DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR HIGHLAND VILLAGE

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THE STATE OF TEXAS §
COUNTY OF HARRIS §

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WHEREAS, by the instrument recorded on May 14, 1948 in Volume 1768, Page 673, of the Deed Records of Harris County, Texas, (referred to herein as "the Original Restrictions"), certain covenants, conditions and restrictions were imposed upon the following real property, towit:

Highland Village, an addition in Harris County, Texas according to the map or plat thereof recorded under Volume 27, Page 42, of the Map Records of Harris County, Texas

and

WHEREAS, subsequent to the date that the Original Restrictions were recorded, additional lots in Highland Village were subjected to the provisions of the Original Restrictions and certain lots were released from the Original Restrictions by documents recorded in the Deed Records of Harris County, Texas.

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WHEREAS, the provisions of the Original Restrictions were amended, extended and reextended as to certain lots within Highland Village by instruments ("Extension Agreements") recorded in the Real Property Records of Harris County, Texas under Clerk's File Nos. 556964, 606954, D926251, F840150 and G263828; and

WHEREAS, the undersigned, being owners of all of the lots in Highland Village presently subjected to the Original Restrictions by virtue of the Extension Agreements, and the desire to amend the Original Restrictions in their entirety and subject all of the lots to the provisions of this Declaration of Covenants, Conditions and Restrictions for the purpose of creating uniform restrictions applicable to all of the designated lots in Highland Village;

NOW, THEREFORE, the undersigned, being owners of the lots in Highland Village described below, hereby amend the Original Restrictions in their entirety and declare that such lots shall be held, transferred, sold, conveyed, occupied and enjoyed subject to the covenants, conditions, easements, charges, liens and restrictions hereinafter set forth. The lots to which the provisions of this Declaration shall be applicable are described as follows:

Lots One (1) through Seven (7), inclusive, Block One (1)
Lots Eight (8) through Fourteen (14), inclusive, Block Two (2)

Lots Seventeen (17) through Thirty-Four (34), inclusive, Block Three (3) Lots Thirty-Five (35) through Fifty-Two (52), inclusive, Block Four (4) Lots Fifty-Three (53) through Seventy (70), inclusive, Block Five (5) Lots Seventy-One (71) through Seventy-Nine (79), inclusive, Block Six (6) South Forty (40) feet of Lot 82 and the North Thirty-Five (35) feet of Lot 83; South Twenty (20) feet of Lot 83 and Lot 84; and Lots 85 through Ninety-Six (96), inclusive, Block Seven (7)

All in Highland Village, an addition in Harris County, Texas according to the map or plat thereof recorded in Volume 27, Page 42, of the Map Records of Harris County, Texas.

ARTICLE I

Definitions

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

- A. ANNUAL MAINTENANCE CHARGE The assessment made and levied by the Association against each Owner and his Lot in accordance with the provisions of this Declaration.
- B. ARTICLES OF INCORPORATION The Articles of Incorporation of the Association.
- **C. ASSOCIATION** Highland Village Civic Club, Inc., a Texas non-profit corporation, its successors and assigns.
 - D. BOARD or BOARD OF DIRECTORS The Board of Directors of the Association.
 - E. BYLAWS The Bylaws of the Association.
- F. LOT or LOTS Each of the lots to which this Declaration is applicable, as identified above.
- G. MAINTENANCE FUND Any accumulation of the annual maintenance charges collected by the Association in accordance with the provisions of this Declaration and interest, penalties, assessments and other sums and revenues collected by the Association pursuant to the provisions of this Declaration.
- **H. MEMBER or MEMBERS** All Lot Owners who are members of the Association as provided in Article III hereof.
- I. MORTGAGE A security interest, mortgage, deed of trust, or lien instrument granted by an Owner to secure the payment of a loan made to such Owner, duly recorded in the office of the County Clerk of Harris County, Texas, and creating a lien or security interest encumbering a Lot and some or all improvements thereon.
- J. OWNER or OWNERS Any person or persons, firm, corporation or other entity or any combination thereof that is the record owner of fee simple title to a Lot, including contract sellers, but excluding those having an interest merely as a security for the performance of an obligation.
- **K. PLAT** The plat for Highland Village, recorded in Volume 27, Page 42, of the Map Records of Harris County, Texas; and any replat thereof.

- L. RESIDENTIAL DWELLING The single family residence and appurtenances constructed on a Lot.
- M. RESTRICTIONS The covenants, conditions, restrictions, easements, reservations and stipulations that shall be applicable to and govern the improvement, use, occupancy, and conveyance of all the Lots as set out in this Declaration or any amendment thereto.

ARTICLE II

General Provisions Relating to Use and Occupancy

SECTION 2.1. USE RESTRICTIONS.

- A. GENERAL. All Lots shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions, restrictions, easements, charges, and liens set forth in this Declaration. No Lot may be subdivided. However, any Owner of two (2) adjoining Lots may consolidate such Lots for the purpose of constructing one (1) Residential Dwelling on the resulting site, in which event setback lines shall be measured from the resulting side property lines. Upon the consolidation of two (2) adjoining lots and the substantial completion of a Residential Dwelling thereon, the composite building site shall be considered a single Lot for purposes of membership in the Association, voting rights and assessments.
- B. SINGLE FAMILY RESIDENTIAL USE. Each Owner shall use his Lot and the Residential Dwelling on his Lot for single family residential purposes only. As used herein, the term "single family residential purposes" shall be deemed to specifically prohibit, but without limitation, the use of any Lot for a duplex apartment, a garage apartment or any other apartment or for any multi-family use or for any business, professional or other commercial activity of any type, unless such business, professional or commercial activity is unobtrusive and merely incidental to the primary use of the Lot and the Residential Dwelling for residential purposes. No Owner or occupant of a Residential Dwelling shall conduct, transmit, permit or allow any type or kind of home business or profession or hobby on any Lot or within any Residential Dwelling which attracts automobile, vehicular, or pedestrian traffic to the Lot or involves lights, sounds, smells, visual effects and the like that unreasonably disturb surrounding residents. No Owner shall use or permit such Owner's Lot or Residential Dwelling to be used for any purpose that would (i) constitute a public or private nuisance, which determination may be made by the Board in its sole discretion; (ii) constitute a violation of the Restrictions or any applicable law or (iii) unreasonably interfere with the use and occupancy of another Lot by other Owners.
- C. PASSENGER VEHICLES. Except as provided in Article II, Section 2.1, D, below, no Owner, lessee, tenant or occupant of a Lot, including all persons who reside with such Owner, lessee or occupant on the Lot, shall park, keep or store any vehicle on any Lot which is visible from any street or any neighboring Lot other than a passenger vehicle or pick-up truck and then only if parked on the driveway for a period not exceeding twenty-four (24) consecutive hours. For purposes of these Restrictions, the term "passenger vehicle" is limited to any vehicle which displays a passenger vehicle license plate issued by the State of Texas or which, if displaying a license plate issued by another state, would be eligible to obtain a passenger vehicle license plate from the State of Texas and a sport utility vehicle used as a family vehicle (whether or not the sport utility vehicle displays a passenger or truck vehicle license plate) and the term "pick-up truck" is limited to a three-quarter (3/4) ton capacity pick-up truck which has not been adapted or modified for commercial use. No passenger vehicle or pick-up truck owned or used by the residents of a Lot

shall be permitted to be parked overnight on any street adjacent to any Lot. No guest of an Owner, lessee or other occupant of a Lot shall be entitled to park overnight on any street adjacent to a Lot or on the driveway of a Lot for a period longer than twenty-four (24) consecutive hours. No Owner, lessee or other occupant of a Lot shall park any vehicle on a vacant Lot (i.e., a Lot on which no Residential Dwelling exists or a Lot on which a Residential Dwelling exists but is not occupied).

- **D.** OTHER VEHICLES. No mobile home trailers, recreational vehicles, trailers or boats shall be parked, kept or stored on a Lot if visible from any street or any neighboring Lot.
- E. VEHICLE REPAIRS. No passenger vehicle, pick-up truck, mobile home trailer, recreational vehicle, trailer, boat or other vehicle of any kind shall be constructed, reconstructed, or repaired on any Lot if visible from any street or any neighboring Lot.
- F. NUISANCES. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot and no odors shall be permitted to arise therefrom, so as to render any such Lot or any portion thereof unsanitary, unsightly, offensive or detrimental to any other Lot or to its occupants. No nuisance shall be permitted to exist or operate upon any Lot. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on any Lot. No noxious or offensive activity affecting sight, sound and/or smell shall be conducted or permitted on any Lot. For the purpose of this provision, a nuisance and/or a noxious or offensive activity shall be any activity or condition on a Lot which is reasonably considered to be an annoyance to surrounding residents of ordinary sensibilities and/or which might be calculated to reduce the desirability of any Lot. The Board of Directors is authorized to determine whether any activity or condition on a Lot constitutes a nuisance or is offensive and its determination shall be final and binding on all Owners.
- G. REPAIR OF BUILDINGS. No Residential Dwelling or other building or structure upon any Lot shall be permitted to fall into disrepair, and each such Residential Dwelling, building, or structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished by the Owner of the Lot at such Owner's sole cost and expense.
- H. TRASH CONTAINERS. No garbage or trash shall be placed or kept on a Lot except in covered containers.
- I. CLOTHES DRYING. No outside clothesline or other outside facilities for drying or airing clothes shall be erected, placed or maintained on any Lot if visible from any street in or a neighboring Lot:
- J. ANIMALS. No animals or birds, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any Lot and then only if they are kept thereon solely as domestic pets and not for commercial purposes. No animal or bird shall be allowed to make an unreasonable amount of noise, or to become a nuisance. Exotic animals are not permitted on a Lot. For purposes hereof, an animal is an "exotic" animal if it is not a generally recognized house or yard pet, it is a breed of animal that is commonly considered to be wild, as opposed to domesticated, or if it is a breed of animal that is inherently aggressive or vicious toward other animals or humans. No structure for the care, housing or confinement of any animal or bird shall be maintained so as to be visible from any street. The Board shall have the authority to determine, in its sole and absolute discretion, whether, for the purposes of this paragraph, a

particular animal or bird is a generally recognized house or yard pet, or a nuisance, or whether the number of animals or birds kept on any Lot is reasonable.

- K. DISEASES AND INSECTS. No Owner shall permit any thing or condition to exist upon any Lot which shall induce, breed or harbor infectious plant diseases or noxious insects.
- L. RESTRICTION ON FURTHER SUBDIVISION. No Lot shall be further subdivided.
- M. SIGNS. No signs whatsoever shall be erected or maintained on any Lot if visible from any street or a neighboring Lot except:
 - (i) Street signs and such other signs as may be required by law;
 - (ii) During the time of construction of any Residential Dwelling, building or other improvement, one job identification sign not larger than eighteen inches in height and twenty-four inches in width; and
 - (iii) A "for sale" sign, of a reasonable type, size and appearance, which is similar to other signs customarily used in Harris County, Texas, to advertise individual parcels of residential real property.
 - (iv) Not more than two (2) political signs having a face area not larger than four (4) square feet each for a period of time commencing three (3) weeks before the corresponding election day and ending two (2) days after the election day, unless otherwise provided by law.

SECTION 2.2. DECORATION, MAINTENANCE, ALTERATION AND REPAIRS.

- A. Subject to the provisions of this Declaration, each Owner shall have the right to modify, alter, repair, decorate, redecorate or improve the Residential Dwelling on such Owner's Lot, provided that all such action is performed with a minimum inconvenience to other Owners and does not constitute a nuisance.
- **B.** Each Owner shall maintain the Residential Dwelling and other improvements on his Lot in good order and repair at all times.

SECTION 2.3. TYPE OF CONSTRUCTION AND MATERIALS.

- A. TYPES OF STRUCTURES. No structures shall be erected, altered, placed or permitted to remain on any Lot other than (i) one detached, single family dwelling not to exceed the height limitations set forth in Section 2.4, paragraph B, together with an attached or detached private garage for not less than two (2) nor more than three (3) vehicles and (ii) permitted accessory buildings. A two (2) story garage with living area on the second level is permitted.
- B. STORAGE. No building materials of any kind or character shall be placed or stored upon any Lot more than thirty (30) days before the construction of a Residential Dwelling, structure or other improvement is commenced. All materials permitted to be placed on a Lot shall be placed within the property lines of the Lot. After the commencement of construction of any Residential Dwelling, structure or improvement on a Lot, the work thereon shall be prosecuted diligently, to the end that the Residential Dwelling, structure or improvement shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Upon the completion of the construction, any unused materials shall be removed immediately from the Lot.

- C. TEMPORARY STRUCTURES. No structures of a temporary character, trailer (with or without wheels and whether or not attached to a foundation), mobile home (with or without wheels and whether or not attached to a foundation), modular or prefabricated home, tent, shack, barn or any other out-building structure or building, other than the permanent Residential Dwelling to be built thereon, a detached garage and one (1) or more permitted accessory building(s) shall be placed on any Lot, either temporarily or permanently, and no residence house, garage or other structure appurtenant thereto, shall be moved upon any Lot from another location. An accessory building is permitted only if it is located in the rear yard of the Lot, out of view from the street in front of the Lot and, if a corner Lot, the side street adjacent to the Lot. An accessory building, other than a children's playhouse or similar building, shall be used for storage purposes only. No permitted accessory building shall be used for residential purposes.
- D. CARPORTS/GARAGES. No carports shall be constructed on any Lot. A porte cochere is permitted on a Lot if constructed at the same time as the Residential Dwelling. Garages must be provided for all residences and in no case shall a porte cochere act as or be substituted for a garage. No garage shall be placed or maintained on any easement. All garages shall be enclosed by metal or wood garage doors with a paneled design in order to be harmonious in quality and color with the exterior of the appurtenant Residential Dwelling. Each garage on a Lot is required to be used for housing passenger vehicles used or kept by the persons who reside on the Lot. No garage may be converted into living space. No parking spaces in a garage may be used for the storage of personal property if the result is that one or more passenger vehicles used or kept by the residents of the Lot must be parked in the driveway or in the street in front of the Lot.
- E. AIR CONDITIONERS. No window, roof or wall type air conditioner that is visible from any street, shall be used, placed or maintained on or in any Residential Dwelling, garage or other building.
- F. ANTENNAS. Antennas for direct broadcast satellites which are forty inches or smaller in diameter, antennas for multichannel multipoint distribution services which are forty inches or smaller when measured diagonally, and normal television antennas may be installed on a lot, provided that they are placed in the least obtrusive location which still enables the reception of an acceptable quality signal. All other antennas are prohibited.
- G. RECREATIONAL FACILITIES. Free-standing playhouses are permitted in the rear yard of a Lot, behind the Residential Dwelling. Barbecue grills or other types of outdoor cooking equipment shall be located only at the rear of the Residential Dwelling; all barbeque grills and other types of outdoor cooking equipment must be maintained and kept in a reasonably neat and attractive condition. No trash or debris shall be burned on a Lot in any barbecue grill or other type of outdoor cooking equipment.
- H. LOT MAINTENANCE. The Owners or occupants of all Lots shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner. In no event shall an Owner use any Lot for storage of materials and equipment (except for normal residential requirements or incident to construction of improvements thereon as herein permitted) or permit the accumulation of garbage, trash or rubbish of any kind thereon. Owners shall not burn anything on any Lot. The Owners or occupants of any Lots at the intersection of streets, where the rear yard or portion of the Lot is visible to full public view, shall construct and maintain a suitable enclosure to screen the following from public view: yard equipment, wood piles and storage piles that are incident to the normal residential requirements of a typical family.

SECTION 2.4. SIZE AND LOCATION OF RESIDENCES.

- A. MINIMUM ALLOWABLE AREA OF INTERIOR LIVING SPACE. The minimum allowable area of interior living space in a Residential Dwelling shall be One Thousand Three Hundred Fifty (1,350) square feet. For purposes of these Restrictions, the term "interior living space" excludes steps, porches, exterior balconies and garages.
- B. MAXIMUM ALLOWABLE HEIGHT OF BUILDING. No Residential Dwelling shall exceed a reasonable height required for two (2) stories of living space (above finished grade) plus a pitched roof. No Residential Dwelling shall have more than two (2) stories of living space above finished grade, except in a case where a third (3rd) story of living space is contained within the volume of the roof of the Residential Dwelling. Notwithstanding the foregoing, no Residential Dwelling shall exceed a height of forty (40) feet above finished grade.
- C. LOCATION OF IMPROVEMENTS SETBACKS. No Residential Dwelling, garage or improvement on any Lot other than landscaping shall be located nearer to the front property line than twenty-five (25) feet. No Residential Dwelling or improvement other than a garage and/or landscaping on any Lot shall be located nearer to the rear property line than five (5) feet or nearer to any side property line than ten (10) feet. A detached garage on a Lot shall not be located nearer to the rear property line than three (3) feet. An attached or detached garage on a Lot shall not be located nearer to a side property line than five (5) feet, except a corner Lot in which case the garage shall not be located nearer to the side property line adjacent to the street than ten (10) feet. A detached garage on a Lot shall not be located nearer than seventy (70) feet from the front property line.
- **D.** NEW CONSTRUCTION. The construction of a new Residential Dwelling on a Lot, and the construction of an addition to an existing Residential Dwelling on a Lot, must be substantially completed within twelve (12) months of the date that construction commences. For purposes, hereof, the construction of a new Residential Dwelling or addition is deemed to commence on the date that the forms for the foundation are set. Further, the Residential Dwelling or addition shall not be deemed to be substantially complete until it is ready to be occupied.

SECTION 2.5. WALLS AND FENCES.

- A. FENCES. In no event shall any fence or wall be constructed of chain link, wire or any plastic material. In those instances in which privacy fences are installed, in no case may the privacy fence extend beyond the front of the Residential Dwelling. No fence or wall, shall exceed ten (10) feet in height, except on a Lot line that abuts commercial property or the railroad right of way.
- B. MAINTENANCE OF FENCES. It shall be the Lot Owner's responsibility to maintain each wall or fence on his/her Lot. In the event that a wall or fence is located on a property line, it shall be the joint responsibility of the adjacent Lot Owners to maintain the wall or fence.

SECTION 2.6. RESERVATIONS AND EASEMENTS.

A. UTILITY EASEMENTS. Utility easements, roads and rights-of-way are shown on the Plat for the construction, addition, maintenance and operation of all necessary utility systems,

including systems of electric light and power supply, telephone service, cable television service, gas supply, water supply and sewer service.

B. DRAINAGE. No Owner of a Lot shall construct improvements on such Lot or to grade such Lot or permit such Lot to remain in or be placed in such condition that rain water falling on such Lot drains to any other Lot.

ARTICLE III

Management and Operation of Subdivision

SECTION 3.1. MANAGEMENT BY ASSOCIATION. The Association shall have the right, power and obligation to provide for the management, administration, and operation of the Lots subject to these Restrictions as herein provided for and as provided for in the Bylaws. The business and affairs of the Association shall be managed by its Board of Directors. The Association, acting through the Board, shall be entitled to enter into such contracts and agreements concerning the Lots as the Board deems reasonably necessary or appropriate in accordance with the Restrictions, including without limitation, the right to enter into agreements with adjoining or nearby land owners or governmental entities on matters of maintenance, trash pick-up, administration, security, traffic, or other matters of mutual interest.

SECTION 3.2. MEMBERSHIP IN ASSOCIATION. Each Owner, whether one or more persons or entities, of a Lot shall, upon and by virtue of becoming such Owner, automatically become and shall remain a Member of the Association until his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership in the Association shall be appurtenant to and shall automatically follow the ownership of each Lot and may not be separated from such ownership.

SECTION 3.3. VOTING OF MEMBERS. Each Member shall have one (1) vote per Lot owned. In the event that ownership interests in a Lot are owned by more than one Member of the Association, such Members shall exercise their right to vote in such manner as they may among themselves determine, but in no event shall more than one (1) vote be cast for each Lot. Such Owners shall appoint one of them as the Member who shall be entitled to exercise the vote of that Lot at any meeting of the Association. Such designation shall be in writing to the Board and shall be revocable at any time by actual written notice to the Board. The Board shall be entitled to rely on any such designation until written notice revoking such designation is received by the Board. In the event that a Lot is owned by more than one Member of the Association and no single Member is designated to vote on behalf of the Members having an ownership interest in such Lot, the single Member exercising the vote for such Lot shall be deemed to have been designated as the Member entitled to exercise the vote for that Lot. All Members of the Association may attend meetings of the Association and all voting Members may exercise their vote at such meetings either in person or by proxy. The Association shall have the right to suspend an Owner's voting rights for nonpayment of any assessments due on the Owner's Lot and/or for infractions of this Declaration. Annual and special meetings of the Members of the Association shall be held at such place and time and on such dates as shall be specified or provided in the Bylaws.

SECTION 3.4. PROFESSIONAL MANAGEMENT. The Board shall have the authority, but not the obligation, to retain, hire, employ or contract with such professional management companies or personnel as the Board deems appropriate to perform the day to day functions of the Association.

SECTION 3.5. BOARD ACTIONS IN GOOD FAITH. Any action, inaction or omission by the Board made or taken in good faith shall not subject the Board or any individual member of the Board to any liability to the Association, its Members or any other party.

SECTION 3.6. STANDARD OF CONDUCT. The Board of Directors, the officers of the Association, and the Association shall have the duty to represent the interests of the Owners in a fair and just manner. Any act or thing done by any Director, officer or committee member taken in furtherance of the purposes of the Association, and accomplished in conformity with the Declaration, Articles of Incorporation, ByLaws and the laws of the State of Texas, shall be reviewed under the standard of the Business Judgment Rule as established by the common law of Texas, and such act or thing shall not be a breach of duty on the part of the Director, officer or committee member if taken or done within the exercise of their discretion and judgment. The Business Judgment Rule means that a court shall not substitute its judgment for that of the Director, officer or committee member. A court shall not re-examine the decisions made by a Director, officer or committee member by determining the reasonableness of the decision as long as the decision is made in good faith and in what the Director, officer, or committee member believed to be in the best interest of the Association.

ARTICLE IV

Maintenance Expense Charge and Maintenance Fund

SECTION 4.1. MAINTENANCE FUND. All annual maintenance charges collected by the Association and all interest, penalties, assessments and other sums and revenues collected by the Association shall constitute the Maintenance Fund. The Maintenance Fund shall be held, managed, invested and expended by the Board, at its discretion, for the benefit of the Owners of the Lots. The Board shall by way of illustration and not by way of limitation, expend the Maintenance Fund for its administration, management, and operation functions; for the maintenance of any easements granted to the Association; for the enforcement of these Restrictions by action at law or in equity, or otherwise, and the payment of court costs as well as reasonable and necessary legal fees; and for all other purposes that are, in the discretion of the Board, desirable in order to maintain the character and value of the Lots. The Board and its individual members shall not be liable to any person as a result of actions taken by the Board with respect to the Maintenance Fund, except for willful neglect or intentional wrongdoings.

ASSESSMENTS. Each and every Lot is hereby severally subjected to and impressed with an annual maintenance charge or assessment in an amount to be determined annually by the Board, (subject to the limitations set forth in Section 4.3) which annual maintenance charge shall run with the land. Each Owner of a Lot, by accepting a deed to any such Lot, whether or not it shall be so expressed in such deed, is hereby conclusively deemed to covenant and agree, as a covenant running with the land, to pay to the Association, its successors or assigns, each and all of the charges and assessments against his Lot and/or assessed against him by virtue of his ownership thereof, as the same shall become due and payable, without demand. The charges and assessments herein provided for shall be a charge and a continuing lien upon each Lot, together with all improvements thereon, as hereinafter more particularly stated. Each charge or assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time the obligation to pay such assessment accrued, but no Member shall be personally liable for the payment of any assessment made or becoming

due and payable after his ownership ceases. No Member shall be exempt or excused from paying any such charge or assessment by abandonment of his Lot or his interest therein.

SECTION 4.3. BASIS AND MAXIMUM ANNUAL ASSESSMENT. Commencing on January 1 of the year immediately following the year in which this Declaration is recorded, the maximum annual assessment shall be \$50 per Lot. From and after January 1 of the year immediately following the year in which this Declaration is recorded, the maximum annual assessment may be automatically increased, effective January 1 of each year, by an amount equal to a fifty percent (50%) increase over the prior year's annual assessment without a vote of the Members of the Association. From and after January 1 of the year immediately following the year in which this Declaration is recorded, the maximum annual assessment may be increased above seventy-five percent (75%) only if approved by the vote of not less than two-thirds (2/3) of the Members present and voting, in person or by proxy, at a meeting of the Members called for that purpose at which a quorum is present. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum amount established pursuant to this section. The annual assessment levied against each Lot shall be uniform.

SECTION 4.4. DATE OF COMMENCEMENT AND DETERMINATION OF ANNUAL ASSESSMENT. The initial maximum annual assessment provided for herein shall be established as to all Lots on the first day of January of the year immediately following the year in which this Declaration is recorded. On or before the 30th day of November in each year, the Board of Directors of the Association shall fix the amount of the annual assessment to be levied against each Lot in the next calendar year; however, the failure of the Board to fix the amount of the assessment for the next calendar year by November 30th shall not impair the Board's authority to levy an assessment. Written notice of the figure at which the Board of Directors of the Association has set the annual assessment shall be sent to every Owner.

SECTION 4.5. ENFORCEMENT OF ANNUAL MAINTENANCE CHARGE. The annual maintenance charge assessed against each Lot shall be due and payable, in advance, on the first (1st) day of each January. Any annual maintenance charge which is not paid and received by the Association by the thirty-first (31st) day of each January thereafter shall be deemed to be delinquent, and, without notice, shall bear interest at the rate of ten percent (10%) per amum from the date originally due until paid. Further, the Board of Directors of the Association shall have the authority to impose a monthly late charge on any delinquent annual maintenance charge. The monthly late charge, if imposed, shall be in addition to interest. To secure the payment of the annual maintenance charge levied hereunder and any other sums due hereunder (including, without limitation, interest, late fees, costs and attorney's fees), there is hereby created and fixed a separate and valid and subsisting lien upon and against each Lot and all improvements thereon for the benefit of the Association, and superior title to each Lot is hereby reserved in and to the Association. The lien described in this Section and the superior title herein reserved shall be deemed subordinate to any mortgage for the purchase or improvement of any Lot and any renewal, extension, rearrangements or refinancing thereof. The collection of such annual maintenance charge and other sums due hereunder may, in addition to any other applicable method at law or in equity, be enforced by suit for a money judgment and in the event of such suit, the expense incurred in collecting such delinquent amounts, including interest, late charges, costs and attorney's fees shall be chargeable to and be a personal obligation of the defaulting Owner. Further, the voting rights of any owner in default in the payment of the annual maintenance charge, or other

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charge owing hereunder for which an Owner is liable, and/or any services provided by the Association, may be suspended by action of the Board for the period during which such default exists. Notice of the lien referred to in the preceding paragraph may, but shall not be required to, be given by the recordation in the office of the County Clerk of Harris County, Texas of an affidavit, duly executed, and acknowledged by an authorized representative of the Association, setting forth the amount owed, the name of the Owner or Owners of the affected Lot, according to the books and records of the Association, and the legal description of such Lot. Each Owner, by acceptance of a deed to his Lot, hereby expressly recognizes the existence of such lien as being prior to his ownership of such Lot and hereby vests in the Association the right and power to bring all actions against such Owner or Owners personally for the collection of such unpaid annual maintenance charge and other sums due hereunder as a debt, and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including judicial foreclosure. At any foreclosure, the Association shall be entitled to bid up to the amount of the sum secured by its lien, together with costs and attorney's fees, and to apply as a cash credit against its bid all sums due to the Association covered by the lien foreclosed. From and after any such foreclosure the occupants of such Lot shall be required to pay a reasonable rent for the use of such Lot and such occupancy shall constitute a tenancy-at-sufferance, and the purchaser at such foreclosure sale shall be entitled to the appointment of a receiver to collect such rents and, further, shall be entitled to sue for recovery of possession of such Lot by forcible detainer without further notice.

SECTION 4.6. NOTICE OF SUMS OWING. Upon the written request of an Owner, the Association shall provide to such Owner a written statement setting out the then current total of all maintenance charges and other sums, if any, owing by such Owner with respect to his Lot. In addition to such Owner, the written statement from the Association so advising the Owner may also be addressed to and be for the benefit of a prospective lender or purchaser of the Lot, as same may be identified by said Owner to the Association in the written request for such information. The Association shall be entitled to charge the Owner a reasonable fee for such statement.

SECTION 4.7. FORECLOSURE OF MORTGAGE. In the event of a foreclosure of a mortgage on a Lot, the purchaser at the foreclosure sale shall not be responsible for maintenance charges, or other sums, if any, which accrued and were payable to the Association by the prior Owner of the Lot, but said purchaser and its successors shall be responsible for maintenance charges, and other sums, if any, becoming due and owing to the Association with respect to said Lot after the date of foreclosure.

ARTICLE V

Insurance; Security

SECTION 5.1. GENERAL PROVISIONS. The Board shall have the authority to determine whether or not to obtain insurance for the Association and, if insurance is obtained, the amounts thereof. In the event that insurance is obtained, the premiums for such insurance shall be an expense of the Association which shall be paid out of the Maintenance Fund.

SECTION 5.2. SECURITY. The Association, its directors, officers, managers, employees, agents and attorneys, ("Association and Related Parties") shall not in any way be considered an insurer or guarantor of security on any Lot. The Association and Related Parties shall not be liable for any loss or damage by reason of failure to provide adequate security or the ineffectiveness of security measures undertaken. Owners, lessee and occupants of all Lots, on

behalf of themselves, and their guests and invitees, acknowledge that the Association and Related Parties do not represent or warrant that any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devises, or other security systems (if any are present) will prevent loss by fire, smoke, burglary, theft, hold-up or otherwise, nor that fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devises or other security systems will in all cases provide the detection or protection for which the system is designed or intended. Owners, lessees, and occupants of Lots on behalf of themselves, and their guests and invitees, acknowledge and understand that the Association and Related Parties are not an insurer and that each Owner, lessee and occupant of any Lot and on behalf of themselves and their guests and invitees assumes all risks for loss or damage to persons, to Residential Dwellings and to the contents of their Residential Dwelling and further acknowledges that the Association and Related Parties have made no representations or warranties nor has any Owner or lessee on behalf of themselves and their guests or invitees relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devises or other security systems recommended or installed or any security measures undertaken.

ARTICLE VI

Fire or Casualty: Rebuilding

SECTION 6.1. REBUILDING. In the event of a fire or other casualty causing damage or destruction to a Lot or the Residential Dwelling located thereon, the Owner of such damaged or destroyed Lot or Residential Dwelling shall within ninety (90) days after such fire or casualty contract to repair or reconstruct the damaged portion of such Lot or Residential Dwelling and shall cause such Lot or Residential Dwelling to be fully repaired or reconstructed in accordance with the original plans therefor, or in accordance with new plans, and shall promptly commence repairing or reconstructing such Residential Dwelling, to the end that the Residential Dwelling shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Alternatively, such damaged or destroyed Residential Dwelling shall be razed and the Lot restored as nearly as possible to its original condition within ninety (90) days of its damage or destruction.

ARTICLE VII

Amendment, Duration, Annexation and Merger

SECTION 7.1. AMENDMENT. The provisions of this Declaration may be amended by an instrument in writing signed by the Secretary of the Association certifying that Owners representing not less than a majority of the Lots then subject to this Declaration have voted in writing in favor of such amendment, setting forth the amendments, and duly recorded in the office of the County Clerk of Harris County, Texas.

SECTION 7.2. DURATION. These Restrictions shall remain in full force and effect until January 1, 2030, and shall be extended automatically for successive ten (10) year periods; provided however, that these Restrictions may be terminated on January 1, 2030, or on the commencement of any successive ten year period by filing for record in the office of the County Clerk of Harris County, Texas, an instrument in writing signed and acknowledged by Owners representing not less than seventy-five percent (75%) of the Lots.

SECTION 7.3. MERGER. Upon a merger or consolidation of the Association with another association, the Association's properties, rights, and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, rights, and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions applicable to the properties of the merging or consolidating associations as one scheme. No such merger or consolidation shall effect any revocation, change or addition to these Restrictions.

ARTICLE VIII

Miscellaneous

SECTION 8.1. SEVERABILITY. In the event of the invalidity or partial invalidity or partial unenforceability of any provision in this Declaration, the remainder of the Declaration shall remain in full force and effect.

SECTION 8.2. NUMBER AND GENDER. Pronouns, whenever used herein, and of whatever gender, shall include natural persons and corporations, entities and associations of every kind and character, and the singular shall include the plural, and vice versa, whenever and as often as may be appropriate.

SECTION 8.3. ARTICLES AND SECTIONS. Article and section headings in these Restrictions are for convenience of reference and shall not affect the construction or interpretation of these Restrictions. Unless the context otherwise requires references herein to articles and sections are to articles and sections of these Restrictions.

SECTION 8.4. DELAY IN ENFORCEMENT. No delay in enforcing the provisions of these Restrictions with respect to any breach or violation thereof shall impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time.

SECTION 8.5. ENFORCEABILITY. These Restrictions shall run with title to each Lot and shall be binding upon and inure to the benefit of and be enforceable by the Association, each Owner and occupant of a Lot, or any portion thereof, and their respective heirs, legal representatives, successors and assigns. If notice and an opportunity to be heard are given, the Association shall be entitled to impose reasonable fines for violations of the Restrictions and to collect reimbursement of actual attorney's fees and other reasonable costs incurred by it relating to violations of the Restrictions. Such fines, fees and costs may be added to the Owner's assessment account and collected in the manner provided in Article IV of this Declaration.

SECTION 8.7. REMEDIES. In the event any one or more persons, firms, corporations or other entities shall violate or attempt to violate any of the provisions of the Restrictions, the Association, each Owner or occupant of a Lot within the Subdivision, or any portion thereof, may institute and prosecute any proceeding at law or in equity to abate, preempt or enjoin any such violation or attempted violation or to recover monetary damages caused by such violation or attempted violation. Upon the violation of any of the provisions of these Restrictions by any Owner, in addition to all other rights and remedies available to it at law, in equity or otherwise, the Association, acting through the Board, shall have the right to suspend the right of such Owner to vote in any regular or special meeting of the members during the period of the violation.

SECTION 8.8. EFFECTIVE DATE/EXISTING VIOLATIONS. The provisions of these Restrictions shall become effective upon recording. Any circumstances, conditions or improvements which exist prior to the date these Restrictions are recorded and which are not in compliance with these Restrictions shall not be required to be abated or removed. Provided, however, if any such circumstances, conditions or improvements are voluntarily or involuntarily removed, abated or discontinued after the date these Restrictions are recorded, such circumstances, conditions or improvements may not be renewed or replaced in a manner inconsistent with these Restrictions. Notwithstanding the foregoing, this provision shall not be construed to affect the right of the Association or any Lot Owner to proceed with or initiate action against any person who is in violation of the provisions of the prior restrictive covenants after the effective date of these Restrictions so long as the acts, circumstances or conditions constituting a violation of the prior restrictive covenants also violate these Restrictions.

Executed on the date(s) set forth below, to be effective upon recording in the Official Public Records of Real Property of Harris County, Texas.

WRAY McKeough 4025 ESSEX LANG HOUS TO NINT 7027 RE: Amendment To The Declaration of Covenants, Conditions, Restrictions of Highland Village Civic Club

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COUNTY OF HARRIS

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Whereas, by an instrument drafted on February 8, 2006, residents of Highland Village Civic Club pursuant to the Declaration of Covenants, Conditions, Restrictions for Highland Village Civic Club, article 7 section 7.1 have by an instrument in writing

No residential Dwelling or improvement other than a garage and/or landscaping on any Lot shall be located nearer to the rear property line than five (5) feet or nearer to any side property line than (5) feet.

I (we) the undersigned, hereby approve the foregoing Amendment to the Declaration of Covenants, Conditions, Restrictions for Highland Village

State of Texas§
County of Harris §

Before me, Tammie Jones, on this day personally appeared Josh Oren, known to me, and after being duly sworn by me stated on oath that he saw the following persons execute the foregoing instrument excluding one signature via facsimile.

SIGNATURE	ADDRESS	SIGNATURE	ADDRESS
RUTH MERIC	2715 DREXEL	ESTELLE M. LOZMACK	4010 ESSEX
TRACY M. JONES	2719 DREXEL	TERRY PINKSTON	4014 ESSEX
DEBORAH KADLUBAR	2723 DREXEL	J. PARK	4020 ESSEX
KRISTINA & PAUL GRAF	2739 DREXEL	HARTO SUTAHTO	4028 ESSEX
JOHN CLARK	2909 DREXEL	JASON WALKER	4029 BETSY
FRANK D. FOSTER	2915 DREXEL	NEAL HIRSCH	4005 ESSEX
PETER ATHAS	2935 DREXEL	MELISSA SNELL	4006 ESSEX
ELIZABETH F. SAYLER	4002 W ALABAMA	JANE MATTOX TURNER	4007 ESSEX
CARTER CRITES VIA FACSIMILE	4006 W ALABAMA	JOSH OREN	4005 CHATHAM
MICHAEL LEVY	4014 W ALABAMA	CARL MENGDEN	4007 CHATHAM
CHILTON B. GREER	4003 BETSY	CORWIN & ANDREA SLACK	4008 CHATHAM
STUART & MARY HILL	4014 BETSY	SALLY HOLMES	4025 CHATHAM
PETER HOLSINGER	4018 BETSY	WILLAIM EDGE	2900 SUFFOLK
RORY & KATHY RORSCHACH	4019 BETSY	SHARON STARR	2908 SUFFOLK
JOHN SOPER	2928 SUFFOLK	JULIA THOMPSON	2912 SUFFOLK
MARJORY ALEXANDER	2934 SUFFOLK	DAVID & SHERRY MCCOLLOM	2922 SUFFOLK
MILDRED CUMMING, POA			
SHEILA RICE	4018 W ALABAMA		

Given under my hand and seal of office this 14th day of February, 2006

Taio I do

TAMMIE J. JONES
Notary Public, State of Texas
My Commission Expires
March 18, 2009

HIGHLAND VILLAGE CIVIC CLUB

RE; Amendment To The Declaration of Covenants, Conditions, Restrictions of Highland Village Civic Club

THE STATE OF TEXAS

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COUNTY OF HARRIS

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I (we) the undersigned, hereby approve the foregoing Amendment to the Declaration of Covenants, Conditions, Restrictions for Highland Village

State of Texas§
County of Harris §

Before me, Tammie Jones, on this day personally appeared Lisa Oren, known to me, and after being duly sworn by me stated on oath that she saw the following persons execute the foregoing instrument.

SIGNATURE	ADDRESS	SIGNATURE	ADDRESS
JULIE STIENEKER	2914 SUFFOLK	MARILYN & DAVID FONTANA	4023 BETSY
PAUL SCHRAGER	4004 CHATHAM	ELIZABETH RAY LORIO	4002 BETSY
ROBERT & DONNA NORTHWAY	4024 CHATHAM	LAURA & WILLIAM WHELESS	4015 CHATHAM
SUSAN & VIRGIL ROCK	4010 CHATHAM	JEFF WAGNER	2727 DREXEL
KIMBALL MORINIERE	4032 BETSY	KRISTINE KIRSCH	4026 W ALABAMA
LESLIE COOPER	4036 BETSY	BRETT CHILES	4023 ESSEX
HENRY BRAGG	4007 BETSY	SALLY ANN HOLMES	4015 ESSEX
GEORGE C. AYRES	4028 BETSY	JAY & CAROL LOUCKS	4011 BETSY
ELAINE MCPIKE	4029 CHATHAM		

Given under my hand and seal of office this 14th day of February, 2006

Taio & to

