specifically or particularly referring to any such appurtenances. The Common Elements are not subject to partition and any purported conveyance, judicial sale or other voluntary or involuntary transfer of an undivided interest in the Common Elements without the Unit to which such interest is allocated is void. Any conveyance, encumbrance, judicial sale or other transfer (voluntary or involuntary) or an individual interest in the Common Elements will be void unless the Unit to which that interest is allocated is also transferred.

#### Section 5. Maintenance Responsibilities

A. Owner's Responsibilities. Each Owner shall bear the cost of maintenance, repair and replacement of the following items within such Owner's Unit: Any and all lath, furring, wallboard, sheetrock, plasterboard, plaster, paneling, tiles, wallpaper, paint, or other materials constituting a part of the interior surfaces of the perimeter walls; interior surfaces of all floors (including carpeting, tile, finished flooring, wood flooring, and all other portions of the floors constituting a part of the finished surfaces); nonstructural or non-load-bearing interior walls; heating, cooling and ventilation systems; garage doors, if any; garbage disposals, ranges, refrigerators, dishwashers and any and all other appliances of any nature whatsoever; interior and exterior doors; interior glass surfaces; exterior glass surface facing onto balconies; window panes; mullions and light bulbs; plumbing or other fixtures of any nature whatsoever from the point at which the plumbing or other fixtures commence service to the individual Unit; "built in" features; any decorative features; any furniture and furnishings; and any water or sewer lines exclusively serving such Owner's Unit, in addition to the Limited Common Elements appurtenant to such Owner's Unit. All of the exteriors of the doors, all glass in windows and doors and all balconies will remain in conformity with the original installation. Should an Owner fail to maintain or repair its Unit or any portion of the Limited Common Elements appurtenant to such Unit, the Board may effectuate the same and assess the Owner for the cost thereof.

B. Common Elements. The Common Elements shall be maintained in good condition by the Association, subject to reasonable wear and tear and Casualty. The costs and expense for the upkeep and maintenance of time Common Elements shall be a Common

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and any costs incurred in opening and repairing any wall of time Condominium to install, repair maintain, remove or replace such authorized services (except as otherwise provided herein) shall be a Common Expense. However, installed utility lines, public or private, shall be considered to be located in a valid easement and may remain in the installed location and be repaired and/or replaced in such location.

C. For the Declarant and the Association. Declarant and the Association (and their duly authorized representatives and agents) shall have a reasonable right of entry into any Unit to (i) make emergency repairs, (ii) enforce the terms of the Condominium Documents (iii) protect the property rights and welfare of other Owners, (iv) do other work reasonably necessary for the proper maintenance or operation of the Condominium, (v) perform any of the duties and obligations of the Declarant and the Association which are set forth in the Condominium Documents, (vi) prevent or terminate waste of water purchased by the Association as a Common Expense, and (vii) perform maintenance and repairs of the Unit that, if not performed, may increase damage by water to components of the Condominium that the Association maintains. Except in the event of an emergency, or in the event the Board or its agents are unable to contact any Owner or occupant of a Unit after reasonable effort, such right of entry shall be exercised only in the presence of the Owner or other occupant of the Unit entered. Such right of entry shall be exercised in a manner as to avoid unreasonable interference with the possession, use or enjoyment of the Unit and shall, whenever reasonably possible, be preceded by reasonable notice to the Owner or occupant thereof. In the event any damage is caused by such entry such damage shall be a Common Expense. If the Association, acting through its Board of Directors, shall require (without obligation to so require), the Association shall have and hold duplicate keys sufficient to permit access to all sprinkler areas within each Unit. The Association shall have the right to grant permits, licenses and easements on, over under and across the Common Elements for utility, access and other purposes reasonably necessary or useful for the proper maintenance, enjoyment and operation of the Condominium.

D. For Encroachments. If any portion of the Common Elements shall be situated or encroach upon any Unit, or if any Unit shall actually encroach upon any portion of the Common Elements, as the Units and Common Elements actually physically exist, or as shown by the Condominium Plan, then there shall be deemed to be mutual valid easements for such encroachments and for the maintenance of same so long as such encroachments exist; provided, however, such easement or easements shall not relieve an Owner of liability in case of the Owner's willful misconduct or failure to adhere to the Condominium Plan. In the event the Building or other structure is totally or partially damaged or destroyed and then repaired, restored or rebuilt, the Owners agree that the encroachments of or upon the Common Elements due to repair or reconstruction shall be permitted and that all valid easements for such encroachments and maintenance thereof shall exist.

#### Section 7. Units.

A. Designation and Percentage Ownership of Units. On the Condominium Plan, the Units located in the Building are numbered by Unit number, and the percentage ownership attributable to each such respective unit is shown. In determining dimensions and areas for purposes of establishing the Percentage of Common Interest Ownership assigned to each Unit, each enclosed space in a Unit is measured from: (i) the interior surface of each Unit's perimeter walls, including garages appurtenant to the Unit, if any, (ii) the outside surfaces of exterior bearing walls (including all glass substitutes), (iii) the interior surface of all other walls, (iv) the interior surfaces of finished unpainted floors and ceilings, but (v) excluding all General Common Elements which consist of chutes, flues, ducts, wires, conduits, bearing walls, bearing columns,

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Expense of the Owners, and shall be included in the Assessments for the usual and ordinary costs and expenses for the maintenance, repair, upkeep and operation of the Common Elements, and each Owner shall pay his or her pro-rata share thereof. The Association shall also maintain all water, sanitary sewer, storm sewer and paving within the Condominium.

C. Utilities. Each Owner shall bear the cost of any utility service for his or her Unit which is individually metered and billed directly by the utility company furnishing such service to the Owner. Except to the extent such costs are borne by each Owner as set forth in the preceding sentences, the cost of water, electricity, gas, trash removal and any other utility service serving the Common shall be a Common Expense.

**Section 6. Easements and Licenses.** In addition to the easements and licenses, if any, recited in Exhibit "C" hereto, the ownership of each Condominium Unit shall be subject to the easements and licenses which are described in this Section 6.

A. For Owners. Subject to such reasonable rules as the Association may from time to time impose, each Owner shall have time following easements to, through and over the Common Elements to the extent necessary for such Owner's maintenance responsibilities:

- (i) to paint, remove and replace any finish on the interior surface of any Common Element within his or her Unit;
- (ii) to comply with the Owner's maintenance obligations as set out in Section 5.A hereof;
- (iii) to install, repair, maintain, remove and/or replace any plumbing, heating, cooling, lighting or other fixture or equipment which is a part of such Owner's Unit or which would become a part thereof when installed in any bearing wall, floor, ceiling or roof; provided, however, that such installation, repair, maintenance, removal and/or replacement shall not impair the structural integrity of the Building, nor shall it adversely affect any adjacent Unit, nor shall it alter the external appearance of the Building, nor shall it be visible from the outside of the Building, nor shall any such work be performed on the roof of the Condominium without the written permission of the Association; and
- (iv) to drive and remove nails, screws, bolts and the like into and from bearing walls, floors, ceiling and roof; provided, however, that such action shall not impair the structural integrity of time Building, nor shall it adversely affect any adjacent Unit, nor shall it alter the exterior appearance of the Building, nor shall it be performed on the roof of the Condominium without the written permission of the Association.

An Owner has an unrestricted right of ingress and egress, subject to the reasonable rules and regulations promulgated by the Board, to his or her or its Unit. Such rights of ingress and egress are perpetual and pass with the transfer of ownership of the Unit.

B. For Utilities. Municipalities and authorized public utilities (or private companies) furnishing services, lines, pipes, wires, conduits, facilities and equipment to the Condominium for common use such as water, electricity, gas, cable television or similar services, and/or telephone shall have access to the Common Elements and each Unit as may be necessary or desirable for the installation, repair, maintenance, removal and or replacement of such services,

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or any other fixture to the extent located within the designated boundaries of a Unit determined as set forth above.

B. Description of Units. Each Unit shall consist of the following portions of the Building (i) the interior surface of each Unit's perimeter walls, including garages appurtenant to the Unit, if any, (ii) the interior surface of the ceiling; (iii) the upper surface of the concrete floor of each Unit; (iv) the interior surface (including all glass or glass substitutes) of the windows and doors set in each Unit's perimeter walls; (v) the interior surface of each balcony appurtenant to a Unit, (vi) any and all last, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and other materials constituting part of the interior surfaces of (i) through (v) above, (vii) the air space and all walls, ceilings, floors, partitions, dividers, fixtures and improvements wholly within such air space (but excluding any pipes, ducts, wires, cables, conduits, fixtures and improvements beams or supports contained within such walls, ceilings, floors, partitions and dividers which serve more than one Unit) and (viii) all plumbing, heating, ventilating, air conditioning, lighting, cooking and other fixtures and equipment and wholly within a Unit and serving only such Unit.

C. Approximate Measurements. It is expressly stipulated, and each and every Owner his or her heirs, devisees, legal and person representatives, and successors and assigns accepting title to a Condominium Unit subject to this Declaration acknowledges that the square footage, size and linear dimensions of each Unit (as shown on the Condominium Plan), and each area consulting any part or the Common Elements as set out and shown in this Declaration or the plans and documents attached hereto, are approximate and are shown for descriptive purposes only and do not necessarily reflect or represent the precise percentage of square footage of any specific portion of the Condominium, and that Declarant does not warrant, represent or guarantee that any Unit actually contains the square footage, size and linear dimensions and elevation reflected thereon or herein. Each Owner further acknowledges that he or she shall have had full opportunity and is under a duty to inspect and examine his or her or its Unit prior to the purchase thereof and agrees that the Unit is purchased as actually and physically existing and as reflected on the Condominium Plan, and further waives any requirement for adjustments to the Common Interest Ownership percentage shown in the Condominium Plan unless approved by the requisite percentage of Owners and Mortgagees.

D. Boundaries of Units. In interpreting deeds, mortgages, deeds of trust and other instruments for any purpose whatsoever or in connection with any matter, the existing physical boundaries of the Units or any Unit reconstructed in substantial accordance with the original or lateral movement of the Building, and regardless of variances between the boundaries shown on the Condominium Plan and those of the Building.

E. Percentages of Common Interest Ownership. The Percentage of Common Interest Ownership assigned to each Unit is based upon the area within each Unit, is set forth in Part IV of the Condominium Plan attached hereto as Exhibit "B", and shall be determinative of the weight assigned to such Owner's vote at meetings of the Association and the proportionate share of each respective Owner in: (i) the General Common Elements, (ii) the proceeds of the Condominium distributable pursuant to Section 16 hereof, and (iii) the Assessments (except as provided in Section 12, Part 3). The total of the Percentages of Common Interest Ownership assigned to all Units in the Condominium is one hundred percent (100%).

Each Percentage of Common Interest Ownership in the Common Elements so allocated pursuant to the foregoing paragraph was assigned by Declarant to the designated Unit solely for purposes of this Declaration and, regardless of any other matter, such Percentage of Common

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Interest Ownership shall remain fixed and constant and, except as provided herein, the same cannot be changed except by the written consent of each and every Owner and Mortgagee of such Unit, duly executed, acknowledged and filed for record as part amendment to this Declaration. The ownership interests in the Common Elements shall be undivided interests and the Common Elements shall remain undivided and shall not be undivided and shall not be the object of an action for partition or division of the ownership, so long as such ownership interests are suitable in the context of a condominium; and, in any event all Mortgagees must be paid prior to the bringing of an action for partition, or the consent of all Mortgagees to such action must be obtained. The percentage of the Common Elements allocated to each Unit shall not be separated from such Unit or separately sold, conveyed, encumbered or otherwise separately disposed of, and each interest in the Common Elements shall follow the respective Unit to which it is allocated, and shall be deemed to be conveyed and/or encumbered with its respective Unit to which it is allocated even though the description in the instrument of conveyance shall refer only to the Unit.

F. Maximum Units. The maximum number of Units that Declarant reserves the right to create within the Condominium shall be twenty-six (26).

**Section 8. Membership in the Association.** Membership in the Association and voting by the Owners shall be in accordance with Bylaws of the Association and the following provisions:

A. Members. Upon becoming an Owner, each Owner shall automatically become a member of the Association and shall remain a member thereof until such time as his or her or its ownership ceases for any reason, at which time his or her or its membership in the Association shall also automatically cease, and no other person or entity shall be entitled to membership in the Association, except as expressly provided herein or in the Bylaws. No Owner shall be required to pay any consideration whatsoever solely for his membership in the Association.

B. Transfer of Membership. The share of an Owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his or her or its Unit. Upon any transfer of ownership of any Unit, the new Owner acquiring or succeeding to such ownership interest shall likewise automatically succeed to such membership in the Association.

C. Votes. Except as otherwise provided herein or in the Bylaws, at each meeting of the Association, or for each matter upon which the Owners are entitled to vote, each Owner, including Declarant, shall be entitled to a vote equal to the percentage of Common Interest Ownership, as reflected on Exhibit B, Part IV. Provided, however, that any Owner who is in violation of the Condominium Documents, whether by virtue of delinquency in payment of Assessments or otherwise, shall not be entitled to vote at any meeting of the Association (unless otherwise required by the Act) until such default has been cured.

D. Who Can Vote. No Owner, other than the Declarant, will be entitled to vote at any meeting of the Association until such Owner has presented evidence of ownership of a Condominium Unit to the Association (and written proxy if voting by proxy). The vote of each Owner may only be cast by such Owner or by a written proxy given by such Owner to his or her or its duly authorized representative. If title to a Unit shall be in the name of two (2) or more Owners, any one (1) of such Owners may vote as the Owner at any meeting of the Association and such vote shall be binding on such other Owners who are not present at such meeting unless written notice to the contrary has been received by the Association, in which case the unanimous action of all such Owners (in person or by proxy) shall be required to cast their vote

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F. Administration by Association. The affairs of the Condominium shall be administered by the Association. Unless otherwise expressly stated in this Declaration or the Bylaws, the Association, acting through its Board of Directors, may:

- (i) adopt and amend Bylaws;
- (ii) adopt and amend budgets for revenues, expenditures, and reserves, and collect Assessments from Owners;
- (iii) borrow money, and grant liens or security interests in properties owned by the Association (which excludes Common Elements and/or Units unless such Units are owned by the Association) as security therefore, including the Association's right to future income from common expense assessments;
- (iv) hire and terminate Managing Agents and other employees, agents, and independent contractors, provided that any agreement for professional management of the Condominium, or any other contract providing for services of the Declarant, may not exceed three years and must provide for termination by either party without cause and without payment of a termination fee on 60 days or less prior written notice.
- (v) institute, defend, intervene in, settle, or compromise litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Condominium;
- (vi) make contracts and incur liabilities relating to the operation of the Condominium;
- (vii) regulate the use, maintenance, repair, replacement, modification, and appearance of the Condominium;
- (viii) adopt and amend rules regulating the use, occupancy, leasing or sale, maintenance, repair, modification, and appearance of Units and Common Elements, to the extent the regulated actions affect Common Elements or other Units;
- (ix) cause additional improvements to be made as part of the Common Elements;
- (x) acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, except Common Elements;
- (xi) acquire, lease, encumber, exchange, sell or convey a Unit;
- (xii) grant easements, leases, licenses, and concessions through or over the Common Elements;
- (xiii) impose and receive payments, fees, or charges for the use, rental or operation of the Common Elements and for the services provided to Owners;

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as Owners. If two (2) or more of such Owners are present at any meeting of the Association, then unanimous action shall be required to cast their vote as Owners. Declarant or its representative may exercise all the votes allocated to the unsold Units while the same are owned by Declarant.

## Section 9. Association Administration and Management.

A. Books and Records. The Association or Managing Agent shall keep or cause to be kept detailed books and records showing all expenditures and receipts of the administration of the Condominium which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Owners. Such books and records shall be open for inspection by the Owners during reasonable working hours on weekdays and shall be audited annually by qualified independent auditors in accordance with generally accepted accounting principles within ninety (90) days after the end of any fiscal year of the Condominium, or as soon thereafter as practicable. Unless the Board shall determine otherwise, the fiscal year of the Association shall be the calendar year. The cost of such audit shall be an expense of the administration of the Condominium, and copies of any such audit shall be made available to all Owners.

B. Mortgagee Access to Books and Records. A Mortgagee shall, upon written request, be entitled to: (i) inspect the Condominium Documents and the books and records of the Condominium, (ii) receive, free of charge, and annual financial statement of the Condominium, as soon as the same is available to the Owners, (iii) receive written notice of all meetings of the Association and (iv) be permitted to designate a representative to attend all meetings of the Association.

C. Association Records. In addition to the financial records described in Section 9.A, the Association or Managing Agent shall keep or cause to be kept: (i) the plans and specifications used to renovate the Condominium, to the extent furnished by the Declarant; (ii) the condominium information statement and any amendments thereto, (iii) the name and address of each Owner, (iv) voting records, proxies and correspondence relating to amendments to the Declaration, and (v) minutes of meetings of the Association and the Board of Directors. All financial and other records of the Association shall be available at its principal office for examination during normal business hours by an Owner and/or the Owner's authorized agent, and holders, insurers and guarantors of any First Mortgages.

D. Association Costs and Expenses. All costs incurred by the Association, including, but not limited to, any costs, (including attorneys' fees) incurred in satisfaction of any liability arising herein, caused by or in connection with the Association's operation, maintenance or use of the Condominium, shall be an Association expense. All sums received by the Association, including but not limited to, all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association, shall be the receipts of the Association.

E. Bylaws. The governance and administration of the Condominium shall be in accordance with this Declaration and the Bylaws which have been initially adopted by Declarant as sole Owner of the Condominium, and which are attached hereto as Exhibit "A". The Bylaws may be amended by Declarant as hereafter provided and from time to time by the Association in accordance with the provisions hereof.

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- (xiv) impose interest and late charges for late payments of assessments, returned check charges, and, if notice and opportunity to be heard are given, reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations;
- (xv) adopt and amend rules regulating the collection of delinquent Assessments and the application of payments;
- (xvi) adopt and amend rules regulating the termination of utility service to a Unit, the Owner of which is delinquent in the payment of an Assessment that is used, in whole or in part, to pay the cost of that utility;
- (xvii) impose reasonable charges for preparing, recording, or copying declaration documents, resale certificates, or statements of unpaid Assessments;
- (xviii) enter a Unit for a bona fide emergency purposes when conditions present an imminent risk of harm or damage to the Common Elements, another Unit, or the occupants;
- (xix) assign its right to future income, including the right to receive Regular Assessments, but only to the extent this Declaration so provides;
- (xx) suspend the voting privileges of or the use of certain Common Elements by an Owner for more than thirty (30) days in the payment of Assessments;
- (xxi) purchase insurance and fidelity bonds it considers appropriate or necessary;
- (xxii) exercise any other powers conferred by this Declaration, the Certificate or Bylaws;
- (xxiii) exercise any other powers that may be exercised in the State of Texas by a corporate of the same type as the Association; and
- (xxiv) exercise any other powers necessary and proper for the government and operation of the Association.

Any of the duties, powers and functions of the Board may be delegated to the Managing Agent.

G. Board of Directors. The affairs of the Association shall be managed by a Board of Directors, subject to the provisions in paragraph H below, providing for a period of Declarant control of the Association. The Board of Directors shall consist of not less than three (3) members, all of whom shall be Owners (except for the initial Board appointed by Declarant), and each of whom serve without pay or compensation for such terms as specified in the Bylaws. If any Unit is owned by a partnership or corporation or limited liability company, any manager, officer, partner or employee of that Owner shall be eligible to serve as a Director and shall be deemed to be an Owner for purposes hereof.

H. Declarant Control of the Association. There shall be a period of Declarant control of the Association during which the Declarant, or persons designated by the Declarant, shall have the rights as set out herein. Subject to the following provisions, the period of Declarant control shall terminate on the earlier of: (1) one-hundred twenty (120) days after the date on

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which Declarant sells 75% of the Units; or (2) the date on which Declarant surrenders such control, in writing, to the Association. Until such time as Declarant has sold 50% of the Units, there shall be three (3) directors, appointed by Declarant, and those directors shall appoint and remove officers. After Declarant has sold 50% of the Units, Declarant shall remove one of such directors, and the Owners shall elect one director who shall assume that position, until the first meeting of the Owners. Not later than the date on which Declarant has surrendered control of the Association, the Declarant shall remove the remaining two directors appointed by Declarant, and the Owners shall hold their initial meeting to elect two new directors to assume those positions effective as of the date of the election, as well as the third director. The newly constituted Board of Directors shall elect the officers of the Association before the 31<sup>st</sup> day after the date of their election by the Owners. Notwithstanding anything herein to the contrary, the initial directors appointed by Declarant may be elected as directors by the Owners.

I. Termination of Contracts and Leases of Declarant. Following Declarant's surrender of control, the Association may terminate, without penalty, contracts or leases between the Association and the Declarant or an affiliate of Declarant if:

- (i) the contract is entered into by the Association when the Association is controlled by the Declarant;
- (ii) the Association terminates the contract or lease before the anniversary of the date a Board of Directors elected by the Owners takes office; and
- (iii) the Association gives at least ninety (90) days' notice of its intent to terminate the contract or lease to the other party.

J. Management Certificate. The Association shall record in the Office of the County Clerk of Harris County, Texas, a certificate, signed and acknowledged by an officer of the Association, stating (i) the name of the Condominium, (ii) the name of the Association, (iii) the location of the Condominium, (iv) the recording date of this Declaration, and (v) the mailing address of the Association, or the name and mailing address of the Managing Agent. The Association shall record an updated management certificate within thirty (30) days after the date of the Association has notice of a change in any of the information set forth in (i) through (v) above as set forth in the recorded management certificate.

K. Resale Certificate. In connection with the sale of any Unit (other than a sale by Declarant), the Association shall furnish to the selling Owner or the Owner's agent, within ten (10) days after the date of receiving a written request from the Owner, a resale certificate containing the following information: (i) the current operation budget of the Association; (ii) any right of first refusal or other restraint contained in the Declaration that restricts the right to transfer a Unit; (iii) the amount of the periodic Regular Assessments and the unpaid Regular Assessments or Special Assessments currently due and payable by the selling Owner; (iv) capital expenditures, if any, approved by the Association for the next twelve (12) months; (v) the amount of reserves, if any, for capital expenditures and of portions of those reserves designated by the Association for a specified project; (vi) any unsatisfied judgments against the Association; (vii) the nature of any pending suits against the Association; (ix) insurance coverage provided for the benefit of unit owners; (x) whether the Board of Directors has knowledge that any alterations or improvements to the Unit or the Limited Common Elements assigned to that Unit violate the Declaration, the Bylaws or the Rules and Regulations; (xi) whether the Board of Directors has received notice from a governmental authority concerning violations of health or Building codes with respect to the Unit, the Limited Common Elements

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owning at least twenty percent (20%) of the Percentages of Common Interest Ownership, provided that such Owners must be entitled to vote at such special meeting. Notice of time, place and subject matter of all meetings shall be personally delivered or mailed to each Owner or to the individual representative designated by such Owner at the last address given by such Owner to the Association. If any Owner shall fail to give an address to the Association for the mailing of notices, all notices shall be personally delivered or mailed to the Unit of such Owner, and such Owner shall be deemed to have been given notice of any such meeting irrespective of the actual receipt of the same.

#### Section 11. Directors

A. Number of Directors. The initial number of Directors has been set by the Certificate at three (3) which shall continue until the initial meeting of Owners. Thereafter, there shall not be less than (3) nor more than five (5) directors. Any expansion or subsequent contraction to not less than three (3) of the number of Directors shall be effected only by an amendment to the Bylaws. Each Director must be an Owner, with the exception of the first Board appointed by Declarant prior to the first meeting of Owners. If any Unit is owned by a partnership, corporation, limited liability company, or trust, any officer, partner, trustee, or employee of that Owner shall be eligible to serve as a Director and shall be deemed to be an Owner for purposes of the preceding sentence. Notwithstanding anything contained herein to the contrary, this Section 10 may not be amended without the prior written consent of Declarant, until such time as Declarant surrenders control of the Association.

B. Terms of the Directors. Each director elected by the Owners shall serve a term of one (1) year.

C. Election of Officers. The officers of the Association shall be elected by the Board.

D. Indemnity of the Board. The Association shall indemnify each member of the Board, the members of any committee(s) established by the Board, and each of its officers against the expenses and liabilities (including the cost and expenses against defending any such alleged liability) as and to the extent set forth in the Bylaws. Such rights of the indemnification and reimbursement shall not be deemed exclusive of any other rights to which a Director, committee person, officer, or employee may be entitled by law or under any Bylaw, agreement, vote of members or otherwise.

E. Contracts. The Board may authorize any officer or the Managing Agent to enter into any contract or execute and deliver any instrument in the name and on behalf of Association whether or not a Director or such officer may be general or confined to specific instances. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or Managing Agent of the Association and in such manner shall be deposited, from time to time, to the credit of the Association in such banks, trust companies or other depositories as the Board may select.

#### Section 12. Assessments

Part 1. Creation of Liens and Personal Obligations for Assessments. Declarant, for each Unit owned within the Condominium, hereby covenants, and each Owner of any Unit by acceptance of a Deed therefore, whether or not it shall be so expressed in any such Deed or

assigned to that Unit, or any other portion of the Condominium; (xii) the remaining term of any leasehold estate that affects the Condominium and the provisions governing an extension or renewal of the lease; (xiii) the name, mailing address, and telephone number of the Managing Agent, if any, and (xiv) such other information as the Association may deem appropriate. The Association shall not be liable to a selling Owner or such Owner's prospective purchaser for delay or failure to furnish a resale certificate unless the officer or agent willfully refuses to furnish the resale certificate or is grossly negligent in not furnishing the resale certificate.

In the event that a properly executed resale certificate incorrectly states the total of delinquent sum owed by the selling owner to the Association, the purchaser shall not be liable for payment of additional delinquencies that are unpaid on the date the resale certificate is prepared and that exceed the total sum stated in the resale certificate; provided, however, in no event shall a resale certificate affect: (i) the Association's right to recover debts, claims, or amounts that are due by the Seller which became due prior to the date the certificate was prepared, regardless of whether the resale certificate correctly stated the total of the delinquent sum owed by the selling Owner to the Association; (ii) the Association's right to recover debts or claims that arise or become due after the date the certificate is prepared; or (iii) the Association's lien on a Unit securing payment of future Assessments.

L. Restrictions on Alienation of Common Elements. Notwithstanding any other provision of this Declaration, the Association may not seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements, or any part thereof, by act or omission, without first receiving the unanimous prior written approval thereof by all Owners of Units and the First Mortgagees of all Units. Nothing in this Section 8.L. shall limit the authority of Declarant or the Association to grant an easement for use by any public utilities or for any other public purpose(s) consistent with the intended use of the Common Elements by the Condominium.

M. Required Owner Information upon Purchase of a Unit. Within thirty (30) days after the date of acquiring an interest in a Unit, the Owner shall provide the Association with: (a) the Owner's mailing address, telephone number and driver's license number or federal employer identification number, if any; (b) the name and address of the holder of any lien against the Unit and any loan number; (c) the name and telephone number of any Person occupying the Unit other than the Owner and Owner's; and (d) the name, address and telephone number of a Person managing the Unit as agent for the Owner. An Owner shall notify the Association within (30) days after the Owner has notice of a change of any of the information set forth in (a) through (d) above, and shall provide that information on request by the Association from time to time.

#### Section 10. Meetings of Owners.

A. First Meeting. The first meeting of Owners shall be held not later than the date on which Declarant surrenders control of the Association, as provided in Section 9.H above. Until the first meeting of Owners, the affairs of the Association shall be managed by the Board of Directors as provided in Section 9.H, and such Board shall have the right to exclusively exercise and perform all of the rights, powers, authority, functions and duties herein or in the Act or Bylaws given to the Association or the Board.

B. Annual Meetings. Following the first meeting of Owners, there shall be an annual meeting of Owners at which the Board, or a portion thereof, shall be elected, and other meetings as provided for herein or in the Bylaws. Special meetings of Owners shall be called by the President, a majority of the Directors or any individual Owner or collection of the Owners

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other conveyance, is deemed to covenant and agree to pay maintenance fees and other charges to the Association, as follows:

- a. Regular Assessments and other charges as provided herein; and
- b. Special Assessments and other charges as provided herein.
- c. The Regular Assessments and Special Assessments, together with late fees and interest thereon, and costs of collection thereof, as hereinafter provided, shall be a charge on each Unit, and shall be a continuing lien upon each Unit against which such Assessment is made. Each such Assessment, together with late fees, interest, reasonable attorney fees and costs of court, shall also be the personal obligation of the person who was the Owner of the Unit as of the date on which the Assessment became due. The personal obligation shall not pass to his successors in title unless expressly assumed by them; however, the lien against the Unit shall continue in existence and shall be enforceable against any subsequent Owner of the Unit.

Part 2. Purpose of Assessments. The Assessments provided herein shall be used exclusively for the purpose establishing a fund for the payment of Common Expenses, being those expenses incurred in connection with promoting the recreation, health, safety and welfare of the residents of the Condominium, and specifically for the improvement and maintenance of the Common Elements and the Buildings within the Condominium. Such uses shall include, but are not limited to, the cost to the Association of all repairs, replacements, and maintenance of the items within the Common Elements (but excluding those portions of the Common Elements which are reserved for exclusive use by any Owner under Section 3.B above) as deemed prudent by the Association, including, but not limited to: (1) mowing grass, landscaping, and caring for the grounds; (2) maintenance, repair and replacement of the sidewalks and sprinkler systems within the Common Elements; (3) payment for water used within the Common Elements; (4) landscaping, including replacement of plants, shrubbery and trees; (5) painting, repair and replacement of the gates and fencing within the Common Elements; (6) the repair and replacement of any water lines and sewer lines for which the Owners are liable under any Dedication of Common filed by Declarant in connection with the development of the Condominium; (7) subject to the provisions of Part 5 below, for the cleaning, maintaining, repairing and/or replacing such portions of the exteriors of the Units and/or Buildings as deemed necessary by the Association; and (8) other charges required by this Declaration or that the Association shall determine to be necessary or desirable to meet the primary purpose of the Association, including the establishment and maintenance of a reserve for maintenance, repair, replacement, and other charges as specified herein.

Part 3. Regular Assessments. The initial Regular Assessments chargeable against each Unit and payable by each Owner, other than Declarant, shall be in the monthly amounts as reflected in Exhibit B, Part IV hereto. Until such time as Declarant has sold all of the Units within the Condominium, Declarant shall not have an obligation to pay Regular Assessments for the Units owned by Declarant, however, Declarant will be responsible for that portion of the total Common Expenses which exceeds the amount of the Regular Assessments collected from the Owners of other Units. Upon closing of a purchase of any Unit from Declarant, the Owner thereof shall be responsible for payment of a pro rata portion of the Regular Assessments payable by an Owner against such Unit, to be determined based on the number of days remaining in the month as of the date of such closing. The Regular Assessments may be increased by the Association at the annual meeting of the Association, effective January 1<sup>st</sup> of each following year. No such increase shall exceed 20% of the then-current year's Regular

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Assessments, without the unanimous vote of the Owners. Notwithstanding the percentages of Common Interest Ownership, the Regular Assessments for those Units which have appurtenant garages which are Limited Common Elements for exclusive use by such Units, shall be calculated based on the actual living area of the Unit, being 1,470 square feet for A and B Units as shown on Exhibit B, Part IV, 1,443 square feet for B-2 Units as shown on Exhibit B, Part IV, and 1,300 square feet for C Units as shown on Exhibit B, Part IV, and 1,491 square feet for a D Unit as shown on Exhibit B, Part IV, and 1,075 square feet for an F Unit as shown on Exhibit B, Part IV, plus \$10.00 per month for a one-car garage and \$20.00 per month for a two-car garage.

**Part 4. Payment of Regular Assessments/Default.** The Regular Assessments for each year will be due and payable on the first day of each month during each year. Should an Owner fail to pay any Regular Assessment by the 15<sup>th</sup> day of the month for which it is due, there shall be a \$25.00 late charge for each delinquent payment. All payments will be first applied to outstanding late charges. Should any Owner fail to bring current all Regular Assessments and all accrued late charges within ninety (90) days of the due date for the first delinquent Regular Assessment, the matter may be turned over to legal counsel for collection. In such event, the defaulting Owner will be liable for all outstanding Regular Assessments and all late charges, plus interest at the highest legal rate, and all attorney fees and court costs incurred in the collection action, and all such amounts shall be included in the lien against the defaulting Owner's Unit.

**Part 5. Special Assessments.** In the event the Association, by vote of a majority of the Owners of all Units at any annual meeting or special meeting properly called for such purpose, reasonably determines that action need to be taken for the repair or replacement of any item within the Common Elements, and the Regular Assessments are insufficient to pay the costs of such repair or replacement, then there shall be a Special Assessment imposed upon each Unit, in the amount as reasonably determined by the Association. In such event, the Association shall give notice to each Owner of the amount of the Special Assessment, and, unless otherwise approved by the Association, the Special Assessment shall be due within thirty (30) days of the giving of such notice. Should any owner fail to pay the Special Assessment by the due date, there will be a late charge of \$50.00. Should any Owner fail to pay the Special Assessment and late charge within ninety (90) days of the due date, the matter may be turned over to legal counsel for collection. In such event, the defaulting Owner will be liable for the amount of the Special Assessment and late charge, plus interest at the highest legal rate, and all attorney fees and court costs incurred in the collection action, and all such amounts shall be included in the lien against the defaulting Owner's Unit.

**Part 6. Reserves for Assessments.** The Board shall establish an annual budget in advance for each fiscal year and such budget shall project all Common Expenses for the forthcoming year which may be required for proper operation, management and maintenance of the Condominium, together with a reasonable allowance for contingencies and reserves. Such reserves shall include, without limitation, an adequate reserve fund for the maintenance, repair and replacement of those Common Elements that must be replaced on periodic basis, and shall be payable in regular installments fixed by the Board rather than by Special Assessments. The Assessments for each year shall be established by the adoption of an annual budget by the Board. Copies of the budget shall be delivered to each Owner, although the delivery of a copy of the budget to each Owner shall not affect the liability of any Owner for any existing or future Assessments. Should the Board at any time determine, in the sole discretion of the Board, that the Assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium in any fiscal year (including a deficiency resulting from

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the name of the Owner, and a description of the Unit, and may record the Notice of Assessment in the Real Property Records of Harris County, Texas. Notice of an unpaid Regular Assessment or Special Assessment and such lien in favor of the Association, may be recorded in the Official Records of Harris County, Texas. The lien for Common Expenses herein provided for may be enforced by the Association by non-judicial foreclosure and on the Condominium Unit owned by the defaulting Owner, without prejudice and subject to the aforesaid prior and superior liens, in the same manner as non-judicial foreclosures under mortgages on real property located in the State of Texas. The Board of Directors or any person authorized by it, acting on behalf of the Association may purchase a Unit at a foreclosure sale conducted on behalf of the Association. Provided, however, the Owner of the Condominium Unit purchased by the Association at the foreclosure sale may redeem the Condominium Unit within ninety (90) days after the date of the foreclosure sale in accordance with Section 82.113(g) of the Act. All funds realized from any foreclosure, including all trustee's and attorney's fees, and then towards payments of indebtedness, and the remainder, if any, shall be paid over to the Owner or Owners as their interest may appear. Upon the foreclosure by the Association of the lien provided for herein, the Owner shall be deemed to constitute a Tenant at sufferance of the purchaser of the Unit at such foreclosure sale, and such purchaser shall be entitled to pursue the eviction of such Owner by virtue of forcible entry and detainer proceedings if such Owner fails or refuses to vacate the Unit upon demand. In the event the proceeds realized from the foreclosure sale, applied as aforesaid, shall be insufficient to pay off and discharge the whole amount of the assessments sued on, then the purchaser acquiring title to such Condominium Unit at such foreclosure sale, whoever he or she may be, other than the Owner sued, shall not be liable for the deficiency, but such deficiency shall be deemed a Common Expense, collectible from all Owners, including the purchaser at the foreclosure sale, on a pro-rata basis as in the case of the Common Expenses. The defaulting Owner shall remain personally liable to the other Owners paying such deficiency, and the Association may pursue recovery of such deficiencies from the defaulting Owner.

**Part 9. Additional Remedies.** The Association may, in addition to its rights under Part 8 above and the Act, enforce collection of delinquent Assessments by suit at law for a money judgment and foreclosure of the Association's lien, and the expenses incurred in collecting unpaid Assessments, including interest, costs and attorney fees shall be chargeable to the Owner in default. The Board may resolve that an Owner in default shall not be entitled to vote at any meeting of the Association so long as such default is in existence, unless otherwise provided in the Act.

**Part 10. No Exemptions From Liability for Common Expenses.** No Owner may be exempt from liability for his or her or its contribution toward the Common Expense of the Association and the Condominium by waiver of the use or enjoyment of any of the Common Elements or any part thereof, by reason of any grievance against the Association, Declarant, or any other Owner, or by the abandonment of such Owner's Condominium Unit or his or her or its interest therein.

**Part 11. Statement of Assessments.** The Association or its representative shall, upon payment to the Association of a reasonable fee as set by the Board from time to time, furnish to any prospective purchaser or Mortgagee to any Unit, at the written consent of the Owner, a written statement as to the amount of Assessments for Common Expense which have become due and are unpaid up to a given date with respect to the Unit to be sold and mortgaged; and, in the case of a sale, the purchaser shall not be liable nor shall the Unit purchased be subject to any lien for any unpaid assessment which has become due and is not shown on such statement for the period of time covered thereby; however, the selling Owner shall remain liable for same

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nonpayment of Assessments by certain Owners) or in the event of a casualty loss, then the Board shall have the authority at any time and from time to time to levy an additional Assessment in an amount it shall deem to be necessary for that purpose. Upon purchasing a Unit, the Owner will deliver to the Association an amount equal to two (2) month's Assessments, which will be added to the replacement reserve.

**Part 7. Assessments as Capital Contributions.** Assessments levied by the Association against each Owner pursuant to this Section 12 which are expended on capital expenditures, or which are set aside as a reserve for future repairs of improvements within the Condominium (whether or not such repairs or improvements would otherwise be considered capital in nature pursuant to Section 263 of the Internal Revenue Code of 1986, as amended, the "Code"), shall be treated as capital contributions by such Owner to the Association and shall be shown on the books of the Association as such. The Association may elect to be governed by the provisions of Section 528 of the Code for a taxable year by filing Form 1120-H (U.S. Income Tax Return for Home Owners Association) if such election would allow the Association to reduce its federal income tax liability for such taxable year. The provisions of this Part 8 may be amended by a majority of the Board if, in the sole discretion of the Board, such action is necessary to conform to any change in the Code, or any Treasury regulation or ruling promulgated thereunder. Notwithstanding anything contained in this Declaration to the contrary, any amendment to this Part 8, duly authorized by the Board shall not require the consent of any Owner or Mortgagee.

**Part 8. Lien for Assessments.** The personal Obligation of the Unit Owner to pay the Assessments levied by the Association (Regular, Special, or otherwise) shall be and are secured by a continuing lien on the Unit and on the rents and insurance proceeds received by the Unit Owner relating to the Owner's Unit, such continuing lien being created and reserved herein in accordance with Section 82.113 of the Texas Property Code in favor of the Association, and being reserved by the Declarant and granted and assigned to the Association without recourse. The Association's lien for assessments is created by the recordation of this Declaration, which constitutes recordation of this Declaration which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of a lien shall be required. The lien in favor of the Association may be enforced by power of sale as provided in Section 51.002 of the Texas Property Code, and the expenses incurred in connection therewith, including late fees, interest costs and attorneys' fees, shall be chargeable to the Owner in default. In no event shall the Association foreclose a lien securing payment of the Assessments consisting solely of fines. Each Owner, by acceptance of the Deed to his or her Condominium Unit, agrees that the Association and its designated agents have the authority, right and power to enforce the above-described liens for Assessments by all legal methods available for the enforcement of the liens, including non-judicial foreclosure pursuant to Section 51.002 of the Texas Property Code, as amended. By acceptance of the Deed to his or her Condominium Unit, a Unit Owner grants to the Association power of sale in connection with the Association's lien. By written resolution, the Board 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 (or its successor) of the Texas Property Code. Such liens shall be subordinate, secondary and inferior to: (i) assessments, liens and charges in favor of the State of Texas and any political subdivision thereof for real property taxes that are due and unpaid on such Unit; (ii) any First Mortgage filed for record prior to the date payment of such Assessment for Common Expenses became due and payable; and (iii) all liens securing any loan (including loans made by Declarant) made to purchaser for any part of the purchase price of any Unit when such Unit purchases is from Declarant. The Board or Managing Agent may, but shall not be obligated to, elect to prepare and execute a notice of assessment (a "Notice of Assessment") which sets forth the amount of the unpaid indebtedness,

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and in case of his or her failure or refusal to pay, then the same shall be collectible from all other Owners on a pro-rata basis in proportion to their ownership interest in the Common Elements, and they shall have recourse against the selling Owner; but in the event of a Mortgagee, then the unpaid assessments not shown on the statement for the period of time covered thereby shall remain the obligation of the Owner mortgaging his or her or its Unit, but the assessment liens securing same as provided for in this Declaration shall be and remain inferior and secondary to the mortgage and liens held by the Mortgagee to whom or for whose information the statement was furnished.

**Part 12. Common Expense Fund.** The Common Expense Fund shall be based upon the aggregate sum which the Board shall from time to time determine is to be paid by all of the Owners (including Declarant) to pay the estimated Common Expenses.

**Part 13. Failure to Provide Notice of Regular Assessments.** In the event of a failure of the Board to issue an annual notice setting forth the amount of the Regular Assessments, then the Regular Assessments then in effect shall continue until the Board issues a new notice of Regular Assessments, and said failure shall not be deemed a waiver of any of the provisions of this Section 12, nor shall it operate to release any Owner from his or her obligations to pay the assessments provided for hereunder.

**Section 13. Notice to Owners.** Notwithstanding anything to the contrary contained in this Declaration, before the Association may charge an Owner for property damage for which such Owner is liable, or levy a fine for violation of this Declaration, the Bylaws, or Rules and Regulations, the Association shall give such Owner a written notice that:

- (i) describes the violation or property damage and states the amount of the proposed fine or damage charge;
- (ii) states that not later than the 30<sup>th</sup> day after the date of the notice, the Owner may request a hearing before the Board to contest the fine or damage charge; and
- (iii) allows the Owner a reasonable time, by a specified date, to cure the violation and avoid the fine, unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding twelve months.

The above described notice may be given by the Association delivering a copy of the notice to an occupant of the Unit. In addition, the Association shall give notice of a levied fine or damage charges to the Owner within thirty (30) days after the date of levy.

**Section 14. Obligations of Owners and Owner Action.** Without limiting the obligations of an Owner, each Owner shall: (i) pay all Assessments, late fees, interest, and other charges properly levied by the Association against the Owner or the Owner's Unit, and shall pay all Regular Assessments without demand by the Association; (ii) comply with this Declaration, the Bylaws, the Rules and Regulations, and any amendments thereto; (iii) pay for damage to the Condominium caused by the negligence or willful misconduct of the Owner, an occupant of the Owner's Unit, or the Owner's or occupant's family, guests, employees, contractors, agents or invitees; and (iv) be liable to the Association for violations of the Declaration, the Bylaws, the Rules and Regulations, and any amendments thereto, by the Owner, an occupant of the Owner's Unit, or the Owner's or occupant's family, guests, tenants, employees, agents, or invitees, and for costs incurred by the Association to obtain compliance, including attorneys' fees, whether or not suit is filed.

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Without limiting the other legal rights of any Owner or the Association, legal action may be brought by the Association, in its sole discretion, on behalf of two (2) or more Owners as their respective interests may appear with respect to any cause of action relating to the Common Elements appurtenant to more than one Condominium Unit. All costs incurred by the Association as a result of such legal action shall be borne in their entirety by the Association.

**Section 15. Insurance**

A. Owner's Insurance. Each Owner shall be responsible, at his or her or its cost and expense, for his or her or its own personal insurance on the interior of his or her or its Unit, and the contents of his or her or its Unit (specifically including glass and windows appurtenant to the Unit) and his or her or its additions and improvements thereto, and his or her or its decorations and furnishings and personal property therein, to the extent not covered by the insurance obtained by the Association, as well as his or her or its personal liability to the extent not covered by the liability insurance for all of the Owners which may be obtained by the Association as a Common Expense, including the deductible under the Master Policy.

B. Association's Insurance. The Association shall purchase and maintain policies of insurance and fidelity bond coverage in accordance with the requirements of the Act and the requirements of the Federal National Mortgage Association, as they may be amended from time to time. To the extent not inconsistent with the foregoing, the Association shall obtain and continuously keep in effect, to the extent reasonably available, a Master Policy of fire and extended coverage, vandalism, malicious mischief and liability insurance, and, if required by law or deemed necessary or desirable by the Board, worker's compensation insurance, with respect to the Condominium and the Association's administration thereof in accordance with the following provisions:

- (i) Parties Covered. The Master Policy shall be purchased by the Association for the benefit of the Association, the Managing Agent (if any), and each and every Owner and their respective Mortgagees, as their interests may appear (subject to the provisions of the Condominium Documents and the Act), the cost of which shall be a Common Expense, and provision shall be made for the issuance of appropriate mortgagee endorsements to Mortgagees.
- (ii) Coverage.
  - (a) To the extent such insurance is reasonably available, the Building and all Common Elements shall be insured against fire, vandalism and malicious mischief, and other perils covered by a standard extended coverage endorsement (with appropriate endorsement to cover fixtures, installations or additions comprising a part of the Building within the unfurnished interior surfaces of the perimeter walls, floors and ceilings of individual Units initially installed or replacements thereof, in accordance with the original plans and specifications for the Condominium, specifically referring to and including the interior walls of each Unit), in an amount equal to the replacement cost thereof, excluding the costs of excavations, foundations and footings, as determined annually by the Board. The Board may obtain an appraisal in determining insurable value and the cost thereof shall be an expense of the

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may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Section 16 hereof, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction under this Declaration shall be administered by the Association and shall be applied to such repair or reconstruction.

- (v) Appointment of Attorney-in-Fact. Each Owner, by acceptance off a deed or other instrument of conveyance from Declarant or from any Owner or grantor resulting in ownership of a Condominium Unit, shall be deemed to appoint the Association as his or her true and lawful attorney-in-fact (which shall be deemed to be an irrevocable power of attorney coupled with an interest and not voidable due to the incapacity or disability of an Owner) to act in connection with all matters concerning the maintenance of the Master Policy and the destruction, repair or obsolescence of the Condominium, in whole or in part. Without limiting the generality of the foregoing, the Association, by and through its President or Vice President, shall have full power and authority to purchase and maintain institute and prosecute litigation or arbitration, to pay all costs associated with its activities as Common Expenses (to the extent all proceeds received from such insurance are not adequate enough to pay such costs), to administer the distribution of such proceeds in connection with any reconstruction or repair, to distribute any remaining proceeds to Owners and their Mortgagees (subject to the provisions of the Condominium Documents and the Act) as their interests may appear, to execute releases of liability, and to execute all documents and to do all things on behalf of the Owners and the Condominium as shall be necessary or convenient to the, accomplishment of the foregoing; and any insurer may deal exclusively with the Association in regard to such matters (other than exercising any voting rights in determining whether to repair or to reconstruct). The Association shall not be responsible for the procurement or maintenance of any insurance covering the contents or the interior of any Unit (except to the extent available by endorsement as herein provided) or covering the liability of any Owner for occurrences not caused by or connected with the Association's operation, maintenance or use of the Condominium.
- (vi) Priority as to Proceeds. Notwithstanding anything contained herein to the contrary, no provision contained herein or in the Condominium Documents shall give an Owner or any party priority over any Mortgagee with respect to the distribution of the proceeds of insurance to which such Owner or other party would not otherwise be entitled.
- (vii) Waiver of Subrogation. The Association and the Owners shall use their best efforts to see that all insurance carried by an Owner or the Association shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against Owners or the Association and the respective tenants, servants, agents, and guests of Owners or the Association, as the case may be, and the Association and the Owners, by their acceptance or recordation of a Deed, hereby waive any and all claims and rights of subrogation against each other to the extent of any damage or injury for which insurance is required to be maintained under this Declaration.
- (viii) Deductible. The Master Policy shall have a deductible of not more than \$10,000.00 per occurrence.

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Association. The Association may, in its sole discretion, elect to carry insurance to cover such other perils as from time to time shall be customarily covered with respect to Building and improvements similar in construction, location and use.

- (b) The Association shall also maintain, to the extent reasonably available, commercial general liability insurance, including medical payments insurance, in an amount determined by the Board of Directors, covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with use, ownership or maintenance of the Common Elements and shall contain, if reasonably available, cross-liability endorsements or appropriate provisions for the benefit of Owners, individually and as a group, Directors, and Managing Agent (if any) insuring each insured against liability to each other insured.
- (c) If the property insurance and/or the liability insurance described above is not reasonably available, the Association shall cause notice of that fact to be delivered or mailed to all Owners and Mortgagees.
- (d) The property and liability insurance policies obtained by the Association shall provide that: (i) each Owner is an insured Person under the policy with respect to liability arising out of such Owner's Percentage of Common Interest Ownership or membership in the Association; (ii) the insurer waives its right to subrogation under the policy against an Owner or the Association; (iii) no action or omission of an Owner, unless within the scope of the Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; (iv) if, at the time of a loss under the policy, there is another insurance in the name of an Owner covering the same property covered by the policy, the Association's policy shall provide the primary insurance; and (v) the insurer issuing the policy may not cancel or refuse to renew policy less than thirty (30) days after written notice of the proposed cancellation or non-renewal has been mailed to the Association.
- (e) The Association shall also carry, if available, fidelity coverage against dishonest acts on the part of Directors, Owners, the Managing Agent (if any), security officers, and any other person (including volunteers, with an appropriate endorsement if required) handling funds belonging to or administered by the Association. Such fidelity coverage shall be in the amount of not less than \$100,000.000.
- (iii) Premiums. All premiums upon insurance purchased by the Association shall be included in the Association's budget in accordance with Section 12 hereof, except that the amount of increase over such premiums occasioned by the use, misuse, occupancy or abandonment of a Unit or the Common Elements by an Owner shall be assessed only against such Owner.
- (iv) Proceeds of Insurance. Proceeds of all insurance policies owned by the Association shall be payable to the Association, shall be deposited by the Association in a federally insured bank, shall be held in a separate account and shall be distributed to the Association, Owners and their Mortgagees (subject to the provisions of the Condominium Documents and the Act) as their interests

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**Section 16. Termination of Condominium; Reconstruction or Repair; Condemnation**

- A. Termination of Condominium.
  - (i) The Condominium shall continue indefinitely unless and until it is terminated as provided in this Declaration or by agreement of the Owners of all of the Units in the Condominium and all of the First Mortgagees holding the First Mortgages against the Units. The agreement of the Owners and First Mortgagees to terminate (and, if the Project is to be sold, the terms of sale) must be evidenced by their execution of a Termination Agreement (or a ratification thereof) in the same manner as a deed, by the requisite number of Owners and First Mortgagees. The Termination Agreement and all ratification thereof must be recorded in the Real Property Records of the County of Harris and is effective only upon recordation. After the recording of the Termination Agreement, the Project may be sold, and the Association, on behalf of the Owners, may contract for such sale, on the terms set forth in the Termination Notice. The Association has all power necessary and appropriate to effect the sale and until the sale ahs concluded and the proceeds have been distributed, the Association continues in existence with all powers it had before termination. Proceeds of the sale must be distributed to the Owners and lien holders as their interest may appear, in accordance with the provisions set forth below. Unless otherwise specified in the Termination Agreement, until title to the Project has been transferred pursuant to a sale, each Owner and its successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted the Unit. During the period of that occupancy, each Owner and the Owner's successors in interest remain this Declaration. Following termination of the Condominium, the proceeds of any sale of real estate, together with any insurance proceeds (if the termination occurs in connection with a damage or destruction) and the assets of the Association are held by the Association as trustee for the Owners and the holders of the liens on the Condominium Units as their interest may appear. If the Project is not to be sold following termination, on termination title to the Project vests in the Owners as tenants in common in proportion to their prospective interests and liens on the Units shift accordingly. While the tenancy in common exists, an Owner and the Owner's successors in interest have an exclusive right to occupy the portion of the Project that formerly constituted the Owner's Unit.
  - (ii) The respective interests of the Owners are as follows:
    - (a) except as provided in subparagraph (b) immediately below, the respective interests of the Owners are the fair market values of their Units (including their interest in the General Common Elements and any Limited Common Elements) immediately before termination, as determined by one or more independent appraisers selected by the Association. The decision of the independent appraisers shall be distributed to the Owners and becomes final unless disapproved within 30 days after such distribution, by Owners holding at least 25% of the total votes in the Association. The proportion of any Owner's interest to that of all Owners is determined by the dividing the fair market value of that Owner's Condominium Unit by the fair market value of all Condominium Units and Common Elements;

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- (b) if any Unit or Limited Common Element is destroyed to the extent that an appraisal of the fair market value thereof prior to destruction cannot be made, the proportionate interest of each Owner shall be their Common Interest Ownership immediately before termination.
- (iii) The proceeds available for distribution to the holders of interests in the Condominium Units after a termination shall be allocated to each Unit in accordance with its proportionate interest as provided above and each Unit's share of such proceeds shall be deposited into a separate account identified by the Unit designation and the name of the Owner and First Mortgagee thereof. From each separate account, the Association, as attorney-in-fact, shall forthwith use and disburse the total amount of such account, without contribution from one account to another, toward payment of the liens encumbering the Condominium Unit represented by such separate account, in the following order: (a) for the payment of taxes and special assessment liens in favor of any assessing entity; (b) for the payment of any Common Expense Assessments which take priority over the lien of a First Mortgage pursuant to Section 12 of this Declaration and the Act; (c) for the payment of the lien of any First Mortgage; (d) for the payment of remaining unpaid Common Expense Assessments, other assessments, charges and fees, and all cost, expenses and fees incurred by the Association, including customary expenses of sale; (e) for payment of junior liens and encumbrances in order of an to the extent of their priority; and (f) the balance remaining, if any, shall be paid to the Owner(s) of the Unit.
- B. Damage or Destruction. "Repair and Reconstruction" of the improvements, as used in the succeeding subparagraphs, means restoring the improvement(s) to substantially the same condition in which they existed prior to their damage or destruction, with each Unit and the General and Limited Common Elements having substantially the same vertical and horizontal boundaries as before, and all improvements being reconstructed or repaired in substantial conformance with the Project's original architecture plan and scheme, to the extent then reasonably and economically feasible. The proceeds of any insurance collected shall be available to the Association for the purpose of repair, reconstruction, restoration, or replacement, in accordance with the provisions hereinafter set forth:

- (i) Any loss covered by the Master Policy maintained by the Association must be adjusted with the Association, and the insurance proceeds will be paid to the Association or an insurance trustee designated for such purpose and not the holder of any Security Interest. The insurance trustee or the Association shall hold such insurance proceeds in trust for Owners and lien holders as their interest may appear. Subject to the provisions of subparagraph (ii) immediately below, the proceeds must be disbursed first to the repair or restoration of the damaged property, and then to the Association. Owners and lien holders shall not be entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored of the Condominium is terminated in accordance with Section 16.A, in either of which events the surplus shall be distributed as provided in Section 16.A(iii). The Association may adopt and establish written nondiscriminatory policies and procedures relating to the submission of claims, and such other matters of claims adjustment. The Association shall have full authority, right and power as attorney-in-fact to cause the repair and reconstruction of the improvements.

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provisions of subsection (iv) immediately above, begin construction or repair of his Unit within sixty (60) days after the date of such damage, subject to the right of the Association to supervise, approve or disapprove such reconstruction or repair during the course thereof.

C. Obsolescence. Owners holding at least eighty percent (80%) of the votes in the Association of First Mortgagees holding eighty percent (80%) of the First Mortgages (based on one vote for each First Mortgage held) may agree that the Common Elements are obsolete and adopt a plan for the renewal and reconstruction thereof. If a plan for renewal or reconstruction is adopted, notice of such plan shall be recorded in Real Property Records of Harris County, Texas, and the expenses of renewal and reconstruction shall be payable by all of the Owners as a Common Expense, whether or not they have previously consented to the plan of renewal and reconstruction. The aforesaid Common Expense assessment for the renewal and reconstruction of the Common Elements shall be a debt of each Owner and a lien on its Condominium Unit, and may be enforced and collected as provided in Section 12 hereof.

D. Condemnation. If at any time during the continuance of condominium ownership pursuant to this Declaration, all or part of the Condominium shall be taken or condemned by any public authority, or sold or otherwise disposed of in lieu of or in avoidance thereof, the provisions of this Section 16.D shall apply:

- (i) All compensation, damages or other proceeds therefrom, the sum of which is hereafter called the "Condemnation Award" shall be payable to the Association.
- (ii) In the even that the entire Condominium is taken, condemned, sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant to this Declaration shall terminate. The Condemnation Award shall be apportioned among the Owners by the Board the same as if there had been a termination of the Condominium Project under Section 16.A; provided, however, that if a standard different from the value of the Condominium as a whole is employed as the measure of the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard and shall be employed to the extent it is relevant and applicable. The Association shall, as soon as practicable, determine the share of the Condemnation Award to which each Owner is entitled. Such shares shall be paid into separate accounts and disbursed, as soon as practicable, in the same manner as provided in Section 16.A hereof.
- (iii) Subject to the rights of the First Mortgagees provided in this Declaration, in the event that less than the entire Condominium is taken, sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award, to be determined by the following manner: As soon as practicable, the Association shall reasonably, and in good faith, allocate the Condemnation Award between compensation, damages or other proceeds and shall apportion the amounts so allocated among the Owners, as follows: (a) the total amount allocated to taking of or injury to the Common Elements (less any portion used for restoration or repair of the remaining Common Elements) shall be apportioned among the Owners in accordance with the Common Interest Ownership assigned to each Unit (but the portion of the award attributable to the acquisition of a Limited Common Element shall be equally divided among the

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Assessments for common expenses shall not be abated during the period of insurance adjustments and repair and reconstruction.

- (ii) Any portion of the Project for which insurance is required under this Declaration must be repaired or replaced promptly by the Association unless (a) the Condominium Project is terminated in accordance with Section 16.A, in which case the provisions of that Section apply; or (b) repair or replacement would be illegal under any state or local statute or ordinance governing health or safety.
- (iii) Estimates. As soon as possible after the occurrence of a casualty which causes damage to any part of the Condominium for which the Association has coverage, the Association shall obtain reliable and detailed cost estimates of the following:
- (a) The cost of restoring all damage caused by the casualty to the Common Elements (collectively, the "Common Element Costs"); and
- (b) The cost of restoring that part of the damage caused by the Casualty to each Unit which is or would be covered by insurance held by the Association, without regard to the policy limits of such insurance (collectively, the "Unit Costs").
- (iv) If the insurance proceeds are insufficient to repair and reconstruct the improvements, such damage or destruction shall be promptly repaired and reconstructed by the Association as attorney-in-fact, using the proceeds of insurance and the proceeds of a Special Assessment. Such Special Assessment (to be known as "Allocation Assessment") shall be assessed against all Condominium Units in accordance with Section 12, Part 5 hereof. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair, replacement or restoration of the improvements, using all of the insurance proceeds for that purpose, notwithstanding the failure of an Owner to pay the aforesaid Allocation Assessment. Notwithstanding the foregoing, the Association shall have authority to assess negligent Unit Owners causing any loss all deductibles paid by the Association and any amount by which the insurance proceeds are insufficient to pay the costs of repair and reconstruction, as further set forth in the second sentence of Section 16.B(v).
- (v) Owner's Responsibilities. Each Owner shall be responsible for the reconstruction, repair or replacement of the interior of his or her or its Unit, including, but not limited to, furniture, furnishings, floor coverings, wall coverings, window shades, draperies, interior walls, decorative light fixtures, all appliances located therein, and all other items of personal property within the Unit, unless such item(s) are covered by the Association's insurance policy. Each Owner shall also be responsible for the costs not otherwise covered by insurance carried by such Owner or the Association for any reconstruction, repair or replacement of any portion of the Condominium necessitated by such Owner's negligence or misuse, or the negligence or misuse by such Owner's family, tenants, guests, agents, servants, employees or contractors, as determined by the Board, in its sole discretion (whether or not a Special Assessment is made against other Owners initially to cover such costs). In the event damage to all or any part of the interior of an Owner's Unit is not covered by insurance held by the Association for the benefit, of such Owner, then such Owner shall, subject to the

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Owners of the Units to which that Limited Common Element was allocated at the time of acquisition); (b) the total amount allocated to severance damages shall be apportioned to those Units which were not taken or condemned and which in the sole judgment of the Association were damaged; (iii) the respective amounts allocated to the taking of or damage to a particular Unit, and to the improvements an Owner has made within his Unit, shall be apportioned to the particular Unit involved; and (iv) the total amount allocated to consequential damages to be equitable in the circumstances, or as determined by the judicial decree. Notwithstanding anything to the contrary contained in this Declaration except the preceding sentence, the allocation of the Condemnation Award to each affected Unit shall be based on the comparative values of the affected Units as they existed immediately prior to the condemnation, using such evidence of the appraised values as is then available, including, but not limited to, recent MAI appraisals of the affected property or comparable property. If the allocation of the Condemnation Award is already established in negotiations, judicial decree or otherwise, then in allocating the Condemnation Award, the Association shall employ such allocation to the extent it is relevant and applicable. Apportioned proceeds shall be disbursed, as soon as practicable, in the same manner as provided in Section 16.A hereof.

- (iv) Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Section 16.B hereof.
- (v) If a Unit is acquired by eminent domain or part of a Unit is acquired by eminent domain leaving the Owner with a remnant which may not practically or lawfully be used for any purpose permitted by the Declaration, the Owners(s) thereof shall automatically cease to be member(s) of the Association, shall cease to hold any right, title or interest in the remaining Common Elements, and shall execute any and all documents necessary to accomplish the same and the award will include compensation to the Owner for that Unit and its undivided interest in the Common Elements whether or not any Common Elements are acquired. The Condemnation Award as to each such completely taken Condominium Unit shall be paid into a separate account and disbursed, as soon as practicable, to the Owner of such Condominium Unit and its First Mortgagee in the same manner as provided in Section 16.A hereof. Upon acquisition, unless the decree otherwise provides, that Unit's undivided interest in the Common Elements shall be reallocated to the remaining Units in proportion to the respective Common Elements of those Units before the taking. Any remnant of a Unit remaining after a part of a Unit is taken pursuant to this subsection (v) is thereafter a Common Element.
- (vi) Except as provided in subsection (v) above, if part of a Unit is acquired by eminent domain, the award must compensate the Owner for the reduction in value of the Unit and its undivided interest in the Common Elements whether or not any Common Elements are acquired. Upon acquisition, unless the decree otherwise provides, the Unit's interest in the Common Elements shall be reduced and determined by dividing the square footage of the remainder of the Unit by the total square footage of all Units in the Condominium after the taking, but the Unit's vote and share of assessments for common expenses shall remain the same.

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- (vii) The reallocation of Common Elements pursuant to this Section 16.D shall be confirmed by an Amendment to this Declaration prepared, executed and recorded by the Association.

E. Notice to First Mortgagees. In the event of substantial damage of any Unit or any part of the Common Elements, any First Mortgagee shall be entitled to timely written notice of any such damage or destruction at the address appearing in the Record of Mortgages, and no provision hereof shall entitle an Owner or any other party to the priority granted to such First Mortgagee with respect to the distribution of any insurance proceeds attributable thereto. In the event any Unit or portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceedings or is otherwise sought to be acquired by a condemning authority, any First Mortgagee shall be entitled to timely written notice of any such proceeding or proposed acquisition at the address appearing in the Record of Mortgages, and no provision hereof shall entitle an Owner or any other party to the priority granted to such First Mortgagee with respect to the distribution of the proceeds of any award or settlement attributable thereto.

**Section 17. Restrictions on Use.** The Board may and is authorized to from time to time, institute, invoke, amend, and terminate nondiscriminatory Rules and Regulations which the Board may deem necessary or convenient to insure compliance with the general guidelines of this Declaration. In addition to such Rules and Regulations, the following restrictions, covenants and conditions are placed upon each Unit in the Condominium as a general plan or scheme of restrictions of each Unit.

A. Permitted Uses of Units.

- (i) Units. After the initial sale or transfer by Declarant, the primary use of each Unit shall be residential purposes only, and no commercial or business purpose, other than for a home office for which there is no vehicular or walk-in traffic and no visible evidence of a commercial or business purpose.
- (ii) Notwithstanding the foregoing, so long as Declarant owns any of the Units which are for sale, Declarant and its employees, representatives and agents may establish or relocate sales models and/or sales offices within any Unit(s) as Declarant shall deem appropriate.

B. Alterations, Additions and Improvements. No alterations of any portion of the Common Elements or additions or improvements thereon shall be made by any Owner without the prior written approval of the Board of Directors or the Association. No Owner shall make any structural modification or substantial improvement to or alteration of or to his or her or its Unit (including, without limitation, the parking and storage spaces and other limited common elements), except in a manner authorized in writing by the Board or the Association. In that respect, to the extent deemed necessary by the Board, all payment and performance bonds required by the Association or Declarant, names of all contractors, subcontractors and other parties which will be involved therewith, plans, specifications, mechanical and engineering drawings and renderings for any proposed structural modification or substantial alteration, improvement to or modification of a Unit must be submitted no less than thirty (30) days prior to the date of commencement of such work, by such Owner to the Board for review and approval. The Board may impose such specifications and requirements as it may reasonably deem necessary in connection therewith, including, without limitation, the right to require (but have no duty to so require) that the Owner provide assurances that the alterations, additions, modifications comply

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- (iii) Windows. All windows in a Unit shall have draperies, blinds or shutters, and the same shall be in accordance with the Rules and Regulations. No window covering may be of a color which does not correspond to the color of the exterior of the Condominium. No reflective materials may be put in the windows of a Unit or on the Balcony thereof;
- (iv) Lights. No colored lights or light fixtures presenting the same effect may be placed in a Unit which are visible from outside the Building;
- (vii) Cooking. Other than appliances in the kitchens of Units, no apparatus for cooking is allowed to be used in any Unit or on any balcony appurtenant thereto, including, but not limited to, bar-b-que pits, grills, smokers, open flame fire-pits, deep-fryers. These are allowed on patios.
- (viii) Holiday Decorations. Any Holiday Decorations, including lights, which are visible from outside of a Unit may not be put up more than thirty (30) days prior to a national or religious holiday, and must be removed within ten (10) days after such holiday.
- (ix) Balconies. In addition to the restrictions on use set out above, all balconies must be kept in a neat and orderly manner. No more than four plants may be kept on a balcony at any one time, and all such plants must be contained within the balcony. Any furniture placed on a balcony must be kept clean and in good condition. No white plastic furniture may be placed on any balcony.
- (x) Signs. No signs of any type may be placed in the windows or on the balcony of any Unit, except as follows: (1) one "For Sale" or "For Rent" sign may be placed in a window of a Unit, provided that the sign is no more than eight square feet in area; (2) one political sign supporting any candidate for election or other matter subject of a vote of the general population may be placed in a window of a Unit, provided that any such sign may not be put up more than sixty (60) days before the election or other vote, and must be removed within ten (10) days after the election or other vote. No Owner may make use of more than two political signs at any one time. Provided, however, that nothing contained herein shall be deemed to prohibit or restrict in any manner the right of Declarant to construct and maintain such promotional signs and other sales aids on any portion of the Condominium (other than Units which have been sold) which, in the reasonable judgment of the Declarant, are necessary or helpful for its sales program.
- (xi) Garage Sales. No garage sale, tag sale, estate sale, or other type of sale of property is allowed within the Condominium. However an entire block sale once a year agreed upon by owners will be allowed.

D. Offensive Activities. No unlawful, noxious or offensive activity shall be conducted or carried on in any Unit, or upon the Common Elements or anywhere else in the Condominium, nor shall anything be done therein or thereon which may be or become an annoyance or a nuisance to other Owners or the neighborhood or cause unreasonable noise or disturbance to others, or which shall interfere in any manner with any Owner's quiet enjoyment of his or her or its Unit. No Owner shall do or permit anything to be done or keep anything or permit anything in his or her or its Unit or on the Common Elements that would increase the rate of or invalidate

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with all applicable governmental requirements. Further, the Board has the right to approve or deny any such alterations, additions, improvements, or the contractors, subcontractors or other personnel performing same, so that, among other reasons, the quality, integrity, and safety of the Condominium can be promoted in order to ensure that the alterations, additions, improvements and modifications (i) are consistent and compatible with the existing Building, and (ii) do not encourage or involve a violation of the Condominium Documents. In the event any Owner constructs or causes to be constructed at any alteration, addition, improvement or other modification to his or her or its Unit which encroaches on any Common Element or other Unit, the Board may require such Owner, at his or her or its sole cost and expense, to remove such encroachment and to restore and repair damage caused by same or attributable thereto. No approval by the Board of any such alterations, additions, modifications or improvements, or the plans, specifications, mechanical and engineering drawings and renderings, or the contractors, subcontractors or other personnel performing the same, will be or constitute any representation or warranty by the Board as to the adequacy or sufficiency thereof, or of the compliance of the same with any applicable laws, codes or ordinances. All alterations, additions, modifications or improvements must be performed in a prompt, diligent and professional manner, must comply with the plans, specifications, mechanical and engineering drawings and renderings submitted to the Board (with any requisites changes, additions, modifications or alterations thereto, which may be imposed by the Board), and must comply with all applicable codes, ordinances, laws and regulations applicable thereto. Notwithstanding anything herein to the contrary, the Board's failure to approve or deny an Owner's request for alterations, additions, modifications, or improvements within thirty (30) days of the Board's receipt of the same shall constitute a denial of such request.

C. An Owner shall not make any alteration or modification involving plumbing, electricity and fire protection systems, and/or heating, ventilating, air conditioning systems, or the mechanical or structural systems within such Owner's Unit or the Common Elements, without first ensuring that any proposed alteration or modification complies with all applicable governmental requirements, submitting plans and specifications therefor and the name, address and telephone number of any contractor to the Association and securing the prior written approval of the Association. Such prior written approval is required to ensure that the alterations or modifications: (i) are consistent and compatible with the existing Building, and (ii) do not encourage or involve a violation of the Condominium Documents. No Owner may alter the floor or wall assembly, without approval of the Board and, in the Board's sole discretion; certification by a qualified engineer that such alternative floor system has equal or greater sound transmission mitigation properties (as by measured by the STC Rating of the alternative floor or wall system). Any wood, tile or other hard surface flooring within a Unit shall have sub-flooring as the Association may require to ensure that such wood, tile or other hard surface flooring shall not create a nuisance or disturbance to other Owners. No Owner shall paint any portion of the exterior of such Owner's Unit or any other portion of the Condominium.

D. No Unit may be converted or subdivided into more than one residence.

E. Miscellaneous Restrictions on Use.

- (i) Antennas. An Owner shall not erect antennae, aerials, or satellite dish(es), on the roof of the Condominium, or in the windows or on any balcony of a Unit, except as expressly permitted, in writing, by the Association.
- (ii) Awnings. An Owner shall not erect or place any awnings or other exterior attachments on a Unit or the balcony of such Unit;

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the coverage afforded by the insurance on the Condominium. No Owner shall store any environmentally hazardous, dangerous, explosive or flammable liquids or other like materials either in his or her or its Unit or upon the Common Elements.

E. Storage/Refuse/Obstructions. The Common Elements shall not be used for storage of supplies, personal property, garbage or refuse of any kind (except common garbage receptacles which may from time to time be placed upon the Common Elements at the discretion of the Declarant or the Board). Drives shall not be obstructed in any way nor shall unauthorized persons or use such areas for other than their intended purposes. In general, no activities shall be conducted nor conditions maintained by any Owner either in his or her or its Unit or upon the Condominium Elements which detract from the uniform appearance of the Condominium.

F. Maintenance. Each Owner shall maintain the Owner's Unit and any Limited Common Elements appurtenant thereto in a clean, safe and sanitary condition. Each Owner shall also use due care to avoid damaging any of the Common Elements, including, but not limited to, telephone, water, gas, cable, television, plumbing, power or other utility systems throughout the Condominium and each Owner shall be responsible for his or her negligence or misuse of any of the Common Elements or the Owner's own facilities resulting in damage to the Common Elements.

G. Compliance with Laws. Each Owner shall promptly and fully comply with all applicable laws, rules, ordinances, statutes, regulations, or requirements or any governmental agency or authority with respect to the occupancy and use of his or her or its Unit.

H. No Right of First Refusal. Any Owner (including Declarant) may sell, transfer, or otherwise convey such Owner's Condominium Unit free from, and such sale, transfer or other conveyance shall not be subject to, any right of first refusal or any similar restriction in favor of the Association.

I. Vehicles. Vehicles not in operating condition shall not be parked, repaired or stored (on blocks or otherwise) within the Condominium. Without limitation, vehicles shall be deemed not to be in operating condition if same have expired or missing license tags and/or inspection stickers, or are incapable of being driven due to mechanical condition of any kind. Boats, trailers, campers, motor homes, recreational vehicles, trucks (other than standard-size pick-up trucks), and the like shall not be parked within the Condominium. No noisy or smoky vehicles may be operated in the Condominium. No motorcycles without mufflers shall be permitted in the Condominium. No go-carts or mini-bikes may be ridden within the Condominium.

J. Guest Parking. No persons, other than Owners, may park in the covered parking spaces within the Condominium. Each Owner shall require his or her guests and invitees, including cleaning and maintenance personnel, to park in other areas of the Condominium.

K. Business and Sales Office. None of the restrictions contained in this Section 16 shall apply to the business, management, sales and/or leasing office or offices, sales and/or leasing model Units, other commercial activities, or signs or billboards, if any, of Declarant during the sales period of the Condominium (it being understood that Declarant may maintain one or more sales/leasing model Units in the Condominium during such period and the number, size, location and relocation of such offices and models shall be entirely within the discretion of the Declarant).

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L. Garbage, Trash and Rubbish. All garbage, trash, rubbish, and other waste shall be regularly removed from the Condominium and shall not be allowed to accumulate thereon. No garbage, trash, rubbish, or waste bins or receptacles therefor shall be permitted to remain on any portion of the Common Elements, except on those days specifically scheduled for collection thereof and in areas specifically designated therefore. All garbage, trash, rubbish, and other waste shall be kept only in sanitary containers. Notwithstanding anything to the contrary contained in this Declaration, Owner and Owner's contractors, subcontractors, agents, employees and other parties involved in any construction to or on such Owner's Unit shall confirm that any and all refuse, waste, trash, garbage, rubbish, remains, scraps or other materials and supplies which are brought onto the Condominium or result from the construction by such parties, or any of them, is removed, at such Owner's expense, at such times, manners and locations as may be required by the Association or the Managing Agent (if any).

M. Pets. No Owner of any Unit shall keep more than a total of two dogs and/or cats in such Unit. All pets must be confined to a leash when outside of the Owner's Unit. No pets shall be allowed to urinate or defecate on the shrubs, trees, lawns, or other areas of the Condominium, unless such area is specifically designated for pets by the Association. The Owner of any pet which bites or attempts to bite any person or another pet shall, at the discretion of the Board, be required to immediately and permanently remove the pet from the Condominium upon receipt of written demand by or on behalf of the Board.

#### Section 18. Leases.

- (i) Rules and Regulations for Leasing. Prior to the leasing of any Unit, each Owner must comply with the provisions of this Section.
- (ii) Form and Content of Proposed Lease Agreements.

Any and all lease or rental agreements must be in writing.

Units may be leased only in their entirety; no fraction may be leased.

No more than four (4) persons may reside in any leased Unit at one time.

No transient lessee may be accommodated therein.

Each Lease shall specify, by name, those persons intending to occupy the unit pursuant to the Lease.

All leases must be for a term not less than six (6) months.

Any lease of a Unit in the Condominium shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees the if such language is not expressly contained therein, then, such language shall be incorporated into such lease by virtue of the existence of this covenant. Any lessee, by occupancy in a Unit, agrees to the applicability of this covenant and incorporation of this covenant and following language into the lease:

and suit for damages. In any such lawsuit, the Association shall be entitled to reasonable attorney's fees and costs.

#### Section 19. Sale and Ownership.

A. Condominium. The elements of each Condominium Unit shall be inseparable, and may be sold, assigned, leased, devised or encumbered only as a single Condominium Unit.

B. Deed/Description of Unit. Every deed, lease, mortgage, deed of trust, will or other instrument may legally describe a Condominium Unit by its identifying Unit number followed by the words "Flats on Jackson Hill II Condominium", and reference to the volume and beginning page number of the Condominium Records of Harris County, Texas, in which this Declaration and any amendments thereto are recorded. Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the Unit but also the Common Elements appurtenant thereto. The initial Deeds conveying each Condominium Unit to each Owner may contain reservations, restrictions, exceptions and exclusions which Declarant deems to be consistent with and in the best interests of all Owners (including Declarant) and the Association.

C. Capacity of Owners. A Condominium Unit may be held and owned by more than one person in any real property relationship recognized under the laws of the State of Texas.

#### Section 20. Mortgages and Mortgagee Protections.

A. Record of Mortgages. Any Owner who mortgages his or her interest in a Condominium Unit shall, within ten (10) days after the execution of such mortgage, give notice to the Association in writing of the name and address of the Owner's Mortgagee and of any eligible insurer, guarantor, or collateral assignee of the Owner's Mortgagee, and the amount secured by the mortgage, and the Association shall maintain such information in its records (the "Record of Mortgages"). The Record of Mortgages shall be separately maintained by the Association or by a person designated by the Association. Each Owner shall, in the same manner, notify the Association as to the release or discharge of any such mortgage.

B. Notice to Mortgagees. The Association shall, at the written request of any Mortgagee, insurer, guarantor, or collateral assignee or a Mortgagee appearing in the Record of Mortgages, notify such Mortgagee, insurer, guarantor, or collateral assignee of a Mortgagee of (i) any unpaid assessments due from the Owner of such Condominium Unit to the Association, (ii) the name of each company insuring the Condominium under the Master Policy and the amounts of the coverage thereunder, and of any lapse, cancellation or material modification thereof, (iii) any monetary default by an Owner, (iv) the Association's intent to foreclose its lien in accordance with Section 12, Part 8, (v) any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders, and (vi) any casualty to, or taking of, either a material portion of the Condominium or the Condominium Unit securing its loan.

C. Effect on Mortgagees. Any First Mortgagee, upon foreclosure of its lien on a Unit, or upon acceptance of a deed in lieu of foreclosure thereon, shall not be required to pay any unpaid assessments owing thereon which accrue after the date of recordation of its First Mortgage and prior to the acquisition of title to such Unit by any such First Mortgagee, but shall be liable for such unpaid assessments accruing from and after the date that such First Mortgagee or its assignee acquires title to such Unit. Any assessment lien created or claimed hereunder as to any Unit shall be subject and subordinate to the rights of any holder of any duly

(a) Lessee acknowledges that certain promises made to Lessor are made for the benefit of Ravensway Townhomes & Lofts Association (the "Association") relating the Declaration of Condominium for Ravensway Townhome Condominium I ("Declaration"), the Bylaws of the Association ("Bylaws") and the Rules and Regulations of the Association ("Rules"). In order to enforce the provisions of this Agreement made for the Association's benefit, Lessee agrees and acknowledges, and Lessor authorizes, that in the event of Lessee's breach or violation of any of the provisions of the Declaration, Bylaws, or Rules, as they may be amended from time to time, such breach shall constitute a breach or violation of the Lease and the Lessee shall be default thereunder, and the Association shall be authorized (but not obligated), without joinder or authorization from the Owner of the Unit, to take any and all action against the Lessee available at law or equity, including, but not limited to, all remedies available to a landlord upon breach or default of a lease agreement by the Lessee, including the eviction of the Lessee by forcible entry and detainer action brought by the Association. Failure by the Association to enforce any of its rights shall in no event be deemed a waiver of the right to do so thereafter.

(b) Lessee shall comply strictly with all provisions of the Declaration, Bylaws and Rules as any of the foregoing may be lawfully amended from time to time. Lessee shall control the conduct of his or her family, guests and invitees in order to assure compliance with the foregoing and shall indemnify and hold Lessor and the Association harmless for any such person's failure to comply. Lessee acknowledges that the violation by Lessee or any of the parties described for whose conduct Lessee is responsible to control of any provision in the Declaration, Bylaws or Rules shall constitute a default under this lease.

It shall be the obligation of the Owner to provide the lessee of such Owner's unit with copies of the Declaration, Bylaws and Rules prior to entry into any lease covering such unit; such copies to be made available to such Owners and Lessees for such purpose by the Association for reproduction cost.

(iii) Remedies of the Association

The Owner of the Unit shall be jointly and severally liable with the lessee of his Unit for any and all violations of the Declaration, Bylaws and Rules, for any fines levied against any such lessee by the Association, for any attorneys fees, costs, court costs, or other amounts incurred as a result of any violation and for damages to the Condominium including, without limitation, the Common Elements or Building, caused by such lessee. Provided, however, that an Owner shall not be liable for, or responsible for any criminal acts of such lessee.

Further, in the event the Association proceeds to evict a lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be specially assessed against the Unit and the Owner thereof, such being deemed herby as an expense which benefits the leased Unit and the owner thereof.

The Association shall have the authority to enforce any violations of the Declaration, or Rules and Regulations by appropriate judicial relief, including injunctions

recorded First Mortgage upon such Unit made in good faith and of value as to assessments due and payable after the date of recordation of such mortgage and prior to the date such First Mortgagee acquires title to such Unit. Except as expressly set forth herein, no lien created under the provisions of this Declaration shall in any way defeat, invalidate or impair the rights of any First Mortgagee under any such duly recorded First Mortgage unless such First Mortgagee thereunder shall expressly subordinate its interest, in writing, to such lien.

D. Subordination Agreements. Notwithstanding anything contained in this Declaration to the contrary, the Association may, upon the affirmative vote of Owners entitled to vote and holding in the aggregate more than fifty percent (50%) of the Percentages of Common Interest Ownership assigned to all Units, execute a subordination agreement or agreements to extent the benefits of the two preceding paragraphs to mortgages, deeds of trust and Mortgagees not otherwise entitled thereto.

E. Binding on Mortgagees. No breach of any provision of this Declaration shall impair or invalidate the lien of any duly recorded mortgage or deed of trust made in good faith and for value encumbering one or more Units; provided, however, that all of the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges and equitable servitude contained in this Declaration shall be binding upon and effective against any person who acquires title to or any beneficial interest in any Condominium Unit by way of foreclosure or otherwise.

F. Financial Statements. To the extent the Association does not have an audited financial statement, any First Mortgagee shall have the right to have an audited financial statement prepared at its own expense.

G. Working Capital Requirements. Declarant shall establish a working capital fund to meet unforeseen expenditures or to purchase any additional equipment or services. The initial working capital fund established by Declarant shall be in an amount that is at least equal to two (2) months of estimated Common Expenses for each Unit. Each Unit's share of the working capital fund may be collected from each Owner either at the time of sale of the Unit is closed or when control of the Condominium is transferred to the Owners, whichever is earlier. Any amounts paid into the working capital fund shall not be considered as advance payments of regular Common Expense assessments. The working capital fund shall be transferred to the Association for deposit to a segregated fund when control of the Association is transferred to the Owners.

Declarant shall not use working capital funds to defray any of its expenses, reserve contributions, or construction costs or to make up any budget deficits while it is in control of the Association. Upon the sale of any unsold Unit, Declarant shall be entitled to reimburse itself for any funds paid to the Association for any unsold Unit's share of the working capital fund by using funds collected at closing when the Unit is sold. An amount equal to two (2) months of Regular Assessments shall be collected at each subsequent closing of the sale of a Unit, which amount shall be paid into the Association's fund for replacement reserves.

**Section 21. Boundaries.** In the event that any portion of a Unit or a Common Element changes boundaries and thereby encroaches upon another Unit or Common Element due to the shifting, settling or moving of the Building, such changed boundaries shall be deemed to constitute the boundaries of the Units and the Common Elements so affected.

#### Section 22. Amendments and Modifications.

A. Amendments. This Declaration may not be amended except by the affirmative vote or written agreement of 67% of the total of the Percentage of Common Interest Ownership, and then subject to the remaining provisions of this Section 22.

B. Except in the event that all Owners and First Mortgagees vote in favor of the same, no purported amendment of any Condominium Document or any action or inaction of the Association shall:

- (i) vacate, waive, revoke, abandon or terminate (other than fire or other casualty or a taking of all Units by condemnation) the Condominium or the Declaration;
- (ii) be deemed to have changed the Percentage of Common Interest Ownership assigned to any Unit, except as provided in Sections 16 or 22.D hereof, or the dimensions or boundaries of any Unit (including, without limitation, any change resulting from subdivision or partition), except pursuant to Section 21 hereof; or
- (iii) be deemed to have changed or amended any material provision of the Condominium Documents (with the express exception of the provisions of the Bylaws which may be amended in accordance therewith or unless such change or amendment is done pursuant to Sections 22.A or 22.D) including, but not limited to, voting rights, Assessments, reserves, insurance or fidelity bonds, rights to use of or interest in, or sale or transfer (apart from the Units to which they relate), abandonment, partition, Condominium or encumbrance of, the Common Elements (the granting by the Association of easements for public utilities or other public purposes consistent with the intended use of the Common Elements not being deemed a transfer within the meaning of the foregoing) the Common Elements, responsibility for the maintenance and repair of the Condominium, expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium, convertibility of Units into Common Elements or vice versa, leasing of Units, imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer or otherwise convey such Owner's Unit, or any other provision which is for the express benefit of any Mortgagee, insurer or guarantor of any first mortgage or deed of trust secured by a lien on any Condominium Unit, including, without limitation, provisions concerning the disposition of insurance proceeds and condemnation awards
- (iv) In the event all Owners and First Mortgagees vote to amend any portion of this Declaration, such amendment, executed by all Owners and First Mortgagees, shall be filed in the Real Property Records of Harris County, Texas, following which, the amendment(s) shall be effective, but not until such time.

C. Approval by Mortgagees of Amendments. Any Mortgagee who receives by certified or registered mail, with a "return receipt" requested, a written request to approve an amendment, modification or supplement thereto, and who does not deliver or post to the Association a negative response within thirty (30) days thereafter, shall, to the extent permitted by the Act, be deemed to have approved such request.

D. Amendments by Declarant. Notwithstanding the generality of the foregoing, and notwithstanding anything in this Declaration to the contrary, Declarant expressly retains the right

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the rights and remedies which may be provided by the Act, this Declaration, or the Bylaws, or which may be available at law or in equity, and may prosecute any action or other proceeding against any defaulting Owner and/or Owners for enforcement of the lien in favor of the Association or to enforce compliance with the matter with respect to which default has been made, by injunctive relief or otherwise, or for the collection of any sums, debts, or damages in default or arising from any default. The Board is or its authorized representative shall be further empowered and authorized to correct and cure any matter in default and to do whatever may be necessary for such purpose. All expenses incurred in connection with any such action or proceeding shall be part of the Common Expenses and collectible from each Owner as in the case of other Common Expenses, and the same shall be reimbursed by the defaulting Owner, and such Owner's Unit subject to a lien in favor of the Association for the same. Notwithstanding the foregoing, in the enforcement by Declarant or the Association of restrictions against a Unit or its use, the party seeking to enforce the restriction must institute judicial proceedings before any items of construction may be altered or demolished.

#### Section 25. Miscellaneous.

A. Effect of Acceptance or Recordation of a Deed. The acceptance or recordation of a Deed to a Condominium Unit or the entering into occupancy of a Unit shall constitute an agreement by the Owner and his or her tenants, servants, visitors or occupants that: (i) this Declaration and the Condominium and the Condominium Documents, as they may be amended from time to time, and all items affecting title to the Land are accepted, agreed to and ratified by the Association and each such Owner, tenant, visitor, servant or occupant, and their respective heirs, executors, administrators, successors, legal representatives, assigns, purchasers, grantees, mortgagees and all others having or claiming an interest in any Unit, and all of such provisions shall be deemed to be covenants running with the land to bind any person having at any time any interest or estate in such Unit, as though such provisions were cited and stipulated in each and every Deed to a Unit, and (iii) violations of the terms of the Condominium Documents by any such person shall be deemed to be a substantial violation of the duties of the Owner.

B. Severability, Interpretation. If any provision of this Declaration or the Bylaws, or any section, sentence, paragraph, clause, phrase or word, or the application thereof in any circumstance shall be invalid or unenforceable, the validity or enforceability of the remainder of the Condominium Documents and the application of any such provision, section, sentence, paragraph, clause, phrase, or word in any other circumstance shall not be affected thereby. If anything in the Condominium Documents shall be susceptible to two or more interpretations, then the interpretation which shall most nearly be in accord with the intent of the Act, and the general purposes and intent of the Condominium Documents, shall govern.

C. No Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason or any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

D. Separation of Estates. The separate and common estates created by this Declaration shall continue until this Declaration is terminated in the manner and to the extent as provided herein.

E. No Gift or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Land or the Building to the public or for any public use.

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and shall at all times have the right, to the extent permitted by the Act, to amend this Declaration without the consent or approval of any other person in order to:

- (i) correct survey or other errors made herein prior to the first meeting of Owners;
- (ii) change the Percentage of Common Interest Ownership assigned to, and the dimensions of, Units owned by Declarant so long as, except as permitted by this Declaration, such changes do not affect the Percentage of Common Interest Ownership assigned to, or the dimensions of, the Units not owned by the Declarant;
- (iii) make this Declaration comply with the mandatory provisions of the Act, if it be deficient in any such respect, or, as long as Declarant owns any Unit which has not been occupied, conform this Declaration to the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Housing Administration or the Veterans Administration, with respect to condominium documentation.

Declarant expressly retains the right to make such amendments without permission of the Association or any other person or entity, whether said amendments occur before or after the Association takes over the administration of the Condominium. Each Owner, by acceptance of a deed covering the Owner's Unit, authorizes and empowers Declarant, as such Owner's agent and attorney-in-fact for said purposes only, to execute, deliver and record any such amendment or amendments either in the name of the Declarant, or in the name and as the act of such Owner and all other Owners, and this power and authorization shall be irrevocable.

#### Section 23. Taxation.

A. Of Units After Separate Assessment. Each Unit shall be assessed and taxed for all purposes as a separate parcel of real estate entirely independent of the Building, and independent of the Condominium or the Common Elements thereof, and each Owner shall be solely responsible for the payment of all taxes, municipal claims, charges and assessments of any nature whatsoever assessed against such Unit. The valuation of the General Common Elements and the Limited Common Elements shall be assessed separately to each Owner in accordance with his or her Percentage of Common Interest Ownership in the Common Elements. Such payment shall be made prior to the due date of such taxes, municipal claims, charges and assessments.

B. Of Units Prior to Separate Assessment. Prior to the time respective taxing authorities shall have assessed and taxed each Unit as a separate parcel of real estate as provided above, any such taxes, municipal claims, charges and assessments assessed, against the Condominium as a whole shall be an expense of the then existing owner(s) of the Condominium (including owners of units then conveyed), apportioned among such owners on the same basis as the Percentage of Common Interest Ownership of the Common Elements, and pro-rated among such Owners to reflect their respective period of ownership for which such tax levy is effective.

#### Section 24. Remedies.

In the event any default is made by any Owner under the Act, this Declaration, the Bylaws, or the Rules and Regulations, the Board or the Association or their representative shall have all of

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F. Mechanic's and Materialman's Liens. No labor performed or materials furnished and incorporated in a Unit with the consent or at the request of an Owner or his or her agent or his or her contractor or subcontractor shall be the basis for the filing of a lien against the Condominium of the Unit or any other Owner not expressly consenting to or requesting the same, or against the Common Elements. Each Owner shall indemnify and hold harmless the Condominium and each of the other Owners from and against any loss, cost or expense in connection with construction performed or for labor, materials, services or other products incorporated in the Owner's Unit at such Owner's request.

G. SECURITY. THE TERM "DECLARANT" AS USED IN THIS SECTION 25G SHALL HAVE THE MEANING SET FORTH IN SECTION 1.Q "DEFINITIONS" HEREOF AND SHALL FURTHER INCLUDE, WITHOUT LIMITATION, THE DECLARANT, ITS GENERAL PARTNER(S), PARTNERS, DIRECTORS, MANAGERS, EMPLOYEES, AGENTS, CONTRACTORS, SUB-CONTRACTORS, DESIGN CONSULTANTS, ARCHITECTS, ADVISORS, BROKERS, SALES PERSONNEL, AND MARKETING AGENTS. THE TERM "ASSOCIATION" AS USED IN THIS SECTION 25G SHALL HAVE THE MEANING SET FORTH IN SECTION 1.C HEREOF AND SHALL FURTHER INCLUDE, WITHOUT LIMITATION, THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, EMPLOYEES, AND AGENTS. THE DECLARANT AND THE ASSOCIATION SHALL NOT IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE CONDOMINIUM. NEITHER SHALL THE DECLARANT OR THE ASSOCIATION BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. THE DECLARANT AND THE ASSOCIATION DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS (IF ANY ARE PRESENT) WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE, NOR THAT FIRE PROTECTION, BURGLAR, ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. THE DECLARANT AND THE ASSOCIATION ARE NOT AN INSURER AND EACH OWNER AND OCCUPANT OF ANY UNIT AND EACH TENANT, GUEST AND INVITEE OR ANY OWNER ASSUMES ALL RISKS FOR LOSS OF DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS AND ACKNOWLEDGES THAT THE DECLARANT AND THE ASSOCIATION HAVE MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE CONDOMINIUM.

H. Exhibits. All exhibits, attachments, annexed instruments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied verbatim herein.

I. Notices. Notices provided for in the Act, this Declaration or the Bylaws shall be in writing and shall be addressed to the Board or the Association at the address of the Board, the Association or their respective representatives which may be established from time to time

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and of which the Owners shall be notified. Notice to the Owners may be sent to the mailing address of their respective Units or to such other address which any Owner may in writing designate by notice thereof to the Board, the Association or their respective representatives. Any notice which is required to be sent, given or delivered on the earlier of (i) the date actually received or (ii) three (3) business days after deposit for delivery by the U.S. Postal Service, postage prepaid, certified mail, return receipt requested.

J. Omissions. In the event of the omission from the Condominium Documents of any word, sentence, clause, provision or stipulation which shall be necessary for the accomplishment of the intent and purposes or any part hereof, then such omitted matter shall be applied by inference and/or by reference to the Act.

K. Captions and Exhibits. Captions used in the various articles and sections and sections of this Declaration are for convenience only and they are not intended to modify or affect the meaning and any of the substantive provisions hereof.

L. Use of Number and Gender. Wherever used herein and unless the content shall otherwise provide, the singular number shall include the plural, the plural number shall include the singular, and the use of any gender shall include all genders.

M. Conflicting or Inconsistent Provisions. If at any time, a provision of the Rules and Regulations or Bylaws, as then existing, conflicts with or is inconsistent with the provisions of this Declaration, the provisions of this Declaration shall control. If at any time, a provision of the Rules and Regulations conflicts with or is inconsistent with the provisions of the Bylaws, the provision of the Bylaws shall control.

N. Governing Law. THE CONDOMINIUM DOCUMENTS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS. VENUE FOR ANY ACTION BROUGHT IN CONNECTION WITH THE CONDOMINIUM SHALL BE IN HARRIS COUNTY, TEXAS.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed the day and year first written above.

**DECLARANT**

**RAVENSWAY TOWNHOMES 1.1, LTD.**

*Donald H. Dildy*  
DDC-DMI, Inc.  
General Partner  
By: Donald Dildy, President

The undersigned, being the only individual Owner of property within Ravensway Townhome Condominium I, hereby consents to the filing of this Declaration of Condominium for Ravensway Townhome Condominium I.

*Allison Labbe*  
Allison Labbe  
Owner of Unit 110, Building One (1)

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**EXHIBIT "A"**  
**(to the Declaration)**  
**BYLAWS OF RAVENSWAY TOWNHOMES & LOFTS ASSOCIATION**  
**(Attached at end)**

The undersigned, being the holder of all outstanding liens against the property within Ravensway Townhome Condominium I, hereby consents to the filing of this Declaration of Condominium for Ravensway Townhome Condominium I.

*Marty Winborn*  
First Horizon Home Loan Corporation  
By: *MARTY WINBORN*  
Its: *VICE PRESIDENT*  
STATE OF TEXAS  
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this *14* day of December 2007, personally appeared Donald Dildy, the President of DDC-DMI, Inc., general partner of Ravensway Townhomes 1.1, Ltd., known to me to be the person whose name is subscribed to the foregoing DECLARATION OF CONDOMINIUM FOR RAVENSWAY CONDOMINIUM I, and acknowledged to me that he executed the same for the purpose of filing the document in the Real Property Records of Harris County, Texas.



*Jane Hubert*  
Notary Public - State of Texas

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**EXHIBIT "B"**  
**(to the Declaration)**  
**CONDOMINIUM PLAN**  
Part I: Legal Description of the Land  
**(SEE ATTACHED)**

EXHIBIT "B"  
(to the Declaration)

CONDOMINIUM PLAN

Part II: Plat of the Condominium

12623	Building 1	Units 110, 111 and 112
12603	Building 2	Units 220, 221, 222, 223, 230 and 231
12523	Building 3	Units 320, 321, 322, 323, 324, 330, 331 and 332
12503	Building 4	Units 410, 411 and 412
12622	Building 5	Units 510, 511 and 512
12602	Building 6	Units 610, 611, 612, and 613
12522	Building 7	Units 710, 711 and 712
12502	Building 8	Units 810, 811 and 812

(SEE GRAPHICS AT END)

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OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS  
CONDOMINIUM RECORDS OF COUNTY CLERK

201283

FILM CODE

RAVENSWAY TOWNHOME CONDOMINIUM II  
AMENDMENT TO DECLARATION

THIS IS PAGE 16 OF 16 PAGES

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EXHIBIT "B"  
(to the Declaration)

CONDOMINIUM PLAN

Part III: Plats of each floor of the Buildings

(SEE GRAPHICS AT END)

EXHIBIT "B"  
(to the Declaration)  
CONDOMINIUM PLAN

Part IV: Percentage Ownership

Units	Sq. Feet	Common Interest Ownership	Initial Regular Assessment
<b>A UNITS.....1,847</b> Building 1, Unit 110 Building 4, Unit 412 Building 5, Unit 510 Building 7, Unit 710 Building 8, Unit 812		<b>3.6524 % each</b>	<b>\$190 per month</b>
<b>B UNITS.....1,658</b> Building 1, Unit 112 Building 4, Unit 410 Building 5, Unit 512 Building 7, Unit 712 Building 8, Unit 810		<b>3.27861 % each</b>	<b>\$170.00 per month</b>
<b>B-2 Units..... 1,693</b> Building 6, Unit 613 Building 6, Unit 611		<b>3.3479 % each</b>	<b>\$174.00 per month</b>
<b>C UNITS .....1,500</b> Building 1, Unit 111 Building 4, Unit 411 Building 5, Unit 511 Building 7, Unit 711 Building 8, Unit 811		<b>2.7242 % each</b>	<b>\$154.00 per month</b>
<b>D UNITS.....1,736</b> Building 6, Unit 610		<b>3.4329 % each</b>	<b>\$178.00 per month</b>
<b>F UNITS.....1,300</b> Building 6, Unit 612		<b>2.5707 % each</b>	<b>\$134.00 per month</b>
<b>TBD UNITS</b> Building 2, 8206 Square Feet 3 Two Story Townhomes <b>Approx. 2,735 each</b>		<b>5.4091 % each</b>	<b>\$281.00 per month</b>
<b>TBD UNITS</b> Building 3, 10,916 Square Feet 4 Two Story Townhomes <b>Approx. 2,729 each</b>		<b>5.3965 % each</b>	<b>\$280 per month</b>

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EXHIBIT "C"  
(to the Declaration)

EASEMENTS AND LICENSES

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

DEC. 18, 2007



Beverly B. Kaufman  
COUNTY CLERK  
HARRIS COUNTY, TEXAS

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed and recorded.

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