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SUPPLEMENTAL
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OAKWOOD GLEN, SECTION TWO
(A Residential Subdivision)

F395956

182-01-0440

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

THIS SUPPLEMENTAL DECLARATION, made on the date hereinafter set forth by LEXINGTON DEVELOPMENT COMPANY.

W I T N E S S E T H :

WHEREAS, Declarant has heretofore executed that certain Declaration of Covenants, Conditions and Restrictions (the "Declaration"), filed for record in the Office of the County Clerk of Harris County, Texas, under County Clerk's File Number E624197, and recorded under Film Code No. 132-05-0543 of the Official Public Records of Real Property of Harris County, Texas, imposing on OAKWOOD GLEN, SECTION ONE, a subdivision in Harris County, Texas, according to the Plat thereof recorded in Volume 219, Page 34 of the Map Records of Harris County, Texas, all those certain covenants, conditions, restrictions, easements, charges, and liens therein set forth for the benefit of said property, and each owner thereof; and

WHEREAS, the Declaration contains provisions granting to Declarant, its successors and assigns, the right to bring within the scheme of such Declaration, additional properties upon the terms set forth therein, including the approval of the Federal Housing Authority/Veterans' Administration (the "FHA/VA") of such annexation; and

WHEREAS, Declarant is the owner of the real property described in Article III of this Supplemental Declaration, and desires to provide for the preservation of the values and amenities in such property, and, to this end, desires to bring such property within the scheme of the Declaration and add it to the properties now comprising the Subdivision, by subjecting such property to the covenants, conditions, restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for the benefit of such property and each owner in the Subdivision; and

WHEREAS, Declarant has obtained the required approval of the FHA/VA of the addition of the real property described in Article III of this Supplemental Declaration to the properties now comprising the Subdivision, in accordance with the requirements of the Declaration and as subjected to the covenants, conditions, restrictions, easements, charges, and liens herein set forth; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the Subdivision, to create an agency to which will be delegated and assigned the powers of maintaining, administering, and enforcing the assessments and charges created in the Declaration and all Supplemental Declarations; and

WHEREAS, OAKWOOD GLEN ASSOCIATION has been incorporated under the laws of the State of Texas, as a non-profit corporation, for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Declarant declares that the real property described in Article III is and shall be held, transferred, sold, conveyed, occupied, and enjoyed subject to the covenants, conditions, restrictions, easements, charges, and liens (sometimes referred to herein collectively as "covenants and restrictions") hereinafter set forth.

ARTICLE I

Definitions

The following words, when used in this Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to OAKWOOD GLEN ASSOCIATION, its successors and assigns.

(b) "the Subdivision" shall mean and refer to OAKWOOD GLEN, SECTION ONE; OAKWOOD GLEN, SECTION TWO, which is brought within the scheme of the Declaration by this Supplemental Declaration; all subsequent sections of OAKWOOD GLEN SUBDIVISION brought within the scheme of the Declaration; and any other real property (including specifically, but without limitation, all or portions of other subdivisions being or to be developed by Declarant or affiliated or subsidiary entities) brought within the scheme of the Declaration.

(c) "the Properties" shall mean and refer to the properties described in Article III hereof which are subject to this Supplemental Declaration.

(d) "Subdivision Plat" shall mean and refer to the Map or Plat of OAKWOOD GLEN, SECTION TWO recorded in the Map Records of Harris County, Texas, said Map or Plat being a Partial Replat of EVANS ESTATES, SECTION ONE, as originally recorded in Volume 150, Page 128 of the Map Records of Harris County, Texas, or any subsequently recorded Replat thereof.

(e) "Lot" and/or "Lots" shall mean and refer to each of the lots shown upon the Subdivision Plat. References herein to "the Lots (each Lot) in the Subdivision" shall mean and refer to Lots as defined respectively in the Declaration and all Supplemental Declarations.

(f) "Common Properties" shall mean and refer to all those areas of land within the Properties, as shown on the Subdivision Plat, except the Lots and the streets shown thereon, together with such other property as the Association may, at any time, or from time to time, acquire by purchase or otherwise, subject, however, to the easements, limitations, restrictions, dedications, and reservations applicable thereto by virtue hereof and/or by virtue of the Subdivision Plat, and/or by virtue of prior grants or dedications by Declarant or Declarant's predecessors in title. References herein to "the Common Properties in the Subdivision" shall mean and refer to Common Properties as defined respectively in the Declaration and all Supplemental Declarations.

(g) "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Properties, except those as may be expressly excluded herein. Also, in some instances, Common Facilities may consist of improvements for the use and benefit of all owners in the Subdivision, constructed on portions of one or more Lots or on acreage owned by Declarant (or Declarant and others) which has not been bought within the scheme of the Declaration. By way of illustration, Common Facilities may include, but not necessarily be limited to, the following: structures for recreation, storage or protection of equipment, fountains, statuary, sidewalks, common driveways, landscaping, swimming pools, tennis courts, and other similar and appurtenant improvements. References herein to "the Common Facilities (any Common Facility) in the Subdivision" shall mean and refer to Common Facilities as defined respectively in the Declaration and all Supplemental Declarations.

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

(i) "Owner" shall mean and refer to the record owner, or if such Lot is subject to a term purchase contract with Declarant, to the contract purchaser, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, but, notwithstanding any applicable theory of mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. References herein to "the Owners in the Subdivision" shall mean and refer to Owners as defined respectively in the Declaration and all Supplemental Declarations.

(j) "Member" and/or "Members" shall mean and refer to all those Owners who are members of the Association as provided in Article IV, Section 4 hereof, together with all the Owners in the Subdivision who are members of the Association as provided in the Declaration and all other Supplemental Declarations.

(k) "Declarant" shall mean and refer to Lexington Development Company, its successors and assigns, if such successors and assigns should acquire more than one undeveloped Lot from Declarant for the purpose of development.

ARTICLE II

Reservations, Exceptions and Dedications

Section 1. Existing Easements. The Subdivision Plat dedicates for use as such, subject to the limitations set forth

therein, certain streets and easements shown thereon, and such Subdivision Plat further establishes dedications, limitations, reservations and restrictions applicable to the Properties. Further, Declarant and Declarant's predecessors in title have heretofore granted, created, and dedicated by several recorded instruments, certain other easements and related rights affecting the Properties. All dedications, limitations, restrictions, and reservations shown on the Subdivision Plat and all grants and dedications of easements and related rights heretofore made by Declarant and Declarant's predecessors in title affecting the Properties are incorporated herein by reference and made a part of this Supplemental Declaration for all purposes, 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 any part of the Properties, whether specifically referred to therein or not. Declarant reserves the easements and rights of way as shown on the Subdivision Plat for the purpose of constructing, maintaining, and repairing a system or systems of electric lighting, electric power, telegraph and/or telephone line or lines, gas, sewers, or any other utility Declarant sees fit to install in, across and/or under the Properties.

Section 2. Changes and Additions. 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 FHA/VA.

Section 3. Title to Easements and Appurtenances Not Conveyed. Title to any Lot conveyed by Declarant by contract, deed, or other conveyance shall not be held or construed in any event to include the title to any roadways or any drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph, or telephone way, or any pipes, lines, poles, or conduits on or in any utility facility or appurtenances thereto, constructed by or under Declarant or its agents through, along, or upon any Lot or any part thereof, to serve said Lot or any other portion of the Properties, and the right to maintain, repair, sell, or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved in Declarant.

Section 4. Installation and Maintenance. There is hereby created an easement upon, across, over, and under all of the Properties for ingress and egress in connection with installing, replacing, repairing, and maintaining all utilities, including, but not limited to, water, sewer, telephones, electricity, gas, and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to install and maintain pipes, wires, conduits, service lines, or other utility facilities or appurtenances thereto, on, above, across, and under the Properties within the public utility easements from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this Section, no sewer, electrical lines, water lines, or other utilities or appurtenances thereto may be installed or relocated on the Properties until approved by Declarant or the Association's Board of Directors. The utility companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the Subdivision Plat, and to trim overhanging trees and shrubs located on portions of the Properties abutting such easements.

Section 5. Emergency and Service Vehicles. An easement is hereby granted to all police, fire protection, ambulance, and other emergency vehicles, and to garbage and trash collection vehicles, and other service vehicles to enter upon the Properties in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and management personnel to enter the Properties to render any service.

Section 6. Underground Electric Service. An underground electric distribution system will be installed within the Properties, which will be designated an Underground Residential Subdivision, and which underground service area shall embrace all Lots in the Properties. 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 the customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company, at the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition, the Owner of each Lot shall, at his own cost, furnish, install, own, and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on such Owner's Lot. For as 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 120/240 volt, three (3) wire, sixty (60) cycle alternating current.

The electric company has installed the underground electric distribution system in the Underground Residential Subdivision at no cost to Declarant (except for certain conduits, where applicable, and except as hereinafter provided) upon Declarant's representation that the Underground Residential Subdivision is being developed for residential dwelling units, including homes, and if permitted by the restrictions applicable 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 Declarant or the Lot Owners in the Underground Residential Subdivision be changed so as to permit the erection therein of one or more mobile homes, the electric company shall not be obligated to provide electric service to any such mobile home unless (a) Declarant has paid to the electric 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 electric company the sum of (i) $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, plus (ii) the cost of rearranging and adding any electric facilities serving such Lot, which arrangement and/or addition is determined by the electric company to be necessary.

No provision of this Section 6, (the text of which is prescribed by the electric company) shall in any manner operate or be construed to permit the construction on any Lot of any type of residential structure other than a single family residence as provided in Section 1. of Article VIII of this Supplemental Declaration.

Section 7. Surface Areas. The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns, or flowers. However, neither the Declarant nor any supplier of any utility or service using any easement area shall be liable to any Owner or to the Association for any damage done by them or either of them, or by their respective agents, employees, servants, or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation, or repair of any facility in any such easement area. Further, neither the Declarant nor any supplier of any utility or service using any easement area shall be liable to any Owner or to the Association for any damage done by them, or either of them, or their respective agents, employees, servants or assigns, to any sidewalks, driveways, fences, or other object occupying any such easement or any portion thereof, as a result of any activity relating to the construction, maintenance or repair of any facility in any such easement area.

ARTICLE III

Property Subject to This Supplemental Declaration

The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Supplemental Declaration is all of OAKWOOD GLEN, SECTION TWO (2), being 92.8429 acres out of the John House Survey, Abstract No. 314, Harris County, Texas, according to the Plat thereof recorded in Volume 254, Page 16 of the Map Records of Harris County, Texas (or any subsequently recorded Plat thereof), said Plat being a Partial Replat of EVANS ESTATES, SEC-TION ONE (1) as originally recorded in Volume 150, Page 128 of the Map Records of Harris County, Texas.

ARTICLE IV

The Association

Section 1. Organization. The Declarant has caused the Association to be organized and formed as a non-profit corporation under the laws of the State of Texas.

Section 2. Purpose. The purpose of the Association in general is to provide for and promote the health, safety, and welfare of the Members, to collect the annual maintenance charges, and to administer the Maintenance Fund, to provide for the maintenance, repair, preservation, upkeep, and protection of the Common Properties and Common Facilities in the Subdivision and such other purposes as are stated in the Articles of Incorporation consistent with the provisions of the Declaration and all Supplemental Declarations.

Section 3. Members. Each Owner, whether one or more persons or entities, of a Lot shall, upon and by virtue of becoming such Owner, automatically become a Member of the Association and shall remain a Member thereof until his ownership ceases for any reason, at which time his membership in

the Association shall automatically cease. Membership in the Association shall be appurtenant to and shall automatically follow the legal ownership of each Lot and may not be separated from such ownership. Whenever the legal ownership of any Lot passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for transfer of membership in the Association, and no certificate of membership will be issued.

Section 4. Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all the Members of the Association, with the exception of the Declarant. Class A Members shall be entitled to one (1) vote for each Lot in the Subdivision in which they hold the interest required for membership by the Declaration or any Supplemental Declaration. When more than one person holds such interest or interests in any such Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but, in no event, shall more than one (1) vote be cast with respect to any such Lot.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each Lot in the Subdivision in which it holds the interest required for membership by the Declaration or any Supplemental Declaration; provided that the Class B Membership shall cease and become converted to Class A Membership on the happening 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;

(b) on June 1, 1978.

From and after the happening of whichever of these events occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to one (1) vote for each Lot in the Subdivision in which it holds the interest required for membership by the Declaration or any Supplemental Declaration.

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

ARTICLE V

Property Rights in the Common Properties and Common Facilities

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 2 of this Article V, every Member shall have a common right and easement of enjoyment in and to the Common Properties and Common Facilities in the Subdivision, and such right and easement shall be appurtenant to and shall pass with the title to each Lot in the Subdivision.

Section 2. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

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

(b) The right of the Association to grant or dedicate easements in, on, under, or above such Common Properties or any part thereof, in accordance with the requirements as set forth in the Articles of Incorporation and the By-Laws of the Association, to any public or governmental agency or authority or to any utility company for any service to the Subdivision or any part thereof; and

(c) The right of the Association to transfer title to any storm sewer line, sanitary sewer line, water line, or any other utility facility or equipment situated in any part of such Common Properties and owned by the Association, in accordance with the requirements as set forth in the Articles of Incorporation and By-Laws of the Association, to any public or political authority or agency or to any utility company rendering or to render service to the Subdivision or any part thereof; and

(d) The right of the Association to convey or dedicate portions of such Common Properties, in accordance with the requirements as set forth in the Articles of Incorporation and the By-Laws of the Association, to governmental authorities, political subdivision, or other persons or entities for use as the location of schools, churches, and hospitals, or for other similar purposes related to the health, safety, and welfare of the Members; and

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

(f) The right of the Association to suspend the voting rights of a Member or his right to use any recreational Common Facility during the period he is in default in the payment of any maintenance charge assessment or special assessment against his Lot; and to suspend such rights for a period not to exceed sixty (60) days for any infractions of its published rules and regulations; and the aforesaid rights of the Association shall not be exclusive, but shall be cumulative of and in addition to all other rights and remedies which the Association may have in the Declaration and Supplemental Declarations or in its By-Laws or at law or in equity on account of any such default or infraction; and

(g) The rights and easements existing, herein created, or hereafter created in favor of others, as provided for in Article II hereof, and in the Declaration and other Supplemental Declarations; and

(h) The restrictions as to use of the Common Properties provided for in Article VIII hereof.

Section 3. Delegation of Use. Any Member may delegate his right of use and enjoyment of the Common Properties and Common Facilities in the Subdivision, together with all easement rights granted to Members in the Declaration and all Supplemental Declarations, to the members of his family, his tenants, or contract purchasers who reside on his Lot. The term "Member" is further defined to include and refer to the executors, personal representatives and administrators of any Member, and all other persons, firms, or corporations acquiring or succeeding to the title of the Member by sale, grant, will, foreclosure, execution, or by any legal process, or by operation of law, or in any other legal manner.

ARTICLE VI

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Lot in the Properties is hereby subjected to an annual maintenance charge, and the Declarant, for each Lot owned by it within the Properties, hereby covenants, and each Owner of any Lot, by acceptance of a Deed therefor, whether or not it shall be so expressed in such Deed, is

deemed to covenant and agree, as a covenant running with the land, to pay to the Association, its successors and assigns, (i) annual maintenance charge assessments, and (ii) special assessments for capital improvements; such assessments to be established and collected as hereinafter provided, and are to be used for the purposes hereinafter provided. The annual maintenance charge assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Lot, together with all improvements thereon, against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied and collected by the Association as provided for in this Article, together with all funds collected by the Association from the regular annual maintenance charges imposed on the Lots in the Subdivision by the Declaration and all other Supplemental Declarations, shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Subdivision, and the Association shall use the proceeds of said annual maintenance charges for the use and benefit of all residents of the Subdivision; provided, however, that each future section of OAKWOOD GLEN SUBDIVISION (and any other property or properties included in the Subdivision or to which the Subdivision is annexed), to be entitled to the benefit of these maintenance charge proceeds, must be impressed with and subjected to an annual maintenance charge and assessment on a uniform, per lot basis, substantially equivalent to the maintenance charge and assessment imposed hereby, and further made subject to the jurisdiction of the Association in the manner provided in Article IX hereof. The uses and benefits to be provided by said Association shall include, by way of example, but without limitation, at its sole option, any and all of the following: maintaining parkways, rights of way, easements and esplanades, furnishing and maintaining landscaping, lighting and beautification of the properties in the Subdivision, payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, conditions, and restrictions affecting the Properties in the Subdivision, payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment, employing policemen and watchmen, and doing such other things and taking such other actions as are necessary or desirable in the opinion of the Association to keep the Subdivision neat and in good order, or which is considered of general benefit to the Owners or occupants of the Lots in the Subdivision; it being 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.

The proceeds of the regular annual maintenance charges and assessments shall not be used to reimburse Declarant for any capital expenditures incurred in construction or improvement of either Common Facilities within the Subdivision or recreational facilities outside the Subdivision, nor for the operation or maintenance of any such facility incurred prior to its conveyance to the Association.

Section 3. Maximum Annual Assessment. Subject to the provisions set forth in this Section 3. and the following Section 4. relating to the method of increasing the annual maintenance charge assessments and the rate of such annual maintenance charge assessments to be paid by Declarant, each and every Lot in the Properties is hereby severally subject to and impressed with a regular annual maintenance charge assessment in an amount to be determined by the Directors of the Association, by Resolution, but not in excess of Ninety-Six and No/100 Dollars ($96.00) per annum, per Lot.

(a) At any time and without a vote of the membership, the Board of Directors may, by Resolution, fix the annual assessment at an amount not in excess of the maximum annual maintenance charge assessment as set forth in the first Paragraph of this Section 3.

(b) From and after January 1 of the next succeeding year following the initial annual maintenance charge assessment, the maximum annual assessment may be increased each year by Resolution of the Board of Directors, without a vote of the membership, by an amount not in excess of three percent (3%) of the allowable maximum annual assessment for the previous year.

(c) From and after January 1 of the next succeeding year following the initial annual maintenance charge assessment, the maximum annual assessment may be increased for any year by an amount in excess of three percent (3%) of the allowable maximum annual assessment for the previous year, only by a vote of at least two-thirds (2/3rds) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

If any Resolution of the Board of Directors which requires ratification by the assent of the Members of the Association as above provided shall fail to receive such assent, then the amount of the regular annual maintenance charge or assessment last in effect shall continue in effect until duly changed in accordance with the above provisions. The Board of Directors may decrease the amount of the annual maintenance charge or assessment without ratification by or assent of the Members of the Association.

Section 4. Rate of Assessments; Due Dates. The annual maintenance charge assessments provided for in Section 3. above shall commence on the first day of the month following the first conversion of a Lot from a Class B Lot to a Class A Lot (such conversion shall occur at the earlier of the occurrence of the closing of the purchase of a completed residential structure situated upon such Lot, or the occupancy of such completed residential structure). As applicable to Class A Lots, the first annual assessment shall be for the balance of the calendar year in which it is made and shall be payable on the day fixed for commencement, or in equal monthly installments over the balance of the year, at the election of the

Board of Directors of the Association. The assessments for each calendar year after the first year shall be assessed and be due and payable as set forth in Subsection (a) of this Section 4. below. Provided, however, that upon the closing of the purchase of a Lot with a completed residential structure thereon, or the occupancy of such completed residential structure, whichever occurs first, the purchaser or occupant, as applicable, shall be obligated to pay to the Association a prorata part of the regular annual maintenance charge assessed on such Lot, as determined by the number of full calendar months remaining in the year of purchase or occupancy, divided by twelve (12), and which shall be payable in full upon such purchase or occupancy, or in equal monthly installments over the balance of the year of purchase or occupancy, as the Board of Directors of the Association may elect.

The annual maintenance charge assessment fixed pursuant to the terms and provisions of Section 3. of this Article VI. shall be assessed and paid as follows:

(a) The annual assessment shall be fixed at least thirty (30) days in advance of each annual assessment period (which shall be a calendar year). Written notice of the amount and the due date of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by Resolution of the Board of Directors, and such dates may be monthly, quarterly, semi-annually, or annually. 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.

(b) The annual maintenance charge on Class B Lots shall be a maximum of fifty percent (50%) of the annual assessment for Class A Lots and shall begin to accrue on each Lot in the Properties on the date that the first house in the Properties is sold and closed. The entire accrued charge on each Lot shall be due and payable on the date each such Lot converts from a Class B Lot into a Class A Lot (as such conversion is described hereinabove in this Section 4., and further for the purposes of this Supplemental Declaration, a Class A Lot is and shall be a Lot within the Subdivision owned by a Class A Member, and a Class B Lot is and shall be a Lot owned by either Declarant or a home builder).

Section 5. Special Assessments for Capital Improvements. In addition to the regular annual maintenance charge assessments provided for above, the Association may levy a special assessment for any one assessment period for the purpose of any construction, reconstruction, repair, or replacement of a capital improvement upon any Common Area, including the cost of any fixture or personal property directly related to such capital improvement, provided, that any such special assessment

shall have the assent of two-thirds (2/3rds) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 6. Notice and Quorum for any Action Authorized Under Sections 3. and 5. of This Article. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3. and 5. above shall be sent to all Members not less than thirty (30) days, nor more than sixty (60) days in advance of such meeting. At the first meeting called, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of all the votes of each class of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called and the required quorum at any such subsequent meeting shall be one-half (1/2) the required quorum at the preceding meeting, provided that such reduced quorum requirement shall not be applicable to any such subsequent meeting held more than sixty (60) days following the preceding meeting.

Section 7. Liens to Secure Assessments. The regular annual maintenance charges or assessments, as hereinabove provided for, shall constitute and be secured by a separate and valid and subsisting lien, hereby created and fixed, and which shall exist upon and against each Lot and all improvements thereon, for the benefit of the Association and all Members. Subject to the condition that the Association be made a party to any court proceeding to enforce any lien hereinafter deemed to be superior, the lien hereby created shall be subordinate and inferior to:

(a) all liens for taxes or special assessments levied by the city, county, and state governments, or any political subdivision or special district thereof, and

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

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

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

Section 8. Effect of Non-Payment of Assessment. If any annual charge or assessment is not paid within thirty (30) days from the due date thereof, the same shall bear interest from the due date until paid at six percent (6%) per annum, and if placed in the hands of an attorney for collection or if suit is brought thereon or if collected through probate or other judicial proceedings, there shall be paid to the Association an additional reasonable amount, but not less than ten percent (10%) of the amount owing, as attorneys' fees. The Association, as a common expense of all Members, may institute and maintain an action at law or in equity against any defaulting Member to enforce collection and/or for foreclosure of the liens against his Lot. All such actions may be instituted and brought in the name of the Association and may be maintained and prosecuted by the Association in a like manner as an action to foreclose the lien of a mortgage or deed of trust on real property.

Section 9. Collection and Enforcement. Each Member, by his assertion of title or claim of ownership, or by his acceptance of a deed to a Lot, whether or not it shall be so recited in such deed, shall be conclusively deemed to have expressly vested in the Association, and in its officers and agents, the right, power, and authority to take all action which the Association shall deem proper for the collection of assessments and/or for the enforcement and foreclosure of the liens securing the same. No Owner may waive or otherwise escape liability for any assessment provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE VII

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 orientation relative to Lot line and building set back lines, and as to compliance with minimum construction standards by the Architectural Control Committee. A copy of the construction plans and specifications and plot plans, 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. In the event the Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the same are submitted to it, approval will not be required and the requirements of this Section will be deemed to have been fully complied with; provided, however, 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 Supplemental Declaration.

Section 2. Committee Membership. The Architectural Control Committee is currently composed of James T. Price, N. Wayne Hancock, and John P. Collins, who, by majority vote, may designate a representative to act for them.

Section 3. Replacement. In the event of death or resignation of any member or members of said Committee, the remaining member or members shall appoint 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 persons named herein as the Architectural Control Committee and their duly appointed successors and designated representative(s) shall, on June 1, 1980, pass to a successor committee of three (3) Owners in the Subdivision, said three (3) Owners to be selected by a majority of the then Lot Owners in the Subdivision, as evidenced by a written document, executed by such majority and filed for record in the Official Public Records of Real Property of Harris County, Texas; provided, that until such successor committee is selected, the persons constituting the Architectural Control Committee on June 1, 1980 shall continue to exercise such duties and powers.

Section 6. Variances. Article VIII of this Supplemental Declaration contains a number of provisions wherein the Architectural Control Commiteee 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, 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, the 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 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 to the request for variance. In the event the Architectural Control Committee or any successor to the authority thereof shall not then be functioning, no variances from the covenants of this Supplemental Declaration shall be permitted, it being the intention of Declarant that no variances be available except in the discretion of the Architectural Control Committee. The Architectural Control Committee shall have no authority to approve any variance except as expressly provided in this Supplemental Declaration.

ARTICLE VIII

Use and Building Restrictions

Section 1. Land Use and Building Type. All Lots shall be known, described, and used as Lots for residential purposes only (hereinafter sometimes referred to as "residential Lots"), and no structure shall be erected, altered, placed, or permitted to remain on any residential Lot other than one single-family dwelling not to exceed two (2) stories in height, a garage for not less than two (2) nor more than three (3) cars and quarters for bona fide domestic employees; provided, that the Architectural Control Committee may, in its discretion, permit (a) the construction of a carport on a Lot (in lieu of or in addition to a garage) and/or (b) a garage for less than two (2) or more than three (3) cars, such permission to be granted in writing as herein provided. Each single family residence situated on a Lot shall have an enclosed, attached or detached garage of no more than one (1) story for the storage of automobiles as described above. No garage shall ever be changed, altered, reconstructed or otherwise converted for any purpose inconsistent with the garaging of automobiles. As used herein, the term "residential purposes" shall be construed to prohibit the use of the Lots for mobile homes, house trailers, duplex houses, 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 purpose. No building of any kind or character shall ever be moved onto any Lot, it being the intention that only new construction shall be placed and erected thereon.

All exterior construction of the primary residential structure, garage, porches, and any other appurtenances or appendages of every kind and character on any Lot and all interior construction (including, but not limited to, all electrical outlets in place and functional, all plumbing fixtures installed and operational, and cabinet work completed, all interior wall, ceilings, and doors completed and covered by paint, wallpaper, paneling, or the like, and all floors covered by wood, carpet, tile, or other similar floor covering) shall be completed not later than one (1) year following the commencement of construction. For the purposes hereof, the term "commencement of construction" shall be deemed to mean the date on which the foundation forms are set.

Section 2. Architectural Control. No building or other structure shall be erected, placed, or altered on any Lot until the construction plans and specifications therefor and a plot plan showing the location of the structure thereon have been approved by the Architectural Control Committee as to harmony with existing structures, with respect to exterior design and color with existing structures, as to location with respect to side Lot line requirements, topography and finished grade elevation, and as to compliance with minimum construction standards, all as more fully provided for in Article VII hereof.

Section 3. Dwelling Size. The ground floor of the main residential structure, exclusive of open porches and garages, shall be not less than 1300 square feet for a one-story dwelling, nor shall the ground floor area plus the upper floor area of the main residential structure of a one and one-half (1-1/2) story, or a two (2) story dwelling be less than 1300 square feet, with the ground floor area of such one and one-half (1-1/2) or two (2) story dwelling to contain not less than 600 square feet.

Section 4. Type of Construction, Materials, and Landscape.

(a) Only new construction materials (except for used brick) shall be used and utilized in constructing any structures situated on a Lot. All residential structures situated on any Lot shall have not less than 51% masonry construction, or its equivalent at the discretion of the Architectural Control Committee, on the exterior wall area, except that detached garages may have wood siding of a type and design expressly approved by the Architectural Control Committee.

(b) A concrete sidewalk four (4) feet wide shall be constructed parallel to the street and two (2) feet outside the property line along the entire front of the Lot, and along the entire side of the Lot if such Lot is a corner Lot. No other sidewalks shall be permitted on any Lot without the express written consent of the Architectural Control Committee. The plans for each residential building on each Lot shall include plans and specifications for such required sidewalk, and other approved sidewalks, if any, shall be constructed and completed before the main residence is occupied.

(c) 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, in its sole discretion, permit window or wall type air conditioners to be installed in a garage, if such unit, when installed, shall not be visible from a street.

(d) No external radio or television aerial wires or antannae will be placed or permitted to be maintained in front of the front building line of any Lot.

(e) No fence, wall, or hedge or other planting shall be erected, placed, altered, or planted on any Lot (i) nearer to any street than the minimum building setback lines as shown on the Subdivision Plat; nor (ii) which obstructs sight lines at elevations between two (2) feet and six (6) feet above the roadway, nor permitted to be placed or to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five feet (25') from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line and the edge of a driveway. No tree shall be permitted to remain within such distance of such intersections unless the foilage line is maintained at sufficient height to prevent obstructions

of such sight lines. No fence shall exceed six (6) feet in height, and all fences along side and rear Lot lines shall be not less than four (4) feet in height. The Architectural Control Committee may, in its discretion, permit a fence to exceed six (6) feet in height. Fences must be of ornamental iron, wood or masonry construction. No chain link fences shall be permitted, except to enclose swimming pools and only if they are not visible from the street.

Section 5. Building Location. No structure shall be located on any Lot between the building setback lines shown on the Subdivision Plat and the street. No building shall be located nearer than five (5) feet to any interior Lot line, except that the Architectural Control Committee may, in its discretion, permit a building to be located not nearer than three (3) feet to any interior Lot line provided that the distance between said building and the building on the adjacent Lot having as a common Lot line said interior Lot line is a minimum of ten (10) feet. Further, a garage or other permitted accessory building located seventy (70) feet or more from the front Lot line may be located within three (3) feet of any side or an interior Lot line. Notwithstanding the foregoing minimum side yard provisions to the contrary, in no event shall the sum of the widths of the side yards of any Lot (except in the case where a garage or other permitted accessory building is set back seventy [70] feet as above provided) be less than fifteen percent (15%) of the width of the Lot measured, to the nearest foot, along the front setback line shown on the Subdivision Plat. For the purposes hereof, the term "side yards" shall mean and refer to that portion of the Lot lying between the side Lot line and a line coincident with the exterior wall of the structure situated on such Lot which is nearest such side Lot line. No main residence building nor any part thereof shall be located on any Lot nearer than fifteen (15) feet to the rear Lot line, nor upon any utility easement or pipeline easement situated on any Lot adjacent to any rear Lot line. For the purposes of this Section, eaves, steps, and open porches shall not be considered as a part of the building; provided, however, that the foregoing shall not be construed to permit any portion of a building on any Lot to encroach upon another Lot or any easement along the Lot lines. For the purposes of this Supplemental Declaration, the front line of each Lot shall coincide with and be the property line having the smallest or shortest dimension abutting a street. Unless otherwise approved in writing by the Architectural Control Committee, each main residence building will face the front of the Lot, and each detached garage will be located at least seventy (70) feet from the front of the Lot on which it is situated and will be provided with a driveway access from the front of the Lot; provided that such access may be from the front or side of corner Lots, unless such side access would be from a major thoroughfare (defined, for the purposes hereof, as any street having a right of way 80 feet or more in width), in which event access to the garage must be from the front of the Lot and the garage must open toward the front of the Lot.

Section 6. Minimum Lot Area. No Lot shall be resubdivided, nor shall any building be erected or placed on any such resubdivided Lot, unless such resubdivided Lot shall have an area of not less than 6,000 square feet; provided, however, that nothing contained herein shall be construed to prohibit the resubdivision of any Lot or Lots within the Properties if such resubdivision results in each resubdivided Lot containing not less than the minimum Lot area aforesaid.

Section 7. Annoyance or Nuisances. (a) no noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may become an annoyance to the neighborhood. (b) No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats, or other household pets (not to exceed three (3) adult animals) may be kept provided that they are not kept, bred, or maintained for any commercial purpose. (c) No spirituous, vinous, malt liquor or medicated bitters capable of producing intoxication shall ever be sold or offered for sale, on any Lot, or any part of the Properties, nor shall any Lot or any part thereof be used for illegal or immoral purposes. (d) No truck, bus, motor home, boat, or trailer shall be left parked in or on the street adjacent to any Lot, or in the driveway or on any other portion of any such Lot exposed to public view (except for construction or repair equipment, only while a house or houses are being built or repaired in the immediate vicinity), unless such vehicle is in day-to-day use off the premises and such parking is only temporary, from day-to-day; provided, however, that nothing herein contained shall be construed to prohibit the storage of an unused vehicle in an enclosed garage on any Lot. (e) No septic tank or private water well shall be permitted on any Lot.

Section 8. Temporary Structures. No structure of a temporary character, whether trailer, mobile home, basement, tent, shack, barn, or otherwise, shall be maintained or used on any Lot at any time as a residence, or for any other purpose, either temporarily or permanently; 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. Such facilities may include, but not necessarily be limited to, sales and construction offices, storage areas, model units, signs and portable toilet facilities.

Section 9. Signs and Billboards. No signs, billboards, posters, or advertising devices of any character shall be erected, permitted, or maintained on any Lot except (i) one sign of not more than five (5) square feet advertising the particular Lot on which the sign is situated for sale or rent and (ii) one sign of not more than five (5) square feet to identify the particular Lot as may be required by the Federal Housing Administration or Veteran's Administration during the period of actual construction of a single-family residential structure thereon. The right is reserved by Declarant to construct and maintain such signs, billboards or advertising devices as is customary in connection with the general sale of property in the Subdivision. In no event shall any sign, billboard, poster or advertising device of any character, other than as specifically prescribed in the first sentence of this Section 9. be erected, permitted, or maintained on any Lot without the express prior written consent of the Architectural Control Committee.

The term "Declarant" as used in this Section 9. and in Section 8. above shall refer to Lexington Development Company and such of its successors or assigns to whom the rights under this Section 9. and/or Section 8. above are expressly and specifically transferred.

Section 10. Storage and Disposal of Garbage and Refuse. 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 sanitary covers or lids. Equipment for the storage or disposal of such waste materials shall be kept in clean and sanitary condition. No Lot shall be used for the open storage of any materials whatsoever, which storage is visible from the street, except that 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.

Section 11. Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon any of the Properties, nor shall oil wells, tanks, tunnels, mineral excavations or shafts, be permitted upon any of the Properties. No derricks or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any of the Properties.

Section 12. 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 or incident to construction of improvements thereon as herein permitted or permit the accumulation of garbage, trash, or rubbish of any kind thereon and shall not burn anything (except by use of an incinerator and then only during such hours as permitted by law) on any part of the Properties. 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 successors and assigns may, at its option, without liability to the Owner or occupant in trespass or otherwise, enter upon said Lot and cause to be removed such garbage, trash and rubbish or do any other thing necessary to secure compliance with this Supplemental Declaration in order 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 such Lot to pay such statement immediately upon receipt thereof.

Section 13. Use of Common Properties. There shall be no obstruction of any part of the Common Properties, which are intended to remain unobstructed for the reasonable use and enjoyment thereof. No Owner shall appropriate any part of the Common Properties to his exclusive use, nor shall any Owner do anything which would violate the easements, rights, and privileges of any Owner in regard to any portion of the Common Properties which is intended for the common use and benefit of all Owners. Except as may be herein permitted, no Member shall plant, place, fix, install, or construct any vegetation, hedge, tree, shrub, fence, wall, structure, or improvements or store any of his personal property on the Common Properties or any part thereof without the written consent of the Association first obtained. The Association shall have the right to remove anything placed on the Common Properties in violation of the provisions of this Section 13, and to recover the cost of such removal from the Owner responsible.

ARTICLE IX

General Provisions

Section 1. Duration. The covenants and restrictions of this Supplemental Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or the Owner of any land subject to the Declaration or any Supplemental Declaration, their respective

legal representatives, heirs, successors, and assigns, for an initial term commencing on the effective date hereof and ending on December 31, 2017. During such initial term the covenants and restrictions of this Supplemental Declaration may be changed or terminated only by an instrument signed by not less than ninety percent (90%) of the Lot Owners in the Subdivision and properly recorded in the appropriate records of Harris County, Texas. Upon the expiration of such initial term, said covenants and restrictions (as changed, if changed), and the enforcement rights relative thereto, shall be automatically extended for successive periods of ten (10) years. During such ten (10) year extension periods, the covenants and restrictions of this Supplemental Declaration may be changed or terminated only by an instrument executed by not less than seventy-five percent (75%) of the Lot Owners in the Subdivision and properly recorded in the appropriate records of Harris County, Texas.

Section 2. Enforcement. The Association, as a common expense to be paid out of the Maintenance Fund, or any Owner at his own expense, shall have the right to enforce, by proceedings at law or in equity, all restrictions, covenants, conditions, reservations, liens, charges, assessments, and all other provisions set out in this Supplemental Declaration. Failure of the Association or of any Owner to take any action upon any breach or default of or in respect to any of the foregoing shall not be deemed a waiver of their right to take enforcement action upon any subsequent breach or default.

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

(a) Additions by Declarant. The Declarant, its successors and assigns, shall have the right to bring within the scheme of the Declaration additional properties in future stages of the development upon FHA/VA approval of each of such future stages, if such future stages are a part of the previously FHA/VA approved general plan of the entire development. Any additions authorized under this and the succeeding subsections shall be made by securing the required FHA/VA approval and the filing of record of a Supplemental Declaration of Covenants, Conditions and Restrictions with respect to the additional property which shall extend the scheme of the covenants, conditions and restrictions of the Declaration to such property. Such Supplemental Declaration must impose an annual maintenance charge assessment on the property covered thereby, on a uniform, per lot basis, substantially equivalent to the maintenance charge and assessment imposed by the Declaration, and may contain such complementary additions and/or modifications of the covenants, conditions and restrictions contained in the Declaration as may be applicable to the additional lands.

(b) Other Additions. Upon the approval of two-thirds (2/3rds) of each class of membership of the Association, additional property may be annexed to the scheme of development and subjected to the jurisdiction of the Association, by filing of record a Supplemental

Declaration of Covenants, Conditions and Restrictions, and upon the satisfaction of the conditions specified in Subsection (a) above. As long as there is a Class B Membership, as that term is defined in Section 5 of Article IV of this Supplemental Declaration, such annexation shall require the approval of FHA/VA as specified in Subsection (a) above.

(c) Mergers. Upon a merger or consolidation of the Association with another association, upon the obtaining of the consent of two-thirds (2/3rds) assent of each class of membership, 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, conditions 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 the Declaration or any Supplemental Declaration.

Section 4. Amendments by Declarant. The Declarant shall have and reserves the right at any time and from time to time, without the joinder or consent of any other party to amend this Supplemental Declaration by any instrument in writing duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by the Declaration and all Supplemental Declarations and shall not impair or affect the vested property or other rights of any Owner or his mortgagee.

Section 5. Interpretation. If this Supplemental Declaration, or any word, clause, sentence, paragraph, or other part thereof shall be susceptible of more than one or conflicting interpretations, then the interpretation which is most nearly in accordance with the general purposes and objectives of the Declaration and all Supplemental Declarations shall govern.

Section 6. Omissions. If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity, or effect to any other word, sentence, or provision appearing in this Supplemental Declaration shall be omitted herefrom, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence, or provision shall be supplied by inference.

Section 7. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Supplemental Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 8. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the necessary grammatical changes required to make

the provisions hereof apply either to corporations or individuals, males or females, shall in all cases be assumed as though in each case fully expressed.

Section 9. Severability. Invalidation of any one or more of the covenants, restrictions, conditions, or provisions, or any part thereof, contained in this Supplemental Declaration, shall in no manner affect any of the other covenants, restrictions, conditions or provisions hereof, which shall remain in full force and effect.

Section 10. FHA/VA Approval. So long as there shall be a Class B Membership in the Association, the following actions will require the prior approval of the Federal Housing Administration or the Veteran's Administration: annexation of additional properties, merger or consolidation of the Association with another association, dedication of common areas, and amendment of this Supplemental Declaration.

Section 11. Dissolution. The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3rds) of each class of Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE X

Ratification: Lienholder

SOUTHWESTERN SAVINGS ASSOCIATION, the owner and holder of the sole lien covering all of the Properties, has executed this Supplemental Declaration to evidence its joinder in, consent to, and ratification of the imposition of the foregoing covenants, conditions, and restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein and the Lienholder, have executed this Supplemental Declaration to be effective, this the 2nd day of December, 1977.

ATTEST:

LEXINGTON DEVELOPMENT COMPANY

Assistant Secretary

BY _____ President

ATTEST:

SOUTHWESTERN SAVINGS ASSOCIATION

Assistant Secretary

BY _____ Lienholder

182-01-0463

THE STATE OF TEXAS X

COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, on this day personally appeared JAMES T. PRICE Vice President of LEXINGTON DEVELOPMENT COMPANY, 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, as the act and deed of such corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 2nd day of DECEMBER, A.D. 1977.

Joan D. Henry
NOTARY PUBLIC in and for
Harris County, T E X A S

THE STATE OF TEXAS X

COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, on this day personally appeared Larry E. Inman, Vice President of SOUTHWESTERN SAVINGS ASSOCIATION, 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, as the act and deed of said SOUTHWESTERN SAVINGS ASSOCIATION, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 1st day of December, A.D. 1977.

M. L. Jean Geary
NOTARY PUBLIC in and for
Harris County, T E X A S

M. L. Jean Geary
Notary Public in and
For Harris County, Texas
My commission expires
May 17, 1979.

Lexington Development Co.
P.O. Box 35705
Hou. Tex 77035