

DECLARATION

OF

45/24/64 60116862 J519833 \$ 55 00

COVENANTS, CONDITIONS AND RESTRICTIONS

CREEKSTONE, SECTION THREE

THE STATE OF TEXAS)(

COUNTY OF HARRIS)(

This Declaration, made on the date hereinafter set forth by Cinco Venture, a joint venture composed of First Mortgage Company of Texas, Inc., a Delaware corporation and Joventex Corporation, 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 property known as CREEKSTONE, SECTION THREE, a subdivision in Harris County, Texas, described as follows:

All the lots in Creekstone, Section Three, a subdivision in Harris County, Texas, according to the Map or Plat thereof, recorded in Volume 319, Page 86 of the Map Records of Harris County:

- Lot(s) 1 through 6, both inclusive in Block 1;
- Lot(s) 1 through 27, both inclusive in Block 2;
- Lot(s) 1 through 22, both inclusive in Block 3;
- Lot(s) 1 through 38, both inclusive in Block 4;
- Lot(s) 1 through 64, both inclusive in Block 5;
- Lot(s) 1 through 48, both inclusive in Block 6;
- Lot(s) 1 through 24, both inclusive in Block 7;
- Lot(s) 1 through 9, both inclusive in Block 8.

WHEREAS, it is the desire of Declarant to place certain restrictions, covenants, conditions, stipulations and reservations upon and against Creekstone, Section Three 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 both the present and future owners of lots in said Subdivision.

NOW, THEREFORE, Declarant hereby adopts, establishes and imposes upon those above described lots in Creekstone, Section Three, and declares the following reservations,

Return to:
Barbara J. Puckett
First General Realty Co.
P. O. Box 1413
Houston, Texas 77251

easements, restrictions, covenants and conditions applicable thereto, all of which are for the purpose 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 party thereof, and shall inure to the benefit of each owner thereof.

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to the CREEKSTONE COMMUNITY ASSOCIATION, INC., a non-profit corporation, its successors and assigns.

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 and those having only an interest in the mineral estate.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, 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. "Lot" and/or "Lots" shall mean and refer to any plot of land as described above and all lots annexed pursuant to Section 11 of Article VI hereof.

Section 5. "Common Area" shall mean all property owned by the Association for the common use and benefit of the owners, if any.

Section 6. "Declarant" shall mean and refer to Cinco Venture and its successors and assigns if such successors and assigns are so designated in writing by Cinco Venture as the successor and assigns of all Cinco Venture's rights hereunder.

Section 7. "Subdivison" shall mean and refer to the

Properties and any additional properties which may hereafter be brought within the scheme of this Declaration pursuant to the provisions set forth herein and hereafter brought within the jurisdiction of the Association.

Section 8. "Architectural Control Committee" shall mean and refer to Creekstone, Section Three, Architectural Control Committee provided for in Article IV hereof.

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 thereon, and such recorded subdivision maps of the Properties further establish certain restrictions applicable to the Properties including without limitations certain minimum setback lines, and all dedications, limitations, restrictions and reservations shown on the recorded plats or replats of the Subdivision are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each and every 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 of 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 of electric lighting, electric power, telegraph and telephone line or lines, gas water, sewers, cable television and any other utility Declarant sees fit to install in, across, over 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.

Neither Declarant nor any utility company using the easement 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 of 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 lighting, electric power, telephone, telegraph or other utility purposes. The owner 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 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 two (2) stories in height. Each such dwelling on a platted Lot shall have an attached or detached garage for one (1) or more cars, but not more than three (3) cars, provided that the Architectural Control Committee may, in its discretion, permit the construction of a garage for more than (3) cars, such permission to be granted in writing as hereinafter provided. As used herein, the term "residential purposes" shall (except as provided in Article III, Section 7) be construed to prohibit mobile homes or trailers being placed on the Lots, or the use of said Lots for garage apartments, or apartment houses; and 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, with the exception of lawn storage or children's playhouses, not to exceed eight (8) feet in height, shall ever be moved onto any Lot within said subdivision, it being the intention that only new construction shall be placed and erected thereon, except with the prior written consent of the Architectural Control Committee. A minimum of 50% of the first floor wall area to the top of the first floor window height and exclusive of openings shall be of masonry, masonry veneer, or stucco construction unless otherwise approved in writing by the Architectural Control Committee.

Section 2. Minimum square footage within improvements.

Those lots described above as shown on the plat of Creekstone, Section Two are restricted to a dwelling with a minimum of One Thousand (1,000) square feet of livable area, exclusive of open porches and garages.

Section 3. Sidewalks.

Upon completion of construction of a house on a lot, a concrete sidewalk four (4) feet wide shall be constructed parallel to the curb two (2) feet from the property line along the entire front of all lots. In addition thereto, four (4) foot wide sidewalks shall be constructed parallel to the curb two (2) feet from the property line along the entire side of all corner lots. The plans for each residential building on each of said Lots shall include plans and specifications for such sidewalks and same shall be constructed and completed before the main residence is occupied.

Section 4. Location of the improvements upon the lot.

No structure shall be located on any lot nearer to the front line or nearer to the street side line than the minimum building setback line shown on the recorded plat or replat; however, in no instance shall a building be located nearer to the front property line than twenty (20) feet unless approved in writing by the Architectural Control Committee. Subject to the provisions of Section 5 below, no part of any house, building, carport or

garage shall be located nearer than five (5) feet to an interior side lot line or ten (10) feet to any exterior lot line on a corner lot, except that a garage or other permitted accessory building located sixty (60) feet or more from the front lot line may be a minimum distance of three (3) feet from an interior lot line. For the purposes of this section, eaves, steps and unroofed terraces shall not be considered as part of a building; provided, however, that this shall not be construed to permit any portion of the building on any lot to encroach upon another lot. Unless otherwise approved in writing by the Architectural Control Committee, each main residence building shall face the front building line.

Section 5. Composite building site. Subject to the approval of the Architectural Control Committee, any owner of one or more adjoining Lots or portions thereof may consolidate or redivide such Lots or portions into one or more building sites with the privilege of placing or constructing improvements on such resulting sites.

Section 6. Prohibition of offensive activities. No activity, whether for profit or not, shall be carried on 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 may become, an annoyance or a nuisance to the neighborhood. This restriction is waived in regard to the normal sales activities required to sell homes in the Subdivision and the lighting effects utilized to display sales offices or model homes.

Section 7. Use of temporary structures. No structure of a temporary character, whether trailer, basement, tent, shack, garage, barn or other outbuilding shall be maintained or used on any Lot at any time as a residence, or for any other purpose, with the exception of lawn storage or children's playhouses; provided, however, that Declarant reserves the exclusive right to erect, place and maintain such facilities in or upon any portions

of the Properties as in its sole discretion may be necessary or convenient while selling Lots, selling or constructing residences and constructing other improvements upon the Properties or upon the Properties located in additional future platted sections contiguous to this section. Such facilities may include, but not necessarily be limited to, sales and construction offices, storage areas, model units, signs and portable toilet facilities.

Section 8. Storage of automobiles, boats, trailers, recreational vehicles and other vehicles. No motor vehicle may be parked or stored on any part of any Lot, easement, right-of-way, or common area or in the street adjacent to any Lot, easement, right-of-way or common area unless such vehicle does not exceed either six feet six inches in height, and/or seven feet six inches in width and/or twenty-one feet in length and is concealed from public view inside a garage or other approved enclosure, except passenger automobiles, passenger vans (the term "passenger vans" specifically excludes motor homes and recreation vehicles), motorcycles, pick-up trucks, or pick-up trucks with attached-bed campers, that are in operating condition, having current license plates and inspection stickers, and are in daily use as motor vehicles on the streets and highways of the State of Texas and which do not exceed six feet six inches in height, and/or seven feet six inches in width and/or twenty-one feet in length.

No non-motorized vehicle, trailer, boat, marine craft, hovercraft, aircraft, machinery or equipment of any kind may be parked or stored, on any part of any lot, easement, right-of-way, or common area or in the street adjacent to such lot, easement, right-of-way, or Common Area unless such object is concealed from public view inside a garage or other approved enclosure. The phrase "approved enclosure" as used in this paragraph shall mean any fence, structure or other improvement approved by the Architectural Control Committee. If a complaint is received

about a violation of any part of this Section, the Architectural Control Committee will be the final authority on the matter. This restriction shall not apply to any vehicle, machinery, or maintenance equipment temporarily parked and in use for the construction, repair or maintenance of a house or houses in the immediate vicinity.

Section 9. Mineral operation. 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 Lot. 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 10. 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 may be kept, provided that they are not kept, bred or maintained for commercial purposes. No more than two (2) of each specie of pet will be permitted on each Lot. If common household pets are kept, they must be confined to a fenced backyard (such fence shall encompass the entire backyard) or within the house. When away from the Lot, pet must be on leash at all times. It is the pet owner's responsibility to keep the Lot clean and free of pet debris.

Section 11. Walls, fences and hedges. No hedge in excess of three (3) feet in height, walls or fence shall be erected or maintained nearer to the front Lot line than the plane of the front exterior wall of the residential structure on such Lot. No side or rear fence, wall, or hedge shall be more than eight (8) feet high. All fences must be constructed of ornamental iron, wood, or masonry at least six (6) feet in height, and no chain link fence shall be placed on any Lot without the express prior approval in writing of the Architectural Control Committee, such approval to be granted as

hereinafter provided, except to enclose a swimming pool or tennis court, if such chain link fence is not visible from any street.

Section 12. 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 roadway 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 13. Lot Maintenance. The Owners or occupants of all Lots shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner, and shall in no event use any Lot for storage of materials and equipment except for normal residential requirements as incident to construction of improvements thereon as herein permitted. All fences, if any, which have been erected on any Lot by Declarant or otherwise shall be maintained in good repair by Owner, and Owner shall promptly repair or replace the same in the event of partial or total destruction. The drying of clothes in full public view is prohibited and the Owner(s) 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 visible to 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 rubbish. Trash, garbage or other waste materials shall not be kept except in sanitary containers constructed of metal, plastic or masonry materials with covers or lids. Containers for the storage of trash, garbage and other waste materials must be stored out of public

view. Equipment for storage or disposal of such waste materials shall be kept in a clean and sanitary condition and shall be stored out of public view. 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.

In the event of violation by the Owner or occupant of any Lot of any covenant, condition or restriction imposed upon the Owner or Lot in this Article III and the continuance of such violation after ten (10) days written notice thereof, or in the event the Owner or occupant has not proceeded with due diligence to complete the appropriate repairs and maintenance after such notice, the Association shall have the right (but not the obligation), through its agents or employees, to repair, maintain or restore the Lot, the exterior of the residence, the fence and any other improvement located thereon. To the extent necessary to prevent rat infestation, diminish fire hazards and accomplish any of the above needed repairs, maintenance and/or restoration, the Association shall have the right, through its agents and employees, to enter any residence or improvements located upon such Lot. The Association may enter onto any Lot and/or improvement and cut the weeds and grass, edge the lawn around the curb, cause to be removed garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions. The Association may render a statement of charge to the Owner or occupant of such Lot for the cost of such work. The Owner and occupant agree by the purchase and occupation of the Lot to pay such statement immediately upon receipt. The cost of such work, plus interest thereon at the maximum rate permitted under the laws of the State of Texas, shall become a part of the

assessment payable by said Owners and payment thereof shall be secured by the maintenance lien hereinafter retained. The Association, its agents and employees, shall not be liable, and are hereby expressly relieved from any liability, for trespass or other tort in connection with the performance of the exterior maintenance and other work authorized herein.

Section 14. Signs, advertisements, billboards. Except for signs owned by Declarant or by builders advertising their homes during the period of original construction and home sales, no sign, poster, advertisement or billboard or advertising structure of any kind other than a 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, billboard, or advertising structure that does not comply with the above, and in so doing shall not be subject to any liability of trespass or other tort in the connection therewith or arising with such removal.

Section 15. Maximum height of antenna. No radio or television aerial wires or antenna shall be maintained on any portion of any Lot that is visible from the front side of said Lot; nor shall any antenna of any style be permitted to extend above the roof line of the main residential structure on said Lot. No antenna or wires shall be visible from the street which runs in front of said Lot.

Section 16. Private utility lines. All electrical, telephone, and other utility lines and facilities which are located on a Lot and are not owned by a governmental entity or a public utility company shall be installed in underground conduits unless otherwise approved in writing by the Architectural Control Committee.

Section 17. Underground Electric Service. An underground electric distribution system will be installed in

that part of Creekstone, Section Three, designated Underground Residential Subdivision, which underground service area shall embrace all Lots in Creekstone, Section Three. 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 such Lot shall, at his own cost, furnish, install, own and maintain a meter loop (in accordance with then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on such Owner's Lot. For so long as underground service is maintained in the Underground Residential Subdivision, the electric service to each Lot therein shall be underground, uniform in character and exclusively of the type known as single phase, 120/140 volt, three-wire, 60-cycle, alternating current.

The electric company has installed the underground electric distribution system in the Underground Residential Subdivision at no cost to Developer (except for certain conduits, where applicable) upon Developer's representation that the Underground Residential Subdivision is being developed for single-family dwellings and/or townhouses of the usual and customary type, constructed upon the premises, designed to be permanently located upon the Lot where originally constructed and built for sale to bona fide purchasers (such category of dwelling

and/or townhouses expressly excludes, without limitation, mobile homes and duplexes). Therefore, should the plans of Lot Owners in the Underground Residential Subdivision be changed so that dwellings of a different type will be permitted in such Subdivision, the company shall not be obligated to provide electric service to a Lot where a dwelling of a different type is located 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 such Lot, or the applicant for service, shall pay to the electric 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, plus (2) the cost of rearranging and adding any electric facilities serving such Lot, which rearrangement and/or addition is determined by the company to be necessary.

ARTICLE IV

Architectural Control Committee

Section 1. Approval of building plans. No building, fence, wall or other structure shall be commenced, erected, placed, or altered on any Lot, nor shall any exterior addition to or change or alteration therein be made until the construction plans and specifications describing the nature, kind, shape, height, materials and a plot plan showing the location of same, 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 grade elevation, and as to compliance with minimum construction standards by the Architectural Control Committee of Creekstone, Section Three. 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 deems appropriate, in such form and detail as it may elect at its entire discretion. 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.

Section 2. Committee Membership. The Architectural Control Committee members shall be initially composed of Wayne McLane, James R. Moore, and Steven Gilmore who by majority vote may designate a representative to act for them. The address of this committee is P.O. Box 1413, Houston, Texas, 77001.

Section 3. Replacement. In the event of death or resignation of any members of said committee, the remaining member or members shall appoint a successor member or members, and until such member or members shall have been so appointed, the remaining member or members shall have 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 and after ten (10) years from the date of this instrument. Thereafter, the approval described in this Article 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, 1993, whether or not the term of

the Architectural Control Committee specified above shall have expired, by a two-thirds (2/3) vote of the members present and voting, the Board of Directors of the Creekstone Community Association may assume the duties and powers of the Architectural Control Committee, and thereafter the Board of Directors of the Association shall have all the rights, benefits and powers provided herein for the Architectural Control Committee.

Section 6. Variances. Article III of this Declaration contains a number of provisions wherein the Architectural Control Committee is expressly granted the authority, in its discretion, to permit variances from the effect of a particular restrictive covenant. 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, and 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, or the alternate fence height approved), and signed by a majority of the current members of the Architectural Control Committee (or by the Committee's designated representative if one has been designated under the authority contained in Section 2 above). 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 within 20 days 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 terms of the Architectural Control Committee shall not have succeeded to the authority thereof as herein provided, no variance from the covenants of this Declaration shall be permitted, it being the intention of Declarant that no variances be available except in 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.

ARTICLE V

CREEKSTONE COMMUNITY ASSOCIATION

Section 1. Membership and voting rights. Every Owner of a Lot subject to a maintenance charge assessment by the Association shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. 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 classes of voting membership;

Class A. Class A members shall be Owners as defined in Section 1. of Article V (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.

Class B. The Class B member(s) shall be the

Declarant and shall be entitled to three (3) votes for each Lot owned. 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) on January 1, 1993.

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

Section 3. Non-Profit Corporation. CREEKSTONE COMMUNITY 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, liens and rights hereunder in favor of the Association shall vest in said corporation.

Section 4. By-Laws. The Association may make whatever rules or bylaws 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 normal business hours.

ARTICLE VI

Maintenance Assessments

Section 1. Creation of the lien and personal obligation of assessments. Declarant, in the case of each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be deemed to covenant and agree

to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements or for repayment of funds borrowed and used in payment of capital improvements. Such assessments shall be established and collected as hereinafter provided. The annual and special assessments, together with interest and costs and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of the Lot at the time when the assessment fell due. Mere acceptance of a deed to a Lot by an Owner shall impose a vendor's lien by Declarant for the purpose of securing payment of said charge and said vendor's lien shall be assigned to the Creekstone Community Association, Inc., without recourse on Declarant in any manner for the payment of said charge and indebtedness.

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 Common Areas, if any. The responsibilities of the Community Association shall include, by way of example but without limitation, at its sole discretion, any and all of the following: maintaining parkways, repair of the walkways, steps, entry gates, or fountain areas, if any; maintaining right-of-way, easements, esplanades and other public areas, if any; 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 any other thing 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 of 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. Maximum annual assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$198.32 per Lot.

(a) 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 by an amount equal to not more than ten percent (10%) above the maximum assessment which could have been made without a vote of the membership in the case of the previous year.

(b) From and after January of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased to an amount in excess of ten percent (10%) of the maximum assessment for the previous year by a vote of two-thirds (2/3rds) of each class of members who are voting in person or by proxy, at a meeting duly called for such purpose.

(c) The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special assessments for capital improvements. In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of

defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, if any, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and quorum for any action authorized under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be mailed (by U.S. first class mail) 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 at any such meeting, the meeting shall be adjourned but another meeting may be called subject to the same notice requirement, but the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum applicable in the case of the preceding meeting to each class of membership. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Rate of assessment. All Lots in Creekstone, Section Three (3), shall commence to bear their applicable maintenance fund assessment simultaneously and Lots in Creekstone, Section Three (3), owned by Declarant are not exempt from assessment. Lots which are occupied by residents shall be subject to the annual assessment determined by the Board of Directors in accordance with the provisions of Section 3 and 7 hereof. Improved Lots in Creekstone, Section Three (3), which are not occupied by a resident and which are owned by Declarant, a builder, or a building company, shall be assessed at the rate of one-half (1/2) of the annual assessment above. The rate of

assessment for an individual Lot, within a calendar year, can change as the character of ownership and the status of occupancy by a resident or occupant changes, and the applicable assessment for such Lot shall be prorated according to the rate required during each type of ownership.

Section 7. Date of commencement of annual assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots in Creekstone, Section Three (3) on the first day of June 1984. The annual assessment shall be adjusted according to the number of months remaining in the then current calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be mailed (by U.S. first class mail) to every Owner subject thereto. The payment dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid and the amount of any delinquencies. The Association shall not be required to obtain a request for such certificate signed by the Owner but may deliver such certificate to any party who in the Association's judgment has a legitimate reason for requesting same.

Section 8. Effect of nonpayment of assessments: remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date until paid at the maximum rate allowed by law. The Association may bring action at law against the Owner personally obligated to pay the assessment, or foreclose the lien against the Lot involved. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Common Area, if any, or abandonment of his lot.

Section 9. Subordination of the lien to mortgages.

The lien of the assessments provided for herein shall be subordinate to the lien of any institutional first mortgage existing at any time upon the particular Lot involved. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became 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, but such lien shall exist as, and constitute, a separate and distinct charge and lien on each Lot.

Section 10. Owner's easements of enjoyment. Every

Owner shall have a right and easement of enjoyment in and to the Common Areas, 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 the designated recreational facility situated upon the Association's Common Area, if any. Failure of Owner to pay such fees after having made such election shall give rise to the same liability and lien rights as set forth above, and shall be subject to the same subordination as set forth herein in the case of assessments.

B. The right of the Association to suspend the voting rights and right to use the recreational facilities situated on the Common Area, if any, by an Owner for any period during which any assessment against his Lot remains unpaid, and to publish rates and regulations for the use of the Common Areas including the right of suspension of the right and easement for a period not to exceed sixty (60) days for any infraction of the Association's 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 placed upon the Association or any portion of the Common Area, if any, to the Association. No such dedication or transfer shall be effective unless an instrument is signed by two-thirds (2/3rds) of each Class of members agreeing to such dedication or transfer has been recorded.

D. The Association shall have the right to suspend the voting rights and enjoyment rights of any Members for any period during which any assessment owed by such Member to the Association remains unpaid in excess of thirty (30) days.

E. The Association shall have the right to establish reasonable rules and regulations governing the Member's use and enjoyment rights and voting rights of any Member for any period not to exceed sixty (60) days for any infraction of such rules and regulations.

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

Section 11. Additions to existing property.

Additional lands may become subject to the scheme of this Declaration in the following manner:

(a) Additional residential property and Common Area, if any, may be annexed to the Properties with the consent of two-thirds (2/3rds) of each class of membership, however, upon submission and approval by the Federal Housing Administration or the Veterans Administration 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 Creekstone Community Association, Inc., Board of Directors without such approval by the membership.

(b) Mergers. Upon a merger or consolidation of

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

ARTICLE VII

General Provisions

Section 1. Term. These covenants shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of forty (40) 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 may be amended at any time when an instrument setting forth said changes and signed by those persons holding a majority of the votes in the Association is placed on record in the real property of records of Harris County, Texas. 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 2. Conflict. In the case of any conflict between the Articles of Incorporation of the Association and this Declaration of Covenants, Conditions and Restrictions, the Declaration of Covenants, Conditions and Restrictions shall control, and in the case of any conflict between the By-Laws of the Association and this Declaration of Covenants, Conditions and Restrictions, the Declaration of Covenants, Conditions and Restrictions shall control.

Section 3. Severability. Invalidation of any one of these covenants by judgment 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 Creekstone Community Association, Inc., the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration, if applicable; Annexation of additional properties; dedication of any common area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

Intereal Company, with its business domicile located in Davidson County, Tennessee, as Lienholder of the above described property joins in the execution hereof to evidence its consent hereto, and hereby subordinates its liens to the reservations, easements, covenants, restrictions, charges and conditions hereof.

EXECUTED this the 22ND day of MAY, A.D., 1984.

CINCO VENTURE

BY: FIRST MORTGAGE COMPANY OF TEXAS, INC.

BY: Steven M. Gilmore
VICE PRESIDENT
Steven M. Gilmore

BY: JOVENTEX CORPORATION

BY: J. Fred Hummel
SR.V.P.
J. Fred Hummel

LIENHOLDER:

INTEREAL COMPANY

BY: J. Fred Hummel
SR.V.P.
J. Fred Hummel

THE STATE OF TEXAS)(
COUNTY OF HARRIS)(
)

BEFORE ME, the undersigned authority, on this day personally appeared Steven M. Gilmore, Vice President of FIRST MORTGAGE COMPANY OF TEXAS, INC., known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 24th day of May, 1984.

Barbara J. Puckett
Notary Public in and for Harris County, Texas.
BARBARA J. PUCKETT
Notary Public - State of Texas
My Commission Expires May, 17, 1988

THE STATE OF ^{Tennessee} TEXAS)(
COUNTY OF ^{Davidson} HARRIS)(
)

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 16th day of May, 1984.

Diane Nolen
Notary Public in and for Harris County, Texas ^{Tennessee}
My Commission Expires 4-20-86
Diane Nolen

THE STATE OF ^{Tennessee} TEXAS)(
COUNTY OF ^{Davidson} HARRIS)(
)

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 16th day of May, 1984.

Diane Nolen
Notary Public in and for Harris County, Texas ^{Tennessee}
Diane Nolen.
My Commission Expires 4-20-86

FILED
MAY 24 9 21 AM '84
Chickie Speck
COUNTY CLERK
HARRIS COUNTY, TEXAS

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

THE STATE OF TEXAS §

COUNTY OF HARRIS §

Notice is hereby given by the undersigned, duly authorized representative of Capital Consultants Management Corporation, the managing agent for the hereinafter described property and the Homeowners Association therefore, and pursuant to the Declaration of Creekstone Community Assn., Inc. recorded in sect. 3 Vol 3A, pgs 6 and Silverstone Sect. 1 Vol 244 page 33 and the recitations therein contained concerning the payment and collection of various assessments, dues and transfer fees and the satisfaction of certain requirements prior to the sale and transfer of any condominium or townhome unit of the following described property, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

That information necessary to ascertain the current status of the payment of assessments, dues and transfer fees and compliance with requirements for transfer of membership in the Association may be obtained from Capital Consultants Management Corporation (the "Manager") whose address is 10777 Westheimer, Ste. 610, Houston, Texas 77042 and its phone number is (713) 975-6991.

In compliance with the Declaration, no transfer of title to any portion of the Property shall be made until the requirements for transfer of membership in the Association have been received by the Manager and provisions made for the payment of unpaid or delinquent dues, assessments or transfer fees.

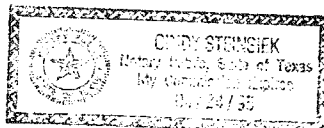
EXECUTED this 2nd day of December, 1991.

CAPITAL CONSULTANTS MANAGEMENT CORPORATION

By Mauree Martino

BEFORE ME the undersigned authority on this day personally appeared Mauree Martino Regional Vice President of Capital Consultants Management Corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 2nd day of December, 1991.



Cindy Stanciek
Notary Public in and for the State of Texas

Return to:
Capital Consultants Management
10777 Westheimer, Suite 610
Houston, Texas 77042

EXHIBIT "A"

A subdivision of 50.026 Acres of land in the H.T & B. R.R. Co. Survey, A-989, Harris County, Texas recorded in Volume 319, Page 86 of the Map Records of Harris County for said County.

P

STATE OF TEXAS }
COUNTY OF HARRIS }

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me, and was duly RECORDED, in the Official Public Records of Real Property of Harris County, Texas on

JUN 21 1984



Quita Roddenberry
COUNTY CLERK,
HARRIS COUNTY, TEXAS

FILED

JUN 21 11 40 AM '84

Quita Roddenberry
COUNTY CLERK,
HARRIS COUNTY, TEXAS