COMPARED

DEED

6939 DECLARATION

886 507

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

(CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE)

STATE OF TEXAS §
§
COUNTY OF FORT BEND §

This Declaration, made on the date hereinafter set forth by Sugarland Properties Incorporated, a Texas corporation, hereinafter referred to as "Declarant".

W I T N E S S E T H:

WHEREAS, Declarant is the owner of that certain 41.781 acre tract of land in the William Stafford League, Abstract No. 89, in Fort Bend County, Texas, which is more particularly described as follows:

Lots One (1) through Thirty-one (31), both inclusive, Block One (1)

Lots One (1) through Thirty-one (31), both inclusive, Block Two (2)

Lots One (1) through Twenty-five (25), both inclusive, Block Three (3)

Lots One (1) through Five (5), both inclusive, Block Four (4)

Lots One (1) through Five (5), both inclusive, Lots Forty-one (41) and Forty-two (42), Block Five (5)

Lots Twenty-seven (27) through Twenty-nine (29), both inclusive, Block Six (6)

Lots One (1) through Eleven (11), both inclusive, Block Seven (7)

Lots One (1) through Thirteen (13), both inclusive, Lots Thirty-nine (39) through Fifty-three (53), both inclusive, Block Eight (8)

Lots One (1) through Ten (10), both inclusive, Lots Thirty-five (35) through Forty-seven (47), both inclusive, Block Nine (9)

Lots One (1) through Eight (8), both inclusive, Lots Thirty-four (34) through Forty-four (44), both inclusive, Block Ten (10)

Lots One (1) through Six (6), both inclusive, Block Eleven (11)

Lots One (1) through Seven (7), both inclusive, Block Twelve (12)

All of said Lots being in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE, according to the map or plat thereof recorded in Volume 24 , Page 7 of the Map Records of Fort Bend County, Texas.

WHEREAS, it is the desire of Declarant to place certain restrictions, covenants, conditions, stipulations and reservations upon and against such property in order to establish a uniform plan for the development, improvement and sale of such property, and to insure the preservation of such uniform plan for the benefit of all the present and future owners of lots in said subdivision and THE CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that Declarant does hereby adopt, establish and impose upon those above described lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE and declare the following reservations, easements, restrictions, covenants and conditions, applicable thereto, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of the land, which reservations shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof and THE CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

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ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to THE CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC., a non-profit corporation, its successors and assigns. The Association shall have power to collect and disburse the maintenance assessments provided for in Paragraph 1, Article VI.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to those certain lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE described above, subject to the Reservations set forth herein and/or in the Subdivision plats, and any additional properties made subject to the terms hereof pursuant to the provisions set forth herein.

Section 4. "Common Area", if any, shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded Subdivision map of the Properties, except the Common Area, if any, and Commercial Reserves, if any.

Section 6. "Declarant" or "Developer" shall mean and refer to Sugarland Properties Incorporated, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development. For the purposes of this Declaration, "developed Lot" shall mean a Lot with the street on which it faces opened and improved and with utilities installed and ready to furnish utility service to such Lot, and "undeveloped Lot" is any Lot which is not a developed Lot.

ARTICLE II

Reservations, Exceptions And Dedications

Section 1. Recorded subdivision maps of the Properties. The recorded subdivision maps of the Properties dedicate for use as such, subject to the limitations as set forth therein, the streets and easements shown thereof, and such recorded subdivision maps of the Properties further establish certain restrictions applicable to the Properties including without limitation certain minimum setback lines. All dedications, limitations, restrictions and reservations shown on the recorded plats or replats of the subdivision of the Properties are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each contract, deed or conveyance executed or to be executed by or on behalf of Declarant, conveying said property or any part thereof, whether specifically referred to therein or not.

Section 2. Easements. Declarant reserves for the public use the easements and rights-of-way as shown on the recorded subdivision maps of the Properties for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers or any other utility Declarant sees fit to install in, across and/or under the Properties. Declarant reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements, but such changes and additions must be approved by the Federal Housing Administration and Veterans Administration. Declarant reserves the right to hereafter enter into a franchise or similar type agreement with one or more Cable Television Companies and Declarant shall have the right and power in such agreement or agreements to grant to such Cable Television Company or Companies the uninterrupted right to install and maintain communications cable and related ancillary equipment and appurtenances within the utility easements or

rights-of-way reserved and dedicated herein and in the referenced plat and Declarant does hereby reserve unto itself, its successors and assigns the sole and exclusive right to obtain and retain all income, revenue and other things of value paid or to be paid by such Cable Television Companies to Declarant pursuant to any such agreements between Declarant and such Cable Television Companies. No structure of any kind shall be erected upon any of said easements. Neither Declarant nor any utility company using the easements herein referred to shall be liable for any damages done by them or their assigns, their agents, employees or servants, to fences, shrubbery, trees or flowers or any other property of the Owner on the land covered by said easements.

Section 3. Title subject to easements. It is expressly agreed and understood that the title conveyed by Declarant to any of the Properties by contract, deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, storm sewer, electric light, electric power, telephone or telegraph purposes. The owners of the respective lots shall not be deemed to separately own pipes, wires, conduits or other service lines running through their property which are utilized for or service other Lots, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his Lot.

ARTICLE III

Use Restrictions

Section 1. Single family residential construction. No building shall be erected, altered or permitted to remain on any lot other than one detached single family dwelling used for residential purposes only, and not to exceed one (1) story in height. Each such dwelling shall have an attached garage for no less than two (2) cars. As used herein, the term

"Residential Purposes" shall be construed to prohibit mobile homes or trailers being placed on the lots or the use of lots for garage apartments, or apartment houses, townhouses, duplexes or any other such attached dwelling units; no lot shall be used for business or professional purposes of any kind, nor for any commercial or manufacturing purposes. No building of any kind shall ever be moved onto any lot within the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE without written approval of the Architectural Control Committee.

Section 2. Location of the improvements upon the Lot. No building shall be located on any lot nearer to the street side line than the minimum building setback line shown on the recorded plat. For all lots other than Lots One (1) and Two (2) of Block Eleven (11), one wall of the building and/or garage shall be located on one side lot line on interior lots. However, this wall shall not have any windows, doors or other such related openings. The other wall of the building and/or garage shall be a minimum of ten (10) feet to an interior lot line or ten (10) feet to an exterior lot line on a corner lot. Eaves in excess of twelve (12) inches, steps and unroofed terraces shall not be allowed to protrude upon adjacent lot on the zero-lot line side of the lot; nor shall any drainage from any roof be diverted onto any adjoining lot. On the ten (10) foot building setback side of the lot, eaves, steps and unroofed terraces shall not be considered as part of a building; however, this shall not be construed to permit any portion of the construction on a lot to extend upon another lot. Lots One (1) and Two (2) of Block Eleven (11) shall not have zero-lot lines. Between Lot One (1) and Windmill Street, there shall be a ten (10) foot building line easement. Lot One (1) shall have a five (5) foot building line easement adjacent to Lot Two (2). Lot Two (2) shall have a five (5) foot building line easement adjacent to Lot One (1). Lot Two (2) shall have a five (5) foot building line easement adjacent to Lot One (1). Lot Two (2) shall have a ten (10) foot building line easement adjacent to Lot Three (3).

No two residential structures of identical floor plan shall be constructed on lots which share common side property lines, (defined as sharing the zero lot line designation) nor shall any two residential structures of identical floor plan and elevation detail be constructed closer than every eighth lot.

Section 3. Composite building site. None of said Lots shall be resubdivided in any fraction except as hereinafter provided. Any persons owning two or more adjoining Lots may subdivide or consolidate such Lots into building sites, with the privilege of placing or constructing improvements, as permitted herein, on each such resulting building site, provided that such subdivision or consolidation does not result in more building sites that the number of platted Lots involved in such subdivision or consolidation. No Lot shall be resubdivided into nor shall any dwelling be erected or placed on any Lot, or building site, having an area of less than 6000 square feet; provided, however, any whole Lot as shown on the recorded plat shall constitute a permissible Lot or building site.

Section 4. Minimum square footage within improvements. All lots within the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE, are restricted to a minimum size of five thousand five hundred (5,500) square feet and all dwelling units to a minimum of one thousand one hundred fifty (1,150) square feet of liveable area, exclusive of open porches, atriums and garages.

Section 5. Sidewalks. Before the dwelling unit is completed, the lot owner shall construct a concrete sidewalk four (4) feet wide paralled to the curb one (1) foot from the property line along the entire front of the lot and four (4) foot wide sidewalks parallel to the curb one (1) foot from the property line along the entire side of a corner lot shall be construcoted by the lot owner of such corner lot. Sidewalks at corner lots shall extend to the projection of the Lot boundary line(s) into the street right-of-way and/or

street curb(s). Sidewalk ramps to accommodate the handicapped will be constructed at all points where the sidewalk intersects the street. All sidewalks shall conform to City of Sugar Land standards. The plans for each residential building on each lot shall include plans and specifications for such sidewalk and same shall be constructed and completed before the main residence is occupied.

Section 6. Prohibition of offensive activities. Other than with regard to the normal sales activities required to sell homes in the subdivision and the lighting effects utilized to display model homes, no activity, whether for profit or not, shall be carried on any Lot which is not related to single family residential purposes. No noxious or offensive activity of any sort shall be permitted nor shall anything be done on any Lot which may be or become an annoyance or a nuisance to the neighborhood.

Section 7. Use of temporary structures. No structure of a temporary character, mobile home, trailer, basement, tent, shed, shack, garage, bar or other temporary building of any nature shall be placed or constructed on any Lot for residential purposes. A temporary office or work shed may, following approval thereof by Declarant or its assigns, be maintained upon any Lot or Lots by any building contractor or sales agency in connection with the erecting and sale of dwellings in the subdivision, but such temporary structure(s) shall be removed at completion of construction or sale of the dwellings, whichever is applicable, or within ten (10) days following notice from Declarant or its assigns. Outbuildings, including portable structures, used for accessory or storage purposes shall be limited to a maximum of eight feet (8') in height and one hundred and twenty (120) square feet of floor space, shall correspond to the style, color and architecture of the dwelling to which it is appurtenant and shall be subject to approval by the Architectural Control Committee.

Section 8. Use of garages. No garage of any residential structure shall be used for any purpose other than the storage of motor vehicles. Specifically, no garage shall be used for permanent storage of building materials, tools, etc., in such a manner as to preclude its use for the parking of residents' automobiles, nor shall any garage be converted to living space, the use of which would preclude the parking of automobiles. In addition, no garage door may be left open except for the storing or removal of vehicles, lawn care equipment, etc. The Declarant reserves the right to allow the temporary use of garages within model homes as sales offices.

Section 9. Storage of automobiles, boats, trailers and other vehicles. No trucks, trailers, boats, automobiles, campers or other vehicles shall be stored, parked or kept on any driveway, in the front yard, or in the street in front of the Lot unless such vehicle is in day to day use off the premises and such parking is only temporary, from day to day, not to exceed forty-eight (48) hours in duration. Permanent and semi-permanent storage of such items and vehicles must be screened from public view, either within the garage or behind the fence which encloses the rear of the lot.

Section 10. Mineral operations. No oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Lot, nor shall any wells, tanks, tunnels, mineral excavation or shafts be permitted upon or in any Lots. No derrick or other structures designed for the use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 11. Animal husbandry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other common household pets (not to exceed a total of three (3) adult animals) may be kept provided that they are not kept, bred or maintained for commercial

purposes. No such animal shall be allowed to become a nuisance or health hazard.

Section 12. Walls and fences. A fence six (6) feet in height shall be constructed on each Lot connecting residences at or to the rear of the front building line; in addition, all non-interior lot lines which adjoin side streets or open space reserves shall be fenced with a fence six (6) feet in height so as to screen all side and rear yards from public view. The plans for each residential building on each Lot shall include plans and specifications for such fencing and the same shall be constructed by the builder and completed prior to completion of the residence it accompanies.

Rule regarding fences beyond setback

No fence or wall shall be erected, placed or altered on any Lot nearer to any street than the minimum building set-back lines as shown on the subdivision plat. The Architectural Control Committee may, at its discretion, permit variances on fence location if approved in writing. All fencing for interior lots shall be of wood or ornamental metal. Walls can be brick, stucco, decorative concrete (if approved by the Architectural Control Committee) or native stone. However, fencing if installed adjacent to major thoroughfares or public spaces, including, without limitation, Lots One (1) through Thirty-one (31), both inclusive, of Block One (1); Lots Five (5), Six (6), Twenty (20) and Twenty-one (21) of Block Three (3); Lot Forty-one (41) of Block Five (5); Lot Twenty-nine (29) of Block Six (6); Lots One (1) through Eleven (11), both inclusive, of Block Seven (7); Lots Nine (9), Ten (10), Forty-two (42), Forty-three (43), Forty-eight (48) and Forty-nine (49) of Block Eight (8); Lots One (1), Two (2), Ten (10), Thirty-five (35), Forty-three (43), Forty-five (45) and Forty-six (46) of Block Nine (9); Lots Eight (8) and Thirty-four (34) of Block Ten (10); and Lots One (1) through Five (5), both inclusive, of Block Eleven (11); must be a standard design, material and color as approved by the Architectural Control Committee. No fence shall exceed

six (6) feet in height nor shall any item be placed on the top of any fence without written permission from the Architectural Control Committee. All fences and/or walls hereafter placed on the common boundary line of any two (2) Lots in the subdivision shall be jointly owned and maintained by each of the adjoining Lot Owners. All screen fencing and/or walls not located on a common boundary line shall belong to and be maintained by the Owner of the Lot where such screen fencing and/or wall is located. All screen fencing and/or walls located on reserves adjacent to the lots listed above will be maintained by the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

Section 13. Visual obstruction at the intersections of public streets. No object or thing which obstructs site lines at elevations between two (2) feet and eight (8) feet above the roadways within the triangular area formed by the intersecting street property lines and a line connecting them at points ten (10) feet from the intersection of the street property lines or extension thereof shall be placed, planted or permitted to remain on any corner Lots.

Section 14. Lot maintenance. The Owners or occupants of all Lots shall at all times keep all weeds and grass thereof cut in a sanitary, healthful and attractive manner and shall in no event use any Lot for storage or materials and equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The drying of clothes in full public view is prohibited and the Owners or occupants of any Lots at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the Lot is visable to full public view shall construct and maintain a drying yard or other suitable enclosure to screen the following from public view: the drying of clothes, yard equipment or storage piles, which are incident to the normal residential requirements of a typical family. No Lot shall be

used or maintained as a dumping ground for trash. Trash, garbage or other waste materials shall not be kept except in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids. Equipment for the storage or disposal of such waste materials shall be kept in a clean and sanitary conditions. New building materials used in the construction of improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without undue delay, until the completion of the improvements, after which these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot. The Owners or occupants of all Lots shall not burn anything (except by use of an incinerator and then only as prescribed and during such hours as permitted by law). In the event of default on the part of the Owner or occupant of any Lot in observing the above requirements or any of them, such default continuing after ten (10) days written notice thereof, Declarant or its assigns may without liability to the Owner or occupant in trespass or otherwise enter upon said Lot or cause to be removed such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions so as to place said Lot in a neat, attractive, healthful and sanitary condition and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of the property to pay for such work immediately upon receipt of a statement therefor. In the event of the failure to pay such statement, the amount therefor may be added to the annual maintenance charge provided for herein.

Section 15. Signs, advertisements, billboards. Except for signs owned by Declarant or builders with the consent of Declarant advertising their model homes during the period of original construction and home sales, no sign, advertisement

or billboard or advertising structure of any kind other than one normal "For Sale" sign not to exceed five (5) square feet in total size may be erected or maintained on any Lot in said subdivision. Declarant, or its assigns, will have the right to remove any sign, advertisement or billboard or structure that does not comply with the above, and in so doing shall not be subject to any liability of trespass or other sort in the connection therewith or arising with such removal.

Section 16. Maintenance of antennae. No electronic antenna or device of any type other than an antenna for receiving normal television signals shall be erected, constructed, placed or permitted to remain on any Lot, houses or buildings. Television antennae may be attached to the house; provided, however, such antenna must be located to the rear of the roof ridge line, gable or center line of the principal dwelling, unless this is not possible due solely to the design of the roof. Freestanding antennae must be attached to and located behind the rear wall of the main residential structure. Guy wires may be installed for purposes of securing antennae; provided, however, that such wires do not encroach upon any easement or adjoining Lot(s), are located behind the rear wall of the main residential structure and screened from view by installation of approved fencing as described in Paragraph 12 of this Article. No antennae, either freestanding or attached, shall be permitted to extend above the roof of the main residential structure on the Lot, or shall be erected on a wooden pole.

Section 17. Window air conditioning. No window or wall type air conditioners shall be permitted to be used, erected, placed or maintained on or in any building in any part of the Properties, provided that the Architectural Control Committee may, at its discretion, permit window or wall type air conditioners to be installed if such unit, when installed, shall not be visible from a street, such permission, if granted, must be in writing.

Section 18. Underground electrical service. An underground electric distribution system will be installed in that part of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE, designated Underground Residential Subdivision, which underground service area shall embrace all Lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE. The Owner of each Lot in the Underground Residential Subdivision shall, at his own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the electric company's metering on customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company at the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition, the Owner of each Lot, shall at his own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on each Owner's Lot. For so long as underground service is maintained, the electric service to each Lot in the Underground Residential Subdivision shall be uniform in character and exclusively of the type known as single phase, 120/240 volt, three wire, 60 cycle, alternating current.

The electric company will install the underground electric distribution system in the Underground Residential Subdivision at no cost to Developer (except for certain conduits, where applicable, and except as hereinafter provided) upon Developer's representation that the Underground Residential Subdivision is being developed for residential dwelling units, including homes, and if permitted by the restrictions application

to such subdivision, townhouses, duplexes and apartment structures, all of which are designed to be permanently located where originally constructed (such category of dwelling units expressly to exclude mobile homes) which are built for sale or rent and all of which multiple dwelling unit structures are wired so as to provide for separate metering to each dwelling unit. Should the plans of the Developer or Lot Owners in the Underground Residential Subdivision be changed so as to permit the erection therein of one or more mobile homes, Company shall not be obligated to provide electric service to any such mobile home unless (a) Developer has paid to the Company an amount representing the excess in cost, for the entire Underground Residential Subdivision, of the underground distribution system over the cost of equivalent overhead facilities to serve such Subdivision or (b) the Owner of each affected Lot, or the applicant for service to any mobile home, shall pay to the Company the sum of (1) $1.75 per front lot foot, it having been agreed that such amount reasonable represents the excess in cost of the underground distribution system to serve such Lot or dwelling unit over the cost of equivalent overhead facilities to serve such Lot or dwelling unit, plus (2) the cost of rearranging, and adding any electric facilities serving such Lot, which arrangement and/or addition is determined by Company to be necessary.

The provisions of the two preceding paragraphs also apply to any future residential development in Reserve(s) shown on plat of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE as such plat exists at the execution of the agreement for underground electric service between the electric company and Developer or thereafter. Specifically, but not by way of limitation, if a Lot Owner in a former Reserve undertakes some action which would have invoked the above per front lot foot payment if such action had been undertaken in the Underground Residential Subdivision, such Owner or applicant for service shall pay the electric company $1.75 per front lot foot, unless Developer has

paid the electric company as above described. The provisions of the two preceding paragraphs do not apply to any future non-residential development in such Reserve(s).

Section 19. Underground telephone service. A buried telephone cable system will be installed in an area in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE, which area shall embrace all Lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE. The Owner of each Lot shall, at his own cost, install in each home, flexible or rigid conduit with pull wire and a minimum of three (3) outlet boxes, at the locations where he desires telephones, all in accordance with specifications available from Sugar Land Telephone Company, in order that the telephone company may install its wiring and equipment in each home in the most expeditious and least costly manner. In the event an Owner fails to comply with the requirements of the preceding sentence, the telephone company will install its standard exposed wiring in such Owner's home and the Owner will be required to pay the telephone company's standard installation charges therefor.

Section 20. Maintenance easements. There is hereby established and dedicated for the use and benefit of adjacent Lot Owners in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE, a limited perpetual reciprocal easement, six (6) feet in width, being three (3) feet on either side of the common boundary line of each Lot in said SECTION ONE, with another Lot in said SECTION ONE, save and except the area thereof occupied by a main building or dwelling as the same is hereafter initially constructed, such easements being for the limited purpose of ingress and egress for the replacement, repair and maintenance of a building or dwelling, fences, walls, structures and other appurtenances as hereafter constructed for an initial living unit. Each adjoining Lot Owner shall have the right to use that portion of said easement along a common side boundary line on the adjacent

Lot up to a building, fence or wall of any Lot on which the main building is closer than three (3) feet to the common boundary line, for visual and esthetic use, including planting of grass and the placing of potted plants and the like, but expressly excluding the planting in the ground of shrubs, trees and other landscape items and expressly excluding the right to attach or fasten any object to the adjoining wall of any building. Such use shall expressly preclude the right to change the grade of said easement area or obstruct the same in any manner which would prevent proper drainage.

Section 21. Type of construction, materials and landscape. The exterior materials of the main residential structure and any attached garage shall be not less than fifty-one (51) percent masonry, unless otherwise approved in writing by the Architectural Control Committee.

Yellow, pink or orange brick should not be used except where permission is given in writing by the Architectural Control Committee.

Stone should be native Texas stone and must complement the style of the architecture employed and conform to the color scheme of the immediate neighborhood.

Roof rules →

The roof of any building shall be constructed or covered with (1) wood shingles having a grade of No. 2 or better, or (2) asphalt or composition type shingles of 230# or heavier weight with a color that would be dark brown or approximate the color of weathered cedar shingles. The decision of such comparison shall rest exclusively with the Architectural Control Committee. Decisions regarding the use of any other type roofing material shall rest exclusively with the Architectural Control Committee or its assigns.

Residents must use CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE mailbox of a standard design and color, as approved by the Architectural Control Committee. Alternate mailboxes may be considered only if they are of a design and

color that matches the residence on the Lot where the mailbox is placed. Such alternate mailboxes must have written approval from the Architectural Control Committee and such approval is at the sole discretion of the Committee.

All roof stacks and flashings must be painted to coordinate with the color of the residence.

On front lawns and wherever visible from any streets, there shall be no decorative appurtenances placed, such as sculptures, birdbaths and birdhouses, fountains or other decorative embellishments unless such specific items have been approved in writing by the Architectural Control Committee.

All playground equipment must be placed at the rear of the property and must be placed behind a fence if the lot is fenced.

No outside clothesline shall be permitted that is visible from any street.

Section 22. Owner's easements of enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, if any, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

A. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area, if any;

B. The right of the Association to suspend the voting rights and right to use the Common Areas, if any, by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

C. The right of the Association to dedicate or transfer all or any part of the Common Area,

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

D. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area, if any, and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

ARTICLE IV

Architectural Control Committee

Section 1. Approval of building plans. No building shall be erected, placed or altered on any Lot until the construction plans and specifications and a plot plan showing the location of the structure, have been approved in writing as to harmony of exterior design and color with existing structures, as to location with respect to topography and finished ground elevation, and as to compliance with minimum construction standards by the Architectural Control Committee of the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC. or its duly authorized representative. A copy of the construction plans and specifications and a plot plan, together with such information as may be deemed pertinent, shall be submitted to the Architectural Control Committee, or its designated representative prior to commencement of construction. The Architectural Control Committee may require the submission of such plans, specifications and plot plans, together with such other documents as it may elect at its entire discretion. In the event the Architectural Control Committee fails to approve or

disapprove such plans and specifications within thirty (30) days after the receipt of the required documents, such approval shall be deemed to have been given, provided, however, that failure to timely approve or disapprove such plans and specifications shall not be deemed to permit the erection, construction, placing or altering of any structure on any Lot in a manner prohibited under the terms of this Declaration. The Architectural Control Committee shall have full and complete authority to approve construction of any improvement on any Lot, and its judgement shall be final and conclusive.

The approval or lack of disapproval by the Committee of any plans and specifications or of the location plot plan shall in no event be deemed to create any liability whatsoever in the Declarant, the members of the Committee, the duly authorized representative of the Committee, or in any other party for any warranty or representation by such Committee including, without limitation, any warranty or representation relating to fitness, design, adequacy or location of the proposed construction or compliance with applicable statutes, codes and regulations, in any building or structure erected and located in accordance with such plans and specifications and location plot plan.

Anything contained in this Paragraph 1 or elsewhere in this Declaration to the contrary notwithstanding, the Architectural Control Committee, and its duly authorized representative, is hereby authorized and empowered, at its sole and absolute discretion, to make and permit reasonable modifications of and deviations from any of the requirements of this Declaration relating to the type, kind, quantity or quality of the building materials to be used in the construction of any building or improvement on any Subdivision Lot and of the size and location of any such building or improvement when, in the sole and final judgement and opinion of the Committee or its duly authorized representative, such modifications and deviations in such improvements will be in harmony with existing structures and will

not materially detract from the aesthetic appearance of the Subdivision and its improvements as a whole.

The Architectural Control Committee may require the submission to it of such documents and items (including, as examples but without limitation, written request for and description of the variances requested, plans, specifications, plot plans and samples of materials) as it shall deem appropriate, in connection with its consideration of a request for a variance. If the Architectural Control Committee shall approve such request for a variance, the Architectural Control Committee may evidence such approval, and grant its permission for such variance, only by written instrument, addressed to the Owner of the Lot(s) relative to which such variance has been requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing the decision of the Architectural Control Committee to permit the variance, describing (when applicable) the conditions on which the variance has been approved (including as examples but without limitation, the type of alternate materials to be permitted, and alternate fence height approved or specifying the location, plans and specifications applicable to an approved carport), and signed by a majority of the then members of the Architectural Control Committee (or by the Committee's duly authorized representative). Any request for a variance shall be deemed to have been disapproved for the purposes hereof in the event of either (a) written notice of disapproval from the Architectural Control Committee; or (b) failure by the Architectural Control Committee to respond to the request for variance. In the event the Architectural Control Committee or any successor to the authority thereof shall not then be functioning and/or the term of the Architectural Control Committee shall have expired and the Board of Directors of the Association shall not have succeeded to the authority thereof as herein provided, no variances from the covenants of this Declaration shall be permitted, it being the intention of

Declarant that no variances be available except at the discretion of the Architectural Control Committee, or if it shall have succeeded to the authority of the Architectural Control Committee in the manner provided herein, the Board of Directors of the Association. The Architectural Control Committee shall have no authority to approve any variance except as expressly provided in this Declaration.

Section 2. Committee membership. The Architectural Control Committee members shall be three (3) in number, and shall be composed of: Calvin Dunham, Gene Mohler and Edward Tewkesbury, who by majority vote may designate a representative to act for them. The current address of the Architectural Control Committee is: 2020 Post Oak Tower, Houston, Texas, 77056.

Section 3. Replacement. In the event of death or resignation of any member or members of said committee, the remaining number of members shall appoint by recorded instrument a successor member or members, and until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications and plot plans submitted or to designate a representative with like authority.

Section 4. Minimum construction standards. The Architectural Control Committee may from time to time promulgate an outline of minimum acceptable construction standards, provided, however, that such outline will serve as a minimum guideline and such Architectural Control Committee shall not be bound thereby.

Section 5. Term. The duties and powers of the Architectural Control Committee and of the designated representative shall cease on or after ten (10) years from the date of this instrument. Thereafter, the approval described in this covenant shall not be required, and all power vested in said committee by this covenant shall cease and terminate; provided, that any time

after January 1, 1990, by two-thirds (2/3) vote of the members present and voting, the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS' ASSOCIATION, INC. may assume the duties and powers of the Architectural Control Committee.

ARTICLE V

Chimneystone Planned Community Development Homeowners' Association, Inc.

Section 1. Membership and voting rights. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be apputenant to and may not be separated from ownership of any Lot which is subject to assessment. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

Section 2. The Association shall have two (2) classes of voting membership:

Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. A Lot owned by a Class A member shall be a Class A Lot.

Class B: The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. A Lot owned by a Class B member shall be a Class B Lot. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

A. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

B. January 1, 1986.

The Class A and Class B members shall have no rights as such to vote as a class, except as required by the Texas Non-Profit Corporation Act, and both classes shall vote upon all matters as one group.

Section 3. Non-profit corporation. The CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS' ASSOCIATION, INC., a non-profit corporation, has been organized, and it shall be governed by the Articles of Incorporation of said Association, and all duties, obligations, benefits, lines and rights hereunder in favor of the Association shall vest in said corporation.

Section 4. By-laws. The Association may make whatever rules or by-laws it may choose to govern the organization, provided, however, that same are not in conflict with the terms and provisions hereof.

Section 5. Inspection of records. The members of the Association shall have the right to inspect the books and records of the Association at reasonable times during the normal business hours.

ARTICLE VI

Maintenance Assessments

Section 1. Creation of the lien and personal obligation of assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interests, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together

with interests, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successor in title unless expressly assumed by them.

Section 2. Purpose of assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Properties and for the improvement and maintenance of any Common Areas. The responsibilities of the Homeowners' Association shall include, but not be limited to the maintenance and repair of the walkways, steps, entry gates or fountain areas, if any, constructing and maintaining parkways, rights-of-way, easements, esplandades and other public areas, construction and operation of all street lights, purchase and/or operating expenses of recreation areas, if any; payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions and conditions affecting the Properties to which the maintenance fund applies; payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment; employing policemen and watchmen, if desired, caring for vacant lots and doing other things or things necessary or desirable in the opinion of the Association to keep the properties in the subdivision neat and in good order, or which is considered in general benefit to the owners or occupants of the Properties. It is understood that the judgement of the Association in the expenditure of said funds shall be final and conclusive so long as such judgement is exercised in good faith.

Section 3. Rate of assessment. The maintenance charge on Class B Lots shall be a maximum of fifty percent (50%) of the assessment for Class A Lots per month and shall begin to accrue

on a monthly basis on each such Lot on the date the first house in the Subdivision is conveyed or on the date fixed by the Board of Directors to be the date of commencement, whichever occurs first. The entire accrued charge (of said rate stated above per month) on each Lot shall become due and payable on the date such Lot converts from a Class B Lot to a Class A Lot by reason of the Owner's purchase of the residence thereon.

The initial charge shall accrue and become due and payable on each Lot on the day such Lot converts from a Class B Lot to a Class A Lot. The determination of the amount of such initial charge, which shall be for the remainder of the year in which such class conversion of said Lot occurs, shall be made by the Association, on, or as of, said accrual date and shall be immediately due and payable. The maintenance charge on each Class A Lot and thereafter shall accrue and become due and payable on the first day of January of each succeeding year and shall be in an amount determined by the Association during the thirty (30) day period next preceding the due date of said charge. The Association can collect special assessments as well as annual charges above described whenever a majority of the members in person or by proxy at a meeting duly called for such purpose so vote.

Section 4. Maximum annual assessment. Until January 1, 1981, the maximum annual assessment shall be $180.00. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum annual assessment for the previous year without a vote of the membership. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each

class of members who are voting in person or by proxy, at a meeting duly called for that purpose.

Section 5. Notice of assessment. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum, and shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of the annual assessment period, which shall begin on the first day of January of each year. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Effect of nonpayment of assessments. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten (10) percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Common Area or abandonment of his Lot.

Section 8. Subordination of the lien to mortgages.

To secure the payment of the maintenance fund and all annual and special assessments established hereby and to be levied on individual residential Lots, there is hereby reserved in each Deed (whether specifically stated therein or not) by which the Declarant shall convey such Lots, a Vendor's Lien for the benefit of the Association, said lien to be enforceable through appropriate proceedings at law by such beneficiary; provided, however, that each such lien shall be secondary, subordinate and inferior to all liens, present and future given, granted and created by or at the instance and request of the Declarant and the Owner of any such Lot to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the construction of improvements on any such Lot to the extent of any such maintenance fund charge or annual or special assessments accrued and unpaid prior to foreclosure of any such purchase money lien or construction lien; and further provided that as a condition precedent to any proceeding by the Association to enforce such lien upon any Lot upon which there is an outstanding valid and subsisting first mortgage lien, for the aforesaid purpose or purposes, the Association shall give the holder of such first mortgage lien sixty (60) days written notice of such proposed action, which notice shall be sent to the nearest office of such first mortgage holder by prepaid U.S. Registered Mail, and shall contain a statement of the delinquent maintenance charges or annual or special assessments upon which the proposed action is based. Upon the request of any such first mortgage lienholder, the Association shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular Lot covered by such first mortgage lien to the holder thereof. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any

proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 9. Future sections. The Association shall use the proceeds of the maintenance fund for the use and benefit of all residents of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE, as well as all subsequent sections of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, provided, however, that each future section of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT be entitled to the benefit of this maintenance fund, must be impressed with and subjected to the annual maintenance charge and assessment on a uniform, per Lot basis, equivalent to the maintenance charge and assessment imposed hereby, and further made subject to the jurisdiction of the Association. Upon submission and approval by the Federal Housing Administration and/or the Veterans Administration of a general plan of the entire development, and approval of each stage of development such future sections of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT may be annexed by the Declarant.

ARTICLE VII

Covenant For Transportation Charges

Section 1. Creation of the lien and personal obligation of charges. Declarant hereby covenants, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay certain transportation charges, as such term is hereinabove defined, to be established and collected as hereinafter provided. The transportation charges, together with accrued but unpaid interest on delinquest charges, and reasonable attorney fees, shall be a charge on the land and shall

constitute a continuing pre-existing Vendor's Lien retained in favor of Declarant upon the property against which each such transportation charge is made. This lien shall be assigned to the Recipient and Administrator of the transportation charges as hereinafter set forth.

Payment of each such transportation charge, together with accrued but unpaid interest on delinquent charges at the rate specified for judgements in Texas, and reasonable attorney fees, shall also be the personal obligation for payment of a delinquent transportation charge shall not pass to such person's successors in title unless expressly assumed by them.

An action of law may be brought against the Owner personally obligated to pay said transportation charge and/or the lien against the property thereby encumbered may be foreclosed. Each such Owner, by this acceptance of a deed to any such parcel, hereby expressly vests in Declarant the Vendor's Lien provided for in this Article, together with the right and power (1) to bring all actions against an Owner personally liable for the payment of the charge in order to enforce the collection of such transportation charges as a debt and (2) to enforce the aforesaid lien by all methods provided by law for the enforcement of such liens including, but not limited to, judicial foreclosure by an action brought in the name of the then Recipient and Administrator of the transportation charges, such judicial foreclosure to be instituted and carried forth in a like manner as a foreclosure of a mortgage or deed of trust lien on real property. Each such Owner hereby expressly grants a power of sale in connection with the said lien. No Owner may waive or otherwise escape liability for the transportation charges provided for herein by abandonment of this property.

Section 2. Purpose of charges. Funds provided by the transportation charge shall be used exclusively (1) to furnish transportation services and (2) to promote the utilization of various systems of transportation in order to best meet the

domestic, educational, recreational and leisure needs of the users of such systems in the manner deemed most appropriate by the Recipient and Administrator of the transportation charges, as such term is hereinafter defined. The expenditure of such funds may be utilized for, but shall not be limited to, studying, establishing, operating, maintaining and doing any other things necessary or desirable which are deemed appropriate by the Recipient and Administrator of the transportation charges, in studying, establishing and maintaining the transportation facilities and system.

Section 3. Maximum annual rate of transportation charge. Upon commencement of the transportation charges in accordance with the terms of this Article, the maximum annual transportation charge per Lot or other parcel of real estate so encumbered shall be an amount no greater than $0.25 per $100.00 of value of each such parcel, together with any and all improvements situated thereon, with same being assessed at one hundred (100) percent of appraised market value. Personal property shall be specifically excluded in calculating the assessed value of the property hereby encumbered. The market value of the land and improvements for purposes of calculating a transportation charge against each parcel of real estate so encumbered shall be determined and established in accordance with the real property valuations established by the rolls of the Fort Bend County Tax Assessor/Collector or of such other tax assessor/collector employed by a governmental subdivision of the State of Texas who performs the functions of assessing and appraising the individual properties subject to the transportation charge on a uniform basis. This designation as to which tax assessor/collector's rolls are to be utilized is to be made and can be changed at the sole discretion of the Recipient and Administrator of the transportation charges.

Upon receipt of the valuations established by such tax assessor/collector's rolls, the annual transportation charge may be promulgated and set at a rate not in excess of the maximum rate herein established.

Section 4. Classification of lots. All parcels of real estate subject to the transportation charge shall be divided into two (2) classes for purposes of establishing and determining the transportation charges: Class A parcels and Class B parcels. Class A parcels shall be those parcels upon which a home or other permanent improvements have been constructed and occupancy therein or utilization thereof for business, commercial or other purposes, has commenced. Class B parcels shall be all other parcels not designated as Class A parcels. Upon commencement of the assessment of the annual transportation charge, all parcels shall commence to bear their applicable transportation charge simultaneously with such commencement. Because of the nature and purpose of the transportation charge, the full charge shall not be applicable to Class B parcels. Class B parcels shall bear a transportation charge which is twenty-five (25) percent of a regular full assessment. However, at such time as there is constructed on any Class B parcel permanent improvements which are occupied or utilized for business, commercial or other purposes, such Class B Lot or parcel shall automatically and irrevocably convert to and assume the status of a Class A parcel effective as of the date of such occupancy or utilization and the transportation charge for the then current year shall be adjusted according to the number of months remaining in that calendar year.

Section 5. Commencement of transportation charge. An election shall be held in the property burdened by the transportation lien in the year 1984 on the question of the commencement of the transportation charges and the designation of a Recipient and Administrator. The designation and structure of

the Recipient and Administrator, the wording of the propositions on the ballots and the timing and conduct of the election shall be subject to the approval of the Department of Housing and Urban Development and the Veterans Administration.

Notice of this election shall be given in writing to each Owner of such property by mailing or delivering a copy of such notice at least thirty (30) days before such election using the address appearing on the rolls of the Fort Bend County Tax Assessor/Collector for the purpose of such notice. Such notice shall specify the place, day and hours of the election, the propositions to be voted on and the location where detailed information regarding these propositions may be found.

There shall be one (1) vote permitted for each parcel of land. If a majority of the vote cast in the election is favorable, the Recipient and Administrator of the transportation charges shall be assigned the Vendor's Lien held by Declarant securing the transportation charges and shall be authorized to make the necessary assessments and otherwise carry out its duties including:

A. Making the decision as to when the transportation charges shall commence to accrue (no earlier than January 1, 1985);

B. Fixing the rate of the charge (not to exceed $0.25 per $100 of assessed valuation);

C. Administering the transportation charge proceeds for the benefit of users of the transportation facilities;

D. Enforcing the lien herein provided for in the event the assessed transportation charge against such parcel thereby encumbered is not timely paid; and

E. Performing any and all other acts necessary to implement the intent of this Article to the end

that the contributors to and users of the transportation facilities shall be served by transportation systems which will ultimately enhance their mobility and conserve the expenditure of energy.

Subject to the outcome of the election, the annual transportation charge against Class A and Class B parcels shall commence to accrue (1) on January 1, 1985, or (2) at such later time determined by the Recipient and Administrator of transportation charges. The annual transportation charge on each parcel thereafter encumbered shall mature and become due and payable on the first day of January of each succeeding year following the initial assessment of the charge. The rate for each ensuing year shall be established no later than the first day of October of the preceding year. Thus, if a transportation charge is to be assessed for the year 1985, the rate of the charge must be promulgated no later than October 1, 1984, and the charge will be due and payable on or before January 1, 1986. The valuation of the tax assessor/collector for the year the rate of charge is set shall be applicable in calculating the charge. Thus, in the example, the 1984 valuations shall be employed for the charge accruing in 1985. Written notice of the rate and value of the annual transportation charge shall be sent to every Owner of a parcel subject thereto at the address of such parcel subject to the charge or at such other place or places as to be determined and designated by the Recipient and Administrator of the transportation charge. Upon demand and for a reasonable charge, there shall be furnished a certificate setting the paid-in-full or delinquent status of the charge on a specified parcel here encumbered. Any transportation charge not paid within thirty (30) days after the due date (due date being January 1st of the year subsequent to the year of assessment of that particular charge) shall be delinquent, shall bear interest from the due date until

the date of payment and shall be subject to the remedies vested in the Recipient and Administrator all as herein provided.

Section 6. Subordination of the lien to mortgages. The Vendor's Lien securing the transportation charges against any parcel encumbered thereby as provided for herein shall be expressly subordinate and inferior to the lien of any mortgage on any such parcel. Sale or transfer of any such parcel shall not affect or diminish the enforceability of the transportation charge liens; however, the sale or transfer of any such parcel pursuant to mortgage foreclosure of any proceeding in lieu thereof shall extinguish the lien of such transportation charges against such parcel only as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot or parcel of land (1) from liability for any transportation charges thereafter become due or (2) from the lien thereof hereby created.

ARTICLE VIII

General Provisions

Section 1. Term and Amendment. These covenants shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of twenty (20) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by a majority of the then Owners of the Lots has been recorded agreeing to change or terminate said covenants in whole or in part. The terms and provisions of these Restrictions during the first twenty (20) year period may be amended at any time when an instrument setting forth said changes and signed by ninety percent (90%) of the Lot Owners is placed on record in the Real Property Records of Fort Bend County, Texas.

Section 2. Enforcement. Upon any violation or attempt to violate any of the covenants herein, it shall be lawful for the Association or any other Lot Owner to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from doing so or to recover damages or other dues for such violations. Failure by any Owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability. Invalidation of any one of these covenants by judgement or other court order shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 4. FHA/VA approval. So long as the Declarant, its successors and assigns, are in control of the CHIMNEY-STONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS' ASSOCIATION, the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration: Annexation of additional properties, dedication of Common Area and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 5. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of the membership, however, upon submission and approval by FHA/VA of a general plan of the entire development and approval of each stage of development, such additional stages of development may be annexed by the Association Board of Directors without such approval by the membership.

Section 6. Effect of violations on liens. It is specifically provided that a violation of any one or more of these covenants, conditions or restrictions shall not affect the lien of any mortgage or deed of trust now of record, or which may hereafter be placed of record, or other lien acquired

and held in good faith upon said Lots or any part thereof, but such liens may be enforced as against any and all property covered thereby, subject nevertheless to the restrictions herein contained.

Section 7. Lienholders. The Lienholders join herein solely for the purpose of subordinating the liens held by it of record upon the Properties to the covenants, conditions and restrictions hereby imposed by Declarant with, however, the stipulation that such subordination does not extend to any lien or charge imposed by or provided for in this Declaration.

EXECUTED this 26th day of February, 1980.

ATTEST

By _____
Secretary
B.M. Eldridge

SUGARLAND PROPERTIES INCORPORATED

By _____
Executive Vice President
Eugene A. Mohler

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Eugene A. Mohler, Executive Vice President of Sugarland Properties Incorporated, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this 26th day of February, 1980.

_____
Notary Public in and for
Harris County, Texas

Name: FERN LINDLOFF
My Commission Expires: 4-1-81

FILED FOR RECORD
TIME 8 A.M. P.M.
MAR 5 1980
Pearl Ellett
COUNTY CLERK, FORT BEND COUNTY, TEX.

Duly recorded this the 5 day of March A.D. 1980 at 4:30 O'Clock P.M.
By _____ deputy
Pearl Ellett, County Clerk
Fort Bend County, Texas

WFM-CAB

45410 17.00 DEED

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COMPARED

CERTIFICATE OF AMENDMENT
CHIMNEYSTONE PLANNED COMMUNITY
DEVELOPMENT, SECTION I

STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF FORT BEND §

WHEREAS, in Volume 886, Page 507, of the Fort Bend County Deed Records, there have been recorded restrictive covenants covering Chimneystone, Section I, as shown by the Map or Plat thereof recorded in Volume 24, Page 7, of the Map Records of Fort Bend County, Texas; and,

WHEREAS, Section 1 of Article VIII of the said Chimneystone restrictions, in part, reads as follows:

> "The terms and provisions of these restrictions during the first twenty (20) year period may be amended at any time when an instrument setting forth said changes and signed by ninety percent (90%) of the Lot Owners is placed on record in the Real Property Records of Fort Bend County, Texas."

WHEREAS, SUGARLAND PROPERTIES INCORPORATED, ("Declarant"), is the owner of one hundred percent (100%) of the lots in Chimneystone, Section I, and does desire to amend to said Declaration of Covenants, Conditions and Restrictions of Chimneystone Planned Community Development, Section I;

NOW THEREFORE, Declarant does hereby publish and declare that said restrictions shall be amended as follows:

Section 4 of Article III on Page 7 of said Restrictions is hereby DELETED in its entirety and in place thereof the following Section 4 is inserted:

> "Section 4. Minimum Square Footage Within Improvements. All lots within the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION 1, are restricted to a minimum size of Five Thousand Five Hundred (5,500) square feet and all dwelling units to a minimum of One Thousand Fifty (1,050) square feet of liveable area exclusive of open porches, atriums and garages."

Except as hereinabove set forth, the provisions of the restrictive covenants for CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION I, are hereby reconfirmed and ratified,

DEED
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and shall remain in full force and effect except as amended hereby.

IN WITNESS WHEREOF, Declarant by its corporate officers has duly executed this Certificate of Amendment on this the 30th day of September, 1980.

"DECLARANT"

SUGARLAND PROPERTIES INCORPORATED

By: Eugene Allen
Exec. VICE-PRESIDENT

ATTEST: no seal
Asst. Secretary

STATE OF TEXAS §

COUNTY OF HARRIS §

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 30th day of September, 1980.

No Seal

Notary Public in and for
Harris County, Texas

DEED
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JOINDER OF LIENHOLDER

The undersigned, Texas Commerce Bank National Association, being the Owner and holder of an existing mortgage and lien upon and against the real property described in the foregoing Restrictions and defined as the "Property" in said Restrictions, as such mortgagee and lienholder, does hereby consent to enjoin in said Certificate of Amendment.

This Consent and Joinder shall not be construed or operate as a release of said mortgage or liens owned or held by the undersigned, or any part thereof.

SIGNED AND ATTESTED by the undersigned officers of Texas Commerce Bank National Association hereto authorized on this 30th day of September, 1980.

TEXAS COMMERCE BANK
NATIONAL ASSOCIATION

By: John R. Lewis
Assistant Vice-President

ATTEST: no seal
John Paul Hundley
S.V.P. Cashier

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 30 day of September, 1980.

Rita S. Powell
Notary Public in and for
Harris County, Texas

RITA S. POWELL
Notary Public, State of Texas
My Commission Expires 9-8-84

DEED

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APPROVAL OF AMENDMENT

The Department of Housing and Urban Development, acting through the Director of its Houston Insuring Office, hereby approves the amendment of Section 4 of Article III of the Declaration of Covenants, Conditions and Restrictions for the Chimneystone Planned Community Development, Section I, as said document appears at Volume 886, Page 507 of the Deed Records of Fort Bend County, Texas, to read as follows:

> Section 4. Minimum Square Footage Within Improvements. All lots within the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION I, are restricted to a minimum size of Five Thousand Five Hundred (5,500) square feet and all dwelling units to a minimum of One Thousand Fifty (1,050) square feet of liveable area exclusive of open porches, atriums and garages.

Director Supervisor

DEED

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STATE OF TEXAS)

COUNTY OF HARRIS)

Before me, Glynda L. Powell, A Notary Public in and for Harris County, State of Texas, on this day personally appeared L. F. Exall being the Supervisor of the Houston Service Office with Multifamily, personally known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the Supervisor, and that he executed the same as the act of said Supervisor, for the purposes therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 5th day of January, 1981.

Glynda L. Powell

Notary Public in and for

Harris County

State of Texas

My commission expires:

July 26, 1981

DEED

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JOINDER OF VETERANS ADMINISTRATION

As required by the Restrictions hereinabove identified for Chimneystone Planned Community Development, Section I, the undersigned, Veterans Administration, does hereby join in and consent to said Certificate of Amendment.

EXECUTED this the 9th day of October, 1980.

VETERANS ADMINISTRATION

By: Amil C. Stafford

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 9th day of October, 1980.

DIANA RAMIREZ
Notary Public in and for
Harris County, Texas
My Commission Expires 12/13/80

DEED
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JOINDER OF HOLDERS OF CONTRACT RIGHTS

The undersigned, holders of contract rights to certain lots within the real property described in the foregoing Certificate of Amendment do each hereby ratify, consent to, and join in said Amendment.

Signed by the undersigned, effective as of September 30, 1980.

COMBEN HOMES CHIMNEYSTONE, LTD.

Mundi Gilbert, General Partner

PULTE HOME CORPORATION

By: Division President

HARRINGTON HOMES SOUTHWEST, INC.

By: PRESIDENT

THE STATE OF TEXAS

COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared Mundi Gilbert, General Partner, of COMBEN HOMES CHIMNEYSTONE, LTD., a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated.

Given under my hand and seal of office on this 15 day of January, 1981.

Notary Public in and for
Harris County, Texas

STATE OF TEXAS
COUNTY OF FORT BEND

The above and foregoing is a true and correct copy as the same appears on file and recorded in the appropriate records of Fort Bend County, Texas.

I hereby certify, on June 16, 1988

Diane Wilson
County Clerk
Fort Bend County, Texas

Dana Messina Deputy

DANA MESSINA

COMPARED 91°
72721

DEED
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DECLARATION OF COVENANTS, CONDITIONS

AND

RESTRICTIONS

FOR

CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2)

DEED

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DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2)

STATE OF TEXAS S

COUNTY OF FORT BEND S

This Declaration, made on the date hereinafter set forth by Sugarland Properties Incorporated, a Texas corporation, hereinafter referred to as "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant is the owner of that certain 58.901 acre tract of land in the William Stafford League, Abstract No. 89, in Fort Bend County, Texas, which is more particularly described as follows:

Lots One (1) through Nineteen (19),
inclusive, Block One (1)

Lots One (1) through Thirty-six (36),
inclusive, Block Two (2)

Lots One (1) through Thirteen (13),
inclusive, Block Three (3)

Lots One (1) through Eleven (11),
inclusive, Block Four (4)

Lots One (1) through Twenty-one (21),
inclusive, Block Five (5)

Lots One (1) through Four (4),
inclusive, Block Six (6)

Lots One (1) through Twelve (12),
inclusive, Block Seven (7)

Lots One (1) through Five (5),
inclusive, Block Eight (8)

Lots One (1) through Ten (10),
inclusive, Block Nine (9)

Lots One (1) and Two (2),

inclusive, Block Ten (10)

Lots One (1) through Sixteen (16),
inclusive, Block Eleven (11)

Lots One (1) through Three (3),
inclusive, Block Twelve (12)

Lots One (1) through Thirteen (13),
inclusive, Block Thirteen (13)

Lots One (1) through Nine (9),
inclusive, Block Fourteen (14)

Lots One (1) through Ten (10),
inclusive, Block Fifteen (15)

Lots One (1) through Two (2),
inclusive, Block Sixteen (16)

Lots One (1) through Fifteen (15),
inclusive, Block Seventeen (17)

Lots One (1) and Two (2),
inclusive, Block Eighteen (18)

Lots One (1) through Thirty-nine (39),
inclusive, Block Nineteen (19)

All of said Lots being in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO, according to the map or plat thereof recorded in Volume 27, Page 3, of the Map Records of Fort Bend County, Texas.

WHEREAS, it is the desire of Declarant to place certain restrictions, covenants, conditions, stipulations and reservations upon and against such property in order to establish a uniform plan for the development, improvement and sale of such property, and to insure the preservation of such uniform plan for the benefit of all the present and future owners of lots in said subdivision and THE CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that

Declarant does hereby adopt, establish and impose upon those above described lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2), and declare the following reservations, easements, restrictions, covenants and conditions, applicable thereto, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of the land, which reservations shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof and THE CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to THE CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC., a non-profit corporation, its successors and assigns. The Association shall have power to collect and disburse the maintenance assessments provided for in Paragraph 1, Article VI.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to those certain lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2) , described above, subject to the Reservations set forth herein and/or in the Subdivision plats, and any additional properties made subject to the terms hereof pursuant to the provisions set forth herein.

Section 4. "Common Area," if any, shall mean all

real property owned by the Association for the common use and enjoyment of the Owners.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded Subdivision map of the Properties, except the Common Area, if any, and Commercial Reserves, if any.

Section 6. "Declarant" or "Developer" shall mean and refer to Sugarland Properties Incorporated, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development. For the purposes of this Declaration, "developed Lot" shall mean a Lot with the street on which it faces opened and improved and with utilities installed and ready to furnish utility service to such Lot, and "undeveloped Lot" is any Lot which is not a developed Lot.

ARTICLE II

Reservations, Exceptions And Dedications

Section 1. Recorded subdivision maps of the Properties. The recorded subdivision maps of the Properties dedicate for use as such, subject to the limitations as set forth therein, the streets and easements shown thereof, and such recorded subdivision maps of the Properties further establish certain restrictions applicable to the Properties including without limitation certain minimum setback lines. All dedications, limitations, restrictions and reservations shown on the recorded plats or replats of the subdivision of the Properties are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each contract, deed or conveyance executed or to be executed by or on behalf of Declarant, conveying said property or any part thereof, whether specifically referred to therein or not.

Section 2. . Easements. Declarant reserves for the public use the easements and rights-of-way as shown on the recorded subdivision maps of the Porperties for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers or any other utility Declarant sees fit to install in, across and/or under the Properties. Declarant reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements, but such changes and additions must be approved by the Federal Housing Administration and Veterans Administration. Declarant reserves the right to hereafter enter into a franchise or similar type agreement with one or more Cable Television Companies and Declarant shall have the right and power in such agreement or agreements to grant to such Cable Television Company or Companies the uninterrupted right to install and maintain communications cable and related ancillary equipment and appurtenances within the utility easements or rights-of-way reserved and dedicated herein and in the referenced plat and Declarant does hereby reserve unto itself, its successors and assigns the sole and exclusive right to obtain and retain all income, revenue and other things of value paid or to be paid by such Cable Television Companies to Declarant pursuant to any such agreements between Declarant and such Cable Television Companies. Provided, however, that the rights herein reserved to Declarant with regard to any Cable Television Company shall terminate and automatically be transferred to the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS' ASSOCIATION, INC., at such time as the Class B membership shall cease as provided in Article V, hereafter. No fence or other structure of any kind shall be erected so as to enclose or encroach upon any of said easements. Neither Declarant nor any utility company using the easements herein

referred to shall be liable for any damages done by them or their assigns, their agents, employees or servants, to fences, shrubbery, trees or flowers or any other property of the Owner on the land covered by said easements.

Section 3. Title subject to easements. It is expressly agreed and understood that the title conveyed by Declarant to any of the Properties by contract, deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, storm sewer, electric light, electric power, telephone or telegraph purposes. The owners of the respective lots shall not be deemed to separately own pipes, wires, conduits or other service lines running through their property which are utilized for or service other Lots, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his Lot.

ARTICLE III

Use Restrictions

Section 1. Single family residential construction. No building shall be erected, altered or permitted to remain on any lot other than one detached single family dwelling used for residential purposes only, and not to exceed one (1) story in height. Each such dwelling shall have an attached garage for no less than two (2) cars. As used herein, the term "Residential Purposes" shall be construed to prohibit mobile homes or trailers being placed on the lots or the use of lots for garage apartments, or apartment houses, townhouses, duplexes or any other such attached dwelling units; no lot shall be used for business or professional purposes of any kind, nor for any commercial or manufacturing purposes. No building of any kind shall ever be moved onto any lot within the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2) without written approval of the Architectural Control Committee.

Section 2. Location of the Improvements upon the Lot. No building shall be located on any lot nearer to the street

side line than the minimum building setback line shown on the recorded plat. For all lots other than Lots Ten (10, Block One (1); Lots Nine (9), Twenty-three (23), and Thirty (30), Block Two (2); Lots Five (5) and Eleven (11), Block Three (3); Lot Seventeen (17), Block Five (5); and Lots One (1), Nineteen (19), Twenty-one (21), and Thirty-seven (37), Block Nineteen (19), one wall of the building and/or garage shall be located on one side lot line on interior lots. However, this wall shall not have any windows, doors or other such related openings. The other wall of the building and/or garage shall be a minimum of ten (10) feet to an interior lot line or ten (10) feet to an exterior lot line on a corner lot. Eaves in excess of twelve (12) inches, steps and unroofed terraces shall not be allowed to protrude upon adjacent lot on the zero-lot line side of the lot; nor shall any drainage from any roof be diverted onto any adjoining lot. On the ten (10) foot building setback side of the lot, eaves, steps and unroofed terraces shall not be considered as part of a building; however, this shall not be construed to permit any portion of the construction on a lot to extend upon another lot. Between Lot nineteen (19), Block one (1) and Thistlewood Street, there shall be a ten (10) foot building line easement. Between Lot nine (19), Block two (2) and Kitchen Hill Lane, there shall be a ten (10) foot building line easement. Between Lot twenty-two (22), Block two (2) and Issacs Way, there shall be a ten (10) foot building line easement. Between Lots one (1), four (4) and eight (8), Block three (3), and Issacs Way, there shall be a ten (10) foot building line easement. Between Lot ten (10), Block three (3), and Frontier Drive, there shall be a ten (10) foot building line easement. Between Lot one (1), Block five (5), and Thistlewood Street, there shall be a ten (10) foot building line easement.

Between Lots nine (9) and ten (10), Block five (5), and Kettle Run, there shall be a ten (10) foot building line easement. Between Lot twenty-one (21), Block five (5), and Powder Point, there shall be a ten (10) foot building line easement. Between Lot two (2), Block six (6), and Chimneystone Circle, there shall be a ten (10) foot building line easement. Between Lot three (3), Block six (6), and Stovepipe Lane, there shall be a ten (10) foot building line easement. Between Lots six (6) and seven (7), Block seven (7), and Kettle Run, there shall be a ten (10) foot building line easement. Between Lot one (1), Block nine (9), and Shelby Row, there shall be a ten (10) foot building line easement. Between Lots five (5) and six (6), Block nine (9), and Kettle Run, there shall be a ten (10) foot building line easement. Between Lot ten (10), Block nine (9), and Blacksmith's Lane, there shall be a ten (10) foot building line easement. Between lots one (1) and two (2), Block ten (10), and Windmill Street, there shall be a ten (10) foot building line easement. Between Lots eight (8) and nine (9), Block eleven (11), and Kettle Run, there shall be a ten (10) foot building line easement. Between Lot three (3), Block twelve (12) and Flintrock Lane, there shall be a ten (10) foot building line easement. Between Lot one (1), Block thirteen (13), and Powder Point, there shall be a ten (10) foot building line easement. Between Lot thirteen (13), Block thirteen (13) and Flintrock lane, there shall be a ten (10) foot building line easement. Between Lot three (3), Block fourteen (14), and Barrelhoop Circle, there shall be a ten (10) foot building line easement. Between Lot one (1), Block fifteen (15), and Barrelhoop Circle, there shall be a ten (10) foot building line easement. Between lot three (3), Block fifteen (15), and Millrock Circle, there shall be a ten (10) foot building line easement. Between

Lots six (6) and seven (7), Block fifteen (15), and Barrelhoop Circle, there shall be a ten (10) foot building line easement. Between Lot one (1), Block sixteen (16), and Barrelhoop Circle, there shall be a ten (10) foot building line easement. Between Lot one (1), Block seventeen (17), and Whiterock Lane, there shall be a ten (10) foot building line easement. Between Lots eight (8) and Nine (9), Block seventeen (17), Millrock Circle, there shall be a ten (10) foot building line easement. Between lot fifteen (15), Block seventeen (17), and Whiterock Lane, there shall be a ten (10) foot building line easement. Between Lot one (1), Block eighteen (18), and Millrock Circle, there shall be a ten (10) foot building line easement. Lots ten (10), and eleven (11), Block one (1); Lots eight (8), and nine (9), Block two (2); Lot twenty-three (23), Block two (2), Lots twenty-nine (29) and thirty (30), Block two (2); and Lot twenty-one, Block nineteen (19); shall have a five (5) foot building line easement adjacent to Lots ten (10) and eleven (11), Block one (1); Lots eight (8) and nine (9), Block two (2); Lots twenty-one (21) and twenty-two (22), Block two (2); Lots twenty-nine (29) and thirty (30), Block two (2); Lot twenty (20), Block nineteen (19). Lot five (5), Block three (3) shall have an eight (8) foot building line easement adjacent to Lot four (4), Block three (3). Lots eighteen (18) and nineteen (19), Block nineteen (19); shall have a ten (10) foot building line easement adjacent to Lot nineteen (19), Block nineteen (19) and Lot eighteen (18), Block nineteen (19). Lot thirty-seven (37), Block nineteen (19) shall have a twenty (20) foot building line easement adjacent to Lot thirty-six (36), Block nineteen (19).

No two residential structures of identical floor plan shall be constructed on lots which share common side property lines, (defined as sharing the zero-lot line designa-

tion) nor shall any two residential structures of identical floor plan and elevation detail be constructed closer than every eighth lot.

Section 3. Composite building site. None of said Lots shall be resubdivided in any fraction except as hereinafter provided. Any persons owning two (2) or more adjoining Lots may subdivide or consolidate such Lots into building sites, with the privilege of placing or constructing improvements, as permitted herein, on each such resulting building site, provided that such subdivision or consolidation does not result in more building sites than the number of platted Lots involved in such subdivision or consolidation. No Lot shall be resubdivided into nor shall any dwelling be erected or placed on any Lot, or building site, having an area of less than five thousand five hundred (5,500) square feet; provided however, any whole Lot as shown on the recorded plat shall constitute a permissible Lot or building site.

Section 4. Minimum square footage within improvements. All lots within the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE, are restricted to a minimum size of five thousand five hundred (5,500) square feet and all dwelling units to a minimum of one thousand fifty (1,050) square feet of liveable area, exclusive of open porches, atriums and garages.

Section 5. Sidewalks. Before the dwelling unit is completed, the lot owner shall construct a concrete sidewalk four (4) feet wide parallel to the curb one (1) foot from the property line along the entire front of the lot, and four (4) foot wide sidewalks parallel to the curb one (1) foot from the property line along the entire side of a corner lot shall be constructed by the lot owner of such corner lot. Sidewalks at corner lots shall extend to the projection of the Lot boundary line(s) into the street right-of-way and/or

street curb(s). Sidewalk ramps to accommodate the handicapped will be constructed at all points where the sidewalk intersects the street. All sidewalks shall conform to City of Sugar Land standards. The plans for each residential building on each lot shall include plans and specifications for such sidewalk and same shall be constructed and completed before the main residence is occupied.

Section 6. Prohibition of offensive activities. Other than with regard to the normal sales activites required to sell homes in the subdivision and the lighting effects utilized to display model homes, no activity, whether for profit or not, shall be carried on any Lot which is not related to single family residential purposes. No noxious or offensive activity of any sort shall be permitted nor shall anything be done on any Lot which may be or become an annoyance or a nuisance to the neighborhood.

Section 7. Use of temporary structures. No structure of a temporary character, mobile home, trailer, basement, tent, shed, shack, garage, bar or other temporary building of any nature shall be placed or constructed on any Lot for residential purposes. A temporary office or work shed may, following approval thereof by Declarant or its assigns, be maintained upon any Lot or Lots by any building contractor or sales agency in connection with the erecting and sale of dwellings in the subdivision, but such temporary structure(s) shall be removed at completion of construction or sale of the dwellings, whichever is applicable, or within ten (10) days following notice from Declarant or its assigns. Outbuildings, including portable structures, used for accessory or storage purposes shall be limited to a maximum of eight feet (8') in height and one hundred and twenty (120) square feet of floor space, shall correspond to the style, color and architecture of the dwelling to which

it is appurtenant and shall be subject to approval by the Architectural Control Committee.

Section 8. Use of garages. No garage of any residential structure shall be used for any purpose other than the storage of motor vehicles. Specifically, no garage shall be used for permanent storage of building materials, tools, etc., in such a manner as to preclude its use for the parking of residents' automobiles, nor shall any garage be converted to living space, the use of which would preclude the parking of automobiles. In addition, no garage door may be left open except for the storing or removal of vehicles, lawn care equipment, etc. The Declarant reserves the right to allow the temporary use of garages within model homes as sales offices.

Section 9. Storage of automobiles, boats, trailers and other vehicles. No trucks, trailers, boats, automobiles, campers or other vehicles shall be stored, parked or kept on any driveway, in the front yard, or in the street in front of the Lot unless such vehicle is in day to day use off the premises and such parking is only temporary, from day to day, not to exceed forty-eight (48) hours in duration. Permanent and semi-permanent storage of such items and vehicles must be screened from public view, either within the garage or behind the fence which encloses the rear of the Lot.

Section 10. Mineral operations. No oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Lot, nor shall any wells, tanks, tunnels mineral excavation or shafts be permitted upon or in any Lots. No derrick or other structures designed for the use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 11. Animal husbandry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other common household pets (not to exceed a total of three (3) adult animals) may be kept provided that they are not kept, bred or maintained for commercial purposes. No such animal shall be allowed to become a nuisance or health hazard.

Section 12. Walls and fences. A fence six (6) feet in height shall be constructed on each Lot connecting residences at or to the rear of the front building line; in addition, all non-interior lot lines which adjoin side streets or open space reserves shall be fenced with a fence six (6) feet in height so as to screen all side and rear yards from public view. The plans for each residential building on each Lot shall include plans and specifications for such fencing and the same shall be constructed by the builder and completed prior to completion of the residence it accompanies.

No fence or wall shall be erected, placed or altered on any Lot nearer to any street than the minimum building setback lines as shown on the subdivision plat. The Architectural Control Committee may, at its discretion, permit variances on fence location if approved in writing. All fencing for interior lots shall be of wood or ornamental metal. Walls can be brick, stucco, decorative concrete (if approved by the Architectural Control Committee) or native stone. However, fencing if installed adjacent to major thoroughfares or public spaces must be a standard design, material and color as approved by the Architectural Control Committee. No fence shall exceed six (6) feet in height nor shall any item be placed on the top of any fence without written permission from the Architectural Control Committee. All fences and/or walls hereafter placed on the common boun-

dary line of any two (2) Lots in the subdivision shall be jointly owned and maintained by each of the adjoining Lot Owners. All screen fencing and/or walls not located on a common boundary line shall belong to and be maintained by the Owner of the lot where such screen fencing and/or wall is located. All screen fencing and/or walls located on reserves adjacent to the lots listed above will be maintained by the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

Section 13. Visual obstruction at the intersections of public streets. No object or thing which obstructs site lines at elevations between two (2) feet and eight (8) feet above the roadways within the triangular area formed by the intersecting street property lines and a line connecting them at points ten (10) feet from the intersection of the street property lines or extension thereof shall be placed, planted or permitted to remain on any corner Lots.

Section 14. Lot maintenance. The Owners or occupants of all Lots shall at all times keep all weeds and grass thereof cut in a sanitary, healthful and attractive manner and shall in no event use any Lot for storage or materials and equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The drying of clothes in full public view is prohibited and the Owners or occupants of any Lots at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the Lot is visable to full public view shall construct and maintain a drying yard or other suitable enclosure to screen the following from public view: the drying of clothes, yard equipment or storage piles, which are incident to the normal residential requirements of a typical family. No Lot shall be used or maintained as a dumping ground for trash. Trash,

garbage or other waste materials shall not be kept except in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids. Equipment for the storage or disposal of such waste materials shall be kept in a clean and sanitary condition. New building materials used in the construction of improvements erected upon any Lot, may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without undue delay, until the completion of the improvements, after which these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot. The Owners or occupants of all Lots shall not burn anything (except by use of an incinerator and then only as prescribed and during such hours as permitted by law). In the event of default on the part of the Owner or occupant of any Lot in observing the above requirements or any of them, such default continuing after ten (10) days written notice thereof, Declarant or its assigns may without liability to the Owner or occupant in trespass or otherwise enter upon said Lot or cause to be removed such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions so as to place said Lot in a neat, attractive, healthful and sanitary condition and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of the property to pay for such work immediately upon receipt of a statement therefor. In the event of the failure to pay such statement, the amount therefor may be added to the annual maintenance charge provided for herein.

Section 15. Signs, advertisements, billboards. Except for signs owned by Declarant or builders with the consent of Declarant advertising their model homes during the period of

original construction and home sales, no sign, advertisement or billboard or advertising structure of any kind other than one normal "For Sale" sign not to exceed five (5) square feet in total size may be erected or maintained on any Lot in said subdivision. Declarant, or its assigns, will have the right to remove any sign, advertisement or billboard or structure that does not comply with the above, and in so doing shall not be subject to any liability of trespass or other sort in the connection therewith or arising with such removal.

Section 16. Maintenance of antennae. No electronic antenna or device of any type other than an antenna for receiving normal television signals shall be erected, constructed, placed or permitted to remain on any Lot, houses or buildings. Television antennae may be attached to the house; provided, however, such antenna must be located to the rear of the roof ridge line, gable or center line or the principal dwelling, unless this is not possible due solely to the design of the roof. Freestanding antennae must be attached to and located behind the rear wall of the main residential structure. Guy wires may be installed for purposes of securing antennae; provided, however, that such wires do not encroach upon any easement or adjoining Lot(s), are located behind the rear wall of the main residential structure and screened from view by installation of approved fencing as described in Paragraph 12 of this Article. No antennae, either freestanding or attached, shall be permitted to extend above the roof of the main residential structure on the Lot, or shall be erected on a wooden pole.

Section 17. Window air conditioning. No window or wall type air conditioners shall be permitted to be used, erected, placed or maintained on or in any building in any part of the Properties, provided that the Architectural

Control Committee may, at its discretion, permit window or wall type air conditioners to be installed if such unit, when installed, shall not be visible from a street, such permission, if granted, must be in writing.

Section 18. Underground electrical service. An underground electric distribution system will be installed in that part of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2), designated Underground Residential Subdivision, which underground service area shall embrace all Lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2). The Owner of each Lot in the Underground Residential Subdivision shall, at his own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the electric company's metering on customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company at the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition, the Owner of each Lot, shall at his own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on each Owner's Lot. For so long as underground service is maintained, the electric service to each Lot in the Underground Residential Subdivision shall be uniform in character and exclusively of the type known as single phase, 120/240 volt, three wire, 60 cycle, alternating current.

The electric company will install the underground electric distribution system in the Underground Residential Subdivision at no cost to Developer (except for certain conduits, where applicable, and except as hereinafter provided) upon Developer's representation that the Underground Residential Subdivision is being developed for residential dwelling units, including homes, and if permitted by the restrictions application to such subdivision, townhouses, duplexes and apartment structures, all of which are designed to be permanently located where originally constructed (such category of dwelling units expressly to exclude mobile homes) which are built for sale or rent and all of which multiple dwelling unit structures are wired so as to provide for separate metering to each dwelling unit. Should the plans of the Developer or Lot Owners in the Underground Residential Subdivision be changed so as to permit the erection therein of one or more mobile homes, Company shall not be obligated to provide electric service to any such mobile home unless (a) Developer has paid to the Company an amount representing the excess in cost, for the entire Underground Residential Subdivision, of the underground distribution system over the cost of equivalent overhead facilities to serve such Subdivision or (b) the Owner of each affected Lot, or the applicant for service to any mobile home, shall pay to the Company the sum of (1) $1.75 per front lot foot, it having been agreed that such amount reasonably represents the excess in cost of the underground distribution system to serve such Lot or dwelling unit over the cost of equivalent overhead facilities to serve such Lot or dwelling unit, plus (2) the cost of rearranging, and adding any electric facilities serving such Lot, which arrangement and/or addition is determined by Company to be necessary.

The provisions of the two preceding paragraphs also apply to any future residential development in Reserve(s) shown on plat of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2), as such plat exists at the execution of the agreement for underground electric service between the electric company and Developer or thereafter. Specifically, but not by way of limitation, if a Lot Owner in a former Reserve undertakes some action which would have invoked the above per front lot foot payment if such action had been undertaken in the Underground Residential Subdivision, such Owner or applicant for service shall pay the electric company $1.75 per front lot foot, unless Developer has paid the electric company as above described. The provisions of the two preceding paragraphs do not apply to any future non-residential development in such Reserve(s).

Section 19. Underground telephone service. A buried telephone cable system will be installed in an area in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION ONE, which area shall embrace all Lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2). The Owner of each Lot shall, at his own cost, install in each home, flexible or rigid conduit with pull wire and a minimum of three (3) outlet boxes, at the locations where he desires telephones, all in accordance with specifications available from Sugar Land Telephone Company, in order that the telephone company may install its wiring and equipment in each home in the most expeditious and least costly manner. In the event an Owner fails to comply with the requirements of the preceding sentence, the telephone company will install its standard exposed wiring in such Owner's home and the Owner will be required to pay the telephone company's standard installation charges therefor.

Section 20. Maintenance easements. There is hereby

established and dedicated for the use and benefit of adjacent Lot Owners in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2), a limited perpetual reciprocal easement, six (6) feet in width, being three (3) feet on either side of the common boundary line of each Lot in said SECTION TWO (2), with another Lot in said SECTION TWO (2), save and except the area thereof occupied by a main building or dwelling as the same is hereafter initially constructed, such easements being for the limited purpose of ingress and egress for the replacement, repair and maintenance of a building or dwelling, fences, walls, structures and other appurtenances as hereafter constructed for an initial living unit. Each adjoining Lot Owner shall have the right to use that portion of said easement along a common side boundary line on the adjacent Lot up to a building, fence or wall of any Lot on which the main building is closer than three (3) feet to the common boundary line, for visual and aesthetic use, including planting of grass and the placing of potted plants and the like, but expressly excluding the planting in the ground of shrubs, trees and other landscape items and expressly excluding the right to attach or fasten any object to the adjoining wall of any building. Such use shall expressly preclude the right to change the grade of said easement area or obstruct the same in any manner which would prevent proper drainage.

Section 21. Type of construction, materials, and landscape. The exterior materials of the main residential structure and any attached garage shall be not less than fifty-one (51) percent masonry, unless otherwise approved in writing by the Architectural Control Committee.

Yellow, pink or orange brick should not be used except where permission is given in writing by the Architectural Control Committee.

Stone should be native Texas stone and must complement the style of the architecture employed and conform to the color scheme of the immediate neighborhood.

The roof of any building shall be constructed or covered with asphalt or composition type shingles of 230# or heavier weight with a color that would be dark brown or approximate the color of weathered cedar shingles. The decision of such comparison shall rest exclusively with the Architectural Control Committee. Decisions regarding the use of any other type roofing material shall rest exclusively with the Architectural Control Committe or its assigns.

Residents must use CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2), mailbox of a standard design and color, as approved by the Architectural Control Committee. Alternate mailboxes may be considered only if they are of a design and color that matches the residence on the Lot where the mailbox is placed. Such alternate mailboxes must have written approval from the Architectural Control Committee and such approval is at the sole discretion of the Committee.

All roof stacks and flashings must be painted to coordinate with the color of the residence.

On front lawns and wherever visible from any streets, there shall be no decorative appurtenances placed, such as sculptures, birdbaths and birdhouses, fountains or other decorative embellishments unless such specific items have been approved in writing by the Architectural Control Committee.

All playground equipment must be placed at the rear of the property and must be placed behind a fence if the lot is fenced.

No outside clothesline shall be permitted that is visible from any street.

Section 22. Owner's easements of enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, if any, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

A. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area, if any;

B. The right of the Association to suspend the voting rights and right to use the Common Areas, if any, by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

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

D. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area, if any, and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

ARTICLE IV

Architectural Control Committee

Section 1. Approval of building plans. No building shall be erected, placed or altered on any Lot until the

construction plans and specifications and a plot plan showing the location of the structure, have been approved in writing as to harmony of exterior design and color with existing structures, as to location with respect to topography and finished ground elevation, and as to compliance with minimum construction standards by the Architectural Control Committee of the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC., or its duly authorized representative. A copy of the construction plans and specifications and a plot plan, together with such information as may be deemed pertinent, shall be submitted to the Architectural Control Committee, or its designated representative prior to commencement of construction. The Architectural Control Committee may require the submission of such plans, specifications and plot plans, together with such other documents as it may elect at its entire discretion. In the event the Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the receipt of the required documents, such approval shall be deemed to have been given, provided, however, that failure to timely approve or disapprove such plans and specifications shall not be deemed to permit the erection, construction, placing or altering of any structure on any Lot in a manner prohibited under the terms of this Declaration. The Architectural Control Committee shall have full and complete authority to approve construction of any improvement on any Lot, and its judgment shall be final and conclusive.

The approval or lack of disapproval, by the Committee of any plans and specifications or of the location plot plan, shall in no event be deemed to create any liability whatsoever in the Declarant, the members of the Committee, the duly authorized representative of the Committee, or in any

other party for any warranty or representation by such Committee including, without limitation, any warranty or representation relating to fitness, design, adequacy or location of the proposed construction or compliance with applicable statutes, codes and regulations, in any building or structure erected and located in accordance with such plans and specifications and location plot plan.

Anything contained in this Paragraph 1 or elsewhere in this Declaration to the contrary notwithstanding, the Architectural Control Committee, and its duly authorized representative, is hereby authorized and empowered, at its sole and absolute discretion, to make and permit reasonable modifications of and deviations from any of the requirements of this Declaration relating to the type, kind, quantity or quality of the building materials to be used in the construction of any building or improvement on any Subdivision Lot and of the size and location of any such building or improvement when, in the sole and final judgment and opinion of the Committee or its duly authorized representative, such modifications and deviations in such improvements will be in harmony with existing structures and will not materially detract from the aesthetic appearance of the Subdivision and its improvements as a whole.

The Architectural Control Committee may require the submission to it of such documents and items (including, as examples, but without limitation, written request for and description of the variances requested, plans, specifications, plot plans and samples of materials) as it shall deem appropriate, in connection with its consideration of a request for a variance. If the Architectural Control Committee shall approve such request for a variance, the Architectural Control Committee may evidence such approval, and grant its permission for such variance, only by written

instrument, addressed to the Owner of the Lot(s) relative to which such variance has been requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing the decision of the Architectural Control Committee to permit the variance, describing (when applicable) the conditions on which the variance has been approved (including as examples, but without limitation, the type of alternate materials to be permitted, and alternate fence height approved or specifying the location, plans and specifications applicable to an approved carport), and signed by a majority of the then members of the Architectural Control Committee (or by the Committee's duly authorized representative). Any request for a variance shall be deemed to have been disapproved for the purposes hereof in the event of either (a) written notice of disapproval from the Architectural Control Committee; or (b) failure by the Architectural Control Committee to respond to the request for variance. In the event the Architectural Control Committee or any successor to the authority thereof shall not then be functioning and/or the term of the Architectural Control Committee shall have expired and the Board of Directors of the Association shall not have succeeded to the authority thereof as herein provided, no variances from the covenants of this Declaration shall be permitted, it being the intention of Declarant that no variances be available except at the discretion of the Architectural Control Committee, or if it shall have succeeded to the authority of the Architectural Control Committee in the manner provided herein, the Board of Directors of the Association. The Architectural Control Committee shall have no authority to approve any variance except as expressly provided in this Declaration.

Section 2. Committee membership. The Architectural

Control Committee members shall be three (3) in number, and shall be composed of: Calvin Dunham, Eugene Mohler and Ronald White, who by majority vote may designate a representative to act for them. The current address of the Architectural Control Committee is: 2020 Post Oak Tower, Houston, Texas, 77056.

Section 3. Replacement. In the event of death or resignation of any member or members of said committee, the remaining number of members shall appoint by recorded instrument a successor member or members, and until such successor member or members, shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications and plot plans submitted or to designate a representative with like authority.

Section 4. Minimum construction standards. The Architectural Control Committee may from time to time promulgate an outline of minimum acceptable construction standards, provided, however, that such outline will serve as a minimum guideline and such Architectural Control Committee shall not be bound thereby.

Section 5. Term. The duties and powers of the Architectural Control Committee and of the designated representative shall cease on or after ten (10) years from the date of this instrument. Thereafter, the approval described in this covenant shall not be required, and all power vested in said committee by this covenant shall cease and terminate; provided, that any time after January 1, 1991, by two-thirds (2/3) vote of the members present and voting, the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS' ASSOCIATION, INC., may assume the duties and powers of the Architectural Control Committee.

ARTICLE V

Chimneystone Planned Community Development Homeowners' Association, Inc.

Section 1. Membership and voting rights. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be apputenant to and may not be separated from ownership of any Lot which is subject to assessment. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

Section 2. The Association shall have two (2) classes of voting membership:

Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. A Lot owned by a Class A member shall be a Class A Lot.

Class B: The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. A Lot owned by a Class B member shall be a Class B Lot. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

A. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B Membership, or

B. January 1, 1987.

The Class A and Class B members shall have no rights as such to vote as a class, except as required by the Texas Non-Profit Corporation Act, and both classes shall vote upon all matters as one group.

Section 3. Non-profit corporation. The CHIMNEYSTONE

PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS' ASSOCIATION, INC., a non-profit corporation, has been organized, and it shall be governed by the Articles of Incorporation of said Association, and all duties, obligations, benefits, lines and rights hereunder in favor of the Association shall vest in said corporation.

Section 4. By-laws. The Association may make whatever rules or by-laws it may choose to govern the organization, provided, however, that same are not in conflict with the terms and provisions hereof.

Section 5. Inspection of records. The members of the Association shall have the right to inspect the books and records of the Association at reasonable times during the normal business hours.

ARTICLE VI

Maintenance Assessments

Section 1. Creation of the lien and personal obligation of assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interests, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interests, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not

pass to his successor in title unless expressly assumed by them.

Section 2. Purpose of assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Properties and for the improvement and maintenance of any Common Areas. The responsibilities of the Homeowners' Association shall include, but not be limited to the maintenance and repair of the walkways, steps, entry gates or fountain areas, if any, constructing and maintaining parkways, rights-of-way, easements, esplanades and other public areas, construction and operation of all street lights, purchase and/or operating expenses of recreation areas, if any; payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions and conditions affecting the Properties to which the maintenance fund applies; payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment; employing policemen and watchmen, if desired, caring for vacant lots and doing other things or things necessary or desirable in the opinion of the Association to keep the properties in the subdivision neat and in good order, or which is considered in general benefit to the owners or occupants of the Properties. It is understood that the judgment of the Association in the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 3. Rate of assessment. The maintenance charge on Class B Lots shall be a maximum of Fifty percent (50%) of the assessment for Class A Lots per month and shall begin to accrue on a monthly basis on each such Lot on the date the first house in the Subdivision is conveyed or on the date

fixed by the Board of Directors to the date of commencement, whichever occurs first. The entire accrued charge (of said rate stated above per month) on each Lot shall become due and payable on the date such Lot converts from Class B Lot to a Class A Lot by reason of the Owner's purchase of the residence thereon.

The initial charge shall accrue and become due and payable on each Lot on the date such Lot converts from a Class B Lot to a Class A Lot. The determination of the amount of such initial charge, which shall be for the remainder of the year in which such class conversion of said Lot occurs, shall be made by the Association, on, or as of, said accrual date and shall be immediately due and payable. The maintenance charge on each Class A Lot and thereafter shall accrue and become due and payable on the first day of January of each succeeding year and shall be in an amount determined by the Association during the thirty (30) day period next preceding the due date of said charge. The Association can collect special assessments as well as annual charges above described whenever a majority of the members in person or by proxy at a meeting duly called for such purpose to vote.

Section 4. Maximum annual assessment. Until January 1, 1982, the maximum annual assessment shall be $180.00. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum annual assessment for the previous year without a vote of the membership. From and after January 1, of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each class of members who are

voting in person or by proxy, at a meeting duly called for that purpose.

Section 5. Notice of assessment. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum, and shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of the annual assessment period, which shall begin on the first day of January of each year. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors.

Section 6. Notice and Quorum for any action authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Effect of nonpayment of assessments. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the

assessments provided herein by non-use of the Common Area or abandonment of his Lot.

Section 8. Subordination of the lien to mortgages. To secure the payment of the maintenance fund and all annual and special assessments established hereby and to be levied on individual residential Lots, there is hereby reserved in each Deed (whether specifically stated therein or not) by which the Declarant shall convey such Lots, a Vendor's Lien for the benefit of the Association, said lien to be enforceable through appropriate proceedings at law by such beneficiary; provided, however, that each such lien shall be secondary, subordinate and inferior to all liens, present and future given, granted and treated by or at the instance and request of the Declarant and the Owner of say such Lot to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the construction of improvements on any such Lot to the extent of any such maintenance fund charge or annual or special assessments accrued and unpaid prior to foreclosure of any such purchase money lien or construction lien; and further provided that as a condition precedent to any proceeding by the Association to enforce such lien upon any Lot upon which there is an outstanding valid and subsisting first mortgage lien, for the aforesaid purpose or purposes, the Association shall give the holder of such first mortgage lien sixty (60) days written notice of such proposed action, which notice shall be sent to the nearest office of such first mortgage holder by prepaid U.S. Registered Mail, and shall contain a statement of the delinquent maintenance charges or annual or special assessments upon which the proposed action is based. Upon the request of any such first mortgage lienholder, the Association shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular Lot

covered by such first mortgage lien to the holder thereof. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 9. Future sections. The Association shall use the proceeds of the maintenance fund for the use and benefit of all residents of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION TWO (2), well as all subsequent sections of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT; provided, however, that each future section of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT be entitled to the benefit of this maintenance fund, must be impressed with and subjected to the annual maintenance charge and assessment on a uniform, per Lot basis, equivalent to the maintenance charge and assessment imposed hereby, and further made subject to the jurisdiction of the Association. Upon submission and approval by the Federal Housing Administration and/or the Veterans Administration of a general plan of the entire development, and approval of each stage of development such future sections of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT may be annexed by the Declarant.

ARTICLE VII

Covenant for Transportation Charges

Section 1. Creation of the lien and personal obligation of charges. Declarant hereby covenants, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay certain transportation charges, as such

term is hereinabove defined, to be established and collected as hereinafter provided. The transportation charges, together with accrued but unpaid interest on delinquent charges, and reasonable attorney fees, shall be a charge on the land and shall constitute a continuing pre-existing Vendor's Lien retained in favor of Declarant upon the property against which each such transportation charge is made. This lien shall be assigned to the Receipient and Administrator of the transportation charges as hereinafter set forth.

Payment of each such transportation charge, together with accrued but unpaid interest on delinquent charges at the rate specified for judgments in Texas, and reasonable attorney fees, shall also be the personal obligation for payment of a delinquent transportation charge shall not pass to such person's successors in title unless expressly assumed by then.

An action of law may be brought against the Owner personally obligated to pay said transportation charges and/or the lien against the property thereby encumbered may be foreclosed. Each such Owner, by this acceptance of a deed to any such parcel, hereby expressly vests in Declarant the Vendor's Lien provided for in this Article, together with the right and power (1) to bring all actions against an Owner personally liable for the payment of the charge in order to enforce the collection of such transportation charges as a debt and (2) to enforce the aforesaid lien by all methods provided by law for the enforcement of such liens including, but not limited to, judicial foreclosure by an action brought in the name of the then Recipient and Administrator of the transportation charges, such judicial foreclosure to be instituted and carried forth in a like manner as a foreclosures of a mortgage or deed of trust lien

on real property. Each such Owner hereby expressly grants a power of sale in connection with the said lien. No Owner may waive or otherwise escape liability for the transportation charges provided for herein by abandonment of this property.

Section 2. Purpose of charges. Funds provided by the transportation charge shall be used exclusively (1) to furnish transportation services and (2) to promote the utilization of various systems of transportaion in order to best meet the domestic, educational, recreational and leisure needs of the users of such systems in the manner deemed most appropriate by the Recipient and Administrator of the transportation charges, as such term is hereinafter defined. The expenditure of such funds may be utilized for, but shall not be limited to, studying, establishing, operating, maintaining and doing any other things necessary or desirable which are deemed appropriate by the Recipient and Administrator of the transportation charges, in studying, establishing and maintaining the transportation facilities and system.

Section 3. Maximum annual rate of transportation charge. Upon commencement of the transportation charges in accordance with the terms of this Article, the maximum annual transportaion charge per Lot or other parcel of real estate so encumbered, shall be an amount no greater than $0.25 per $100.00 of value of each such parcel, together with any and all improvements situated thereon, with same being assessed at one hundred percent (100%) of appraised market value. Personal property shall be specifically excluded in calculating the assessed value of the property hereby encumbered. The market value of the land and improvements for purposes of calculating a transportation charge against each parcel of real estate so encumbered shall be

determined and established in accordance with the real property valuations established by the rolls of the Fort Bend County Tax Assessor/Collector or of such other tax assessor/collector employed by a governmental subdivision of the State of Texas who performs the functions of assessing and appraising the individual properties subject to the transportation charge on a uniform basis. This designation as to which tax assessor/collector's rolls are to be utilized is to be made and can be changed at the sole discretion of the Recipient and Administrator of the transportation charges.

Upon receipt of the valuations established by such tax assessor/collector's rolls, the annual transportation charge may be promulgated and set at a rate not in excess of the maximum rate herein established.

Section 4. Classification of lots. All parcels of real eastate subject to the transportation charge shall be divided into two (2) classes for purposes of establishing and determining the transportation charges: Class A parcels and Class B parcels. Class A parcels shall be those parcels upon which a home or other permanent improvements have been constructed and occupancy therein or utilization thereof for business, commercial or other purposes, has commenced. Class B parcels shall be all other parcels not designated as Class A parcels. Upon commencement of the assessment of the annual transportation charge, all parcels shall commence to bear their applicable transportation charge simultaneously with such commencement. Because of the nature and purpose of the transportation charge, the full charge shall not be applicable to Class B parcels. Class B parcels shall bear a transportation charge which is twenty-five percent (25%) of a regular full assessment. However, at such time as there is constructed on any Class B parcel permanent improvements

which are occupied or utilized for business, commercial or other purposes, such Class B Lot or parcel shall automatically and irrevocable convert to and assume the status of a Class A parcel effective as of the date of such occupancy or utilization and the transportation charge for the then current year shall be adjusted according to the number of months remaining in that calendar year.

Section 5. Commencement of transportation charge. An election shall be held in the property burdened by the transporation lien in the year 1984 on the question of the commencement of the transportation charges and the designation of a Recipient and Administrator. The designation and structure of the Receipient and Administrator, the wording of the propositions on the ballots and the timing and conduct of the election shall be subject to the approval of the Department of Housing and Urban Development and the Veterans Administration.

Notice of this election shall be given in writing to each Owner of such property by mailing or delivering a copy of such notice at least thirty (30) days before such election using the address appearing on the rolls of the Fort Bend County Tax Assessor/Collector for the purpose of such notice. Such notice shall specify the place, day and hours of the election, the propositions to be voted on and the location where detailed information regarding these propositions may be found.

There shall be one (1) vote permitted for each parcel of land. If a majority of the vote cast in the election is favorable, the Recipient and Administrator of the transportation charges shall be assigned the Vendor's Lien held by Declarant securing the transportation charges and shall be authorized to make the necessary assessments and otherwise carry out its duties including:

A. Making the decision as to when the transporation charges shall commence to accrue (no earlier than January 1, 1985);

B. Fixing the rate of the charge (not to exceed $0.25 per $100 of assessed valuation);

C. Administering the transporation charge proceeds for the benefit of users of the transporation facilities;

D. Enforcing the lien herein provided for in the event the assessed transportation charge against such parcel thereby encumbered is not timely paid; and

E. Performing any and all other acts necessary to implement the intent of this Article to the end that the contributors to and users of the transportation facilities shall be served by transportation systems which will ultimately enhance their mobility and conserve the expenditure of energy.

Subject to the outcome of the election, the annual transportation charge against Class A and Class B parcels shall commence to accrue (1) on January 1, 1985, or (2) at such later time determined by the Recipient and Administrator of transportation charges. The annual transportation charge on each parcel thereafter encumbered shall mature and become due and payable on the first day of January of each succeeding year following the initial assessment of the charge. The rate for each ensuing year shall be established no later than the first day of October of the preceding year. This, if a transportation charge is to be assessed for the year 1985, the rate of the charge must be promulgated no later than October 1, 1984, and the charge will be due and payable on or before January 1, 1986. The valuation of the tax

assessor/collector for the year the rate of charge is set shall be applicable in calculating the charge. Thus, in the expample, the 1984 valuation shall be employed for the charge accruing in 1985. Written notice of the rate and value of the annual transportation charge shall be sent to every Owner of a parcel subject thereto at the address of such parcel subject to the charge, or at such other place or places as to be determined and designated by the Recipient and Administrator of the transportation charge. Upon demand and for a reasonable charge, there shall be furnished a certificate setting the paid-in-full or delinquent status of the charge on a specified parcel here encumbered. Any transportation charge not paid within thirty (30) days after the due date (due date being January 1st of the year subsequent to the year of assessment of that particular charge) shall be delinquent, shall bear interest from the due date until the date of payment and shall be subject to the remedies vested in the Recipient and Administrator all as herein provided.

Section 6. Subordination of the lien to mortgages. The Vendor's Lien securing the transportation charges against any parcel encumbered thereby as provided for herein shall be expressly subordinate and inferior to the lien of any mortgage on any such parcel. Sale or transfer of any such parcel shall not affect or diminish the enforceability of the transportation charge liens; however, the sale or transfer of any such parcel pursuant to mortgage foreclosure of any proceeding in lieu thereof shall extinguish the lien of such transportation charges against such parcel only as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot or parcel of land (1) from liability for any transportation charges thereafter become due or (2) from the lien thereof hereby created.

ARTICLE VIII

General Provisions

Section 1. Term and Amendment. These covenants shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of twenty (20) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by a majority of the then Owners of the Lots has been recorded agreeing to change or terminate said covenants in whole or in part. The terms and provisions of these Restrictions during the first twenty (20) year period may be amended at any time when an instrument setting forth said changes and signed by ninety percent (90%) of the Lot Owners is placed on record in the Real Property Records of Fort Bend County, Texas.

Section 2. Enforcement. Upon any violation or attempt to violate any of the covenants herein, it shall be lawful for the Association or any other Lot Owner to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from doing so or to recover damages or other dues for such violations. Failure by any Owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability. Invalidation of any one of these covenants by judgement or other court order shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 4. FHA/VA approval. So long as the Declarant, its successors and assigns, are in control of the CHIMNEY-STONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION,

the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration: Annexation of additional properties, dedication of Common Area and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 5. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of the membership, however, upon submission and approval by FHA/VA of a general plan of the entire development and approval of each stage of development, such additional stages of development may be annexed by the Association Board of Directors without such approval by the membership.

Section 6. Effect of violations on liens. It is specifically provided that a violation of any one or more of these covenants, conditions or restrictions shall not affect the lien of any mortgage or deed of trust now of record, or which may hereafter be placed of record, or other lien acquired and now held in good faith upon said Lots or any part thereof, but such liens may be enforced as against any and all property covered thereby, subject nevertheless to the restrictions herein contained.

Section 7. Lienholders. The Lienholders join herein solely for the purpose of subordinating the liens held by it of record upon the Properties to the covenants, conditions and restrictions hereby imposed by Declarant with, however, the stipulation that such subordination does not extend to any lien or charge imposed by or provided for in this Declaration.

EXECUTED this 21 day of August, 1981.

ATTEST. SUGARLAND PROPERTIES INCORPORATED

By: Maureen C Stolle
Secretary

By: Edwin de Witt Dunham Jr.
Vice-President

DEED

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STATE OF TEXAS S

COUNTY OF HARRIS S

BEFORE ME, the undersigned authority, on this day personally appeared Calvin deWitt Dunlavy, Vice President of Sugarland Properties Incorporated, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this 21st day of August, 1981.

Sue Ann Thompson
Notary Public in and for the State of Texas

Sue Ann Thompson
Printed Name of Notary Public

My Commission Expires: 2/20/84

FILED FOR RECORD
AUG 25 1981 TIME 11:30 A.M.

Pearl Ellett
COUNTY CLERK, FORT BEND COUNTY, TEX

STATE OF TEXAS COUNTY OF FORT BEND

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Fort Bend County, Texas as stamped hereon by me on

AUG 26 1981

Pearl Ellett
County Clerk, Fort Bend Co., Tex.

Return to: Sugarland Properties, Inc.
2020 Post Oak Towers
Houston, Tx. 77056
Attn: Ron White

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State of Texas
County of Fort Bend,

I, Dianne Wilson, County Clerk of Fort Bend County, Texas, do hereby certify that the foregoing is a true and correct copy of the original record now on file and/or recorded by me in the records as stamped hereon by me.

June 6, 1988 Date
DIANNE WILSON, County Clerk

COMPARED
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DEED
VOL 1084 PAGE 736

DECLARATION OF COVENANTS, CONDITIONS
AND
RESTRICTIONS
FOR
CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3)

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DEED

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DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3)

STATE OF TEXAS §

COUNTY OF FORT BEND §

This Declaration, made on the date hereinafter set forth by Sugarland Properties Incorporated, a Texas corporation, hereinafter referred to as "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant is the owner of that certain 45.798 acre tract of land in the William Stafford League, Abstract No. 89, in Fort Bend County, Texas, which is more particularly described as follows:

Lots One (1) through Forty-Eight (48), inclusive, Block One (1)
Lots One (1) through Nineteen (19), inclusive, Block Two (2)
Lots One (1) through Six (6), inclusive, Block Three (3)
Lots One (1) through Eighteen (18), inclusive, Block Four (4)
Lots One (1) through Twenty (20), inclusive, Block Five (5)
Lots One (1) through Fifteen (15), inclusive, Block Six (6)

All of said Lots being in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE, according to the map or plat thereof recorded in Volume 30, Page 3, of the Map Records of Fort Bend County, Texas.

WHEREAS, it is the desire of Declarant to place certain restrictions, covenants, conditions, stipulations and reser-

vations upon and against such property in order to establish a uniform plan for the development, improvement and sale of such property, and to insure the preservation of such uniform plan for the benefit of all the present and future owners of lots in said subdivision and THE CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that Declarant does hereby adopt, establish and impose upon those above described lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3), and declare the following reservations, easements, restrictions, covenants and conditions, applicable thereto, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of the land, which reservations shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof and THE CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to THE CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC., a non-profit corporation, its successors and assigns. The Association shall have power to collect and disburse the maintenance assessments provided for in Paragraph 1, Article VI.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to those certain lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3) , described above, subject to the Reservations set forth herein and/or in the Subdivision plats, and any additional properties made subject to the terms hereof pursuant to the provisions set forth herein.

Section 4. "Common Area," if any, shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded Subdivision map of the Properties, except the Common Area, if any, and Commercial Reserves, if any.

Section 6. "Declarant" or "Developer" shall mean and refer to Sugarland Properties Incorporated, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development. For the purposes of this Declaration, "developed Lot" shall mean a Lot with the street on which it faces opened and improved and with utilities installed and ready to furnish utility service to such Lot, and "undeveloped Lot" is any Lot which is not a developed Lot.

ARTICLE II

Reservations, Exceptions And Dedications

Section 1. Recorded subdivision maps of the Properties. The recorded subdivision maps of the Properties dedicate for use as such, subject to the limitations as set forth therein, the streets and easements shown thereof, and such recorded subdivision maps of the Properties further establish certain restrictions applicable to the Properties including without limitation certain minimum setback lines. All dedications, limitations, restrictions and reservations

shown on the recorded plats or replats of the subdivision of the Properties are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each contract, deed or conveyance executed or to be executed by or on behalf of Declarant, conveying said property or any part thereof, whether specifically referred to therein or not.

Section 2. Easements. Declarant reserves for the public use the easements and rights-of-way as shown on the recorded subdivision maps of the Porperties for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers or any other utility Declarant sees fit to install in, across and/or under the Properties. Declarant reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements, but such changes and additions must be approved by the Federal Housing Administration and Veterans Administration. Declarant reserves the right to hereafter enter into a franchise or similar type agreement with one or more Cable Television Companies and Declarant shall have the right and power in such agreement or agreements to grant to such Cable Television Company or Companies the uninterrupted right to install and maintain communications cable and related ancillary equipment and appurtenances within the utility easements or rights-of-way reserved and dedicated herein and in the referenced plat and Declarant does hereby reserve unto itself, its successors and assigns the sole and exclusive right to obtain and retain all income, revenue and other things of value paid or to be paid by such Cable Television Companies to Declarant pursuant to any such agreements between Declarant and such Cable Television

Companies. Provided, however, that the rights herein reserved to Declarant with regard to any Cable Television Company shall terminate and automatically be transferred to the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS' ASSOCIATION, INC., at such time as the Class B membership shall cease as provided in Article V, hereafter. No fence or other structure of any kind shall be erected so as to enclose or encroach upon any of said easements. Neither Declarant nor any utility company using the easements herein referred to shall be liable for any damages done by them or their assigns, their agents, employees or servants, to fences, shrubbery, trees or flowers or any other property of the Owner on the land covered by said easements.

Section 3. Title subject to easements. It is expressly agreed and understood that the title conveyed by Declarant to any of the Properties by contract, deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, storm sewer, electric light, electric power, telephone or telegraph purposes. The owners of the respective lots shall not be deemed to separately own pipes, wires, conduits or other service lines running through their property which are utilized for or service other Lots, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his Lot.

ARTICLE III

Use Restrictions

Section 1. Single family residential construction. No building shall be erected, altered or permitted to remain on any lot other than one detached single family dwelling used for residential purposes only, and not to exceed one (1) story in height. Each such dwelling shall have an attached garage for no less than two (2) cars. As used herein, the

term "Residential Purposes" shall be construed to prohibit mobile homes or trailers being placed on the lots or the use of lots for garage apartments, or apartment houses, townhouses, duplexes or any other such attached dwelling units; no lot shall be used for business or professional purposes of any kind, nor for any commercial or manufacturing purposes. No building of any kind shall ever be moved onto any lot within the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3) without written approval of the Architectural Control Committee.

Section 2. Location of the Improvements upon the Lot. No building shall be located on any lot nearer to the street side line than the minimum building setback line shown on the recorded plat. For all lots other than Lots Twenty-Two (22) and Forty-Four (44), Block One (1); Lots Six (6) and Fifteen (15), Block Two (2); Lots Three (3) and Six (6), Block Three (3); Lots Six (6) and Fifteen (15), Block Four (4); and Lots Eleven (11) and Fifteen (15), Block Six (6), one wall of the building and/or garage shall be located on one side lot line on interior lots. However, this wall shall not have any windows, doors or other such related openings. The other wall of the building and/or garage shall be a minimum of ten (10) feet to an interior lot line or ten (10) feet to an exterior lot line on a corner lot. Eaves in excess of twelve (12) inches, steps and unroofed terraces shall not be allowed to protrude upon adjacent lot on the zero-lot line side of the lot; nor shall any drainage from any roof be diverted onto any adjoining lot. On the ten (10) foot building setback side of the lot, eaves, steps and unroofed terraces shall not be considered as part of a building; however, this shall not be construed to permit any portion of the construction on a lot to extend upon another lot. Between Lots Five (5) and Six (6), Block Two (2) and

Garden Lane, there shall be a ten (10) foot building line easement. Between Lots One (1) and Six (6), Block Three (3) and Garden Lane, there shall be a ten (10) foot building line easement. Between Lot Three (3), Block Three (3) and North Home Place, there shall be a ten (10) foot building line easement. Between Lots One (1), Fourteen (14) and Fifteen (15), Block Two (2), and Garden Lane, there shall be a ten (10) foot building line easement. Between Lot Four (4), Block Three (3), and South Home Place there shall be a ten (10) foot building line easement. Between Lots Five (5), Six (6), Fourteen (14) and Fifteen (15), Block Four (4), and East Heatherock Circle, there shall be a ten (10) foot building line easement. Between Lots Four (4), Five (5), Eleven (11) and Twelve (12), Block Six (6), and West Heatherock Circle, there shall be a ten (10) foot building line easement.

No two residential structures of identical floor plan shall be constructed on lots which share common side property lines, (defined as sharing the zero-lot line designation) nor shall any two residential structures of identical floor plan and elevation detail be constructed closer than every eighth lot.

Section 3. Composite building site. None of said Lots shall be resubdivided in any fraction except as hereinafter provided. Any persons owning two (2) or more adjoining Lots may subdivide or consolidate such Lots into building sites, with the privilege of placing or constructing improvements, as permitted herein, on each such resulting building site, provided that such subdivision or consolidation does not result in more building sites than the number of platted Lots involved in such subdivision or consolidation. No Lot shall be resubdivided into nor shall any dwelling be erected or placed on any Lot, or building site, having an area of

less than five thousand five hundred (5,500) square feet; provided however, any whole Lot as shown on the recorded plat shall constitute a permissible Lot or building site.

Section 4. Minimum square footage within improvements. All lots within the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE, are restricted to a minimum size of five thousand five hundred (5,500) square feet and all dwelling units to a minimum of one thousand fifty (1,050) square feet of liveable area, exclusive of open porches, atriums and garages.

Section 5. Sidewalks. Before the dwelling unit is completed, the lot owner shall construct a concrete sidewalk four (4) feet wide parallel to the curb one (1) foot from the property line along the entire front of the lot, and four (4) foot wide sidewalks parallel to the curb one (1) foot from the property line along the entire side of a corner lot shall be constructed by the lot owner of such corner lot. Sidewalks at corner lots shall extend to the projection of the Lot boundary line(s) into the street right-of-way and/or street curb(s). Sidewalk ramps to accommodate the handicapped will be constructed at all points where the sidewalk intersects the street. All sidewalks shall conform to City of Sugar Land standards. The plans for each residential building on each lot shall include plans and specifications for such sidewalk and same shall be constructed and completed before the main residence is occupied.

Section 6. Prohibition of offensive activities. Other than with regard to the normal sales activites required to sell homes in the subdivision and the lighting effects utilized to display model homes, no activity, whether for profit or not, shall be carried on any Lot which is not related to single family residential purposes. No noxious or offensive activity of any sort shall be permitted nor shall any-

thing be done on any Lot which may be or become an annoyance or a nuisance to the neighborhood.

Section 7. Use of temporary structures. No structure of a temporary character, mobile home, trailer, basement, tent, shed, shack, garage, bar or other temporary building of any nature shall be placed or constructed on any Lot for residential purposes. A temporary office or work shed may, following approval thereof by Declarant or its assigns, be maintained upon any Lot or Lots by any building contractor or sales agency in connection with the erecting and sale of dwellings in the subdivision, but such temporary structure(s) shall be removed at completion of construction or sale of the dwellings, whichever is applicable, or within ten (10) days following notice from Declarant or its assigns. Outbuildings, including portable structures, used for accessory or storage purposes shall be limited to a maximum of eight feet (8') in height and one hundred and twenty (120) square feet of floor space, shall correspond to the style, color and architecture of the dwelling to which it is appurtenant and shall be subject to approval by the Architectural Control Committee.

Section 8. Use of garages. No garage of any residential structure shall be used for any purpose other than the storage of motor vehicles. Specifically, no garage shall be used for permanent storage of building materials, tools, etc., in such a manner as to preclude its use for the parking of residents' automobiles, nor shall any garage be converted to living space, the use of which would preclude the parking of automobiles. In addition, no garage door may be left open except for the storing or removal of vehicles, lawn care equipment, etc. The Declarant reserves the right to allow the temporary use of garages within model homes as sales offices.

Section 9. Storage of automobiles, boats, trailers and other vehicles. No trucks, trailers, boats, automobiles, campers or other vehicles shall be stored, parked or kept on any driveway, in the front yard, or in the street in front of the Lot unless such vehicle is in day to day use off the premises and such parking is only temporary, from day to day, not to exceed forty-eight (48) hours in duration. Permanent and semi-permanent storage of such items and vehicles must be screened from public view, either within the garage or behind the fence which encloses the rear of the Lot.

Section 10. Mineral operations. No oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Lot, nor shall any wells, tanks, tunnels mineral excavation or shafts be permitted upon or in any Lots. No derrick or other structures designed for the use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 11. Animal husbandry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other common household pets (not to exceed a total of three (3) adult animals) may be kept provided that they are not kept, bred or maintained for commercial purposes. No such animal shall be allowed to become a nuisance or health hazard.

Section 12. Walls and fences. A fence six (6) feet in height shall be constructed on each Lot connecting residences at or to the rear of the front building line; in addition, all non-interior lot lines which adjoin side streets or open space reserves shall be fenced with a fence six (6) feet in height so as to screen all side and rear yards from public view. The plans for each residential building on

each Lot shall include plans and specifications for such fencing and the same shall be constructed by the builder and completed prior to completion of the residence it accompanies.

No fence or wall shall be erected, placed or altered on any Lot nearer to any street than the minimum building setback lines as shown on the subdivision plat. The Architectural Control Committee may, at its discretion, permit variances on fence location if approved in writing. All fencing for interior lots shall be of wood or ornamental metal. Walls can be brick, stucco, decorative concrete (if approved by the Architectural Control Committee) or native stone. However, fencing if installed adjacent to major thoroughfares or public spaces must be a standard design, material and color as approved by the Architectural Control Committee. No fence shall exceed six (6) feet in height nor shall any item be placed on the top of any fence without written permission from the Architectural Control Committee. All fences and/or walls hereafter placed on the common boundary line of any two (2) Lots in the subdivision shall be jointly owned and maintained by each of the adjoining Lot Owners. All screen fencing and/or walls not located on a common boundary line shall belong to and be maintained by the Owner of the lot where such screen fencing and/or wall is located. All screen fencing and/or walls located on reserves adjacent to the lots listed above will be maintained by the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

Section 13. Visual obstruction at the intersections of public streets. No object or thing which obstructs site lines at elevations between two (2) feet and eight (8) feet above the roadways within the triangular area formed by the intersecting street property lines and a line connecting

them at points ten (10) feet from the intersection of the street property lines or extension thereof shall be placed, planted or permitted to remain on any corner Lots.

Section 14. Lot maintenance. The Owners or occupants of all Lots shall at all times keep all weeds and grass thereof cut in a sanitary, healthful and attractive manner and shall in no event use any Lot for storage or materials and equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The drying of clothes in full public view is prohibited and the Owners or occupants of any Lots at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the Lot is visable to full public view shall construct and maintain a drying yard or other suitable enclosure to screen the following from public view: the drying of clothes, yard equipment or storage piles, which are incident to the normal residential requirements of a typical family. No Lot shall be used or maintained as a dumping ground for trash. Trash, garbage or other waste materials shall not be kept except in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids. Equipment for the storage or disposal of such waste materials shall be kept in a clean and sanitary condition. New building materials used in the construction of improvements erected upon any Lot, may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without undue delay, until the completion of the improvements, after which these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot. The Owners or occupants of all Lots shall not burn anything (except by use of an incinerator and then only as prescribed and during such hours

as permitted by law). In the event of default on the part of the Owner or occupant of any Lot in observing the above requirements or any of them, such default continuing after ten (10) days written notice thereof, Declarant or its assigns may without liability to the Owner or occupant in trespass or otherwise enter upon said Lot or cause to be removed such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions so as to place said Lot in a neat, attractive, healthful and sanitary condition and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of the property to pay for such work immediately upon receipt of a statement therefor. In the event of the failure to pay such statement, the amount therefor may be added to the annual maintenance charge provided for herein.

Section 15. Signs, advertisements, billboards. Except for signs owned by Declarant or builders with the consent of Declarant advertising their model homes during the period of original construction and home sales, no sign, advertisement or billboard or advertising structure of any kind other than one normal "For Sale" sign not to exceed five (5) square feet in total size may be erected or maintained on any Lot in said subdivision. Declarant, or its assigns, will have the right to remove any sign, advertisement or billboard or structure that does not comply with the above, and in so doing shall not be subject to any liability of trespass or other sort in the connection therewith or arising with such removal.

Section 16. Maintenance of antennae. No electronic antenna or device of any type other than an antenna for receiving normal television signals shall be erected, constructed, placed or permitted to remain on any Lot,

houses or buildings. Television antennae may be attached to the house; provided, however, such antenna must be located to the rear of the roof ridge line, gable or center line or the principal dwelling, unless this is not possible due solely to the design of the roof. Freestanding antennae must be attached to and located behind the rear wall of the main residential structure. Guy wires may be installed for purposes of securing antennae; provided, however, that such wires do not encroach upon any easement or adjoining Lot(s), are located behind the rear wall of the main residential structure and screened from view by installation of approved fencing as described in Paragraph 12 of this Article. No antennae, either freestanding or attached, shall be permitted to extend above the roof of the main residential structure on the Lot, or shall be erected on a wooden pole.

Section 17. Window air conditioning. No window or wall type air conditioners shall be permitted to be used, erected, placed or maintained on or in any building in any part of the Properties, provided that the Architectural Control Committee may, at its discretion, permit window or wall type air conditioners to be installed if such unit, when installed, shall not be visible from a street, such permission, if granted, must be in writing.

Section 18. Underground electrical service. An underground electric distribution system will be installed in that part of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3), designated Underground Residential Subdivision, which underground service area shall embrace all Lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3). The Owner of each Lot in the Underground Residential Subdivision shall, at his own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical

Code) the underground service cable and appurtenances from the point of the electric company's metering on customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company at the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition, the Owner of each Lot, shall at his own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on each Owner's Lot. For so long as underground service is maintained, the electric service to each Lot in the Underground Residential Subdivision shall be uniform in character and exclusively of the type known as single phase, 120/240 volt, three wire, 60 cycle, alternating current.

The electric company will install the underground electric distribution system in the Underground Residential Subdivision at no cost to Developer (except for certain conduits, where applicable, and except as hereinafter provided) upon Developer's representation that the Underground Residential Subdivision is being developed for residential dwelling units, including homes, and if permitted by the restrictions application to such subdivision, townhouses, duplexes and apartment structures, all of which are designed to be permanently located where originally constructed (such category of dwelling units expressly to exclude mobile homes) which are built for sale or rent and all of which multiple dwelling unit structures are wired so as to provide for separate metering to each dwelling unit.

Should the plans of the Developer or Lot Owners in the Underground Residential Subdivision be changed so as to permit the erection therein of one or more mobile homes, Company shall not be obligated to provide electric service to any such mobile home unless (a) Developer has paid to the Company an amount representing the excess in cost, for the entire Underground Redisential Subdivision, of the underground distribution system over the cost of equivalent overhead facilities to serve such Subdivision or (b) the Owner of each affected Lot, or the applicant for service to any mobile home, shall pay to the Company the sum of (1) $1.75 per front lot foot, it having been agreed that such amount reasonably represents the excess in cost of the underground distribution system to serve such Lot or dwelling unit over the cost of equivalent overhead facilities to serve such Lot or dwelling unit, plus (2) the cost of rearranging, and adding any electric facilities serving such Lot, which arrangement and/or addition is determined by Company to be necessary.

The provisions of the two preceding paragraphs also apply to any future residential development in Reserve(s) shown on plat of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3), as such plat exists at the execution of the agreement for underground electric service between the electric company and Developer or thereafter. Specifically, but not by way of limitation, if a Lot Owner in a former Reserve undertakes some action which would have invoked the above per front lot foot payment if such action had been undertaken in the Underground Residential Subdivision, such Owner or applicant for service shall pay the electric company $1.75 per front lot foot, unless Developer has paid the electric company as above described. The provisions of the two preceding paragraphs do not apply to any future non-residential development in such Reserve(s).

Section 19. Underground telephone service. A buried telephone cable system will be installed in an area in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE, which area shall embrace all Lots in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3). The Owner of each Lot shall, at his own cost, install in each home, flexible or rigid conduit with pull wire and a minimum of three (3) outlet boxes, at the locations where he desires telephones, all in accordance with specifications available from Sugar Land Telephone Company, in order that the telephone company may install its wiring and equipment in each home in the most expeditious and least costly manner. In the event an Owner fails to comply with the requirements of the preceding sentence, the telephone company will install its standard exposed wiring in such Owner's home and the Owner will be required to pay the telephone company's standard installation charges therefor.

Section 20. Maintenance easements. There is hereby established and dedicated for the use and benefit of adjacent Lot Owners in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3), a limited perpetual reciprocal easement, six (6) feet in width, being three (3) feet on either side of the common boundary line of each Lot in said SECTION THREE (3), with another Lot in said SECTION THREE (3), save and except the area thereof occupied by a main building or dwelling as the same is hereafter initially constructed, such easements being for the limited purpose of ingress and egress for the replacement, repair and maintenance of a building or dwelling, fences, walls, structures and other appurtenances as hereafter constructed for an initial living unit. Each adjoining Lot Owner shall have the right to use that portion of said easement along a common side boundary line on the adjacent Lot up to a building, fence or wall of

any Lot on which the main building is closer than three (3) feet to the common boundary line, for visual and aesthetic use, including planting of grass and the placing of potted plants and the like, but expressly excluding the planting in the ground of shrubs, trees and other landscape items and expressly excluding the right to attach or fasten any object to the adjoining wall of any building. Such use shall expressly preclude the right to change the grade of said easement area or obstruct the same in any manner which would prevent proper drainage.

Section 21. Type of construction, materials, and landscape. The exterior materials of the main residential structure and any attached garage shall be not less than fifty-one (51) percent masonry, unless otherwise approved in writing by the Architectural Control Committee.

Yellow, pink or orange brick should not be used except where permission is given in writing by the Architectural Control Committee.

Stone should be native Texas stone and must complement the style of the architecture employed and conform to the color scheme of the immediate neighborhood.

The roof of any building shall be constructed or covered with asphalt or composition type shingles of 230# or heavier weight with a color that would be dark brown or approximate the color of weathered cedar shingles. The decision of such comparison shall rest exclusively with the Architectural Control Committee. Decisions regarding the use of any other type roofing material shall rest exclusively with the Architectural Control Committe or its assigns.

Residents must use CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3), mailbox of a standard design and color, as approved by the Architectural Control Committee. Alternate mailboxes may be considered only if

they are of a design and color that matches the residence on the Lot where the mailbox is placed. Such alternate mailboxes must have written approval from the Architectural Control Committee and such approval is at the sole discretion of the Committee.

All roof stacks and flashings must be painted to coordinate with the color of the residence.

On front lawns and wherever visible from any streets, there shall be no decorative appurtenances placed, such as sculptures, birdbaths and birdhouses, fountains or other decorative embellishments unless such specific items have been approved in writing by the Architectural Control Committee.

All playground equipment must be placed at the rear of the property and must be placed behind a fence if the lot is fenced.

No outside clothesline shall be permitted that is visible from any street.

Section 22. Owner's easements of enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, if any, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

A. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area, if any;

B. The right of the Association to suspend the voting rights and right to use the Common Areas, if any, by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

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

D. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area, if any, and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

ARTICLE IV

Architectural Control Committee

Section 1. Approval of building plans. No building shall be erected, placed or altered on any Lot until the construction plans and specifications and a plot plan showing the location of the structure, have been approved in writing as to harmony of exterior design and color with existing structures, as to location with respect to topography and finished ground elevation, and as to compliance with minimum construction standards by the Architectural Control Committee of the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, INC., or its duly authorized representative. A copy of the construction plans and specifications and a plot plan, together with such information as may be deemed pertinent, shall be submitted to the Architectural Control Committee, or its designated representative prior to commencement of construction. The Architectural Control Committee may require the submission of such plans, specifications and plot plans, together with

such other documents as it may elect at its entire discretion. In the event the Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the receipt of the required documents, such approval shall be deemed to have been given, provided, however, that failure to timely approve or disapprove such plans and specifications shall not be deemed to permit the erection, construction, placing or altering of any structure on any Lot in a manner prohibited under the terms of this Declaration. The Architectural Control Committee shall have full and complete authority to approve construction of any improvement on any Lot, and its judgment shall be final and conclusive.

The approval or lack of disapproval, by the Committee of any plans and specifications or of the location plot plan, shall in no event be deemed to create any liability whatsoever in the Declarant, the members of the Committee, the duly authorized representative of the Committee, or in any other party for any warranty or representation by such Committee including, without limitation, any warranty or representation relating to fitness, design, adequacy or location of the proposed construction or compliance with applicable statutes, codes and regulations, in any building or structure erected and located in accordance with such plans and specifications and location plot plan.

Anything contained in this Paragraph 1 or elsewhere in this Declaration to the contrary notwithstanding, the Architectural Control Committee, and its duly authorized representative, is hereby authorized and empowered, at its sole and absolute discretion, to make and permit reasonable modifications of and deviations from any of the requirements of this Declaration relating to the type, kind, quantity or quality of the building materials to be used in the con-

struction of any building or improvement on any Subdivision Lot and of the size and location of any such building or improvement when, in the sole and final judgment and opinion of the Committee or its duly authorized representative, such modifications and deviations in such improvements will be in harmony with existing structures and will not materially detract from the aesthetic appearance of the Subdivision and its improvements as a whole.

The Architectural Control Committee may require the submission to it of such documents and items (including, as examples, but without limitation, written request for and description of the variances requested, plans, specifications, plot plans and samples of materials) as it shall deem appropriate, in connection with its consideration of a request for a variance. If the Architectural Control Committee shall approve such request for a variance, the Architectural Control Committee may evidence such approval, and grant its permission for such variance, only by written instrument, addressed to the Owner of the Lot(s) relative to which such variance has been requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing the decision of the Architectural Control Committee to permit the variance, describing (when applicable) the conditions on which the variance has been approved (including as examples, but without limitation, the type of alternate materials to be permitted, and alternate fence height approved or specifying the location, plans and specifications applicable to an approved carport), and signed by a majority of the then members of the Architectural Control Committee (or by the Committee's duly authorized representative). Any request for a variance shall be deemed to have been disapproved for the purposes hereof in the event of either (a) written notice of

disapproval from the Architectural Control Committee; or (b) failure by the Architectural Control Committee to respond to the request for variance. In the event the Architectural Control Committee or any successor to the authority thereof shall not then be functioning and/or the term of the Architectural Control Committee shall have expired and the Board of Directors of the Association shall not have succeeded to the authority thereof as herein provided, no variances from the covenants of this Declaration shall be permitted, it being the intention of Declarant that no variances be available except at the discretion of the Architectural Control Committee, or if it shall have succeeded to the authority of the Architectural Control Committee in the manner provided herein, the Board of Directors of the Association. The Architectural Control Committee shall have no authority to approve any variance except as expressly provided in this Declaration.

Section 2. Committee membership. The Architectural Control Committee members shall be three (3) in number, and shall be composed of: Calvin Dunham, Eugene Mohler and Ronald White, who by majority vote may designate a representative to act for them. The current address of the Architectural Control Committee is: 2020 Post Oak Tower, Houston, Texas, 77056.

Section 3. Replacement. In the event of death or resignation of any member or members of said committee, the remaining number of members shall appoint by recorded instrument a successor member or members, and until such successor member or members, shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications and plot plans submitted or to designate a representative with like authority.

Section 4. Minimum construction standards. The Architectural Control Committee may from time to time promulgate an outline of minimum acceptable construction standards, provided, however, that such outline will serve as a minimum guideline and such Architectural Control Committee shall not be bound thereby.

Section 5. Term. The duties and powers of the Architectural Control Committee and of the designated representative shall cease on or after ten (10) years from the date of this instrument. Thereafter, the approval described in this covenant shall not be required, and all power vested in said committee by this covenant shall cease and terminate; provided, that any time after January 1, 1991, by two-thirds (2/3) vote of the members present and voting, the CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS' ASSOCIATION, INC., may assume the duties and powers of the Architectural Control Committee.

ARTICLE V

Chimneystone Planned Community Development Homeowners' Association, Inc.

Section 1. Membership and voting rights. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be apputenant to and may not be separated from ownership of any Lot which is subject to assessment. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

Section 2. The Association shall have two (2) classes of voting membership:

Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they

among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. A Lot owned by a Class A member shall be a Class A Lot.

Class B: The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. A Lot owned by a Class B member shall be a Class B Lot. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

A. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B Membership, or

B. January 1, 1987.

The Class A and Class B members shall have no rights as such to vote as a class, except as required by the Texas Non-Profit Corporation Act, and both classes shall vote upon all matters as one group.

Section 3. Non-profit corporation. The CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS' ASSOCIATION, INC., a non-profit corporation, has been organized, and it shall be governed by the Articles of Incorporation of said Association, and all duties, obligations, benefits, lines and rights hereunder in favor of the Association shall vest in said corporation.

Section 4. By-laws. The Association may make whatever rules or by-laws it may choose to govern the organization, provided, however, that same are not in conflict with the terms and provisions hereof.

Section 5. Inspection of records. The members of the Association shall have the right to inspect the books and records of the Association at reasonable times during the normal business hours.

ARTICLE VI

Maintenance Assessments

Section 1. Creation of the lien and personal obligation of assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interests, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interests, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successor in title unless expressly assumed by them.

Section 2. Purpose of assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Properties and for the improvement and maintenance of any Common Areas. The responsibilities of the Homeowners' Association shall include, but not be limited to the maintenance and repair of the walkways, steps, entry gates or fountain areas, if any, constructing and maintaining parkways, rights-of-way, easements, esplanades and other public areas, construction and operation of all street lights, purchase and/or operating expenses of recreation areas, if any; payment of all legal and other expenses incurred in connection with the enforcement of all recorded

charges and assessments, covenants, restrictions and conditions affecting the Properties to which the maintenance fund applies; payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment; employing policemen and watchmen, if desired, caring for vacant lots and doing other things or things necessary or desirable in the opinion of the Association to keep the properties in the subdivision neat and in good order, or which is considered in general benefit to the owners or occupants of the Properties. It is understood that the judgment of the Association in the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 3. Rate of assessment. The maintenance charge on Class B Lots shall be a maximum of Fifty percent (50%) of the assessment for Class A Lots per month and shall begin to accrue on a monthly basis on each such Lot on the date the first house in the Subdivision is conveyed or on the date fixed by the Board of Directors to the date of commencement, whichever occurs first. The entire accrued charge (of said rate stated above per month) on each Lot shall become due and payable on the date such Lot converts from Class B Lot to a Class A Lot by reason of the Owner's purchase of the residence thereon.

The initial charge shall accrue and become due and payable on each Lot on the date such Lot converts from a Class B Lot to a Class A Lot. The determination of the amount of such initial charge, which shall be for the remainder of the year in which such class conversion of said Lot occurs, shall be made by the Association, on, or as of, said accrual date and shall be immediately due and payable. The maintenance charge on each Class A Lot and thereafter shall accrue and become due and payable on the first day of

January of each succeeding year and shall be in an amount determined by the Association during the thirty (30) day period next preceding the due date of said charge. The Association can collect special assessments as well as annual charges above described whenever a majority of the members in person or by proxy at a meeting duly called for such purpose to vote.

Section 4. Maximum annual assessment. Until January 1, 1982, the maximum annual assessment shall be $180.00. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum annual assessment for the previous year without a vote of the membership. From and after January 1, of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for that purpose.

Section 5. Notice of assessment. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum, and shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of the annual assessment period, which shall begin on the first day of January of each year. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors.

Section 6. Notice and Quorum for any action authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all members not less than

thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Effect of nonpayment of assessments. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Common Area or abandonment of his Lot.

Section 8. Subordination of the lien to mortgages. To secure the payment of the maintenance fund and all annual and special assessments established hereby and to be levied on individual residential Lots, there is hereby reserved in each Deed (whether specifically stated therein or not) by which the Declarant shall convey such Lots, a Vendor's Lien for the benefit of the Association, said lien to be enforceable through appropriate proceedings at law by such beneficiary; provided, however, that each such lien shall be secondary, subordinate and inferior to all liens, present and future given, granted and created by or at the instance and request of the Declarant and the Owner of say such Lot to secure the payment of monies advanced or to be advanced

on account of the purchase price and/or the construction of improvements on any such Lot to the extent of any such maintenance fund charge or annual or special assessments accrued and unpaid prior to foreclosure of any such purchase money lien or construction lien; and further provided that as a condition precedent to any proceeding by the Association to enforce such lien upon any Lot upon which there is an outstanding valid and subsisting first mortgage lien, for the aforesaid purpose or purposes, the Association shall give the holder of such first mortgage lien sixty (60) days written notice of such proposed action, which notice shall be sent to the nearest office of such first mortgage holder by prepaid U.S. Registered Mail, and shall contain a statement of the delinquent maintenance charges or annual or special assessments upon which the proposed action is based. Upon the request of any such first mortgage lienholder, the Association shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular Lot covered by such first mortgage lien to the holder thereof. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 9. Future sections. The Association shall use the proceeds of the maintenance fund for the use and benefit of all residents of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3), well as all subsequent sections of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT; provided, however, that each future section of CHIMNEYSTONE

PLANNED COMMUNITY DEVELOPMENT be entitled to the benefit of this maintenance fund, must be impressed with and subjected to the annual maintenance charge and assessment on a uniform, per Lot basis, equivalent to the maintenance charge and assessment imposed hereby, and further made subject to the jurisdiction of the Association. Upon submission and approval by the Federal Housing Administration and/or the Veterans Administration of a general plan of the entire development, and approval of each stage of development such future sections of CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT may be annexed by the Declarant.

ARTICLE VII

Covenant for Transportation Charges

Section 1. Creation of the lien and personal obligation of charges. Declarant hereby covenants, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay certain transportation charges, as such term is hereinabove defined, to be established and collected as hereinafter provided. The transportation charges, together with accrued but unpaid interest on delinquent charges, and reasonable attorney fees, shall be a charge on the land and shall constitute a continuing pre-existing Vendor's Lien retained in favor of Declarant upon the property against which each such transportation charge is made. This lien shall be assigned to the Receipient and Administrator of the transportation charges as hereinafter set forth.

Payment of each such transportation charge, together with accrued but unpaid interest on delinquent charges at the rate specified for judgments in Texas, and reasonable attorney fees, shall also be the personal obligation for payment of a delinquent transportation charge shall not pass

to such person's successors in title unless expressly assumed by then.

An action of law may be brought against the Owner personally obligated to pay said transportation charges and/or the lien against the property thereby encumbered may be foreclosed. Each such Owner, by this acceptance of a deed to any such parcel, hereby expressly vests in Declarant the Vendor's Lien provided for in this Article, together with the right and power (1) to bring all actions against an Owner personally liable for the payment of the charge in order to enforce the collection of such transportation charges as a debt and (2) to enforce the aforesaid lien by all methods provided by law for the enforcement of such liens including, but not limited to, judicial foreclosure by an action brought in the name of the then Recipient and Administrator of the transportation charges, such judicial foreclosure to be instituted and carried forth in a like manner as a foreclosures of a mortgage or deed of trust lien on real property. Each such Owner hereby expressly grants a power of sale in connection with the said lien. No Owner may waive or otherwise escape liability for the transportation charges provided for herein by abandonment of this property.

Section 2. Purpose of charges. Funds provided by the transportation charge shall be used exclusively (1) to furnish transportation services and (2) to promote the utilization of various systems of transportaion in order to best meet the domestic, educational, recreational and leisure needs of the users of such systems in the manner deemed most appropriate by the Recipient and Administrator of the transportation charges, as such term is hereinafter defined. The expenditure of such funds may be utilized for, but shall not be limited to, studying, establishing, operating, main-

taining and doing any other things necessary or desirable which are deemed appropriate by the Recipient and Administrator of the transportation charges, in studying, establishing and maintaining the transportation facilities and system.

Section 3. Maximum annual rate of transportation charge. Upon commencement of the transportation charges in accordance with the terms of this Article, the maximum annual transportaion charge per Lot or other parcel of real estate so encumbered, shall be an amount no greater than $0.25 per $100.00 of value of each such parcel, together with any and all improvements situated thereon, with same being assessed at one hundred percent (100%) of appraised market value. Personal property shall be specifically excluded in calculating the assessed value of the property hereby encumbered. The market value of the land and improvements for purposes of calculating a transportation charge against each parcel of real estate so encumbered shall be determined and established in accordance with the real property valuations established by the rolls of the Fort Bend County Tax Assessor/Collector or of such other tax assessor/collector employed by a governmental subdivision of the State of Texas who performs the functions of assessing and appraising the individual properties subject to the transportation charge on a uniform basis. This designation as to which tax assessor/collector's rolls are to be utilized is to be made and can be changed at the sole discretion of the Recipient and Administrator of the transportation charges.

Upon receipt of the valuations established by such tax assessor/collector's rolls, the annual transportation charge may be promulgated and set at a rate not in excess of the maximum rate herein established.

Section 4. Classification of lots. All parcels of real eastate subject to the transportation charge shall be divided into two (2) classes for purposes of establishing and determining the transportation charges: Class A parcels and Class B parcels. Class A parcels shall be those parcels upon which a home or other permanent improvements have been constructed and occupancy therein or utilization thereof for business, commercial or other purposes, has commenced. Class B parcels shall be all other parcels not designated as Class A parcels. Upon commencement of the assessment of the annual transportation charge, all parcels shall commence to bear their applicable transportation charge simultaneously with such commencement. Because of the nature and purpose of the transportation charge, the full charge shall not be applicable to Class B parcels. Class B parcels shall bear a transportation charge which is twenty-five percent (25%) of a regular full assessment. However, at such time as there is constructed on any Class B parcel permanent improvements which are occupied or utilized for business, commercial or other purposes, such Class B Lot or parcel shall automatically and irrevocable convert to and assume the status of a Class A parcel effective as of the date of such occupancy or utilization and the transportation charge for the then current year shall be adjusted according to the number of months remaining in that calendar year.

Section 5. Commencement of transportation charge. An election shall be held in the property burdened by the transporation lien in the year 1984 on the question of the commencement of the transportation charges and the designation of a Recipient and Administrator. The designation and structure of the Receipient and Administrator, the wording of the propositions on the ballots and the timing and conduct of the election shall be subject to the approval of the

Department of Housing and Urban Development and the Veterans Administration.

Notice of this election shall be given in writing to each Owner of such property by mailing or delivering a copy of such notice at least thirty (30) days before such election using the address appearing on the rolls of the Fort Bend County Tax Assessor/Collector for the purpose of such notice. Such notice shall specify the place, day and hours of the election, the propositions to be voted on and the location where detailed information regarding these propositions may be found.

There shall be one (1) vote permitted for each parcel of land. If a majority of the vote cast in the election is favorable, the Recipient and Administrator of the transportation charges shall be assigned the Vendor's Lien held by Declarant securing the transportation charges and shall be authorized to make the necessary assessments and otherwise carry out its duties including:

A. Making the decision as to when the transporation charges shall commence to accrue (no earlier than January 1, 1985);

B. Fixing the rate of the charge (not to exceed $0.25 per $100 of assessed valuation);

C. Administering the transporation charge proceeds for the benefit of users of the transporation facilities;

D. Enforcing the lien herein provided for in the event the assessed transportation charge against such parcel thereby encumbered is not timely paid; and

E. Performing any and all other acts necessary to implement the intent of this Article to the end that the contributors to and users of the

transportation facilities shall be served by transportation systems which will ultimately enhance their mobility and conserve the expenditure of energy.

Subject to the outcome of the election, the annual transportation charge against Class A and Class B parcels shall commence to accrue (1) on January 1, 1985, or (2) at such later time determined by the Recipient and Administrator of transportation charges. The annual transportation charge on each parcel thereafter encumbered shall mature and become due and payable on the first day of January of each succeeding year following the initial assessment of the charge. The rate for each ensuing year shall be established no later than the first day of October of the preceding year. This, if a transportation charge is to be assessed for the year 1985, the rate of the charge must be promulgated no later than October 1, 1984, and the charge will be due and payable on or before January 1, 1986. The valuation of the tax assessor/collector for the year the rate of charge is set shall be applicable in calculating the charge. Thus, in the expample, the 1984 valuation shall be employed for the charge accruing in 1985. Written notice of the rate and value of the annual transportation charge shall be sent to every Owner of a parcel subject thereto at the address of such parcel subject to the charge, or at such other place or places as to be determined and designated by the Recipient and Administrator of the transportation charge. Upon demand and for a reasonable charge, there shall be furnished a certificate setting the paid-in-full or delinquent status of the charge on a specified parcel here encumbered. Any transportation charge not paid within thirty (30) days after the due date (due date being January 1st of the year subsequent to the year of assessment of that particular charge)

shall be delinquent, shall bear interest from the due date until the date of payment and shall be subject to the remedies vested in the Recipient and Administrator all as herein provided.

Section 6. Subordination of the lien to mortgages. The Vendor's Lien securing the transportation charges against any parcel encumbered thereby as provided for herein shall be expressly subordinate and inferior to the lien of any mortgage on any such parcel. Sale or transfer of any such parcel shall not affect or diminish the enforceability of the transportation charge liens; however, the sale or transfer of any such parcel pursuant to mortgage foreclosure of any proceeding in lieu thereof shall extinguish the lien of such transportation charges against such parcel only as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot or parcel of land (1) from liability for any transportation charges thereafter become due or (2) from the lien thereof hereby created.

ARTICLE VIII

General Provisions

Section 1. Term and Amendment. These covenants shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of twenty (20) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by a majority of the then Owners of the Lots has been recorded agreeing to change or terminate said covenants in whole or in part. The terms and provisions of these Restrictions during the first twenty (20) year period may be amended at any time when an instrument setting forth said changes and signed by ninety percent (90%) of the Lot Owners is placed on record in the Real Property Records of Fort Bend County, Texas.

Section 2. Enforcement. Upon any violation or attempt to violate any of the covenants herein, it shall be lawful for the Association or any other Lot Owner to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from doing so or to recover damages or other dues for such violations. Failure by any Owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability. Invalidation of any one of these covenants by judgement or other court order shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 4. FHA/VA approval. So long as the Declarant, its successors and assigns, are in control of the CHIMNEY-STONE PLANNED COMMUNITY DEVELOPMENT HOMEOWNERS ASSOCIATION, the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration: Annexation of additional properties, dedication of Common Area and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 5. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of the membership, however, upon submission and approval by FHA/VA of a general plan of the entire development and approval of each stage of development, such additional stages of development may be annexed by the Association Board of Directors without such approval by the membership.

Section 6. Effect of violations on liens. It is specifically provided that a violation of any one or more of these covenants, conditions or restrictions shall not affect the lien of any mortgage or deed of trust now of record, or

which may hereafter be placed of record, or other lien acquired and now held in good faith upon said Lots or any part thereof, but such liens may be enforced as against any and all property covered thereby, subject nevertheless to the restrictions herein contained.

Section 7. Lienholders. The Lienholders join herein solely for the purpose of subordinating the liens held by it of record upon the Properties to the covenants, conditions and restrictions hereby imposed by Declarant with, however, the stipulation that such subordination does not extend to any lien or charge imposed by or provided for in this Declaration.

EXECUTED this 1st day of July, 1982.

ATTEST: SUGARLAND PROPERTIES INCORPORATED

By: _____ Secretary

_____ Vice President

STATE OF TEXAS S

COUNTY OF HARRIS S

BEFORE ME, the undersigned authority, on this day personally appeared _____ Vice President of Sugarland Properties Incorporated, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this 1st day of July, 1982.

_____
Notary Public in and for the State of Texas

Beverly H. Curelop
Printed Name of Notary Public

My Commission Expires: 5/23/84

RETURN TO
STEWART TITLE
1250 SHORELINE
SUGARLAND, TEXAS 77478

COMPARED 5075 BY M

49557

DEED

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CERTIFICATE OF ANNEXATION
OF
CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE (3)

THE STATE OF TEXAS
COUNTY OF FORT BEND

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, in Volume 886, Pages 507 - 543, of the Fort Bend County Deed Records, there has been recorded restrictive covenants covering Chimneystone Planned Community Development, Section One (1), as shown by the plat thereof recorded in Volume 24, Page 7, of the Plat Records of Fort Bend County, Texas; and,

WHEREAS, in Volume 1064, Page 736, of the Fort Bend County Deed Records, there has been recorded restrictive covenants covering Chimneystone Planned Community Development, Section Three (3), as shown by the plat thereof recorded in Volume 30, Page 3, of the Plat Records of Fort Bend County, Texas; and,

WHEREAS, each of the two (2) above mentionod instruments being restrictive covenants, covering a section of Chimneystone Planned Community Development (hereinafter collectively called the Chimneystone Restrictions") provides for and there was created The Chimneystone Planned Community Development Homeowners Association, Inc., ("Association") as a Texas nonprofit corporation to serve as the homeowners association, with duties as provided in its charter and in the Chimneystone Restrictions; and,

WHEREAS, Section 5, of Article VIII, of the Chimneystone Restrictions read as follows:

"Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of the membership, however, upon submission and approval by FHA/VA of a general plan of the entire development and approval of each stage of development, such additional stages of development may be annexed by the Association Board of Directors without such approval by the membership."

WHEREAS, SUGARLAND PROPERTIES INCORPORATED ("Declarant") was the Declarant in the Chimneystone Restrictions and is the owner of additional property and common area in Chimneystone Planned Community Development, Section Three, adjacent and contiguous to Chimneystone Planned Community Development, Section One (1), which property is described in the attached Exhibit "A", and which Declarant desires to annex said property, common area and improvements to Chimneystone Planned Community Development, Section One (1), as authorized in and in

accordance with the provisions of Sectino 5, Article VIII of the Chimneystone Restrictions;

NOW THEREFORE, the Board of Directors of the Association does hereby publish and declare that the property described in the attached Exhibit "A", and all improvements thereon, is and shall be annexed to and become a part of Chimenystone Planned Community Development, Section One (1), and subject to the requirements set forth and adopted by the Association as fully and completely as if said property had been described in the original Chimneystone Restrictions.

IN WITNESS WHEREOF, the Board of Directors of Chimneystone Planned Community Development Homeowners Association, Inc., at a meeting july called for the same, has executed this Certificate of Annexation this the 2nd day of November 1982.

CHIMNEYSTONE PLANNED COMMUNITY
DEVELOPMENT HOMEOWNERS ASSOCIATION, INC.

BY: Ronald Hewlett
Director

BY Kim M. Sommers
Director

BY: Beverly M. Crawford
Director

DEED
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The undersigned, respectively, do hereby acknowledge that annexation of the properties described in the attached Exhibit "A" is in accordance with the general plan of development heretofore approved by each of them.

VETERANS ADMINISTRATION

BY: Emil L. Stafford

FEDERAL HOUSING ADMINISTRATION

BY: James Murkin

THE STATE OF TEXAS
COUNTY OF FORT BEND

BEFORE ME, the undersigned authority, on this day personally appeared Ronald W. White, Kim M. Sammers, & Beverley H. Curalop, as the Board of Directors of The Chimneystone Planned Community Development Homeowners Association, Inc. a corporation, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 5th day of November, 1982.

Fern Lindloff
Notary Public, State of Texas

FERN LINDLOFF
Notary Public for the State of Texas
My Commission Expires April 2, 1983

DEED

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THE STATE OF TEXAS

COUNTY OF FORT BEND

Before me, the undersigned authority, on this day personally appeared Arlie C. Stafford, as Chief, Construction & Valuation, of the VETERANS ADMINISTRATION, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

Given under my hand and seal of office on this 10th day of September, 1982.

G. M. Ference
Notary Public, State of Texas

G. M. FERENCE
Printed Name of Notary Public

My Commission Expires March 12, 1984

THE STATE OF TEXAS

COUNTY OF FORT BEND

Before me, the undersigned authority, on this day personally appeared JAMES M. WILSON, as SUPERVISOR of the Federal Housing Administration, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

Given under my hand and seal of office on this 22nd day of Oct., 1982.

Glyndal L. Powell
Notary Public, State of Texas

GLYNDAL L. POWELL
Printed Name of Notary Public

My Commission Expires 8-11-85

EXHIBIT "A"

DEED
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Lots one (1) through Forty-eight (48) inclusive, Block One (1)

Lots One (1) through Nineteen (19) inclusive, Block Two (2)

Lots One (1) through Six (6) inclusive, Block Three (3)

Lots One (1) through Eighteen (18) inclusive, Block Four (4)

Lots One (1) through Twenty (20) inclusive, Block Five (5)

Lots One (1) through Fifteen (15) inclusive, Block Six (6)

All of said Lots being in CHIMNEYSTONE PLANNED COMMUNITY DEVELOPMENT, SECTION THREE, according to the map or plat thereof recorded in Volume 30, Page 3, of the Map Records of Fort Bend County, Texas.

FILED FOR RECORD
NOV 9 1982
Pearl Ellitt
COUNTY CLERK
FORT BEND COUNTY, TEXAS

STATE OF TEXAS COUNTY OF FORT BEND
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Fort Bend County, Texas as stamped hereon by me on

NOV 10 1982

Pearl Ellitt
County Clerk, Fort Bend Co., Tex.

State of Texas
County of Fort Bend,

I, Dianne Wilson, County Clerk of Fort Bend County, Texas, do hereby certify that the foregoing is a true and correct copy of the original record now on file and/or recorded by me in the records as stamped hereon by me.

June 16, 1988 Date
DIANNE WILSON, County Clerk
Fort Bend County, Texas
By Dana Messina Deputy

DANA MESSINA

RETURN TO: SUGARLAND PROPERTIES
2020 POST OAK TOWER
HOUSTON, TEXAS 77056
ATTN: RON WHITE